Internal Audit Risk Management – OPCC Progress Update

1 PURPOSE

1.1 The purpose of this report is to update the Joint Audit Committee on progress made in implementing the OPCC recommendations arising from the Internal Audit review of Risk Management.

2 RECOMMENDATION

2.1 The Committee is asked to note this progress update.

3 BACKGROUND

3.1 Internal Audit completed a review of OPCC Risk Management on 18 May 2026 and concluded with a **Reasonable Assurance** opinion, finding that the controls currently in place to manage risk are appropriately designed, consistently applied, and operating effectively. The review also identified several opportunities to strengthen the consistency, clarity, and maturity of the OPCC Strategic Risk Register and associated governance arrangements.

3.2 The review resulted in **four management actions**, comprising one medium-priority action and three low-priority actions, aimed at improving the quality of risk information, strengthening quality assurance arrangements, improving evidence of risk reviews, and enhancing alignment between strategic risks and Police and Crime Plan priorities.

3.3 A programme of work has been undertaken to address the management actions and recommendations. The review has focused on strengthening the consistency, transparency and evidential basis of the Strategic Risk Register through a series of targeted improvements, whilst retaining a register format that remains practical and accessible for risk owners.

4 PROGRESS AGAINST INTERNAL AUDIT RECOMMENDATIONS

4.1 Significant progress has been made in implementing the recommendations arising from the Internal Audit Risk Management Review. Implementation activity has been structured around the agreed management actions and is focused on strengthening the quality, consistency, transparency, assurance, and governance of the Strategic Risk Register.

4.2 All major structural changes to the Strategic Risk Register have now been completed. This includes the introduction of SMART actions, strengthened assurance requirements, enhanced risk scoring and appetite guidance, clearer separation of controls and mitigation activity, improved commentary requirements, and alignment of risks to the Police and Crime Plan.

4.3 Draft revisions have been prepared for all strategic risks and supporting guidance has been developed for risk owners. Engagement with risk owners is underway to review and validate the proposed changes, ensuring that risk descriptions, controls, assurance assessments, scoring, and mitigation activity accurately reflect the current position.

4.4 The remaining activity is focused on embedding the revised approach through the risk owner review process, implementing the quality assurance arrangements, and finalising governance and ownership arrangements for shared strategic risks with the Constabulary as part of the wider development of its revised Strategic Risk Register.

5 MANAGEMENT ACTION 2 – STRATEGIC RISK REGISTER REVIEW (MEDIUM PRIORITY)

5.1 Audit finding

Internal Audit identified several issues relating to risk articulation, scoring, controls, assurances and actions. These included causes not being clearly differentiated from risks, incomplete or inconsistent scoring, controls and actions being recorded interchangeably, assurance statements lacking supporting evidence, and actions not consistently meeting SMART principles.

5.2 Progress made

To address these findings, the OPCC Strategic Risk Register has been substantially revised and key improvements include:

- Clear separation of causes, effects, controls, assurance, commentary and mitigation activity.
- Introduction of dedicated SMART action sections for each risk that are linked to gaps in controls and assurance, progress tracked through the updates/commentary section and explicitly linked to reductions in likelihood and/or impact where appropriate.
- Clear distinction between existing controls and additional mitigation activity.
- Enhanced Strength of Assurance statements to provide evidence-based assessment of confidence in current controls, including consistent assurance definitions.
- Introduction of mandatory scoring rationale requirements where risk scores change or remain unchanged.
- Clarification of the relationship between inherent, current risk, target risk and risk appetite to improve consistency of scoring.
- Introduced clearer requirements for documenting changes to risk scores and assurance assessments.

These changes directly address the examples identified by Internal Audit in relation to SR1, SR3, SR4, SR6, SR7, SR8 and SR10 and establish a consistent framework that is now being applied across all strategic risks.

5.3 Current position

Draft revisions have been prepared for all strategic risks and individual review meetings have been arranged with risk owners to validate accuracy, appropriateness of controls, assurance assessments, risk scoring and proposed mitigation activity. At the time of writing, these reviews are underway and any amendments arising will be incorporated into the final register prior to implementation.

5.4 Status

In progress: structural implementation complete and final validation is underway.

6 MANAGEMENT ACTION 3 – QUALITY ASSURANCE PROCESS (LOW PRIORITY)

6.1 Audit finding

Internal Audit recommended the introduction of a proportionate quality assurance process prior to submission of risks to governance forums.

6.2 Progress made

To support this recommendation, the following has been implemented:

- Risk owner guidance has been significantly expanded to cover all sections of the register and is linked throughout the document for ease of reference, including new guidance on shared risk ownership arrangements.
- Mandatory update fields have been introduced, including within the latest updates/commentary section.
- Clear expectations have been established regarding risk scoring, controls, assurance and mitigation activity.
- Governance arrangements for the review and reporting of shared strategic risks have been reviewed and refined to support greater consistency, transparency and oversight.
- A Strategic Risk Register Quality Assurance Log has been developed to support the quality assurance process and provide a documented audit trail of review activity.
- The Assurance Log records and checks against key areas of the register, including risk scoring, assurance assessments, commentary updates, SMART action progress, completion of mandatory fields, and any changes to the overall risk position. This provides evidence that risks have been reviewed for completeness, consistency, and quality prior to submission through governance forums.

6.3 Current position

The revised quality assurance framework has been incorporated into the Strategic Risk Register review process and is ready for application through the next review cycle. The Quality Assurance Log will be used to evidence review activity and support consistency and completeness of risk reporting prior to consideration through governance forums.

6.4 Status

Substantially complete: quality assurance arrangements have been developed and documented, with implementation through the next review cycle.

7 MANAGEMENT ACTION 6 – TIMELY REVIEW OF STRATEGIC RISKS (LOW PRIORITY)

7.1 Audit findings

Internal Audit identified that evidence of review was not consistently recorded for all risks.

7.2 Progress made

To strengthen review arrangements, we have made the following changes to provide clearer evidence of review activity and improve auditability going forward.

- Review date requirements have been clarified for risk owners.
- Structured update fields have been introduced.
- A version-controlled Strategic Risk Register has been implemented.
- A revised review cycle aligned to governance reporting has been developed and is being implemented, subject to final agreement of shared risk review arrangements with the Constabulary.

7.3 Current position

The revised review framework is now incorporated within the Strategic Risk Register and supporting guidance. Risk owners are required to record review activity through the enhanced commentary section and mandatory review fields. Future compliance with review requirements will be evidenced through the Quality Assurance process and supporting review records.

7.4 Status

Substantially complete: revised review and recording arrangements have been implemented; the next review cycle will provide evidence of their consistent application.

8 MANAGEMENT ACTION 8 – ALIGNMENT TO THE POLICE AND CRIME PLAN (LOW PRIORITY)

8.1 Audit findings

Internal Audit identified that alignment between strategic risks and the Police and Crime Plan was not explicitly referenced within the register.

8.2 Progress made

A dedicated Police and Crime Plan alignment field has been introduced within the Strategic Risk Register to provide clear visibility of how individual strategic risks may affect delivery of Police and Crime Plan priorities.

8.3 Current position

All strategic risks have now been mapped to the relevant Police and Crime Plan priority areas, providing a clear line of sight between strategic objectives, risk management activity, and governance reporting.

8.4 Status

Complete: Management Action 8 has been implemented.

9 OUTSTANDING ACTIVITIES

9.1 While all major structural changes to the Strategic Risk Register have been completed, several activities remain underway to embed the revised arrangements through engagement with risk owners and completion of the review cycle. This includes:

- Completion of individual risk owner review sessions and incorporation of any amendments arising. Risk owners remain accountable for the content of their risks and these sessions will ensure the revised register accurately reflects strategic realities.
- Agreement of shared strategic risk arrangements between OPCC risk owners and their Constabulary risk co-owners, including alignment of risk descriptions, SMART actions, ownership arrangements, risk scoring approaches and reporting arrangements, with any differences in approach or scoring appropriately documented and justified.
- Continued engagement with the Constabulary regarding alignment of shared strategic risks including approaches to scoring and action ownership, and associated governance arrangements.
- Final validation and approval of the revised OPCC Strategic Risk Register.
- Presentation of the revised Strategic Risk Register through governance channels following completion of the review process.

9.2 A number of these activities are dependent upon the Constabulary's concurrent review and development of its own Strategic Risk Register. In particular, the alignment of shared strategic risks will require agreement on common risk descriptions, ownership arrangements, SMART actions, governance routes and, where appropriate, the rationale for any differences in risk scoring between the OPCC and Constabulary. These arrangements continue to be developed jointly and will be embedded through the next review cycle.

9.3 Subject to completion of these activities, the revised OPCC Strategic Risk Register is expected to be presented at the next Joint Audit Committee in September 2026 for consideration.