POLICE RISK REGISTER ANALYSIS

Managing risks effectively, efficiently and proportionately

November 2016
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EXECUTIVE SUMMARY

It is against a backdrop of continued funding pressures, changes in levels and types of crime, an increased national profile for crime and policing, coupled with greater emphasis on enhanced collaboration within the emergency services sector, that we have undertaken a further analysis of police strategic risk registers.

We are often asked for comparative data to enable police and crime commissioners (PCCs) and police forces to consider:

• how do our risks compare? and
• are we missing any significant risks?

This paper provides information to help forces, Office of the Police and Crime Commissioners (OPCCs) and audit committees to review and challenge their own risk profiles and to help with ongoing risk identification and horizon scanning. It provides the outcomes of our analysis of police risk registers and highlights key risk changes within the sector over the last two years (when RSM last undertook this analysis).

The policing sector currently faces a number of challenges, including:

• reductions in police officer numbers at a time when the service is faced with funding reductions and new challenges, yet the demand on each force is not reducing in the same way;
• digital or ‘cyber’ crime is growing, with increasingly sophisticated criminals in operation, while the police IT infrastructure is aging;
• a new legislative requirement is due to be introduced, which places a statutory duty on the police to consider all collaborative opportunities that hold efficiency or effectiveness benefits; and
• increasing public expectations of the police service including enhancing the service provided to victims of crime.

Given the nature of policing when things go wrong there can be serious consequences, which may threaten life or pose a threat to officer or public safety.

Unfortunately, even the best risk management can never negate the potential for a risk to materialise. However, ensuring risk is understood and managed effectively, efficiently and proportionately can, and does help. We encourage OPCCs and forces to consider their own understanding of the current risks they are facing and how they are managing these. This document will be a useful sense check for forces and OPCCs to utilise when considering their risks; an activity that is particularly beneficial during times of change.

We know that forces and OPCCs are constantly considering the changes required to deal effectively with new forms of crime and technological advancements. Forces and OPCCs are also actively considering workforce changes and service realignment, which is necessary to ensure savings targets can be met and the organisations operate effectively within the funding allocation. Furthermore, consideration should be given to the robustness of assurances received to provide comfort that controls in place to manage and mitigate risks are indeed effective, or to highlight where controls in place may be insufficient or not operating as intended. In particular, we have identified a number of areas for improvement in risk management and internal control across the policing sector.

**Daniel Harris**  
Partner and Head of RSM’s Emergency Services Sector
OVERVIEW OF POLICE RISKS

In undertaking our analysis we examined the contents of 20 strategic risk registers, examining a total of 341 individual risks. Our analysis was formed of nine OPCC risk registers, seven police force risk registers and four jointly held risk registers (between the OPCC and force). 38 per cent of the risks within our analysis are taken from force risk registers, 32 per cent from OPCC risk registers and 30 per cent from joint strategic risk registers. This mix has allowed us to examine a variety of risks within the sector and allows us to provide a picture of those key risks faced by forces and OPCCs at this time.

Our analysis shows that financial, information technology and operational risks continue to be significant areas of concern for the sector. Police funding, including potential changes to the funding formula, has been a source of debate over recent years, particularly as forces seek to maintain operational capabilities within a tight fiscal environment. The sector is also facing new types of crime, particularly digital crime, which is an increasingly important factor as police forces continue to use aging technological systems themselves. In addition, forces may not have sufficient resource available and officers may not be fully equipped with the knowledge and skills needed to tackle this growing threat.

As part of our analysis we have classified each risk by theme. The graph opposite shows the breakdown and provides a full view of the major risk themes across the risk registers reviewed.

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Whilst financial risks continue to be a key concern, the number of IT risks has increased since 2014

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We last undertook a sector-wide risk study in 2014; two years on, many of the central risk themes remain. The top four risk themes in 2014 were operations, financial, collaboration / partnerships and IT; our latest analysis of police risk registers show the same risk themes, albeit there has been some movement, particularly with regards to the number of IT risks recorded, which could be impacted by the changes in the environment identified above. This is further analysed below.

<table>
<thead>
<tr>
<th>TOP RISK THEMES</th>
<th>PERCENTAGE OF RISKS IN 2014</th>
<th>PERCENTAGE OF RISKS IN 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Information technology</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>Operations</td>
<td>11</td>
<td>13</td>
</tr>
<tr>
<td>Collaborations and partnerships</td>
<td>8</td>
<td>9</td>
</tr>
</tbody>
</table>
Our analysis shows that for all force risks, the majority (25 per cent) focus on IT and 22 per cent focus on operations. The majority (22 per cent) of OPCC risks focus on finance risks specifically, while strategy, reputation and collaboration and partnerships risks are significant factors.

In terms of those joint risk registers, our analysis shows that 15 per cent are focused on workforce matters, 13 per cent relate to regulation and standards and 11 per cent relate to IT. What this highlights is not only differences in individual organisational risk profile but that, as perhaps anticipated, police forces are more concerned about operationally fulfilling their role and remit effectively, while PCCs consider financial risks to be more of a strategic concern which is in line with their respective responsibilities.
The top three risk themes for forces and OPCCs have not changed since 2014, albeit, as identified above, IT risks have become more of an issue for forces and strategy risks have overtaken collaboration risks within OPCCs. However this is marginal, with only a 0.5 percentage point difference between strategy and collaboration risks identified in our latest analysis. With emergency services collaboration now firmly on the government’s agenda, collaboration outside of the police sector presents greater opportunities for enhanced public services, more joined up working practices as well as possible financial savings.

The biggest changes are seen in joint risk registers. However in 2014 we examined only 25 jointly held individual risks; in our latest analysis we have examined a total of 108 jointly held risks, despite examining the same number of risk registers overall in 2014 and 2016. This demonstrates that the latest risk registers examined were of much greater depth and included a far wider risk profile. This indicates that audit committees and risk managers have undertaken far greater work in recent years to ensure that risk registers capture all of those significant risk areas and appropriately reflects the force and OPCC. This far greater coverage allows us to gain a deeper understanding of those core risks contained on jointly held risk registers.

The tables below provide a comparison of the central three risk themes in force, OPCC and joint risk registers, in 2014 and our latest analysis.
How big a risk?
While each organisation measures its risks in different ways, a number of the risk registers we examined in our latest analysis exercise utilised a high, medium and low approach to categorise the severity of risks identified. We have therefore used this categorisation approach in our analysis. We determined that overall, 26 per cent of residual risks are recorded on the corporate risk register as high; 49 per cent are recorded as medium risk; and 25 per cent are recorded as low risk.

Those principal high risks relate to finance, operations and IT. As discussed earlier, these three areas were where we saw the most risks identified; so they not only account for the most risks in terms of quantity, but many of them are also considered high in terms of severity. High severity risks are analysed in further detail in the graph below.

**FIGURE 3: HIGH RESIDUAL RISK THEMES ACROSS ALL RISK REGISTERS**

- Financial: 27.3%
- Operations: 14.8%
- IT: 11.4%
- Reputation: 8%
- Collaboration and partnerships: 6.8%
- Infrastructure and assets: 6.8%
- Regulation and standards: 5.7%
- Information and evidence: 5.7%
- Strategy: 4.5%
- Workforce: 4.5%
- Governance: 4.5%
In terms of severity, those principal high risks relate to finance, operations and IT.
RISKS IN DETAIL

We now take each of the key themes and examine the nature of risks that police forces and PCCs are identifying.

Financial

Financial risks, as expected, continue to be a key feature on police risk registers, accounting for 14 per cent of all risks. Since 2010 the sector has felt the impact of funding cuts; however, the Chancellor announced in the 2015 spending review ‘that there will be real terms protection for police funding’. While there may have been some relief within the sector, police funding for 2016/17 will only be protected if an increase of 2 per cent is applied within the council tax police precept. The autumn statement on the 25 November 2015 committed an increase of £900m in police funding by 2019/20, yet it remains unclear how much of this £900m is anticipated to come from increases in council tax and if there will be any further potential ‘top slicing’ for national initiatives. What remains is a sense of continued financial uncertainty within the sector, which is mirrored within the risks on police risk registers.

30 per cent of finance associated risks directly link to funding. There are concerns regarding future years’ central government funding allocations and the potential negative impacts should funding reduce. There are concerns that the Chief Constables and PCCs will be unable to deliver their priorities and commitments, ensure operational effectiveness and continue to reduce crime should funding reduce further.

Some of the risk registers we examined made reference to the police funding formula. Following consultation in September 2015, a statistical error was identified meaning that proposed funding formula changes for 2016/17 will be delayed by at least 12 months. By his own admission, former Policing, Fire and Criminal Justice Minister Mike Penning has noted that the issue ‘caused great concern to police forces around this country’ and until the government announces the detailed changes, the issue continues to be a further source of uncertainty.

Against a backdrop of funding concerns, 19 per cent of finance risks focus specifically on inadequate financial management. There are concerns that there may be ineffective financial control arrangements within the organisation, which means that income is not maximised and used effectively and efficiently. We would encourage all forces and OPCCs seek assurance that appropriate financial planning and control

1 HM Treasury Spending review and autumn statement 2015 November 2015
2 House of Commons Oral answers to questions Communities and Local Government 9 November 2015
arrangements are not only in place but are sufficiently robust and that savings identified are fully costed, realistic and being delivered. This will help ensure that funding is targeted on priority services and projects.

Other finance related risks focus on: the implications should forces exceed their allocated budgets and concerns that the force or OPCC will be subject to unsustainable costs (such as those related to pensions and equipment).

A number of risks are focused on a potential inability to deliver required savings. There are concerns that current funding, coupled with the need to achieve savings, will ultimately impact upon service delivery. This may well hinder the police service as it seeks to deal and adapt to increasingly new types of crime.

Her Majesty's Inspectorate of Constabulary (HMIC) has stated that police forces 'are planning to reduce their spending by £1.9bn between 2015/16 and 2018/19\(^3\), with the majority of savings coming from pay costs. From March 2015 to March 2018 the police workforce is predicted to fall from 197,100 to 185,000 to deliver cost savings. Whilst the size of the workforce may be deemed unsustainable, HMIC has noted that the majority of forces do not have a clear understanding of their future demand. This uncertainty is perhaps mirrored in the data supplied to HMIC; the inspectorate notes that the predicted fall in workforce numbers does not include police officer and PCSO data for three forces and does not include staff numbers for five forces due to forecast figures (up to 2018) not being provided. There appears to be a lack of clarity in relation to police workforce data which is further highlighted by police statistics published by the Office for National Statistics. We would encourage forces to think carefully about their future demand and saving plans and ensure they have the capacity and resources necessary to deliver core priorities (both current and medium term).

Perhaps unsurprisingly there is a sense of financial uncertainty within the police risk registers in our sample.
In considering the severity of finance risks only, only 4.5 per cent of risks were considered to be low risk. 54.5 per cent of finance risks were high and 41 per cent were medium risk. This illustrates the scale of finance related matters for police forces and OPCCs at this time.

As the spending review did not bring the direct funding cuts anticipated by many within the sector, now is a timely juncture to reassess saving plans and budgets for services, to ensure that funding continues to be focused on priority areas and what matters most, such as crime prevention and safeguarding victims of crime.
IT
New types of technological crime are emerging. It is against this backdrop that police forces must keep abreast of new technology and ensure their own IT systems are fit for purpose. Our review has found that 14 per cent of all police risks are concerned with IT related matters.

IT risks accounted for 8 per cent of all risks within the risk registers we examined in 2014. Two years on, this has increased by 6 percentage points. In general, the police service has aging IT systems, which in effect hinder the ability of police forces to efficiently undertake their role and to respond adequately to digital / cybercrime. All of the IT risks within risk registers were related to the force or OPCC’s IT infrastructure and its vulnerabilities; we were surprised there was no explicit reference to the operational role of police forces in terms of tackling new forms of digital / cybercrime, which pose a threat to individuals, businesses, and other organisations.

Technology has the potential to transform the police sector. Replacing old systems, however, is a complex challenge but one that some police forces are beginning to address. In so doing, a number of forces are taking a collaborative approach designed to improve business functions as well as deliver substantial cost savings. One example is the collaboration currently taking place between Bedfordshire, Hertfordshire and Cambridgeshire, which anticipates savings in excess of £23m.

Indeed, improvements in IT have been made but looking at risk profiles there is clearly still work to do. This is highlighted by the former Home Secretary, Theresa May, who noted that, at the time the government came to power in 2010, police forces were spending £1bn per year on IT; by 2015/16, this is estimated by HMIC to be approximately £600m. Improvement in the IT infrastructure, particularly through joint initiatives, is a priority for the government and any additional funding by way of a transformation fund bidding process, which was established as part of the 2015 spending review and the first round of successful bids announced in August 2016, is surely welcome.

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Figure 6: Breakdown of IT related risks by topic

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformation</td>
<td>21%</td>
</tr>
<tr>
<td>Management</td>
<td>17%</td>
</tr>
<tr>
<td>System implementation</td>
<td>15%</td>
</tr>
<tr>
<td>Personnel</td>
<td>13%</td>
</tr>
<tr>
<td>Upgrades</td>
<td>11%</td>
</tr>
<tr>
<td>Data protection and cyber attack</td>
<td>8.5%</td>
</tr>
<tr>
<td>Failure and capacity</td>
<td>8.5%</td>
</tr>
<tr>
<td>Licence and support expiry</td>
<td>6%</td>
</tr>
</tbody>
</table>

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Six percentage point increase in the number of IT risks since 2014

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Speech by Home Secretary Theresa May MP at the Police ICT company suppliers summit 27 January 2016
The risk registers we examined contained a variety of IT related risks. The most common risks (21 per cent) related to IT transformation; this was closely followed by risks relating to IT management (17 per cent). There are concerns there will be failures or problems encountered when transitioning to new systems or programmes, and that the scale of PCC and chief constable ambitions for transformation are unable to be fulfilled. IT management risks relate to concerns regarding the overall governance of IT services, potential insufficient monitoring of systems and the overall IT strategy, which may not take account of all departmental needs.

Other IT risks include:

- risks surrounding a failure to fully embed a new collaborative system within the force and for it to be seen as ‘business as usual’ as well as issues surrounding the absence of a back record conversion strategy. There are also concerns that a newly implemented system will impact upon operational performance;
- lack of people resource as the IT department has experienced high levels of resignations;
- technology upgrades are necessary due to products being either outdated or insufficiently robust;
- potential cyber-attack on force systems and the consequent loss of data. Such an event has the potential to disrupt the criminal justice process and may damage the force’s reputation;
- staff being targeted rather than specific systems in order to compromise IT security through methods of social engineering;
- a major ICT failure, as IT systems do not have the necessary capacity to meet the needs of the force; and
- the use of older Microsoft packages that are now unsupported, which mean that any system vulnerability can be exploited.
58 per cent of all IT risks are deemed to be medium risk in terms of severity; 21 per cent are high risk and 21 per cent are low risk. This demonstrates that whilst the number of IT risks may be relatively high, they are not considered to be as critical as some of those other risk themes in our analysis, such as those finance risks discussed earlier.

Our analysis showed that IT related risks were more often than not on police and joint risk registers. Only four per cent of IT risks were included on OPCC risk registers reflecting that most OPCCs use an infrastructure put in place by the force.
Operations

Operational risks make up 13 per cent of all risks within risk registers. All organisations will have risks in relation to their core role and responsibilities. As such, there are perhaps no surprises that operational associated risks are a key feature within risk registers.

HMIC’s latest review of police effectiveness found that 38 of the 43 forces were deemed to be good or outstanding in preventing crime and anti-social behaviour. A focus on crime prevention is perhaps demonstrated by the fall in the number of arrests since March 2007. Between March 2014 and March 2015 police in England and Wales made 950,000 arrests; seven per cent less than in the previous year. Whilst prevention is an area in which police are making considerable progress, there remains further work for forces in the areas of protecting vulnerable individuals and investigating crime.

With the service continuing to operate within the confines of strict budget allocations, forces and OPCCs are having to think carefully about where resources are allocated; we have seen forces having to take tough decisions about where resources will decrease. Forces and OPCCs are aware of public perception that police officers are becoming less visible in the community, which can not only impact upon crime levels but also impacts upon service reputation and community engagement and confidence. This issue in particular has received media attention, but reflects the fact that police forces simply cannot continue to police in the manner in which they have been with current funding. We encourage forces to ensure their departments/units are optimised to deliver services in the most efficient manner and fully understand their demand management to maximise the resources they do have.

29 per cent of all operational risks relate to performance factors, such as an inability to meet set targets, provide an effective and efficient service to vulnerable victims and failing to provide an adequate response to anti-social behaviour. 23 per cent of operational risks are focused upon specialist units within the force. Risks relate to: ensuring specialist teams are optimised to reduce demand on other areas; that specialist teams do not have the resources needed to meet increasing demand; a shortage of suitably trained individuals within specialist divisions; and ensuring units have appropriate accreditation, such as the international standard for testing and calibration laboratories (ISO17025). As crime is becoming more sophisticated it is important for specialist teams to have the right skills and resources to conduct investigations and to obtain evidence.

Other risks include:

- the police force overall fails to reduce demand for policing services and as a result is unable to provide an adequate response to crime and victims. There are concerns that forces fail to identify risk or assess caller vulnerability, due to constraints on police time;
- dealing appropriately with child sexual exploitation (CSE) cases and providing an effective service to victims;
- preventing radicalisation and threats that arise from terrorism; and
- due to reduced resources, forces are unable to deal with the impacts of critical events.

1 HMIC PEEL: Police effectiveness 2015 February 2016
2 Home Office Police powers and procedures, England and Wales, year ending 31 March 2015 November 2015
In terms of severity, 29.5 per cent of operational risks are high risk, 41 per cent are medium risk and 29.5 per cent are low risk. This demonstrates the real mix of risks that fall within the operational arena of police forces and highlights the various challenges facing the police forces of 2016.

**FIGURE 8: BREAKDOWN OF OPERATIONAL RELATED RISKS BY TOPIC**

- Performance: 29%
- Specialist units: 23%
- Increased demand: 20%
- CSE related: 14%
- Extremism: 7%
- Critical events: 7%

**FIGURE 9: PERCENTAGE OF OPERATIONAL RELATED RISKS BY SEVERITY**

- High risk: 29.5%
- Medium risk: 41%
- Low risk: 29.5%

Forces should ensure their departments /units are optimised to deliver services in the most efficient manner.
Collaboration and partnerships

From our 2016 analysis of police risk registers, it is clear that collaboration and partnership risks continue to be a significant factor. Collaboration risks account for nine per cent of all risks across police risk registers; in 2014, they accounted for eight per cent. Our analysis of police risk registers in 2014 and 2016 shows that many of the risks appear very similar in nature. There are risks that collaborative ventures fail to deliver intended benefits and that organisations fail to work effectively in partnership.

The police service has entered into partnership working to a greater extent in recent years, to deliver a more joined up service, through the sharing of information, and to deliver efficiency savings. However, former Policing Minister Mike Penning, has stated ‘there remain further efficiencies to be made from improved and better use of IT, from greater collaboration between forces and with other public services, and from improving workforce productivity’\(^7\). Coupled with the government’s response to the consultation on ‘Enabling closer working between the emergency services’\(^8\), further collaboration opportunities is something that all forces and OPCCs will be considering in greater detail. This consultation response confirms the government is to press forward with legislation to implement a duty for emergency services to collaborate in order to improve effectiveness or efficiency and for PCCs to take control of fire and rescue services where a case is put forward.

Whilst it will take time for the necessary legislation to be put in place, police services will be thinking about, and in some cases are already acting on, potential collaborations, or perhaps, considering what collaboration arrangements already in place could be further enhanced to achieve greater efficiencies and better ways of working. Moving forwards, we expect to see collaboration associated risks become even more prevalent on police risk registers. Yet, collaboration between forces is not new and many of those associated risks will be business as usual. It is collaboration within the wider emergency services sector which holds the potential for enhanced partnership working and we are already seeing collaboration being discussed in greater depth by audit committees. Audit committees often discuss joint working with NHS providers, which aligns to the government’s collaboration priorities including exploring and further developing joint working with the fire and rescue sector, and also other relevant bodies. Such as local authorities and the NHS.

Our analysis shows that 42 per cent of collaboration risks are focused upon partnership management. 35 per cent focus on ineffective collaborative arrangements and 23 per cent focus upon potential conflicting priorities where collaborating partners have different requirements, differing timescales, strategies and plans and in effect may be pulling in different directions.

\(^7\) Police grant report England and Wales 2016/17: written statement – HCWS426 December 2015  
\(^8\) HM Government Enabling closer working between the emergency services, summary of consultation responses and next steps January 2016
Interestingly, only 19 per cent of collaboration risks are deemed to be high risk; 52 per cent are medium risk and 29 per cent are low risk. This reiterates our earlier point, in that inter-force collaboration is now business as usual for many. However, with the government’s intention for greater collaboration between all emergency services, coupled with PCCs potentially having a much wider remit, we anticipate partnership risks, particularly in terms of severity, to become greater and more prevalent on risk registers. We would encourage forces to draw on those lessons learned from inter-force collaboration, as they embark on wider collaborative ventures with other parts of the emergency services sector.

Key risks relate to:

- a lack of effective consultation and that engagement on all relevant matters is not carried out;
- the need to modify existing collaborative arrangements to ensure they remain sustainable;
- collaborative ventures fail to deliver key objectives and priorities;
- failure to ensure all collaborating partners work together effectively. There are risks identified in relation to the underlying governance of partnership arrangements;
- the benefits of local devolution are not fully realised due to a failure to work effectively with leaders in the local community;
- potential restructures within partner organisations could lead to service reductions and reduced support;
- ineffective relationships with partners, which may impact upon the ability to influence strategies, policies and funding and may result in duplication or missed services;
- a failure to effectively share information with all partner organisations;
- failure to achieve and demonstrate value for money and effective use of public funds;
- threats posed by the withdrawal of an existing partner or potential partner; and
- forces may come under pressure to adapt their working practices to align with partners. Yet, this may not be in the best interest of the force.

Overall, only 19 per cent of collaboration risks are deemed to be high risk in terms of severity.
Regulation and standards

Risks relating to regulation and standards, which includes inspections and government plans, account for nine per cent of all risks recorded on risk registers. The majority (48 per cent) of regulation and standards associated risks relate to compliance factors.

There are risks relating to: a failure to comply with acts such as the Equality Act 2010, which may lead to bad publicity, legal sanctions and reputational damage; failures to appropriately handle and record complaints; failure to comply with Information Commissioner Office recommendations in relation to records management; and a failure to implement transparent processes, which ensure that statutory obligations are being adhered to. Police forces will need to ensure that reforms to police disciplinary and complaints systems, as part of the Policing and Crime Bill, are fully understood and adhered to once legislation is passed.

23 per cent of regulation and standards associated risks are concerned with policy and the sector landscape. There are risks that the sector landscape will change, through for example local devolution and government spending decisions, and that if national changes divert force resources, this may impact upon a force’s ability to deliver effective services and increased efficiencies. The emphasis on local devolution continues to grow, with a number of local deals put in place over the last two years. Whilst we have seen risks that the PCC and police force may fail to be fully engaged in the local devolution process, risks centred upon devolution are few. As local devolution deals are proposed, and in order for further improvements across a wider system to be realised, it is important for there to be a joined up approach which involves the whole emergency services sector. This will clearly link into the OPCC and force’s strategic planning processes.

Other risks include:

- HMIC inspection and Independent Police Complaints Commission poor outcomes;
- PCCs fail to meet the requirements of the Police and Crime Panel when their performance is assessed; and
- failure to ensure robust health and safety management and the risk that a serious health and safety incident occurs, which may lead to investigation and potential prosecution.

FIGURE 12: BREAKDOWN OF REGULATION AND STANDARDS RELATED RISKS BY TOPIC

![Figure 12: Breakdown of Regulation and Standards Related Risks by Topic](image-url)
Strategy
Ensuring the right strategic focus is important for resources to be allocated appropriately both now and in future. Our analysis shows that strategic risks account for nine per cent of all risks recorded on police risk registers. Of those strategic risks, most risks relate to the police and crime plan. There are concerns that: an acceptable police and crime plan will fail to be produced; that the plan will not be delivered; that it will not meet expectations and get support from key stakeholders; and that objectives fail to provide a clear enough focus on reducing crime and disorder. There are also risks concerned with strategic failures, such as failing to take the correct strategic decisions to ensure the effective use of resources to meet new developments and deliver anticipated changes.

Other risks include:

- failure to manage those risks associated with PCC 2016 elections. Whilst the PCC elections have passed without issue, there were concerns that if elections were not managed effectively, the OPCC may fail to achieve fairness and transparency and ‘business as usual’ may be affected;
- succession planning fails to ensure a suitable chief constable (or other senior member) is in place, which may mean the PCC would fail to deliver some of his core commitments, such as preventing crime and building confident communities; and
- failure to deliver long terms solutions for specialist support units. This includes a failure to appropriately manage firearms licensing.
**Infrastructure and assets**
For any organisation, its physical infrastructure and assets are an important part of its ability to perform its functions effectively; the police service is no different. Eight per cent of risks on police risk registers relate to infrastructure and assets.

The majority of risks (54 per cent) are focused on building failure. There are concerns that all or part of a critical building, such as a control room or data centre, will be lost through damage or be subject to major disruption. There may also be power or fuel failures and custody cell equipment represent a potential threat to safety. There are risks that capital resources will not be used to best effect, leading to project delays and impacting on service delivery, and risks regarding delivery of the estates strategy as there are clearly interdependencies with both change programmes and medium term financial plans. Of less in number, are risks regarding: vehicle procurement and the ability to not only maintain fleet numbers but procure specific types of police vehicles; ensuring effective management of PFI buildings; the potential for building security breaches; and keeping property safe on police premises.

Collaborative procurement does hold potential cost saving benefits for police forces, and we have already seen some examples of this in progress. However, there is variation in the sector’s approach to procurement in terms of the price paid for certain items, such as high visibility jackets, handcuffs and vehicles. We have seen some forces procuring alone to ensure they get the specification they have always had, whereas others are jointly agreeing on specification to be able to procure together and achieve greater economies of scale. There is the potential for forces to achieve greater value for money by procuring equipment jointly and we would encourage forces yet do so, to consider such options in full.

**FIGURE 14: BREAKDOWN OF INFRASTRUCTURE AND ASSETS RELATED RISKS BY TOPIC**

- Building failure: 54%
- Investment: 21%
- Vehicles: 11%
- Management: 7%
- Security: 7%
Reputation

While organisations may feel they have a good understanding of their reputation, it is nevertheless subjective, difficult to assess and measure. Within the police risk registers we examined in 2014, only three per cent of risks were focused on reputation; two years on reputation appears to be far more of an issue, accounting for seven per cent of all risks within our sample of risk registers.

Against a backdrop of funding cuts, police officer numbers have been reducing year on year since 2010. This may well have impacted upon police officer visibility within local communities and perhaps is just one of the reasons why 62.5 per cent of reputational risks were concerned with community engagement. Reductions in funding have led to service reconfiguration, and forces and OPCCs have needed to realign their strategies and priorities in the aim of achieving necessary savings.

There are risks that forces and PCCs fail to engage effectively with local residents to communicate key messages and fail to take account of their opinions and priorities through community consultation. There are concerns that a failure to maintain high ethical standards may have reputational consequences, for example through the use of stop and search. There are also concerns around ineffective complaints processes, that low turnout at PCC elections may harm the PCC’s legitimacy and the need to ensure effective engagement with local or national media.

25 per cent of risks address the issue of adverse public opinion directly, noting that a loss of public confidence will lead to reputational damage. There are risks that the PCC role falls into disrepute, either through their own actions, from within the OPCC or actions of other PCCs, and that external scrutiny may damage the ability of the force to cut crime and protect vulnerable individuals. There are also concerns that high profile legal cases will have adverse reputational consequences.

Many of the activities of police forces have the potential for adverse reputational consequences but OPCCs and forces must engage with local communities effectively as their co-operation is essential in helping to reduce crime.

Interestingly however, the majority (58 per cent) of reputational risks were found in OPCC only risk registers. This may reflect the fact that PCCs are publicly elected and therefore reputation and public accountability is an increasingly important factor.

62.5 per cent of reputational risks are concerned with community engagement

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FIGURE 15: BREAKDOWN OF REPUTATION RELATED RISKS BY TOPIC

- 62.5% Community engagement
- 25% Adverse public opinion
- 12.5% High profile case impacts
Workforce
Personnel or workforce associated risks made up seven per cent of risks within police risk registers in 2014. With our latest analysis we can confirm there has been no movement in this area and two years on, personnel / workforce risks still account for seven per cent of risks recorded.

Workforce related risks recorded by forces and OPCCs are diverse and relate to employee absence, conduct, morale, recruitment, training and welfare.

Risks include:

• failure to recruit police officers and the loss of key personnel. There are concerns that there are high levels of attrition within certain departments, which leads to a lack of resilience and the need to go through the recruitment process more often;
• prolonged industrial action by key employees which affects service delivery;
• the impacts of sickness absence on service delivery. There are concerns that despite reductions in officer numbers, sickness absence levels have not reduced;
• that a member of the service acts in a discriminatory manner and the ramifications should corrupt officers be employed;
• as a consequence of government funding cuts, employee morale is negatively impacted;
• employees are undertaking roles not within their job descriptions which may lead to a disengaged workforce;
• organisational changes affect employee motivation meaning that improved productivity and efficiencies are not achieved;
• inability to meet training requirements or that training is of poor quality; and
• an employee is subject to assault or injury and that the welfare of officers and staff is not fully safeguarded.

Given the ongoing changes within the organisations following the funding reductions, collaboration and realignment of services, it is perhaps no surprise that workforce related issues may arise and be ongoing throughout this period.
National statistics confirm that the police workforce is reducing; on 31 March 2016 there were 124,066 police officers in England and Wales, 2.5 per cent less than the previous year. Over the course of the year the total workforce also reduced from 207,729 to 200,922\textsuperscript{10}. The personnel and officer landscape is changing, and will continue to do so. Police forces face the challenge of ensuring a motivated workforce, that is sufficiently rewarded for their efforts, and which meets the needs of the community. While there is evidence that levels of crime are reducing in areas such as crimes against households and resident adults\textsuperscript{11}, the demand on police has not been reducing in the same way; forces need to manage the effects of new forms of crime and in so doing it will be important to ensure they understand their future workforce needs by truly understanding their demand management.

The announcement that police volunteers will be provided with new powers (under the Policing and Crime Bill) without taking on the role of special constable may be welcomed as it has the potential to free up police officer time and allow them to focus on their priorities.

\textsuperscript{10}Home Office Police workforce, England and Wales, 31 March 2016 July 2016
\textsuperscript{11}Office for National Statistics Crime in England and Wales: year ending Mar 2016 July 2016
Governance

Sound governance is the cornerstone of an effective, well managed and service focused organisation and is necessary to ensure clear leadership and strategy. Governance risks accounted for six per cent of risks across all of the risk registers we examined. The police service has rightly been focused on providing an effective and efficient service, which has been more difficult as funding has reduced. However, governance risks may become more prevalent once the Policing and Crime Bill becomes an act of Parliament. With the remit of PCCs potentially becoming far wider, as they take on control of fire and rescue services (where a case is made), internal structures will need to change. Interestingly however, the risk registers in our analysis did not make reference to any potential governance changes as a result of the PCC taking on control of fire services. PCCs may well be waiting for the Policing and Crime Bill to be thoroughly debated on, any amendments to be incorporated, and royal assent before considering what actions to take and therefore, what risks may be present.

Where a PCC takes on responsibility for fire and rescue services there are broadly two models that can be adopted: a governance model and a single employer model. Any internal governance changes need to be carefully managed to ensure there are no adverse effects on emergency services operational capability, and with the election of PCCs, there is the potential period change in governance structures with the OPCC.

40 per cent of all governance risks are concerned with governance failures and effective oversight and management. Some of the risks concerning governance failure are far reaching and includes: failure to ensure effective scrutiny and transparency arrangements; failure to ensure accountability and hold those in senior roles to account; and a failure to apply the principles of good governance, including the Nolan principles of public life. 40 per cent of governance risks are in relation to internal structures specifically. Risks include: the chief constable is not supported or challenged; the PCC fails to build an effective team to ensure objectives are met and value for money delivered; there is a lack of resilience within the OPCC; that internal processes and procedures are not managed leading to greater risk, increased threat of fraud and critical external review; and a failure to put in place a fit for purpose structure, leading to undefined roles and ineffective working.

20 per cent of governance risks focused solely on the PCC and chief constable relationship. There are concerns that: the PCC fails to hold the chief constable accountable, particularly for those objectives not delivered in the police and crime plan; and if the PCC and chief constable do not work effectively together key objectives will remain undelivered and there would be a significant breakdown in the working relationship. PCC / chief constable relationship risks have increased marginally since our last analysis of police risk registers. This reflects the increasingly important relationship between both figures, now that the PCC role is embedded.

FIGURE 17: BREAKDOWN OF GOVERNANCE RELATED RISKS BY TOPIC

40% Governance failure
40% Internal structure
20% PCC / chief constable relationship

Half of all governance risks appear on OPCC risk registers; 45 per cent of governance risks are on joint force and OPCC risk registers; and only five per cent feature on force only risk registers. This reiterates our earlier point; police forces are in the main more concerned about operational matters and dealing with crime. However, with the PCC elections which took place in May, for some, new relationships may have to be established. In future, some PCCs may also need to establish new relationships with fire service colleagues and as a result, there may well be further opportunities and risks that will need to be managed.

**Information and evidence**

Information and evidence is essential for both effective policing and good governance and vital if convictions are to be secured. It is somewhat surprising therefore that information and evidence risks accounted for only four per cent of all risks recorded within risk registers which may represent that perception that this is perceived business as usual rather than a risk to be managed. The risks recorded focus on data quality and information management, notably:

- that crime is not accurately recorded or that duplicate crime information exists, leading to missed opportunities, data loss and inefficiency;
- case file quality compromises the ability of the service to bring criminals to justice. There are concerns around Management of Police Information (MoPI) compliance and ensuring the force has the data it needs to undertake investigations;
- a failure to ensure information has correct security markings, in line with the Government Protective Marking Scheme, and that information is lost or disclosed in error;
- concerns that IT issues prevent information being managed appropriately and in accordance with statutory requirements; and
- that information is not utilised for effective operational decision making, which potentially leaves vulnerable individuals at risk. For example, a review of firearms license holders following reports of domestic abuse is not undertaken, which may leave guns in the possession of unsuitable individuals.

These risk areas also link to operational risks related to IT systems and crime recording.

<table>
<thead>
<tr>
<th>FIGURE 18: BREAKDOWN OF INFORMATION AND EVIDENCE RELATED RISKS BY TOPIC</th>
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<tbody>
<tr>
<td>62.5% Quality</td>
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<tr>
<td>37.5% Management</td>
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