**Agenda Item 12**

| | |
|---|---|
| **REPORT TO:** | **British Transport Police Authority** |
| **DATE:** | **11 March 2010** |
| **SUBJECT:** | **Annual Risk Management Update** |
| **SPONSOR:** | **Director of Finance & Corporate Services** |
| **AUTHOR:** | **Head of Risk Management & Insurance** |

## 1. PURPOSE OF PAPER

1.1 To provide members with a copy of the current Strategic Risk Register and report the progress made with Risk Management since April 2009.

## 2. RISK MANAGEMENT PROGRESS

2.1 At a meeting between the Head of Risk Management and Insurance and the Treasurer to the British Transport Police Authority (BTPA) in February 2009, agreement was reached for British Transport Police (BTP) and the BTPA to share a common approach to risk management. This led to the incorporation of one high level BTPA risk into the common Strategic Risk Register (SRR). Four new strategic risks have been identified by the BTPA but have yet to be submitted for inclusion on the register.

2.2 Risk registers continue to be maintained in all Areas and Chief Officer Portfolios, with regular reviews held to aid learning and discuss issues. Risks which are common to more than one Area or Portfolio are escalated to the new Corporate Risk Register (CRR) which was established in March 2009 to record risks that whilst not warranting inclusion on the SRR, none the less effect more than one Department or Area. To better support Areas and Portfolios, Area and Portfolio specific risk management guides have been produced and are available on BTP's Intranet. A high level briefing package for Area and Departmental Management Teams has been developed together with this and is programmed for delivery in 2010-11.

2.3 Each Area and Portfolio has appointed a Risk Champion at superintendent or equivalent level to ensure senior management has visible and effective involvement in the management of risks.

2.4 BTP's policy and standard operating procedure (SOP) for risk management has been updated to reflect those improvements to risk management practice that have been identified and agreed upon by the various meetings which have responsibility for risk management. These improvements include a way of regarding those risks for which all reasonable action has been taken but which cannot or should not be closed (As Low as Reasonably Practicable or ALARP).

2.5 The revision of the terms of reference for Corporate Assurance Group (CAG) has enabled detailed scrutiny of Area and Portfolio risks resulting in the ability to provide a higher level of assurance and the sharing of best practise.

2.6 In addition to the Strategic, Corporate, Area and Portfolio risk register structure, areas of specialist risk such as Project Management, Health and Safety, Business Continuity, Insurance and Civil Contingency are dealt with by those specialist areas.

2.7 Risk Management remains a standing agenda item for a number of key BTPA and BTP meetings, including:

- The quarterly Audit and Corporate Governance (A&CG) Committee, chaired by the BTPA, which monitors BTP's system of internal control and arrangements for risk management
- A quarterly meeting of the Strategic Command Team (SCT) which is chaired by the Chief Constable and which ensures that the Chief Officers, as the sponsors of risks, have accountability for their mitigation and are responsible for approving new and closed Strategic Risks
- The quarterly Risk Committee chaired by the Director of Finance & Corporate Services ensures that areas of significant Strategic and Corporate risk are identified, analysed and progressed, and monitors progress of actions and recommendations from the A&CG Committee
- The monthly CAG chaired by the Head of Risk Management and Insurance, which scrutinises the content of Area and Portfolio Risk Registers and which links Risk

Management considerations to the findings of Information Security Audits and Business Continuity Arrangements;

- Monthly or quarterly risk reviews held at Area and Portfolio meetings.

## 3. AUDITS AND REVIEWS

3.1 A review of BTP Area and Portfolio risk registers was completed during early 2009 and all Areas and Departments were judged to be compliant with the policy and standard operating procedure. A programme of scrutiny of risk register content at CAG meetings is in place (as described at paragraph 2.7). As at 11 March 2010, 8 of the 14 registers have been scrutinised and agreement reached on how further improvements should be made.

## 4. FUTURE PLANS

4.1 In addition to the progress made to date there are plans for further improvements to risk management and risk reporting:

- Delivery of a risk management briefing package for Area Commanders and Departmental Heads which can be delivered to Area Management Team and Senior Management Team meetings as required to improve risk based decision making
- Reviewing and making recommendations for improvement to escalation processes, as well as an annual review of the terms of reference of CAG and Risk Committee
- Delivery of a partnership risk management toolkit to inform the development of risk management best practice when working in partnership with another body
- Analysis of the organisation's risk maturity based on national public sector models to inform areas for future improvement
- A risk reporting tool available to all staff with access to BTP's Intranet
- Working with others to prevent a risk-averse attitude undermining achievement of corporate objectives.

4.2 BTP continues to collaborate with other police forces at national and regional levels to identify, develop and promote best practice in respect of all issues pertaining to risk management in the wider police service, in particular issues that would benefit from the deployment of a national approach and to foster and encourage partnership working in respect of the development of risk management processes, procedures and procurement of services.

## 5. OVERVIEW OF THE STRATEGIC RISK REGISTER

5.1 The table below summarises all updates to the SRR since April 2009. A full summary is attached as Appendix A.

| **Summary Table of changes to the BTP/BTPA Strategic Risk Register April 2009 – March 2010** | | |
|---|---|---|
| **Description** | **Total 2009-10** | **Risks considered ALARP** |
| Strategic risks added | **14** | |
| Strategic risks closed | **3** | |
| Strategic risks impacted | **0** | |
| Open risks:<br>• Red risks (ratings 9,12,16)<br>• Amber risks (ratings 4,6,8)<br>• Green risks (ratings 1,2,3) | **20**<br>**4**<br>**13**<br>**3** | **9**<br>**2**<br>**5**<br>**2** |

## 6. FINANCIAL IMPLICATIONS

6.1 There are no financial implications relating to this paper.

## 7. DIVERSITY ISSUES

7.1 There are no diversity issues relating to this paper.

## 8. RISK IMPLICATIONS

8.1 There are no risk implications relating to this paper other than described in Appendix A.

## 9. RECOMMENDATIONS

9.1 That Members note the contents of this paper and the progress achieved.