

**LINCOLNSHIRE POLICE AUTHORITY  
FINANCE AND PERFORMANCE COMMITTEE  
9 FEBRUARY 2010**

<b>SUBJECT</b>		<b>POLICE AUTHORITY RISK REGISTERS</b>	
REPORT BY	DEPUTY CHIEF EXECUTIVE & TREASURER		
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<b>SUMMARY AND PURPOSE OF REPORT</b>			
To review and update the risks that are relevant to the Finance and Performance Committee.			
<b>RECOMMENDATIONS</b>	<p><i>That:</i></p> <ol style="list-style-type: none"> <li><b>1. Members discuss the risks that are relevant to the Committee, making amendments or changes as necessary;</b></li> <li><b>2. any new or emerging risks are identified;</b></li> <li><b>3. any existing and new/developing control measures are highlighted</b></li> <li><b>4. Members consider re-evaluating the inherent and current risk scores associated with Risk B on the critical risk register.</b></li> </ol>		

**A. SUPPORTING INFORMATION**

**1. Top issues and risks for the Finance and Performance Committee**

- 1.1 The Chairman of the Finance and Performance Committee currently sponsors 2 critical risks:
- Failure to achieve and demonstrate efficiencies and value for money (Red 9)
  - Failure to persuade government of Lincolnshire's case for a fairer share of national funding, particularly in light of the forecast economic outlook (Red 9)
- 1.2 The Chairman also sponsors 1 non critical risk and shares an additional non critical risk with the Chairman of the Audit, Risk and Governance Committee (indicated with an asterisk).
- Inability to set or articulate meaningful rigorous challenges around Force performance (Amber 4)
  - Performance and resources are not considered together (Amber 4)\*
- 1.3 The Executive Summary is attached at Appendix 1, the Critical Risk Register at Appendix 2 and the Non Critical Risk Register at Appendix 3.

- 1.4 Members will be aware that the risks highlighted in this report relate to the Authority's current objectives and will require reviewing once the new objectives are agreed.
- 2. Areas for discussion from the Critical Risk Register**
- 2.1 Risk A: *Failure to achieve and demonstrate efficiencies and value for money leading to poor results in CAA Use of Resources inspection and associated negative reputational consequences.***
- 2.1.1 This is a high priority action on the Finance and Performance Committee's Work Plan.
- 2.1.2 Members will be aware that the Home Office White Paper 'Protecting the Public: supporting the police to proceed' indicates that the Policing Plan should include a Value for Money statement, setting out any planned improvements in efficiency and productivity of the police force during the plan period.
- 2.1.3 At the time of writing this report, the inaugural meeting of the Joint Authority/Force Value for Money Board was being arranged. The Board will be chaired by the Chairman of the Authority and the DCC with membership including the Chairman of the Finance and Performance Committee. An oral report of progress will be given at the meeting.
- 2.1.4 It is suggested that the Committee review progress to date and discuss any additional actions (bearing in mind resource allocation) to control and manage this risk.
- 2.2 Risk B: *Failure to persuade government of Lincolnshire's case for a fairer share of national funding, particularly in light of the forecast economic outlook leading to more pressure on local council tax precept and/or resulting in the Authority's inability to provide sufficient resources to deliver services.***
- 2.2.1 In recognition of the forthcoming general election and the consequent dubious value in lobbying the current government, this is a medium priority action on the Finance and Performance Committee's Work Plan.
- 2.2.2 Given that this risk is a medium priority on the work plan, Members are invited to discuss if they wish to re-assess the inherent and current risk scores. The overall inherent (no controls applied) risk score for this risk is 'Red 12'. The current risk (control measures applied) score is 'Red 9'. The Committee may wish to consider 'tolerating' this risk to a greater extent i.e. consider re-evaluating the inherent and current risk scores.
- 2.2.3 The Committee is invited to highlight any control measures that are in place but have not been captured on the risk register and to discuss the need for any further control mechanisms (bearing in mind resource allocation).
- 3. Area for discussion from the Non Critical Risk Register**
- 3.1 Risk F: *Inability to set or articulate meaningful rigorous challenges around Force performance leading to Authority inability to add value to the process and the loss of respect and co-operation of the Force.***
- 3.2.1 As noted at the last Finance and Performance Committee Meeting, additional meetings will be convened to enable the agendas to be prioritised according to finance and performance matters. It is suggested that the planned control measure - 'F&P better

prepared and briefed to carry out performance management' has therefore been partially satisfied.

3.2.2 However, it is suggested that the Committee continue to monitor its ability to effectively hold the Force to account with regard to performance issues.

3.2.3 The Committee is invited to highlight any control measures that are in place but have not been captured on the risk register and to discuss the need for any further control mechanisms (bearing in mind resource allocation).

## **B. FINANCIAL CONSIDERATIONS**

The costs of risk treatment and risk financing are variable.

## **C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS**

Risk management is an integral component of the Comprehensive Area Assessment/Audit Commission's Use of Resources (UoR) assessment. It is also considered to protect and add value to the organisation and its stakeholders by:

- Providing a framework for control,
- Having better informed and improved decision making
- Reducing volatility
- Ensuring efficient use of resources
- Having improved stakeholder relationships
- Protecting and enhancing physical assets
- Protecting and enhancing reputation
- Developing and protecting human assets.

## **D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES**

There may be personnel and diversity issues associated with individual risks. These will be detailed where necessary on the risk register.

## **E. REVIEW ARRANGEMENTS**

The Audit, Risk and Governance Committee maintain an overview of corporate risk management. The Finance and Performance Committee will review risks relevant to the Committee on a quarterly basis.

## **F. RISK MANAGEMENT**

Risks to the Authority not achieving its objectives are detailed in Appendix 1, 2 and 3.

## **G. LIST OF BACKGROUND PAPERS**

<b>Date</b>	<b>Description</b>	<b>File</b>
2002	A Risk Management Standard, AIRMIC, ALARM, ARM	PA Office
2004	Management of Risk and Uncertainty Delegate Workbook	PA Office
2007	LPA Risk Management Strategy	PA Office
2007	ALARM Benchmarking Risk Management	PA Office
2007	CIPFA Delivering Good Governance in Local Government	PA Office