

Force Executive 9th August 2013 Risk Management Report of the Strategic Risk Manager	Item
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1. Background

- 1.1. Risk management is a necessary and beneficial part of the operation of Hampshire Constabulary. It is vital that we have some level of awareness of what the future may bring. Risk management provides a prioritised view of possible future events, in terms of how likely they are to occur and the level of impact if they should occur. This allows decisions to be made as to whether the level of risk is acceptable or needs to be avoided, modified or transferred. It also informs and supports decision-making generally, including as part of the planning process.
- 1.2. The proposed strategy for risk management is attached as Appendix B. This is in accordance with the specific requirements of the Code of Corporate Governance and the Police and Crime Plan.
- 1.3. It is not the intention to try to eliminate risk – there will always be risks – but to obtain benefit by understanding and embracing risk, on an informed and proportionate basis.
- 1.4. Greater benefits will accrue as awareness and management of risk become more embedded into the organisation’s culture.
- 1.5. The intention of this paper is to ensure that effective risk management is in place, as a minimum at the higher levels of decision-making within the organisation. The structures may change, but the principles remain the same.

2. Structure of Risk Management within Hampshire Constabulary

- 2.1. The structure of risk management within the Force is to be as shown in Appendix C.
- 2.2. Risks will be actively managed at Strategic (organisation) level, at Portfolio level and at Area/Department/Programme level (and at lower levels, where that is deemed to add value). This is to include consideration of risks at the regular management meetings.
- 2.3. Significant risks are to be escalated from Area/Department/Programme level to the Portfolio level. Similarly, significant risks from Portfolio level are to be escalated to the Risk & Harm Board, which will report to the Force Executive. All risks currently showing as red should be reported to the next level up as part of this process.

3. Roles and Responsibilities

- 3.1. The Chief Constable and the Police & Crime Commissioner are ultimately responsible for risk and its management in Hampshire Constabulary (which one being determined by the nature of the risk).
- 3.2. Whilst these individuals have the ultimate responsibility, risks are delegated in the same way as the objectives and tasks which they may affect. Risk management is therefore a line management responsibility, as indicated in the previous section.
- 3.3. However, it is true to say that risk management is everyone's concern and all can benefit from it.
- 3.4. The Strategic Risk Manager and the Management of Risk team are responsible for maintaining and reviewing the risk management strategy and process and for providing professional support to colleagues. The additional specialist areas within the Management of Risk team (Business Continuity, Health & Safety, Insurance, Claims Management, Fire Safety etc) are part of the organisation's response to the risks it faces, in the same way as security and formalised business procedures are.

4. The Risk Management Process

- 4.1. The risk management process sets out how risks should be described and rated, as well as how they should be categorised, recorded and managed.
- 4.2. The seven basic steps are:
 - Orientation – consider the team/dept/organisation in question and its objectives
 - Identification – consider what events could have an impact on the objectives
 - Description – a clear but concise risk description is required
 - Rating – assess probability and impact, in order to prioritise the risks
 - Record-keeping – the risk register (and other documents it may refer to)
 - Response – we may wish to take some action, but this is not necessarily the case
 - Review – crucially, monitoring and reviewing the risk and the chosen response to it.
- 4.3. It is important for a risk to have an individual owner. Normally a risk should be owned at the lowest level at which it can be effectively managed – authority to make decisions, availability of resources etc. Any actions in respect of the risk can (and normally should) be owned by others.
- 4.4. A summary of the way risks are rated is attached as Appendix D.

5. The Risk & Harm Board

- 5.1. From the risk management viewpoint, the required attendees are:

- DCC (Chair)
- ACC C&CJ
- ACC TO
- ACC JO
- Director of HR/Support
- Head of Risk Management
- Head of Learning & Development
- Force Solicitor
- Head of Communications
- Estate Strategy & Delivery Director, OPCC
- OPCC representation (otherwise)

5.2. The draft terms of reference are:

- Review and maintain oversight of significant risks from across the organisation
- Make decisions on responses to such risks
- By doing so, define the organisation's risk appetite (decisions send out signals to others)
- Long-term planning/positioning – resilience, safety, security etc
- Risk assurance and lessons learned.

5.3. The Board will initially meet every month, with the first meeting being set for the afternoon of Tuesday, 14th January.

5.4. The Risk & Harm Board will also provide oversight of Gold groups, but that area is the subject of a separate paper.