

Meeting: Joint Audit Committee

Date: 22 March 2024

The PFCC's strategic risk register

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1. Purpose of the report

1.1. The purpose of this report is to brief the Joint Audit Committee on changes and exceptional strategic risks on the PFCC's strategic risk register and to summarise the overall strategic risk position for the PFCC.

2. Recommendations

2.1. The Joint Audit Committee should note the contents of this report, and approve, or challenge as necessary, the updated strategic risk register, attached at Appendix 1.

3. Background

3.1. The PFCC's strategic risk register has five categories which are:

- a) The Police and Crime Plan
- b) The Fire and Rescue Plan
- c) Use of resources
- d) Holding to account, and
- e) Other functions and statutory duties

3.2. There are now 31 strategic risks on the PFCC's strategic risk register, which is one less than reported to the Joint Audit Committee in December 2023.

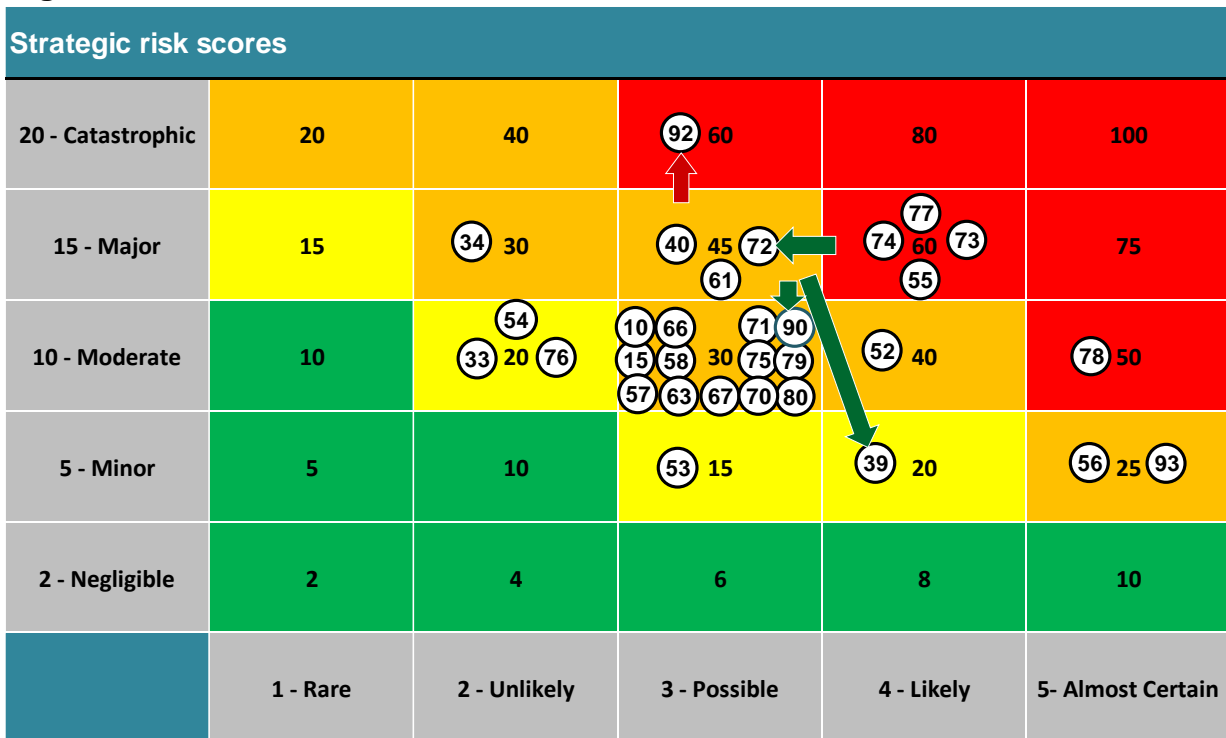
3.3. The overall RAG scores of the strategic risks are shown in figure 1 below, which illustrates that, since the previous report, at a summary level, the number of red strategic risks has remained at six, the number of amber strategic risks has remained at 25, and the number of green strategic risks has reduced by one so there are now no green strategic risks.

Figure 1

Summary of strategic risk scores			
Scores	Strategic risks in current report	Strategic risks in previous report	Movement
Red	6	6	-
Amber	25	25	-
Green	-	1	-1
Total	31	32	-1

3.4. Figure 2 shows the spread of the strategic risk scores and the RAG scores of all 31 strategic risks. The red arrow shows the movement of the strategic risk with a deteriorating score and the green arrows show the movement of the three strategic risks with improving scores.

Figure 2



3.5. A review of the strategic risk register shows that, since the last report there is, one amber strategic risk that has deteriorated to a red score, there is one red strategic risk that has improved to an amber score, there are two amber strategic risks that have an improving amber score, and one green strategic risk that is proposed as closed.

4. Exception Reporting

4.1. Figure 3 below details the exceptional strategic risks.

Figure 3

Strategic risk exception reporting - 31 Strategic risks - 10 exception reports		Score			Risk Appetite
Risk No.	Risk (of not achieving)	Current	Target	Direction of Travel	
Police and Crime Plan - 12 strategic risks - 5 exception reports					
72	Protection of vulnerable people & reduction in cycle of domestic abuse	45	45	Improving	Cautious
73	Reduction in violence against women and girls	60	45	No Change	Cautious
74	Improvement in the support for victims of crime	60	45	No Change	Cautious
77	Prevention of business crime, fraud and cyber crime	60	30	No Change	Challenging
78	The encouragement of volunteers and community support	50	10	No Change	Challenging
Fire and Rescue Plan - 8 strategic risks - 1 exception report					
55	The broadening of roles, developing a wider range of activities	60	20	No Change	Challenging
Use of resources - 4 strategic risks - 2 exception reports					
39	The setting of a balanced budget	20	15	Improving	Challenging
90	Cost of living (budget, recruitment & retention impact)	30	20	Improving	Challenging
Holding to account - 2 strategic risks - No exception reports					
Other functions and statutory duties - 5 strategic risks – 2 exception reports					
91	Devolution proposal / PFCC functions and powers	2	5	Proposed Closed	Challenging
92	Appointment of local auditors from 2023/24 and beyond	60	5	Deteriorating	Challenging

4.1.1. Figure 3 shows that **the Police and Crime Plan** has 12 strategic risks, four of which are red, with one amber strategic risk that has improved from a red strategic risk, with no other exceptions to report.

4.1.2. **The Fire and Rescue Plan** has eight strategic risks, of which one is red, with no other exceptions to report.

4.1.3. **Use of resources** has four strategic risks, of which two have an improving amber score, with no other exceptions to report.

4.1.4. **Holding to account** has two strategic risks, with no exceptions to report.

4.1.5. **Other functions and statutory duties** has five strategic risks, of which one has deteriorated to a red strategic risk from a previous amber score, and one previous period strategic risk is proposed closed, with no other exceptions to report.

4.2. The ten strategic risks identified for exception reporting in figure 3 are considered in further detail below.

4.3. There are five red strategic risks, which were also red in the last report, these are:

- 4.3.1.** Strategic risk 73 (Police and Crime Plan) relating to reducing Violence against Women and Girls (VAWG). Essex experienced a 13.4% decrease (5,076 fewer) in the number of Violence Against the Person VAP offences, committed against females in the 12 months to January 2024 compared to the 12 months to January 2023. There was a 7.8% decrease (2,748 fewer) in the number of VAP offences committed against females in the 12 months to January 2024 compared to the 12 months to December 2019. Where gender is detailed, over half of victims of VAP offences are identified as female (55.1%). 3.6% of offences (2,220 offences) had no gender recorded. There were 3,400 fewer Stalking & Harassment crimes committed against females in the 12 months to January 2024 (12,162 crimes) compared to the 12 months to January 2023 (15,562 crimes). There was an 11.2% decrease (530 fewer) in the number of Sexual Offences committed against females in the 12 months to January 2024, compared to the 12 months to January 2023, and a 10.4% increase (397 more) compared to the 12 months to December 2019. Essex Police solved 43 more of these offences in the 12 months to January 2024, compared to the 12 months to January 2023 and solved 115 more compared to the 12 months to December 2019. From the independent survey jointly commissioned and funded by Essex Police and the PFCC, 42.5% of females feel safe walking alone in their area after dark for the 12 months to September 2023 compared to 70.9% of males. This is stable compared to the 12 months to September 2022. Improving the safety of women and girls continues as a key priority and the strategic risk score for this priority remains red.
- 4.3.2.** Strategic risk 74 (Police and Crime Plan) relating to improving support for victims of crime. Essex experienced a 16.9% decrease (7,741 fewer) in the number of offences with a repeat victim for the 12 months to January 2024 (38,047 offences) compared to the 12 months to January 2023 (45,788 offences) and a 10.9% decrease (4,657 fewer) compared to the 12 months to December 2019 (42,704 offences). Except for August 2022, the year-on-year change for repeat victimisation has decreased each month since March 2022. The number of individual repeat victims decreased by 9.3% (2,094 fewer) for the 12 months to January 2024 (20,453 individual victims) compared to the 12 months to January 2023 (22,547 individual victims). There was a decrease of 854 individual victims, compared to the 12 months to December 2019 (21,307 individual victims). From the independent survey jointly commissioned and funded by Essex Police and the PFCC, confidence among victims is at 61.4% (results to the 12 months to September 2023). Although this is 13.9 percentage points lower than confidence of non-victims for the same period (75.3%), the gap between confidence of victims and non-victims has narrowed from 16.4 percentage points over the same period last year. However, the disparity has increased by 0.4 percentage points compared to the 12 months to December 2019 (13.4%). Compared to the year ending September 2022 confidence in the local police amongst victims is stable, in contrast to confidence amongst non-victims for whom there was a statistically significant reduction of 3 percentage points. Therefore, whilst the gap between confidence of victims and non-victims has narrowed it has done so through a reduction in the confidence of non-victims. The risk appetite

for this strategic risk remains as cautious and continues with a red score.

- 4.3.3.** Strategic risk 77 (Police and Crime Plan) relating to the prevention of business crime, fraud, and cybercrime. Essex experienced an 8.6% increase (1,781 more) in the number of Business Crime offences and a 7.0% increase (238 more) in the number of these offences which were solved in the 12 months to November 2023, compared to the 12 months to November 2022. Shoplifting accounts for approximately 50% of business crime. Essex Police have been working with businesses to encourage them to record more offences. There was a 5.2% decrease in the number of fraud offences related to Business Crime in the 12 months to November 2023, compared to the 12 months to November 2022; this equates to 19 fewer offences. Confidence that Essex Police are dealing with cyber-crime from the independent survey jointly commissioned and funded by Essex Police and PFCC, is at 46%. Overall Essex has a judicial outcome rate for fraud crimes reported for 2022/23 up to December 2023, of 2.95%. The overall national judicial outcome rate is 1.89%, and Essex is ranked 14 out of 42 forces, in this measure. Whilst Essex is showing some improvement in judicial outcome rates for fraud crime compared to the national average, with the percentage being so low, this strategic risk remains as red.
- 4.3.4.** Strategic risk 78 (Police and Crime Plan) relating to the encouragement of volunteers and community support. Confidence that there are good opportunities for volunteers to assist policing and reduce crime in Essex, from the independent survey jointly commissioned and funded by Essex Police and the PFCC, is at 56% for the 12 months to September 2023. The Special Constabulary having reached a peak of over 519 officers in 2021, has retracted in size (and was 278 at the end of November 2023) due to a combination of officers deciding to join the regulars and the cost-of-living pressures, making volunteering more difficult. With the size of the Special Constabulary continuing to decrease this strategic risk remains red.
- 4.3.5.** Strategic risk 55 (Fire and Rescue Plan) relating to broadening the roles and the range of activities undertaken by the Service, in particular providing more protection and prevention. This priority remains at substantial risk and the strategic risk continues as red.
- 4.4.** There is one red strategic risk, which has deteriorated from an amber score since the last report, this is

 - 4.4.1.** Strategic risk 92 (Other functions and statutory duties) relating to the appointment of external auditors for the 2023/34 financial accounts and beyond. Following a procurement process which left the PFCC unable to appoint local auditors for 2023/24 and beyond, we directly contacted the audit firms, potentially able to be local auditors for organisations with gross expenditure or income over £500m. This was extremely challenging, and the strategic risk opened with a red score. However, we found a viable option to take forward, the contract for which we were hopeful of signing by the end of 2023 and we reduced this red risk to amber. However, we have still not signed the contract and now that we are so close to the beginning of the 2024/25 financial year, without local auditors appointed for the 2023/24 statement of accounts, we have considered this risk is red. We have been informed that the new auditors

are taking this forward as a matter of urgency, with the expectation that we will sign the contract before the end of this financial year. Until that happens this is very high risk, and the consequences of not signing this contract are scored as catastrophic.

- 4.5.** There is one strategic risk, with an amber score which has improved from a red strategic risk since the last report, this is

4.5.1. Strategic risk 72 (Police and Crime Plan) relating to protecting vulnerable people and breaking the cycle of domestic abuse (DA). Essex experienced a 13.8% decrease (3,946 fewer) in the number of recorded DA offences, for the 12 months to January 2024 compared to the 12 months to January 2023. Essex Police solved 18.1% fewer (609) DA offences for the 12 months to January 2024, compared to the 12 months to January 2023. There was a 16.9% decrease (5,029 fewer) in DA offences and an 8.2% decrease (246 fewer) in the number of DA offences solved, for the 12 months to January 2024, compared to the 12 months to December 2019. There were 1,142 fewer repeat victims of DA in the 12 months to January 2024, compared to the 12 months to January 2023 (12.8% less). There was an increase of 0.8% (63 more) compared to the 12 months to December 2019. Confidence that the policing response to protect children and vulnerable people, from the independent survey jointly commissioned and funded by Essex Police and the PFCC, is at 78.8% (results to the 12 months to September 2023). Compared to the year ending September 2023, confidence has decreased by 0.4 percentage points. Over the last few quarters much consideration has been given as to whether this risk still remained as red, given the improvements over the last year. With much caution the risk has now been scored as high amber. This is based on a number of factors, including the investment in DA perpetrator services, the additional investment in IDVA/DA victim services, the reductions in offences and the ongoing work to commission a whole system approach to DA done in collaboration with SETDAB partners. The position will be carefully monitored; however, we do consider it is reasonable to recognise the improvements in the context of a reduction to the risk.

- 4.6.** There are two amber strategic risks, with improved amber scores since the last report, these are

4.6.1. Strategic risk 39 (Use of Resources) relating to the setting of a balanced budget. With the budgets for 2024/25 approved for both Essex Police and ECFRS, both of which are balanced, this risk has reduced. However, with the uncertainty over the 2024/25 pay awards, this strategic risk has not reduced to its target, but does have an improved amber strategic risk score.

4.6.2. Strategic risk 90 (Use of Resources) relating to the cost of living. This strategic risk was introduced in September 2022 as a red risk, as at that time it had the potential to impact on the achievement of a balanced budget, and on the well-being, recruitment, and retention of staff. Since that time balanced budgets have been approved for 2023/24 and 2024/25 and the number of staff leaving has begun to reduce. Therefore, this risk has been reduced, but still remains mid amber, as we move into 2024/25.

4.7. There is one strategic risk proposed closed, which had a green score in the previous report, this is

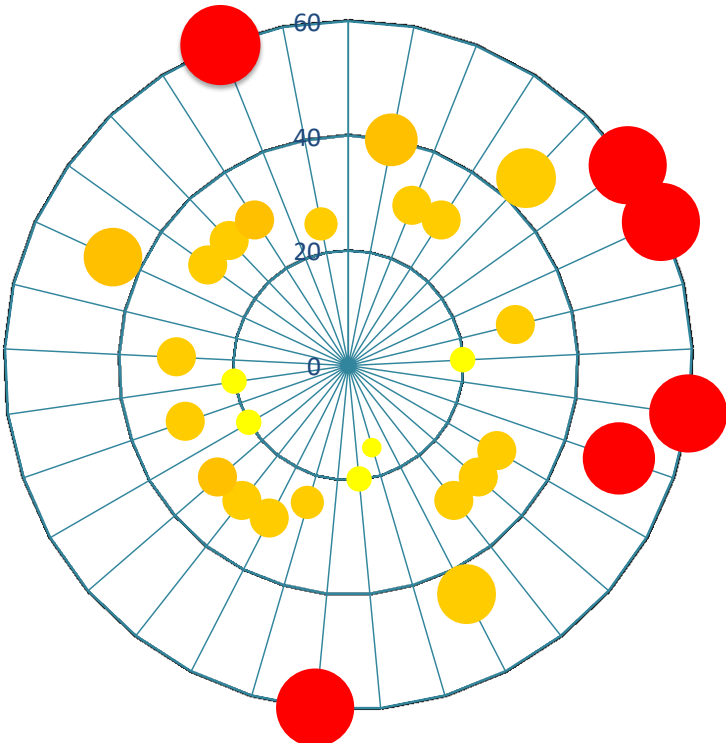
4.7.1. Strategic risk 91 (Other functions and statutory duties) relating to proposals to negotiate a devolution deal for Greater Essex. Greater Essex had been negotiating a Level 2 devolution deal with the Government, which did not involve the election of a mayor, nor the transfer of PFCC / PFCCFRA powers, and therefore the risks previously identified significantly reduced, improving the score to a green strategic risk in the last report. The Minister has since confirmed that devolution negotiations with Greater Essex will not progress any further ahead of a General Election, therefore this risk is now proposed closed.

5. The strategic risk register.

5.1. The full detail of each strategic risk is included at Appendix 1, which is the complete strategic risk register. Figure 4 below shows the spread of the current scores and the RAG ratings together with the spread of target scores and the RAG ratings for the strategic risks on the PFCC's strategic risk register. A summary of the strategic risk register is shown in figure 5.

Figure 4

Current RAG scores



Target RAG scores

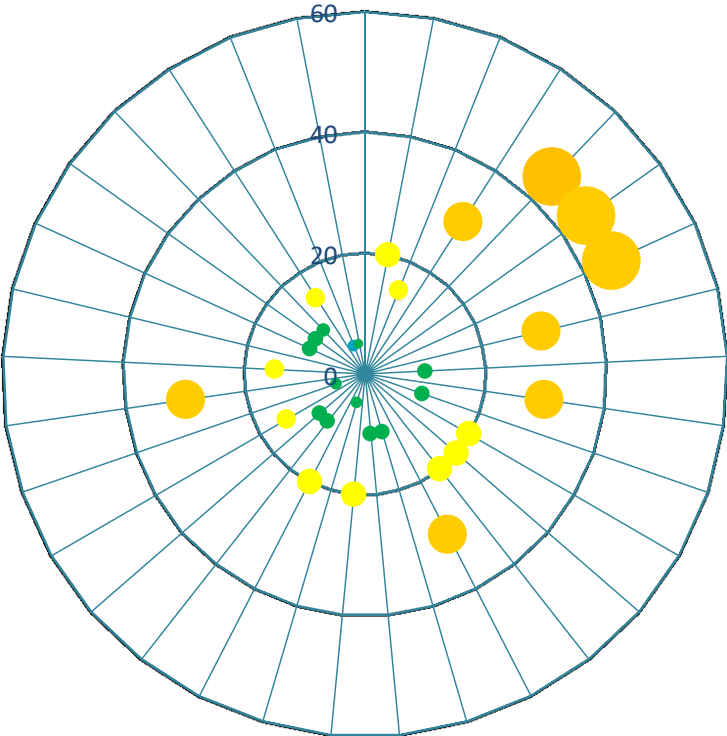


Figure 5

Strategic risk register - 31 strategic risks - 6 red and 25 amber		Score			Risk Appetite
Risk No.	Risk (of not achieving)	Current	Target	Direction of Travel	
Police and Crime Plan -12 strategic risks - 4 red and 8 amber					
52	Improvement in safety on our roads	40	20	No Change	Challenging
70	Further investment in crime prevention	30	15	No Change	Challenging
71	Reduction in drug driven violence	30	30	No Change	Cautious
72	Protection of vulnerable people & reduction in cycle of domestic abuse	45	45	Improving	Cautious
73	Reduction in violence against women and girls	60	45	No Change	Cautious
74	Improvement in the support for victims of crime	60	45	No Change	Cautious
75	Protection of rural and isolated areas	30	30	No change	Challenging
76	Prevention of dog theft	20	10	No Change	Challenging
77	Prevention of business crime, fraud and cyber crime	60	30	No Change	Challenging
78	The encouragement of volunteers and community support	50	10	No Change	Challenging
79	Supporting our officers and staff	30	20	No Change	Challenging
80	Increase in collaboration	30	20	No Change	Challenging
Fire and Rescue Plan - 8 strategic risks - 1 red and 7 amber					
15	Assurance of value for money achieved in contracts.	30	20	No Change	Challenging
40	Protection, prevention and response	45	30	No Change	Cautious
53	Protection of vulnerable people, not exposed to preventable danger	15	10	No Change	Cautious
54	Promotion of a positive culture	20	10	No Change	Challenging
55	The broadening of roles, developing a wider range of activities	60	20	No Change	Challenging
56	Being transparent, open and accessible	25	5	No Change	Cautious
57	Collaboration with partners	30	20	No Change	Challenging
58	Best use of resources	30	10	No Change	Challenging
Use of resources - 4 strategic risks - 4 amber					
10	Commissioning resources supporting the Police & Crime Plan	30	10	No Change	Challenging
39	The setting of a balanced budget	20	15	Improving	Challenging
66	Forecasting not including too much downside	30	5	No Change	Challenging
90	Cost of living (budget, recruitment & retention impact)	30	20	Improving	Challenging
Holding to account - 2 strategic risks - 2 amber					
33	Joint Governance of Police and Fire & Rescue Services	20	30	No Change	Challenging
34	Positive outcome from future inspections of the ECFRS	30	15	No Change	Challenging
Other functions and statutory Duties - 5 strategic risks - 1 red and 4 amber					
61	Protection against fire in high-rise clad building/student accommodation	45	10	No Change	Cautious
63	Compliance with GDPR and Data Protection Act 2018	30	10	No Change	Minimal
67	Appointment of LQCs and IPMs for police misconduct panels	30	10	No Change	Minimal
92	Appointment of local auditors from 2023/24 and beyond	60	5	Deteriorating	Challenging
93	Compliance with Specified Information Order on publication of contracts	25	5	No Change	Cautious