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Date: 24th November 2016

To: ALL MEMBERS OF THE JOINT AUDIT COMMITTEE

- i. Katherine Crallan, Jude Ferguson (Chair), Shazia Riaz, Sue Warman
- ii. Chief Constable ("CC"), CFO for CC and Relevant Officers
- iii. The Police & Crime Commissioner ("PCC")
- iv. The CFO and CEO for the PCC
- v. External and Internal Auditors

Dear Member

NOTICE OF MEETING

You are invited to a meeting of the **Joint Audit Committee** to be held at **11:00** on **2nd December 2016** in the **Avon Room, Police Headquarters, Portishead.**

Joint Audit Committee Members are invited to attend a pre-meeting at 10:00 in the Avon Room. Following the meeting a workshop will be held focusing on developing the 2017/18 Internal Audit Plan.

The agenda for the meeting is set out overleaf.

Yours sincerely

Alaina Davies Office of the Police and Crime Commissioner

INFORMATION ABOUT THIS MEETING

(i) Car Parking Provision

Please ask the Gatehouse staff where to park, normally the South Car Park. Disabled parking is available.

(ii) Wheelchair Access

The Meeting Room has access for wheelchair users. There are disabled parking bays in the visitor's car park next to reception. A ramp will give you access to reception, a lift is available to the 1st floor.

(iii) Emergency Evacuation Procedure

The attention of Members, Officers and the public is drawn to the emergency evacuation procedure for the **Avon Room**: Follow the Green Fire Exit Signs to the **Visitor Car Park Assembly Point**.

- (iv) Please sign the register.
- (v) If you have any questions about this meeting, require special facilities to enable you to attend. If you wish to inspect Minutes, reports, or a list of the background papers relating to any item on this agenda, please contact:

Office of the Police and Crime Commissioner Valley Road Portishead BS20 8JJ

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(vi) REPORT NUMBERS CORRESPOND TO AGENDA NUMBER

<u>AGENDA</u>

2nd December 2016, 11:00 Avon Room, Police Headquarters, Portishead

1. Apologies for Absence

2. Emergency Evacuation Procedure

The Chair will draw attention to the emergency evacuation procedure for the **Avon Room**: Follow the Green Fire Exit Signs to the **North Car Park Assembly Point**.

3. Declarations of Gifts/Offers of Hospitality

To remind Members of the need to record any personal interests or any prejudicial interest relating to the agenda and disclose any relevant receipt of offering of gifts or hospitality

4. Public Access

(maximum time allocated for this item is 30 minutes)

Statements and/or intentions to attend the Joint Audit Committee should be emailed to <u>JAC@avonandsomerset.pnn.police.uk</u>

Statements and/or intentions to attend must be received no later than 12.00 noon on the working day prior to the meeting.

- 5. Minutes of the Joint Audit Committee Meeting held on 9th September 2016 (Report 5)
- 6. Business from the Chair (Report 6):
 - a) Update on IPCC Investigations (Verbal Update)
 - b) Police and Crime Board Update (Report 6b 22nd September Police and Crime Board Minutes)
 - c) Collaboration Update (Verbal Update)
- 7. Internal Audit (Report 7):
 - a) Progress Report
 - b) Financial Controls
- External Audit (Report 8):
 (a) Update
 (b) Annual Audit Letter
- 9. Office of the Police and Crime Commissioner Strategic Risk Register (Report 9)
- 10. Constabulary Strategic Risk Register (Report 10)
- Part 2

Items for consideration without the press and public present

- 11. Exempt minutes of the Joint Audit Committee Meeting held 9th September 2016 (Report 11)
- 12. Summary of HMIC and Internal Audit Recommendations (Report 12)
- 13. Internal Audit Plan Update (Verbal Update)
- 14. Joint Audit Committee Update to the Police and Crime Board (Discussion)

POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

MINUTES OF THE JOINT AUDIT COMMITTEE MEETING HELD ON FRIDAY 9TH SEPTEMBER 2016 AT 14:00 IN THE CONFERENCE ROOM, POLICE HQ, VALLEY ROAD, PORTISHEAD

Members in Attendance

Katherine Crallan Jude Ferguson (Chair) Shazia Riaz Sue Warman

Officers of the Constabulary in Attendance

Andy Marsh, Chief Constable Nick Adams, Head of Finance and Business Services Sean Price, Head of Performance and Process Improvement Catherine Dodsworth, Head of HR (Part of the Meeting) Richard Kelvey, Superintendent (Part of the Meeting)

Officers of the Office of the Police and Crime Commissioner (OPCC)

John Smith, Chief Executive Officer Mark Simmonds, Chief Finance Officer ("OPCC CFO") Karin Takel, Strategic Planning and Performance Officer Alaina Davies, Resources Officer

Also in Attendance

Jackson Murray, Grant Thornton Iain Murray, Grant Thornton Mark Jones, RSM Vickie Gould, RSM

27. Apologies for Absence

Sue Mountstevens, Police and Crime Commissioner Gareth Morgan, Deputy Chief Constable Julian Kern, Director of Finance ("OCC CFO")

28. Emergency Evacuation Procedure

The emergency evacuation procedure for the Conference room was noted.

29. Declarations of Interest / Gifts / Offers of Hospitality

None.

30. Public Access

There were no requests for public access

31. Minutes of the Joint Audit Committee Meeting held on 15th March 2016 (Report 5)

RESOLVED THAT the minutes of the meeting held on 15th March 2016 were confirmed as a correct record and will be signed by the Chair.

The following clarification was provided regarding minute 22a:

Members debated whether the suggestion at Paragraph 3 of Minute 22a regarding benchmarking against other forces in relation to crime recording should be a recommendation for action by the Constabulary. The Chief Constable corrected Members understanding that nationally police recorded crime is decreasing confirming that it is actually increasing and that Avon and Somerset are correctly recording more crimes which is positive. Members discussed recorded crime trends and were assured by the update given by the Constabulary but have requested a presentation on crime recording at a future pre-meet. The new Police and Crime Plan, which is yet to be agreed, was discussed and Members also requested a presentation on this at a future pre-meet.

RESOLVED that

- (i) A presentation should be given on national crime recording at a future Joint Audit Committee pre-meet; and
- (ii) A presentation should be given on the new Police and Crime Plan at a future Joint Audit Committee pre-meet.

Action update:

- Minute 20c Joint Audit Committee Members submitted questions regarding the draft statement of accounts and those questions along with the answers are included in report 10b. Action Closed
- Minute 20e Joint Audit Committee dates are still to be reviewed to ensure they fit with the trial of the new timescales for producing the Statement of Accounts. The External Auditors advised on the process the Met will be following. Action Ongoing

RESOLVED that the External Auditors will send a note to the Joint Audit Committee to advise them of the process the Met will be following in terms of the new timescales for producing the Statement of Accounts.

Minute 21a An update on Integrated Offender Management (IOM) is included at item 11 on the agenda. Action Closed

Minute 22b The OPCC CFO has informed the PCC that the External Audit scale fee for Fire and Rescue 2016/17 is £31,454. Action Closed

32. Business from the Chair

Members received an update from the Head of Performance and Process Improvement regarding Qlik Sense and the positive impact this will have. The Chair thanked the Head of Performance and Process Improvement for an informative and stimulating update.

a) Update on IPCC Investigations (Verbal Update)

The Constabulary have submitted one additional case to the IPCC for investigation since the last meeting of the Joint Audit Committee. Concerns were discussed again regarding the timeliness of IPCC investigations and Members are keen to raise this issue on how the governance system can allow an investigation to be ongoing for a number of years. The Chief Constable talked about the work going on in the Constabulary to ensure that the organisation empowers people to make decisions without feeling worried about blame and that instead the focus is on learning lessons when mistakes are made.

RESOLVED that the Joint Audit Committee will write to local MP's raising concerns around the length of time IPCC investigations can take.

b) Police and Crime Board Terms of Reference (Report 6b)

The Police and Crime Board will replace the existing governance and decision making structure with a more formal process. Joint Audit Committee Members would be welcome to observe a Board meeting and there will be two way reporting between the Joint Audit Committee and the Police and Crime Board.

The Chief Constable welcomes this new governance structure and talked about the first of the webchats held with the PCC this week which is referenced in the Terms of Reference for the Police and Crime Board.

RESOLVED that the Constabulary will use the same template for Joint Audit Committee reports as for the Police and Crime Board for consistency. It was also requested that the text within Internal Audit reports be black rather than grey. A similar format will be used for reports submitted by the OPCC.

33. Internal Audit Reports:

a) Progress Report (Report 7a)

The Internal Auditors thanked the Constabulary staff involved in the Internal Audit reports submitted to this meeting for returning comments within the tight timescales.

A date needs to be agreed for the Police Pensions audit and Members were informed that the OCC CFO is intending to discuss this at the Joint Pensions Board on 22/09/16 and will discuss a date following this. Workforce Development – Phase 2 has been deferred to quarter 4 which is more appropriate in terms of timing. Collaboration was discussed and the Joint Audit Committee will get an update at a premeeting on this area of business in December 2016 but governance papers on Tri-Force and Regional Collaboration can be shared with Members. Members queried how others are auditing collaboration and were informed that a lot of approaches stem from the work of this Joint Audit Committee on risk assurance – it was felt that workshops similar to those on risk assurance would be beneficial focusing on collaboration.

RESOLVED that

- (i) Joint Audit Committee Members should be sent the Governance Papers for the Tri-Force and Regional Collaborations; and
- (ii) Collaboration risk workshops should be arranged following the Joint Audit Committee meeting in December 2016.

b) Workforce Development – Phase One (Report 7b)

Members were informed that Qlik Sense management information tool had not been approved at the time of this audit but that the Constabulary is now planning to take this solution forward. One of the actions identified by the auditors had not been submitted to the Head of HR so this will need to be looked at as the wording needs to be altered.

The Chief Constable talked about the Roadshows that he held and the 3 key areas that arose from these: Leadership (Health & Wellbeing); Technology; and Demand. The Chief Constable updated Members on the work that is being done in these areas such as the Leadership Programme of Work, Qlik Sense, BWV, Mobile and Remote working Business Case, Mental Health Control Room Triage and no more Section 136 detainees being held in police custody. It was noted that the internal audit does not reflect the work being done which could be a timing issue and a result of not including all of the relevant staff in the audit. The Head of HR also commented that the questions at the scoping stage of the audit could be phrased differently to encourage a wider response than they currently do.

Performance Development Reviews (PDRs) were stopped in 2014 but the new Individual Performance Review (IPR) goes lived next Tuesday and the Chief Constable has said that everyone should have objectives by April 2017.

Members appreciated the Constabulary response to this report and the update given by the Chief Constable on the work being done to address some of the issues raised in the audit. Members agreed that there is

further work to do on audit scopes, timing and ensuring all relevant staff and officers are included.

RESOLVED that the scoping of internal audits, the timings and those involved in the audits should be looked at for improvements to the process.

c) HR Staff & Wellbeing (Report 7c)

An update on the work being done to address issues picked up within the Investigation Department as noted by the HMIC PEEL Assessment will be discussed at the next Wellbeing Board and an update can be provided to the Joint Audit Committee following that meeting.

RESOLVED that an update be provided to the Joint Audit Committee on issues within the Investigations Department identified by the HMIC after the update to the Wellbeing Board in December 2016.

d) Benefits of Change Portfolio (Report 7d)

There was only one action in this report and substantial assurance given on the management of the Operating Model and Redbridge House. Members were assured that any other projects will now be following the same principles as these projects to achieve consistency but the scales of projects/ programmes with vary in scale and complexity.

A discussion took place regarding the most appropriate method for testing and checking the effectiveness of the projects/ programmes once embedded. It was agreed that it was appropriate for Internal Audit to be looking at Governance, control and process and to use Service Delivery Assurance to check the outcomes.

Members discussed performance and whether a short report from the Constabulary on this would help in setting a context to the internal audit plan. The Police and Crime Board will look at performance and report into the Joint Audit Committee and also Members can view HMIC reports.

e) Follow Up (Report 7e)

Members discussed the risk to the organisation of the management actions not yet implemented and how this would differ depending on the area of business. Members were informed that the Constabulary intend to be more rigorous going forward on the agreed recommendations bearing in mind the risk and resources available.

Members asked for an update on the Safeguarding recommendation on page 17 of the report (7.1) regarding the availability of minutes of Strategy Discussion meetings. It is the responsibility of the Local Authority to produce these minutes so there was some misunderstanding of this when the Constabulary were criticised by the HMIC regarding this. The Constabulary are still not getting the minutes

in a timely manner and so raise this regularly with senior Local Authority leaders. Members were assured that the Constabulary were progressing actions from meetings, including those where minutes had not yet been received. A lot of work has been done to ensure that the police attend all of these safeguarding meetings now.

34. External Audit: Joint Audit Findings (Report 8)

The External Auditors fed back that the accounts are of a good standard and that the audit was a smooth process and they are happy with the presentation and disclosure changes. The earlier timetable for closing down the accounts for 2017/18 has been discussed with the Constabulary and OPCC.

Control issues relating to Journals were discussed. The issues raised are around the process of Journals not requiring authorisation and that once posted into SAP the description of a Journal can be amended. The External Auditor stressed that they found no issues with Journals during testing. The Constabulary assured Members that they are comfortable with the risk and there is only a small finance team who post Journals and that whilst the description of a Journal can be changed once posted into SAP the coding or amount cannot. There is a limited amount that can be done about this issue as it would require a reconfiguration of SAP but worth considering for future ERP options.

A late provision was identified by the Constabulary and the External Auditors agreed this should not be included this year but that this will be reflected in the future. The Value for Money direction of travel is encouraging. An unqualified opinion is being given for both sets of accounts.

The External Auditors were thanked for the approach taken this year and Constabulary Finance Team were thanked for their hard work on the accounts.

35. Public Sector Audit Appointments (Report 9)

The external auditors were asked to leave the room for this item.

The benefits of joining the Public Sector Audit Appointments (PSAA) Limited were discussed. This should give greater value for money, allow a common standard and save the need for an appointment process to be run by Avon and Somerset Police.

Members are supportive to providing positive feedback on the draft response to the six consultation questions but are keen that other forces are also supportive so that future collaboration opportunities are not unnecessarily complicated by this. The OPCC CFO assured Members that he has been in touch with other forces regarding this.

RESOLVED that Members support the principle of joining the Public Sector Audit Appointments (PSAA) Limited for the procurement of audit contracts with effect from 2018/19.

36. Annual Accounts and Governance Statement (Report 10)

RESOLVED that the Joint Audit Committee recommend that the PCC and the Chief Constable formally approve and sign the accounts.

37. Integrated Offender Management (Report 11)

SEE EXEMPT MINUTES

38. Office of the Police and Crime Commissioner Strategic Risk Register (Report 12)

Members were informed that Strategic Risk 2 (Police and Crime Plan) is low as the risk is mitigated by the work being done on the new Police and Crime Plan and the measures being put in place to track delivery of it. The Police and Crime Plan from the first PCC term was not delivered but the focus has now moved to the new plan.

Members queried whether Strategic Risk 4 (Failure to Engage with the Public) should remain on the OPCC Strategic Risk Register as it is such a low risk. It is felt that this is not an area of business to become complacent about and so it should remain on the register – some changes to the way in which the PCC engages with the public will also be made during the second PCC term.

Strategic Risk 3 (Financial Incapability and VFM) was discussed and the ongoing pressure to close the forecast budget gaps in the next four years.

RESOLVED that restricted should be removed from the top of the Strategic Risk Register as it has already been agreed that this is a public document.

39. Constabulary Strategic Risk Register (Report 13)

Members queried why the Constabulary Strategic Risk Register has SSR8 (Failure to deliver sufficient progress towards the Police and Crime Plan Priorities and ambitions) at a much higher risk than the OPCC. This is because the Constabulary have responsibility for delivery of the current plan whilst the PCC is responsible for the strategic governance and is currently setting the new direction.

40. Exempt Minutes of the Joint Audit Committee Meeting held 10th December 2015 (Report 14)

RESOLUTION IN EXEMPT MINUTES

41. HMIC Update (Report 15)

RESOLUTION IN EXEMPT MINUTES

The meeting concluded at 16:40

ACTION SHEET

MINUTE NUMBER	ACTION NEEDED	RESPONSIBLE MEMBER/ OFFICER	DATE DUE
Minute 20e Joint Audit Committee Member Update 15/07/2016	Joint Audit Committee dates for 2016/17 should be reviewed to ensure that they fit in with the trial of the new timescales for producing the Statement of Accounts.	OPCC CFO/ OCC CFO	Immediate
Minute 31(i) Minutes of the Joint Audit Committee Meeting held on 15th March 2016 09/09/2016	A presentation should be given on national crime recording at a future Joint Audit Committee pre- meet.	Force Crime and Incident Registrar	ТВА
Minute 31(ii)			ТВА
Minutes of the Joint Audit Committee Meeting held on 15th March 2016	A presentation should be given on the new Police and Crime Plan at a future Joint Audit Committee pre-meet.	OPCC Strategic Planning and Performance Officer	
09/09/2016 Minute 31	The External Auditors will send a	External Auditors	Immediate
Minute 31 Minutes of the Joint Audit Committee Meeting held on 15th March 2016: Minute 20e 09/09/2016	note to the Joint Auditors will send a note to the Joint Audit Committee to advise them of the process the Met will be following in terms of the new timescales for producing the Statement of Accounts.	External Auditors	Immediate
Minute 32a Business from the Chair – Update on IPCC Investigations 09/09/2016	The Joint Audit Committee will write to MP's raising concerns around the length of time IPCC investigations can take.	Joint Audit Committee	Immediate
Minute 32b	The Constabulary will use the same template for Joint Audit	Constabulary/ Internal Auditors	2/12/2016
Business from	Committee reports as for the		

	-		
the Chair – Police	Police and Crime Board for		
and Crime Board	consistency. It was also		
Terms of	requested that the text within		
Reference	Internal Audit reports be black		
	rather than grey.		
09/09/16			
Minute 33a (i)	Joint Audit Committee Members	OPCC CFO	Immediate
	should be sent the Governance		
Internal Audit	Papers for the Tri-Force and		
Report: Progress	Regional Collaborations.		
Report			
09/09/16			
Minute 33a (ii)	Collaboration risk workshops	OPCC	ТВА
	should be arranged following the		
Internal Audit	Joint Audit Committee meeting in		
Report: Progress	December 2016.		
Report			
09/09/16			
Minute 33b	The scoping of internal audits, the	Constabulary/	Immediate
	timings and those involved in the	Internal Auditors	
Internal Audit	audits should be looked at for		
Report:	improvements to the process.		
Workforce			
Development –			
Phase 1			
09/09/16			
Minute 33c	Update be provided to the Joint	Constabulary	March 2017
	Audit Committee on issues within		
Internal Audit	the Investigations Department		
Report: HR Staff	identified by the HMIC after the		
& Wellbeing	update to the Wellbeing Board in		
	December 2016.		
09/09/16			
Minute 38	Restricted should be removed	OPCC CFO	Immediate
	from the top of the Strategic Risk		
OPCC Strategic	Register as it has already been		
Risk Register	agreed that this is a public		
	document.		
09/09/16			
	1	1	

Minutes of the Police and Crime Board, 22nd September 2016

Attendees:

Sue Mountstevens, Police and Crime Commissioner Andy Marsh, Chief Constable Gareth Morgan, Deputy Chief Constable John Smith, OPCC Chief Executive Officer Rebecca Hehir, Head of Communications Karin Takel, OPCC Strategic Planning and Performance Officer Sean Price, Head of Performance and Process Improvement (Part of the Meeting) Pete Warren, Superintendent, Communications Department (Part of the Meeting)

1. Apologies

Mark Simmonds, OPCC CFO Kate Watson, OPCC HR and Office Manager Marc Hole, OPCC Head of Commissioning and Partnerships

2. Welcome and Introduction

The PCC welcomed attendees and set out the purpose of the Police and Crime Board to scrutinise the Constabulary in a more strategic way, building on lessons learned from her first term in office. The PCC will be expecting the Constabulary to proactively raise key issues for the Board to discuss and will be scrutinising delivery of the Police and Crime Plan. The PCC said that the Constabulary currently have a number of performance issues and she will be monitoring progress on these issues at the Board. The effectiveness of the Police and Crime Board will be reviewed in six months to ensure that the new governance model is working for both the PCC and the Constabulary. It was agreed that clear actions were essential.

The Chief Constable welcomed this new approach and it was agreed that clarity regarding what is required by the Board and who will own the actions is needed. Some of the actions will be short term but some will be long term. The six month review was welcomed.

3. Outstanding Actions from Portfolio Meetings and Major Projects

See Exempt Actions List

4. Decisions

Please note that Decision Notices are published on the PCC website on the Decisions page under the Openness section.

Qlik Sense – the procurement of 800 x Qlik Sense license tokens via the HealthTrust Europe's ICT Solution Framework was agreed. The Decision Notice will be signed and published on the PCC's website along with the redacted 419.

Southmead Police Station Replacement – Phase 1 – Decision Notice signed and will be published on the PCC's website.

Body Worn Video Cameras – the delivery, implementation and roll-out of 2,300 body worn video cameras to Patrol Officers, Neighbourhood Sergeants and PCSOs was agreed. The Constabulary confirmed that Champions have been trained and equipped. A recent example was given regarding a Domestic Violence case where the use of a Body Worn Video has allowed for a victimless prosecution (victim didn't want to come forward) – this demonstrates how Body Worn Video Cameras will impact positively on the future of policing and in particular domestic violence cases. The Decision Notice will be signed and published on the PCC's website along with the 419.

Police and Crime Board Terms of Reference – the Police and Crime Board Terms of Reference were agreed. The frequency of the meetings and agenda setting process was discussed for clarity. The Decision Notice will be signed and published on the PCC's website along with the Police and Crime Board Terms of Reference.

5. Police and Crime Plan

The PCC thanked the Constabulary for supporting the Office of the Police and Crime Commissioner (OPCC) in developing the Police and Crime Plan. Measures are still being looked at and a performance dashboard is being developed to support performance evaluation. The plan will be discussed at the Police and Crime Panel on 12th October 2016. Progress against the Police and Crime Plan will be an ongoing item on the Police and Crime Board agenda.

Qlik Sense – The Head of Performance and Process Improvement gave a demonstration on how the new Qlik Sense technology works and how it will improve the information available to the Constabulary, giving them a complete picture across all areas of business in order to highlight areas for improvement. This tool should help managers informing decision making but it does rely on input. There is a supervisor App, Management App and Specialist Apps e.g. Road Safety and one that will track the delivery of the Police and Crime plane – this will include displaying the performance dashboard.

The PCC queried if Qlik Sense would give the ability to drill down on high level information. The Head of Performance and Process Improvement demonstrated how this was done and how text analytics is also included. A discussion took place about the fall in public confidence in October 2015 during a period of organisational change and how it is important to understand what drives public confidence.

The Board discussed 101 waiting times and abandonment rates. The idea of dynamic rostering was talked about and the flexibility this gives but there are potential HR issues with this. Part of the tri-force work should be looking at changing resources and processes to match demand. The Home Office are about to launch a 101 campaign which could put additional pressure on 101. Qlik Sense could show if there are occurrences of people abandoning calls at the point where the automated message advises that online reporting is available.

The Police and Crime Plan App is aimed at a strategic level whilst the Crime Management App is for all line managers and it will default to the correct team for the line manager. Demand reduction work was discussed as well as preparation with Criminal Justice partners ahead of the change in legislation.

It is intended that local police and crime plans will translate the central one at a local level and potentially will replace Community Safety Plans. However, more discussion with partner agencies are required to scope the plans as priorities and issues are likely to be wider than the policing ones. Updates will be provided to the Police and Crime Board on this work.

6. Performance Framework

The three tier approach was discussed: PEEL Framework; PCC Audit/ Service Delivery Assurance (SDA); and Quantitative Measurement. The Board approved the approach set out and the recommendation to develop report templates. A performance report will be submitted to the next Police and Crime Board and the Police and Crime Plan app will be used to support discussions.

7. Scrutiny

a) HR

The PCC is disappointed with overtime, vacancies and number of Police Officers in non-funded roles. It was explained that 73 of the non-funded roles are student Police Officers going through training so are carried as supernumeraries and not in substantive posts – once they have completed training they will be in substantive posts reducing the number of Police Officer vacancies.

A discussion took place regarding the number of Specials. Some are on restricted duties, some are on suspension and the training of new Specials in October 2016 has been cancelled due to insufficient numbers – 40 trainee Specials are booked to start training in January 2017. The intensity of the training required because Specials are warranted officers was discussed and if it would be appropriate to consider a voluntary equivalent to PCSOs as well. The number of BME Specials recruited was discussed. Following some of public comments regarding police visibility seen during the Qlik Sense demonstration the Constabulary are concerned that the public may not see PCSOs as part of the police and this should be looked into.

The Constabulary will be taking up to 40 police officer transferees between end of July and up to October 2016 and a discussion took place about how many of those were from underrepresented groups.

The PCC raised concerns for the health and wellbeing of officers given the high level of overtime and would like a report at the next Police and Crime Board focusing on overtime for assurance that it is being used appropriately.

b) Major Projects

The back record conversion from Guardian to Niche was discussed and the PCC asked for specific assurance regarding the outstanding number and date that this would all be complete to understand what is outstanding and whether there is any risk related. The upcoming roll out of Niche 5.04 was also discussed and lessons learned from the roll out of Niche. These lessons will formally be built into the ERP Programme also.

The connectivity between the Police National Database was also discussed. The Constabulary expect this to commence in October 2016 and the Constabulary will report to the PCC if this does not happen.

c) Finance

The report on Proceeds of Crime was discussed and the PCC asked that the Constabulary consider if there are any actions that could be taken to maximise Proceeds of Crime returns. Proceeds of Crime receipts currently fund the cost of the Financial Investigation Unit.

d) Draft Estates Strategy

The draft Estates Strategy was discussed and the PCC was assured that comments previously made by the OPCC have been included in the latest version of the Estates Strategy which will be submitted to the Police and Crime Board in November 2016. The latest draft will be circulated to the PCC and Chief Constable in the next few days for them to complete the Foreword section.

Estates progress was discussed and the Constabulary agreed that the PCC will be kept fully up to date.

e) HMIC Activity and Recommendations

The PCC was assured that the process for tracking recommendations has been improved and the same process is now going to be applied to Internal Audit recommendations. The Constabulary acknowledge that timescales had slipped. The Constabulary are now planning for the Autumn inspection. Outstanding recommendations and timescales are built into Qlik Sense. The PCC would like to know what the risk is of not implementing an action on time and on the other hand if it is done what is the impact on the organisation.

The Joint Audit Committee also discussed this area of business and as the PCC and Chief Constable or Deputy Chief Constable are also present at those meetings it was agreed that the Board would focus on specific areas of concern flagged up by the Constabulary.

f) CT

The PCC and Chief Constable will meet separately to discuss this report in more detail. Estates matters in relation to CT were discussed.

g) External Governance

The Police and Crime Board should give the PCC time to liaise with partners more and the Constabulary fully support this. This external governance proposal will require a joined up approach with officers to ensure that visits to partners are constructive.

8. Quarterly Item: PSD – Complaints

The PCC asked the Constabulary if they were confident that they are not sacrificing quality for timeliness given that 1 in 2 IPCC appeals are being upheld. Based on the Year to Date performance the Constabulary assured the PCC that the investigation quality has improved.

A discussion took place regarding the reason for the high number of complaints recorded. The Constabulary have looked at why they are recording more complaints in the past by commissioning a peer review done by Derbyshire and Internal Audit focused on complaints – some improvements were made as a result of the peer review but it was found by Internal Audit that Avon and Somerset were ethically recording complaints. The introduction of Body Worn Video cameras might reduce the number of complaints. It was suggested that the Independent Residents Panel or Service Delivery Assurance Panel look at incivility complaints and also formal complaints to identify if there were any that could have been dealt with more appropriately as service recovery. The Service recovery approach was discussed. The Independent Residents Panel have fed back that there has been a lot of progress in complaints.

Since the report was submitted two more IPCC cases have been closed. The Board discussed the ongoing concern regarding the length of time a number of the IPCC investigations have taken and how distressing this is for all those involved in investigations.

9. Update on ASC/PCC Risks and Issues

This agenda item was recently covered in detail at the Joint Audit Committee which is attended by the PCC and the Chief Constable or Deputy Chief

Constable. Issues were discussed and the PCC was assured that resolutions are being progressed.

10.A.O.B

a) 101

The Chief Officer Group are supportive of the proposal outlined to improve the 101 service. A budgetary review paper is awaited.

The demand within the Speed Enforcement Unit was discussed and the PCC was informed that when members of the public are diverted to speed enforcement the line cuts off if not answered in five rings – a solution to this is being looked at.

It was agreed that an update should be given at the next Police and Crime Board on the proposed improvements to the 101 service and the issues with the Speed Enforcement line.

The PCC thanked the Communication Centre Manager for the report provided and praised the work of the Communication Centre Staff.

b) SW1

The best way to ensure that the PCC is fully sighted on the exit plans for SW1 was discussed. A discussion took place regarding the future and how this is affected by the Tri-Force collaboration and briefing Tri-Force partners is important. The OPCC CFO sits on the Exit Board and will be responsible for keeping the PCC up to date and assuring the PCC that all appropriate steps are being taken in a timely manner.

11. Publication

The agenda and minutes of this meeting will be agreed for publication at the next meeting of the Police and Crime Board on 10th November 2016. Documents will be uploaded to the Reports and Meeting page of the Openness section on the PCC's website.

Actions List:

See Exempt Actions List

Date of the Next Meeting: 10th November 2016

OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET AND AVON AND SOMERSET CONSTABULARY

Internal Audit Progress Report

Joint Audit Committee

2 December 2016

This report is solely for the use of the persons to whom it is addressed. To the fullest extent permitted by law, RSM Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party.

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made.

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1 INTRODUCTION

The internal audit plan for 2016/17 was approved by the Joint Audit Committee at the meeting on 10 March 2016 subject to some minor changes as discussed at that meeting.

We issued one report since the last Joint Audit Committee meeting, with fieldwork in progress on other reviews.

Assignments	Opinion issued	Actions agreed			
		н	Μ	L	
Financial Controls (6.16/17) FINAL	No Partial assurance Partial assurance Reasonable assurance Substantial assurance - +	0	1	3	

1.1 Impact of findings to date

To date we have issued two partial assurance opinions, including one high rated management action. These findings could impact our annual audit opinion. These relate to the Vulnerability (1.16/17) and HR - Staff Wellbeing and Productivity (5.16/17) reports.

2 LOOKING AHEAD

Assignment area	Timing per approved IA plan 2015/16	Status	Target Audit Committee per the IA Plan 2015/16
Collaboration	Q2 September 2016	Advice / audit to be provided as and when required – see below.	N/A
Legal Claims	Q2 September 2016	Fieldwork complete. Awaiting responses from other Police Forces to finalise the benchmarking information.	March 2017
Workforce Development – Phase Two	Q3 October 2016	Deferred to 2017/18 to allow for actions to be implemented.	July 2017
Data Quality	Q3 December 2016	Scope amended slightly, scoping meeting held 22 November 2016, fieldwork to take place in January 2017.	March 2017
Payroll	Q4 January 2017	Fieldwork taking place w/c 2 January 2017	March 2017
Action Tracking	Q4 January 2017	Fieldwork taking place w/c 23 January 2017	March 2017
Police Pensions	As required	Fieldwork date TBC	ТВС

3 OTHER MATTERS

3.1 Changes to the audit plan

There has been one reported change to the 2016/17 audit plan as shown above, with the **Workforce Development** (**Phase Two**) review being deferred until the end of the year to allow for actions and new systems to be implemented and embedded before being tested.

The **Data Quality** review has changed slightly in scope given the focus of the HMIC crime recording investigation. It has been agreed that as HMIC did not look at the recorded outcomes of crimes, given the Constabulary's FCIR has concerns in this area with limited resource, we will undertake large sample testing over a one month period comparing outcomes recorded in Niche against standard Home Office guidance. This fieldwork will take place in Janaury 2017 and be reported to the March 2017 JAC.

The Constabulary is awaiting confirmation from the December Regional Pensions Board on the requirements and timing of the **Pension Scheme** audit.

The above changes will result in the OPCC and Constabulary receiving 155 internal audit days for 2016/17 against a plan of 170 days and a budget of 180 days, with the exclusion of Collaboration and the contingency allocated in the annual plan.

3.2 News briefing

No further Emergency Sector news briefings have been issued since the last Joint Audit Committee.

APPENDIX A: INTERNAL AUDIT ASSIGNMENTS COMPLETED TO DATE

Reports previously seen by the Joint Audit Committee and included for information purposes only:

Assignments	Status	Opinion issued	Actio	ns agi	reed
			н	М	L
Vulnerability (1.16/17)	Completed	Partial Assurance	1	2	0
Workforce Development (2.16/17)	Completed	Advisory	0	2	1
Follow Up of Previous Internal Audit Recommendations (3.16/17)	Completed	Reasonable progress	0	1	0
Benefits of Change Portfolio (4.16/17)	Completed	Substantial assurance	0	1	0
HR – Staff Wellbeing and Productivity (5.16/17)	Completed	Partial assurance	0	4	0

FOR FURTHER INFORMATION CONTACT

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POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET & AVON AND SOMERSET CONSTABULARY

Financial Controls

FINAL

Internal audit report: 6.16/17

24 November 2016

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3 Detailed findings	8
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Debrief held Draft report issued Responses received	15 November 2016 23 November 2016 23 November 2016	Internal audit team	Mark Jones, Head of Internal Audit Vickie Gould, Client Manager Joe Hanley, Lead Auditor
Final report issued	24 November 2016	Client sponsor	Nick Adams - Head of Finance and Business Services Richard Fryer - Financial Services Manager Jane Walmsley - Inspection and Audit Coordinator
		Distribution	Nick Adams, Head of Finance and Business Services Richard Fryer, Financial Services Manager Jane Walmsley - Inspection and Audit Coordinator,

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1 EXECUTIVE SUMMARY

1.1 Background

An audit of Financial Controls was undertaken as part of the approved internal audit plan for 2016/17.

Avon and Somerset Constabulary uses the SAP computer system for all financial functions. This covers a number of services, including Finance, Payroll, Procurement and Human Resources that are shared with Somerset County Council and Taunton Deane Borough Council until 1 December 2016, through an agreement in place with Southwest One (SWOne). A number of these services operate from County Hall in Taunton although a Retained Finance Team and a SWOne Financial Services Team are located at the Police HQ in Portishead.

As External Audit no longer rely on the work of Internal Audit, our steer for the annual financial controls reviews are now based on management direction as to areas of weakness or assurance required. As part of this audit it was requested by management that a review of data was undertaken, using the IDEA computer assisted audit technique, which allows a review of the whole transaction population, rather than limited sample testing, so that key areas can then be drilled down into to establish whether there are indeed weaknesses in control design or compliance. We also looked at the use of general ledger codes, including mispostings, correction journals and month end journals.

As the Constabulary brings the arrangement with SWOne to a close in 2018, and potentially look to collaborate with other local Forces on back office functions such as finance, this aims to provide useful information for management to make decisions on systems and controls going forward.

1.2 Conclusion

No major weakness or errors were identified as part of this review; however, further work is needed to fully interpret the outputs from the IDEA data testing.

Internal audit opinion:

Taking account of the issues identified, the OPCC and JAC can take substantial assurance that the controls upon which the Constabulary relies to manage this area are suitably designed, consistently applied and operating effectively.



1.3 Key findings

The key findings from this review are as follows:

- The general ledger coding guidance needs updating to reflect any changes since November 2013 and to include further detail on the use of the 'Fees and Hires' code which incurs a large volume of misposted transactions.
- Some mispostings were identified in a review of detailed transactions within 10 general ledger codes, which requires manual override to correct these errors. However, the extent of the mispostings was less than management had expected.

- Robust controls are in place to manage set up and amendments to SAP user accounts.
- There is not a formal requirement within the Finance team for journals to be subject to segregation of duties with one person raising and a separate person posting journals, and backing evidence to justify the reasons for journals is not retained in an electronic central folder.
- Analysis of purchase to payment data found a number of anomalies that require further investigation and interpretation.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The action plan at section two details the specific actions agreed with management to implement.

Area		ontrol		lon	Agreed ac	tions	
		gn not ctive*	Com with c	pliance controls*	Low	Medium	High
General Ledger	0	(2)	2	(2)	2	0	0
SAP Access	0	(1)	0	(1)	0	0	0
Purchase to Pay	0	(1)	1	(1)	1	0	0
Journals	0	(1)	1	(1)	0	1	0
Total					3	1	0

* Shows the number of controls not adequately designed or not complied with. The number in brackets represents the total number of controls reviewed in this area.

1.5 Additional feedback

A key theme from this review was around balancing the need for controls against the resource needed and therefore the efficiency of the process. The theory behind an effective control framework suggests using a mix of different control types:

- Directive controls policies, job descriptions (informing staff of the correct / expected procedure)
- Preventative controls segregation of duties, authorisation (stops errors occurring)
- Detective controls reconciliations, exception reporting, manager review (identifies errors)
- Corrective controls business continuity plans (rectifies errors)

During the audit we flagged two issues with management:

- 1. Lack of segregation of duties in processing journals
- 2. Inability to run reports that could flag changes / anomalies

As organisations experience pressures on funding and resources, implementing preventative controls such as segregation of duties over transactions such as journals becomes labour intensive and inefficient. If an organisation can implement strong directive controls so that staff have all the information and tools to perform their duties correctly, and there are robust and regular detective controls in place to pick up any errors or anomalies, then organisations can accept the risk of eliminating the preventative controls.

Reports / controls that would be useful for the areas we have reviewed are set out below:

- Report of changes to SAP user accounts (date / detail of changes made)
- Report of escalations in P2P process (purchase orders not authorised within five days of request)
- Report of large value journals for monthly review
- Detailed review of monthly finance management report / management accounts with budget holders

All of these would act as detective controls, and would enable a quick identification of errors as part of the month / quarter end process, and would reduce the need for controls such as secondary authorisation of individual transactions such as journals.

2 ACTION PLAN

Categoris	Categorisation of internal audit findings							
Priority	Definition							
Low	There is scope for enhancing control or improving efficiency and quality.							
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible reputational damage, negative publicity in local or regional media.							
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.							

The table below sets out the actions agreed by management to address the findings:

Ref	Findings summary	Priority	Action for management	Implementation date	Owner responsible
1.1.1	The general ledger code guidance document should contain more detailed guidance for staff, specifically clarification of what is and is not permitted to be posted to the "Fees and Hired" code. The document was last updated in November 2013. There is a risk that code changes or changes in policy have not been incorporated into the guidance document since it was last updated.	Low	The Financial Services Manager will update the general ledger coding guidance to ensure that any code or policy changes since November 2013 have been incorporated. The general ledger code guidance document will then be reviewed on an annual basis. The Principal Accountant will work with the business order team to more clearly establish what the Fees and Hired GL code should appropriately be used for so as to minimise errors and miscodings requiring correction through journals.	31 March 2017	Richard Fryer, Financial Services Manager
1.1.2	For four out of 10 general ledger codes we found that initial miscoding of expenditure resulted in journal adjustments having to be completed to reallocate the costs. Where expenditure is	Low	Management will implement quarterly spot checks of general ledger postings and escalate any themes or issues with mispostings. Any issues that arise from the spot checks will form the	31 March 2017	Richard Fryer, Financial Services Manager

Ref	Findings summary	Priority	Action for management	Implementation date	Owner responsible
	miscoded, additional resource has to be used to correct the miscoding. Furthermore, where costs appear under the incorrect general ledger code, budget information is inaccurate and this can result in poor management decisions.		basis of future training for staff.		
1.1.4	We undertook detailed analysis of purchase order data for the year to date and found that: 162 staff from the delegations table had not authorised an FI or purchase order transaction in the 2016/17 financial year. Of these, 28 had authorisation limits of £0 - £2,000; 107 had authorisation limits of £2,000 - £10,000; and 27 had authorisation limits of £10,000 - £100,000. 17 staff had authorised an FI or purchase order transaction in the 2016/17 financial year but were not on the delegations table. We also found that inaccurate names of transaction authorisers were being pulled through to transaction reports.	Low	Management will work with Internal Audit to investigate and interpret the results of the purchase to pay data review, focusing on the accuracy of data on purchase order authorisers. An update report will be presented to the JAC meeting in March to explain the findings, mitigations and actions taken.	28 February 2017	Richard Fryer, Financial Services Manager
1.1.5	In two out of 15 cases the same member of staff had raised and processed a	Medium	Management acknowledges that our control over the posting of journals does not	31 March 2017	Richard Fryer, Financial Services Manager

Same member of Stan had		
raised and processed a	posting of journals does not	Manager
journal. In three cases	include the need for	
journals had been processed	segregation of duties. We	
electronically by the Finance	are content that the ability to	
Assistant and there was no	post journals is tightly	
audit trail to show that they	controlled within the HQ	
had been processed by a	Finance team. We are	

Ref	Findings summary	Priority	Action for management	Implementation date	Owner responsible
	separate member of staff. There is a risk of journal backing evidence not being available when staff leave the Constabulary as it is not		equally content that strong budgetary management will mitigate any risk of mis- statement as a result of journals.		
	stored centrally.		We recognise that the volume of journals currently		
	Additionally, the lack of challenge and scrutiny on journals gives rise to the risk of fraud and error when segregation of duties are not in place.		undertaken is high, reflecting in part the miscodings elsewhere identified. We will therefore focus our activities to meet recommendation 1.1.1, thereby improving initial coding and reducing volume of journals needed,		
			In addition we will instigate a more robust challenge of journals submitted which do not provide sufficient description or supporting evidence.		

3 DETAILED FINDINGS

Our internal audit findings and the resulting actions are shown below.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
1.1.1	 The Constabulary has a general ledger code guidance document which is available to all finance staff. The document includes: cost centre, item description and purpose of all commitment items in each of the seven spend categories; and staff contact names for general ledger code queries. The general ledger code guidance document was created by Retained Finance and is updated annually. The document is available to staff via the intranet. 	Yes	No	The general ledger code guidance document gives brief guidance to staff as to the appropriateness of code use. The document should contain more detailed guidance for staff, including clarification of what is and is not permitted to be posted to the "Fees and Hired" code. We found the code description was not clear enough to inform staff of what should be posted to it, and therefore mispostings were occurring more often to this code. We found no issues with the description of the other general ledger codes. We confirmed that the general ledger code guidance document is available to staff via the intranet. The document was last updated in November 2013. There is a risk that code changes or changes in policy have not been incorporated into the current guidance document since it was last updated.	Low	The Financial Services Manager will update the general ledger coding guidance to ensure that any code or policy changes since November 2013 have been incorporated. The general ledger code guidance document will then be reviewed on an annual basis. The Principal Accountant will work with the business order team to more clearly establish what the Fees and Hired GL code should appropriately be used for so as to minimise errors and miscodings requiring correction through journals.
1.1.2	All items of expenditure must be allocated to a general ledger code. The general ledger code guidance document includes a list of all code numbers available, the group to which they belong, a description of the code and the codes purpose. General ledger codes are broken	Yes	No	 With a focus on non-pay costs, we selected a sample of 10 general ledger codes from the trial balance. From this we found: in six cases the activity within the general ledger code showed that costs were being allocated appropriately; and 	Low	Management will implement quarterly spot checks of general ledger postings and escalate any themes or issues with mispostings. Any issues that arise from the spot checks will form the basis of future training for staff.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
	down into each of the following seven spend categories: • pay; • premises costs; • transport costs; • supplies and services costs; • third party payments; • capital financing; and • income. Staff must apply the most suitable general ledger code to costs.			 in four cases we found that initial miscoding of expenditure resulted in journal adjustments having to be completed to reallocate the costs. We found the following adjustments had been made after the initial miscoding error: build alterations to loose furniture; build alterations to professional fees; build alterations to security; build alterations to repairs and maintenance; repair and maintenance of vehicles to tyre vehicle costs; fees and hired to publications; fees and hired to insurance general; professional fees to fees and hired; and fees and hired to Agency payments for other local authorities. Where expenditure is miscoded, additional resource has to be used to correct the miscoding. Furthermore, where costs appear under the incorrect general ledger code, budget information is inaccurate and this can result in poor management decisions. We spoke to staff who were authorised to place orders on behalf of the Constabulary. From this we found: 		

 when staff were aware of the general ledger coding guidance available they felt it was sufficiently detailed;
Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
				 staff had received training as to how to allocate costs and staff felt that this training was adequate; however some staff were not aware of where to find the general ledger guidance. 		
1.1.3	Users that wish to amend / update their SAP access or staff setting up new SAP users must complete a SAP Role Maintenance Form. This form is in an excel spreadsheet format and is available to staff via the intranet. Most user accounts in SAP are set up as roles within the organisational structure, so changes should be minor.	Yes	Yes	We were unable to select a sample of SAP users and test the use of the SAP Role Maintenance Forms, because users set up at the introduction of SAP in 2009 have no forms in place, and we were unable to get a report of changes to user access. We therefore selected a sample of 15 current SAP users set up across various authorisation limits and various cost centres. From this we found:		None.
	The SAP Role Maintenance Form includes instructions on how to complete the form, as well as a flowchart for the approval process. There are designated authorisers for each type of access required, including finance, HR and procurement. Users must indicate			 in all cases we believe the level of authority given to the user was appropriate for the job role; and in nine cases the individual had authorised transactions against their allocated cost centre in 2016/17. 		
	which type of access change they are requesting and send their form to the designated authoriser for approval.			After discussion with the Business Order and AP Team Leader and the SAP Reporting Team we found that it was not possible to produce a report to show escalations within work cycles so we could not comment on how		
	Approvers are expected to sufficiently review the reasons for changes to roles and challenge where appropriate. Once approval has been obtained for each type of			often purchase order authorisation is escalated due to a delay in actioning. We are satisfied that the controls and segregation of duties around SAP users is		
	access change included in the			robust, however to strengthen the review		

f	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
	request, the form is sent to the HR Team where SAP access changes are actioned and forms filed. If the access change is for a secondee role to SWOne, these forms are sent to the OM Team as opposed to the HR Team. All forms are stored on a network file. Once a role has been set up within SAP with the ability to approve requisitions, an email is sent to the Principal Accountant to request the			process there are a number of reports the Constabulary could look into reporting. These are mentioned in the executive summary above.		
	authorisation limits to be set. When a purchase has been requisitioned on SAP, an email is sent to each individual with authority to approve for the relevant cost centre and transaction value.					
	The requisitioner has the option to remove staff to which the request will be distributed. Authorisation limits fall into the following categories for each cost centre:					
	 £0 - £2,000 (Sergeant level); £2,000 - £10,000 (Inspector / Chief Inspector Level); £10,000 - £100,000 (Superintendent / Chief Superintendent; and £100,000 - £9,999,999,999 (Head of Finance and Business Services, CFO and Director of 					

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
	Officer and Chief Executive).					
	Authorisers have the option to delegate their authority to another member of staff for a specified period of time if for example they are going on annual leave. Each cost centre has SAP users set up to authorise purchases against it. Should the transaction remain unauthorised for five calendar days, the request is escalated up the work cycle to authorisers for the next band of authorisation limits.					
1.1.4	A purchase order must be raised by a requisitioner set up within SAP. Once a purchase has been requisitioned, an email is sent to all staff with authority to approve the transaction within the given cost centre. Any member of staff receiving a notification can then authorise the transaction. Authorisation of the purchase order is the key step in the P2P cycle as this is the opportunity for purchasing decisions to be challenged. Once the order has been authorised, the goods can be received and the invoice matched and marked for payment.	Yes	No	 We obtained a list of delegated authorisers setup within SAP, a list of all cost centres and a list of all FI and purchase order transactions together with the member of staff authorising the transaction since 1 April 2016. From this we found: there was a total of 280 users setup to authorise against various cost centres, this was as expected by the Constabulary; there was a total of 971 different non pay cost centres. 495 of these had costs allocated to them in 2016/17; the maximum amount of authorisers set up against a cost centre was 50; 62 suppliers had multiple orders placed between one and three days, for the period April to October 2016. Out of these, 11 had multiple orders placed on the same day. We selected a sample of five of 	Low	Management will work with Internal Audit to investigate and interpret the results of the purchase to pay data review, focusing on the accuracy of data on purchase order authorisers. An update report will be presented to the JAC meeting in March to explain the findings, mitigations and actions taken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
				 these suppliers and confirmed that all five were for goods needed on a regular basis (stationery, uniform, police equipment, meals) and were not an attempt to work around authorisation limits; 162 staff from the delegations table had not authorised an FI or purchase order transaction in the 2016/17 financial year; 17 staff had authorised an FI or purchase order transaction in the 2016/17 financial year; 17 staff had authorised an FI or purchase order transaction in the 2016/17 financial year but were not on the delegations table. We selected a sample of five of these staff and found that in two cases the member of staff had been substituted to approve the expenditure. In two of the remaining cases the member of staff authorising expenditure at the time of the audit; and we found that one user had authorised transactions, on average, over 90% of his delegated authority limit in the period April to October 2016. When we investigated the transactions, we found one occurrence where a different member of staff had actually authorised one of the transactions. There is a risk here that inaccurate data is being extracted into transaction reports. The Constabulary must investigate this issue to find the reason for the inaccurate information. 		
				A total of 894 general ledger codes are available to staff within SAP. 512 of these are marked as active within the general ledger		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
				code guidance document. The remaining 382 are marked as not in use.		
				We found that 216 of the 512 codes marked as active have not yet been used in 2016/17. Additionally, we found that 18 of the codes marked as not in use in the general ledger code guidance had been used in 2016/17. Upon looking into five of these we found that the codes were used for specific activities such as one off piece of electrical servicing, indirect employee expenses and premises lease. The codes had been marked as not in use so as to deter staff from using them. These findings will be explored in detail by the Financial Services Manager and Internal Audit		
				to establish explanations or mitigations, and whether these have identified real weaknesses in the control framework or not. An update report will be provided to the March Joint Audit Committee.		
1.1.5	Finance Managers and Finance Officers authorised to raise a journal within SAP must complete a SAP Journal Upload spreadsheet. Once completed, there is an option to save and send the Journal Upload spreadsheet to the Finance mailbox. There is an in built control within the spreadsheet that will not allow it to be sent if the posting date has not been completed or if the	Yes	No	 We selected a sample of 15 journals raised in 2016/17, including five journals over £25,000. From this we found: in all cases we the journal contained detailed and accurate narrative of the reason for the journal; in four cases the journal had been posted to correct a previous miscoding error; in 10 cases we saw evidence that the journal had been raised and processed by 	Medium	Management acknowledges that our control over the posting of journals does not include the need for segregation of duties. We are content that the ability to post journals is tightly controlled within the HQ Finance team. We are equally content that strong budgetary management will mitigate any risk of mis-statement as a result of journals.
	credit and debit amounts do not balance. If a cost centre that does			different members of staff. In two out of the remaining cases the same member of		We recognise that the volume of journals currently undertaken is high,

	for the remaining seven journals.
quired fields have	
eted by the	There is currently a risk of journal backing
	evidence not being available when staff leave
he provided reason	the Constabulary. A central database of
s with the	journal evidence would mitigate this risk. This
on the journal;	would provide an efficient audit trail should
he item to be	any management information be questioned
lready on the	when reviewing month end reports.
ecorded;	
ost centres and	Additionally, the lack of challenge and scrutiny
the transfer makes	on journals gives rise to the risk of fraud or
s allowed; and	error where segregation of duties is not in
criptions are	place. A requirement of secondary
and informative.	authorisation would mitigate this risk.
	Delegated authority limits could be put in place
sistant then prints	for the posting of journals, perhaps in line with
t and saves a SAP	the authority limits already set up within SAP.
/ of the file. The file	The types of controls required and relevant for
d to SAP and the	the Constabulary are explored in more detail
per is entered onto	in the executive summary of this report.
nal, initialled and	
	Police and Crime Commissioner for Avon and Somerset Financial Controls 6.16/17 15

not exist is entered into the spreadsheet, this is automatically flagged to the requester.

Adequate

control

design

(yes/no)

Controls

complied

(yes/no)

with

Ref

Control

All members of the Finance Team have access to the Finance mailbox and can approve and process the journal, although this is usually done by the Finance Assistant.

Once a journal has been raised, the Finance Assistant opens the attached spreadsheet from the Finance mailbox. The following checks are then completed:

- check all requ • been complet requester;
- check that the • corresponds information or
- check that the • credited is alr system as rec
- check the cos • ensure that th sense and is
- ensure descri • meaningful a

The Finance Assi the spreadsheet a compatible copy of is then uploaded document number the printed journa

staff had raised and processed the journal. In the three remaining cases journals had been processed electronically by the Finance Assistant and there was no audit trail to show that they had been processed by a separate member of staff:

Audit findings and implications

- in all six cases where the journal had a corresponding reversing journal, we saw that it had been reversed correctly; and
- in eight cases we found that the journal ۰ backing evidence was in place to justify posting the journal.

We were not provided with backing evidence

reflecting in part the miscodings elsewhere identified. We will therefore focus our activities to meet recommendation 1.1.1, thereby improving initial coding and reducing volume of journals needed,

In addition we will instigate a more robust challenge of journals submitted which do not provide sufficient description or supporting evidence.

Priority Action for management

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
	dated by the member of staff processing the journal. The printed					

journal copy is then filed into the current journals folder. If the journal relates to an accrual, the Finance Assistant puts the email into a separate accruals sub-folder within the Finance mailbox.

The Principal Accountant checks the journal and puts the Journal Upload Sheet in a folder entitled "Ready for Input". The Finance Assistant then processes all journals in this folder and adds them to his monthly accrual log spreadsheet. This spreadsheet is then used for reversing the journals in the following period.

Prior to August 2016, the accrual Journal Upload Sheets were printed and signed when processed by the Finance Assistant.

APPENDIX A: SCOPE

Scope of the review

The scope was planned to provide assurance on the controls and mitigations in place relating to the following risks:

Objective of the risk under review	Risks relevant to the scope of the review	Risk source
Robust financial controls are in place to support the integrity of the OPCC and the Constabulary's financial systems.	Staff are not set up with appropriate delegated authority in SAP leading to inaccurate and inefficient entry to and use of the system, resulting in inaccurate management information.	Management concern

Areas for consideration:

Delegated Authority

We reviewed a sample of staff to check that they were set up to authorise payments against the correct budgets, and to check that they have been set up with an appropriate level of authority. We reviewed the Master Data control framework for setting up and amending access rights to ensure it was robust but efficient.

By analysing data from SAP we reviewed and interpreted information such as the number of staff set up to authorise payments against budget codes, the total number of users, the regularity at which staff with access are using the system to authorise transactions against their allocated budget codes, and where lack of use of the system generated escalation across the organisation and the issues / delays this caused.

We also checked that responses were escalated in a timely manner when the original delegate was absent.

We spoke to staff to determine engagement levels with the system and barriers resulting in reduced use of the system.

General Ledger Coding

We reviewed the procedures for general ledger coding to check that they give clear guidance of the expected practice to staff.

We deep dived into a sample of general ledger codes, with a focus on non-pay costs, to check whether codes were being used appropriately. We commented on the total number of general ledger codes being used by the Constabulary compared to what we see across similar organisations.

We spoke to staff to determine whether there is confusion over which staff training / courses codes should be used.

We reviewed a sample of journals, including those around month end cut off, and tested to ensure adequate segregation of duties existed and that sufficient evidence for adjustments existed. This also considered the reason for journals, and the volume of journals that were correcting previous posting errors.

Limitations to the scope of the audit assignment:

- Our audit was limited to the key financial controls within the scope detailed above only.
- Testing was undertaken on a sample basis only for the 2016/17 year to date.
- We did not review delegations and authorisation at the purchase ordering phase, only the payment stage of the P2P process.
- We did not comment on the validity or relevance of transactions within our sample; however any unusual items were flagged with management.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

APPENDIX B: FURTHER INFORMATION

Benchmarking

We have included some comparative data to benchmark the number of management actions agreed, as shown in the table below. In the past year, we have undertaken five audits in the emergency services sector; however we cannot provide assurance that the areas for consideration were similar to that in this review due to its specific nature.

Level of assurance	Percentage of reviews	Results of the audit
Substantial assurance	80%	Х
Reasonable assurance	20%	
Partial assurance	-	
No assurance	-	
Management actions	Average number in similar audits	Number in this audit
Management actions High		Number in this audit
Management actions High Medium	audits	
High	audits -	

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Joint Audit Committee Update for the Police and Crime Commissioner for Avon and Somerset and the Avon and Somerset Chief Constable

Progress Report and Update Year ended 31 March 2017

December 2016

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Introduction

This paper provides the Joint Audit Committee with a report on progress in delivering our responsibilities as your external auditors.

Members of the Joint Audit Committee can find further useful material on our website www.grant-thornton.co.uk, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

- Brexit: a public sector perspective: <u>http://www.grantthornton.co.uk/insights/brexit--a-public-sector-perspective</u>)
- Advancing Closure (August 2016): <u>http://www.grantthornton.co.uk/en/insights/advancing-closure-the-benefits-to-local-authorities/</u>
- Power check: Reviewing the effectiveness of Police accountability. (June 2016): http://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/publication/2016/power-check-pccand-pcp-police-report.pdf

If you would like further information on any items in this briefing, or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect your business or any weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.



Audit Committee progress report and update – Police and Crime Commissioner for Avon and Somerset and the Chief Constable of Avon and Somerset Police

Progress to date



2016/17 work	Planned Date	Complete?	Comments
Fee Letter We are required to issue a 'Planned fee letter' for 2016/17 to both the Police and Crime Commissioner and the Chief Constable.	July 2016	Yes	The 2016/17 fee letters was presented to the July 2016 Audit Committee.
Accounts Audit Plan We are required to issue a detailed accounts joint audit plan covering the audit for the Police and Crime Commissioner and the Chief Constable setting out our proposed approach in order to give an opinion on the Police and Crime Commissioner's group financial statements, including the statements of the Chief Constable in 2016/17.	March 2017	Not yet required.	We continue to assess the risks facing you and meet with Senior Officers to ensure that these risks are fully understood and our audit work is appropriate. This will be reported to the Audit Committee in early 2017.
 Interim accounts audit Our interim fieldwork visits covers work on both the Police and Crime Commissioner and the Chief Constable arrangements, including: updating our review of the control environments updating our understanding of financial systems review of Internal Audit reports on core financial systems early work on emerging accounting issues early substantive testing proposed Value for Money conclusion work. 	February– March 2017	Not yet required	 We will: engage with the finance team to streamline and improve the audit approach for 2016/17 where possible Discuss any technical issues early Undertake as much early testing as possible.
 Final accounts audit Covering the Police and Crime Commissioner's group financial statements, including the statements of the Chief Constable, we will : audit the 2016/17 financial statements issue opinions on the 2016/17 financial statements 	May -June 2017	Not yet required	We will undertake work on your draft financial statements to provide an opinion by the statutory deadline. We are planning to complete our audit by 30 th June, as part of the transition to the earlier closedown and audit cycle from 2017.

Progress to date



2016/17 work	Planned Date	Complete?	Comments
Value for Money (VfM) conclusion			
The scope of our work to inform the 2016/17 VfM Conclusion requires conclusions on whether:	February – August 2017	Not yet required	We will consider the potential significant risks for our VfM conclusion and identify and report them in our Joint Audit
"In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable			Plan. Our work on the VfM Conclusion will include attending meeting with key Senior Officers and key document reviews. We are aiming to deliver this work ahead of the national timescales as a move towards the faster close from 2017/18.
Annual Audit Letter			
We will summarise all the work completed as part of our 2016/17 audit within one letter which will be issued after the opinion.	December 2017	Not started	

Police Sector Accounting and other issues

Brexit: What happens next and what does it mean for you?

The people of the UK have made a decision to leave the EU. What happens next - and the implications for businesses and organisations in the UK - is less clear.

We have produced an analysis of what we know about the mechanics of leaving the EU, our assessment of some of the external factors that may affect organisations over the coming months and years, and a summary of the different models for trading relationships outside the EU. (<u>http://www.grantthornton.co.uk/insights/brexit--a-public-sector-perspective</u>)

In thinking about the impact organisations will want to consider not only legal and regulatory changes but also market reactions, consumer and business behaviours, and the wider political and economic environment. The Police and Crime Commissioner and Chief Constable will have a role in both shaping its own response and in helping organisations respond to a changing environment. We can expect three broad phases of reaction to Brexit:

- initial volatility
- medium term uncertainty and instability
- longer term transition

The impact of this will be different for every organisation. In looking at the threats and opportunities these phases create, and planning how the Police and Crime Commissioner and Chief Constable can create and protect value, you may wish to consider the short, medium and long term implications for issues like people and talent, strategic ambitions, financing, risk, operations and protecting investment.

We believe that in the coming weeks and months, dynamic organisations have a critical role to play in helping to shape the future of Britain. Grant Thornton is leading a campaign which explores how we can build a vibrant economy. You can find out more here: <u>http://vibranteconomy.co.uk/</u>

We would welcome views on what the priorities should be for government and the UK to create a new economy outside the EU.



Emerging issues

How is Policing responding to the outcome of the EU referendum?

Government introduces Policing and Crime Bill

The Home Office has introduced new legislation which will aim to finish the job of police reform. The purpose of the Policing and Crime Bill is to enhance the democratic accountability of police forces, and fire and rescue services, improve the efficiency and effectiveness of emergency services through closer collaboration and build public confidence in policing. It will strengthen the protections for persons under investigation by, or who come into contact with, the police; ensure that the police and other law enforcement agencies have the powers they need to prevent, detect and investigate crime; and further safeguard children and young people from sexual exploitation.

The main provisions of the Bill will:

- Place a duty on police, fire and ambulance services to collaborate and enable Police and Crime Commissioners (PCCs) to take on responsibility for fire and rescue services, where a local case is made.
- Reform the police disciplinary and complaints systems to ensure that the public have confidence in their ability to hold the police to account, and that police officers will uphold the highest standards of integrity.
- Better enable chief officers to make the most efficient and effective use of their workforce by giving them the flexibility to confer a wider range of powers on police staff and volunteers whilst for the first time specifying a core list of powers that may only be exercised by warranted police officers and conferring a power on the Home Secretary to specify police ranks in regulations, thereby affording the flexibility to introduce a flatter rank structure.
- Reform pre-charge bail to put a stop to people remaining on bail for lengthy periods with no independent judicial scrutiny of its continued necessity.
- Stop children and young people under 18 experiencing a mental health crisis being detained in police custody and restricting the circumstances when adults can be taken to police stations by reforming police powers under sections 135 and 136 of the Mental Health Act 1983.

Further details can be found at https://www.gov.uk/government/news/government-introduces-policing-and-crime-bill



Restricting the use of police cells for those experiencing a mental health crisis

The Home Office will take forward legislation to greatly restrict the circumstances when a police cell can be used. The Government has been clear that police cells are a poor environment for any person experiencing a mental health crisis. They can make service users feel criminalised and exacerbate levels of distress. This is especially true for those under the age of 18 - yet in 2014/15 more than 150 children and young people were detained in police cells.

Changes to the Mental Health Act will be made under the forthcoming Policing and Crime Bill. They include:

- Banning police cells as a "place of safety" for under-18s.
- Creating regulations to limit the circumstances in which police cells can be used a place of safety for adults.
- Reducing the maximum duration of detention for the purposes of an assessment under the Act from 72 to 24 hours.
- Widening the current definition of a place of safety to increase local capacity and flexibility.
- Extending police officers' powers to act quickly to detain and remove people experiencing a mental health crisis from any place other than a private dwelling (for which a warrant would still be required).
- · Requiring police officers to consult health professionals before detaining someone under the Act's provisions.
- Clarifying that assessments under the Act can take place in a private dwelling.

A 2014 review of the sections 135 and 136 of the Mental Health Act found people were being detained in police cells because of a lack of available health-based places of safety, whether this was due to capacity issues, staffing levels or opening hours. In May 2015 Home Secretary Theresa May announced up to £15 million of funding to provide health-based alternatives to police cells. Additional provision will be focused on the areas of the country where use of police cells is highest.

The Government has already implemented a range of measures to improve the care people receive and to reduce the burden on police officers, including street triage, liaison and diversion, the Crisis Care Concordat and an alternative place of safety pilot in Sussex for people detained under Sections 135 and 136. These measures have contributed to an almost 50% reduction in the number of times police cells were used as a place of safety in England and Wales between 2011/12 and 2014/15, but progress is highly variable across the country with five police force areas accounting for more than half of all uses of police cells. This change in legislation will put an end once and for all to the practice of using police cells simply because there is no suitable alternative available and ensure that all suffers of mental health, no matter where they live, are cared for in the proper environment.



Grant Thornton Publications

Website Relaunch

We have recently launched our new-look website. Our new homepage has been optimised for viewing across mobile devices, reflecting the increasing trend for how people choose to access information online. We wanted to make it easier to learn about us and the services we offer.

You can access the page using the link below – http://www.grantthornton.co.uk/industries/public-sector/



CFO Insights – driving performance improvement

CFO insights is an online analysis tool that gives those aspiring to improve the financial position of their public sector body, instant access to insight on the financial performance, socioeconomy context and service outcomes of a variety of public sector bodies in England, Scotland and Wales.

The tool provides a three-dimensional lens through which to understand income and spend by category, the outcomes for that spend and the socio-economic context within which organisation operates. This enables comparison against others, not only nationally, but in the context of their geographical and statistical neighbours. CFO Insights is an invaluable tool providing focused insight to develop, and the evidence to support, financial decisions.





We are happy to organise a demonstration of the tool if you want to know more.

Power check: Reviewing the effectiveness of police accountability.

Frontline Consulting and Grant Thornton conducted a first term review of police and crime panels, looking at their effectiveness and the strength of their relationships with their Police and Crime Commissioners.

Our report shares the lessons from the first term to help panel members and PCCs build arrangements to continue to improve the effectiveness of police accountability in this new term.

Key findings from our report are:

• Panels and PCCs did not agree on the main barriers to effectiveness. 93% of panels cited limited powers as the top barrier to their effectiveness, while only 37% of PCCs rated it as important.

- Panel effectiveness and influence may be increased by greater public interest in the panel's work. Panels should ensure their work resonates with the public by selecting the right topics, responding swiftly to issues affecting the PCC and ensuring their challenge and support is insightful and adds value.
- Only around half of PCCs and panels felt panels got the right balance between challenge and support. PCCs considered panels were more effective in their support than their challenge. Only 42% of panel members viewed their proactive scrutiny work as being very or extremely successful.
- 61% of PCCs said that recommendations or observations from PCPs sometimes influenced or changed their decision-making, with only 18% saying their decisionmaking was always or mostly influenced by the panel's work.

The report includes a series of recommendations to help strengthen the effectiveness of policing accountability.

Grant Thornton reports





Power check

Reviewing the effectiveness of police accountability: insights for the second term



Advancing closure: the benefits to local authorities

With new regulation bringing forward the required publishing date for accounts local authorities must consider the areas needed to accelerate financial reporting.

In February 2015, regulations were laid before parliament confirming proposals to bring forward the date by which local authority accounts (including Police Bodies) must be published in England. From 2017-18, authorities will need to publish their audited financial statements by 31 July, with Wales seeking to follow a similar approach over the next few years.

Many local government and police bodies are already experiencing the benefits of advancing their financial reporting processes and preparing their accounts early, including:

- raising the profile of the finance function within the organisation and transforming its role from a back office function to a key enabler of change and improvement across the organisation;
- high quality financial statements as a result of improved quality assurance arrangements;
- greater certainty over in-year monitoring arrangements and financial outturn position for the year, supporting members to make more informed financial decisions for the future;
- improved financial controls and accounting systems, resulting from more efficient and refined financial processes; and
- allowing finance officers more time to focus on forward looking medium term financial planning and transformational projects, to address future financial challenges.
- While there is no standard set of actions to achieve faster close there are a number of consistent key factors across the organisations successfully delivering accelerated closedown of their accounts, which our report explores in further details:
- Enabling sustainable change requires committed leadership underpinned by a culture for success
- Efficient and effective systems and processes are essential
- Auditors and other external parties need to be on board and kept informed throughout



http://www.grantthornton.co.uk/en /insights/advancing-closure-thebenefits-to-local-authorities/

Future events and workshops

New Government: New Home Office

7th December 2016 - Grant Thornton House, Melton Street, Euston Square, London, NW1 2EP

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Prime Minister, Theresa May's sweeping changes to the political leadership and machinery of government will have a lasting impact on the policy direction of the new Government.

This seminar will help you to build successful relationships an influence policy through a better understanding of the new ministers and their advisers and the new policy direction they may wish to pursue.

For further information or to book your place, please contact your Audit Engagement Lead.





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The Joint Annual Audit Letter for Avon and Somerset Police and Crime Commissioner and Chief Constable

Year ended 31 March 2016

October 2016

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A Reports issued and fees

Executive summary

Purpose of this letter

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out for the Avon and Somerset Police and Crime Commissioner (the PCC) and the Avon and Somerset Chief Constable (the Chief Constable) for the year ended 31 March 2016.

This Letter is intended to provide a commentary on the results of our work to the PCC, Chief Constable and their external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice (the Code) and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'.

We reported the detailed findings from our audit work to the PCC and Chief Constable, as Those Charged With Governance, in our Joint Audit Findings Report taken to the Joint Audit Committee on 9 September 2016.

Our responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give opinions on the PCC and Chief Constable financial statements (section two)
- assess the PCC's and Chief Constable's arrangements for securing economy, efficiency and effectiveness in their use of resources (the value for money conclusion) (section three).

In our audits of the financial statements of the PCC and Chief Constable, we comply with International Standards on Auditing (UK and Ireland) (ISAs) and other guidance issued by the NAO.

Our work

Financial statements opinions

We gave unqualified opinions on the PCC and Chief Constable financial statements on 15 September 2016.

Value for money conclusions

We were satisfied that the PCC and Chief Constable both put in place proper arrangements to ensure economy, efficiency and effectiveness in their use of resources during the year ended 31 March 2016. We reflected this in our audit opinions on 15 September 2016.

Whole of government accounts

We completed work on the Group consolidation return following guidance issued by the NAO and issued an unqualified report on 19 October 2016.

Certificate

We certified that we had completed the audit of the accounts of the PCC and Chief Constable in accordance with the requirements of the Code on 28 October 2016.

Working with the PCC and Chief Constable

We would like to record our appreciation for the assistance and co-operation provided to us during our audits by the PCC, the Chief Constable and their staff.

Grant Thornton UK LLP October 2016

Our audit approach

Materiality

In our audit of the PCC and Chief Constable accounts, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for our audits of the PCC and Chief Constable accounts as a proportion of the smaller of gross revenue expenditure of the PCC and gross revenue expenditure of the Chief Constable. For 2015/16, this was determined to be \pounds 7,370,000, which is approximately 2% of the Chief Constable's gross revenue expenditure. We used this benchmark, as in our view, users of the PCC and Chief Constable accounts are most interested in how they spent the income raised from taxation and grants during the year.

The scope of our audit

Our audit involves obtaining enough evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error.

This includes assessing whether:

- the PCC and Chief Constable accounting policies are appropriate, have been consistently applied and adequately disclosed;
- significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the narrative report and annual governance statement to check they are consistent with our understanding of the PCC and Chief Constable and with the accounts on which we give our opinion.

We carry out our audits in line with ISAs (UK and Ireland) and the NAO Code of Audit Practice. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach was based on a thorough understanding of the PCC's and Chief Constable's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

Risks identified in our audit plan	Applicable to PCC / Chief Constable / both?	How we responded to the risk
The revenue cycle includes fraudulent transactions Under ISA (UK&I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue. This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.	Both	 Having considered the risk factors set out in ISA240 and the nature of the revenue streams, we have determined that the risk of fraud arising from revenue recognition can be rebutted for both the PCC and Chief Constable because: there is little incentive to manipulate revenue recognition are very limited as revenue is principally grant allocations from central and local government; for the Chief Constable opportunities to manipulate revenue recognition are very limited as revenue is principally an inter-group transfer from the PCC, with no cash transactions; and the culture and ethical frameworks of local authorities, including Avon and Somerset PCC and Chief Constable, mean that all forms of fraud are seen as unacceptable.
Management over-ride of controls Under ISA (UK&I) 240 it is presumed that the risk of management over- ride of controls is present in all entities.	Both	As part of our audit work we: tested a sample of journal entries reviewed accounting estimates, judgements and decisions made by management reviewed of unusual significant transactions Our audit work did not identify any evidence of management over-ride of controls. The findings from our review of journal controls identified potential control improvements which we reported in our audit findings report.
Completeness of operating expenses Creditors understated or not recorded in the correct period	Both	 As part of our audit work we: documented our understanding of processes and key controls over the transaction cycle undertook a walkthrough of the key controls to assess whether those controls were in line with our documented understanding tested for unrecorded liabilities by undertaking sample testing of payments made after the year end to ensure that they were accounted for in the correct year. We did not identify any issues to report

Risks identified in our audit plan	Applicable to PCC / Chief Constable / both?	How we responded to the risk
Valuation of property, plant and equipment The PCC's land and buildings were valued in 2015/16 by an internal valuation expert. These valuations represent a significant accounting estimate in the financial statements.	PCC	 As part of our audit work we: documented our understanding of processes and key controls over the transaction cycle undertook walkthrough testing of the key controls to assess whether those controls were in line with our documented understanding reviewed the competence, expertise and objectivity of the experts used reviewed the instructions issued to valuation experts and considered the scope of their work discussed with the PCC's valuer the basis on which the valuation was carried out, challenging the key assumptions reviewed and challenged the information used by the valuer to ensure it was robust and consistent with our understanding tested revaluations made during the year to ensure they were correctly processed into the PCC's asset register and accounted for correctly. We did not identify any issues to report
Completeness of employee remuneration Employee remuneration, benefit obligations and expenses understated	Chief Constable	 As part of our audit work we: documented our understanding of processes and key controls over the transaction cycle undertook walkthrough of the key controls to assess whether those controls were in line with our documented understanding completed an analysis of trends and relationships in relation to monthly payroll costs to identify any anomalous areas for further investigation reconciled the payroll system to the general ledger tested individual payments to staff and police officers, ensuring that payments were made in accordance with the individual's contract of employment and relevant legislation. We did not identify any issues to report

Risks identified in our audit plan	Applicable to PCC / Chief Constable / both?	How we responded to the risk
Police Pension Fund benefits payable Benefits improperly computed and/or claims liability understated	Chief Constable	 As part of our audit work we: documented our understanding of processes and key controls over the transaction cycle undertook walkthrough testing of the key controls to assess whether those controls were in line with our documented understanding performed analytical procedures to confirm whether balances and movements were in line with expectations tested a sample of new recurring pension benefits and lump sum commutations coming into payment to confirm eligibility and that they had been calculated in line with scheme and HMRC rules We did not identify any issues to report
Valuation of the newly operational PFI Scheme The PCC is required to recognise her share of the asset and liability related to the PFI firearms training centre that became operational in year in her Balance Sheet. This represents a significant estimate by management, with the liability split between the three police bodies involved in the collaboration, and there is a risk that the transactions are not recorded properly.	PCC	 As part of our audit work we: documented our understanding of processes and key controls over the transaction cycle undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding reviewed management's processes and assumptions for the calculation of the estimate for inclusion in the financial statements reviewed the PFI model and arrangements with the other bodies involved in the PFI to ensure that they are consistent with the supporting schedules We did not identify any issues to report

Risks identified in our audit plan	Applicable to PCC / Chief Constable / both?	How we responded to the risk
Valuation of pension fund net liability Actuarial amounts not determined properly	Chief Constable	 As part of our audit work we: documented our understanding of management's processes and controls related to the IAS 19 valuation undertaken reviewed the competence, expertise and objectivity of the actuary who carried out your pension fund valuation (Barnett Waddingham) reviewed and compared significant assumptions used in the valuation for appropriateness tested data provided to the actuary reviewed the consistency of the pension fund asset, liability and disclosures in the financial statements to the valuation report from the actuary.

Audit opinion

We gave unqualified opinions on the PCC's and Chief Constable's accounts on 15 September 2016, in advance of the 30 September 2016 national deadline.

The PCC and Chief Constable made the accounts available for audit in line with the agreed timetable, and provided a good set of working papers to support them. The finance team responded promptly and efficiently to our queries during the course of the audit.

Matters arising from the audit of the accounts

We reported the key findings from our audit of the accounts of the PCC and Chief Constable to the Joint Audit Committee on 9 September 2016.

We identified no significant issues during our audit. Our review of journal controls identified some potential control improvements which we reported in our audit findings report. The resulting recommendations have been appropriately considered by management.

Annual Governance Statement and Narrative Report

We are also required to review the PCC's and Chief Constable's Annual Governance Statement and Narrative Report. They were published on their websites with the draft accounts in line with the national deadlines.

The documents were prepared in line with the relevant guidance and were consistent with the supporting evidence provided by the PCC and Chief Constable and with our knowledge of the PCC and Chief Constable.

Whole of Government Accounts (WGA)

We carried out work on the Group consolidation schedule in line with instructions provided by the NAO. We issued a group assurance certificate which did not identify any issues for the group auditor to consider.

Value for Money conclusion

Background

We carried out our review in accordance with the NAO Code of Audit Practice (the Code), following the guidance issued by the NAO in November 2015 which specified the criterion for auditors to evaluate:

In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.

Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the key risks where we concentrated our work. The key risks we identified and the work we performed are set out in table 2 overleaf, and applied to both the PCC and Chief Constable.

Overall VfM conclusion

We are satisfied that in all significant respects the PCC and Chief Constable both put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2016.

Risk identified	Work carried out	Findings and conclusions
Collaboration and strategic alliance Avon and Somerset has a history of collaborating with local forces and other public sector bodies, however some of these arrangements will shortly be coming to an end. A proposed strategic alliance with Wiltshire Police has been paused. Government have also announced proposals on the devolution of power to Local Authorities and closer working with the Police and Fire sectors. These developments could lead to uncertainty over Avon and Somerset's future collaborative arrangements.	 We: considered progress to date in relation to collaborations with local forces considered current collaborative discussions with the local Fire Authorities reviewed the extent to which Wiltshire Police have been involved in the local Devolution discussions. 	Collaborations Avon & Somerset Police are involved in a number of operational policing collaborations, some of which have been in place for a number of years. They have also been a partner in the Southwest One joint venture between Somerset County Council, Taunton Deane Borough Council, Avon and Somerset Police and IBM which provides a number of back office functions since October 2007. An independent peer review on the Zephyr regional collaboration was undertaken by Yorkshire and the Humber Regional Organised Crime Unit in March 2015. Zephyr is a collaboration between the forces in the South West designed to combat serious and organised crime. A subsequent Internal Audit report reviewed this and other regional collaborations. Both reports identified recommendations in relation to the governance structures of the arrangements. The Regional Collaboration Programme introduced a new governance structure in March 2016 following these recommendations, comprising a Strategic Board, Operations Board, Programme Board, and Design Authority. Strategic Alliance and Enabling Services Collaboration A leads of Terms dated 17 February 2015 set out the high level principles and design brief for a proposed Strategic Alliance between Avon and Somerset Police and Wiltshire Police. This document also set out the high level governance structure for the programme including the relevant boards and their remit. A programme team was established and a Programme Initiation Document dated June 2015 set out the desired outcomes and benefits of the programme. A this time it was estimated that a Programme Business Case would be produced by 29 February 2016. Following changes in the Chief Officer team at both Avon and Somerset Police and Viltshire Police. The Acoreactins May 2016, the Strategic Alliance evolved into

Risk identified	Work carried out	Findings and conclusions
Collaboration and strategic alliance Continued		Fire Avon Fire Authority have agreed their preferred option for a move of their headquarters from their existing Bristol City Centre site to share accommodation at Avon and Somerset Police's headquarters site at Portishead. Other discussions are underway and the move may lead to further collaboration between the two organisations in the future.
		Devolution On 29 June 2016 Bristol City Council, Bath & North East Somerset Council and South Gloucestershire Council voted to continue to pursue the 'West of England' devolution deal announced in the 16 March 2016 budget by the Chancellor. The agreement does not include mention of policing, and neither the Police and Crime Commissioner or the Chief Constable are signatories to the agreement although the PCC supports the devolution deal. The agreement focuses on funding and responsibilities for local transport, planning, growth, adult education and a National Work and Health Programme.
		In Somerset, progress is less well advanced. The 'Heart of the South West' bid includes Devon and Somerset county councils, Plymouth and Torbay councils, the 13 district councils in the two counties and Dartmoor and Exmoor national parks. The proposals have yet to be agreed by respective councils, which is required next before any negotiation can begin with Government on the powers, responsibilities and funding. There is no mention of policing in this proposal either.
		Give the powers that are being devolved, the impact on local policing could be considered low, and therefore the lack of inclusion of the PCC and Chief Constable may not be a significant risk at this stage. It is currently too early to say how the introduction of a Metro-Mayor could impact upon the role of Police and Crime Commissioner.
		Taking the above information into account, we concluded that the risk was sufficiently mitigated and the PCC and Chief Constable each has proper arrangements for working with partners and third parties.

Risk identified	Work carried out	Findings and conclusions
Financial Strategy and position Avon and Somerset Police have been required to deliver substantial savings since 2010/11 and forecast continued	 We: reviewed the MTFP, including the assumptions that underpin the plan reviewed how savings are 	In their PEEL 2015 Police efficiency report, HMIC rated Avon and Somerset as "good". They found that the Constabulary is very well prepared to face its future financial challenges. The constabulary successfully reduced spending over the last spending review period through robust financial management and a commitment to continuous improvement. They noted that the constabulary has a comprehensive understanding of the demands for its services and is planning effectively for future financial challenges. The constabulary also has a solid track record of achieving savings. The constabulary is well positioned to identify savings for years beyond 2015/16, but further work is required to develop the detailed proposals. Recent digital modelling of the workforce is accurately identifying savings for the mid-term financial plan.
significant savings requirements going forward, which have been alleviated to some extent with the autumn statement. announcement.	identified and monitored to ensure that they support the delivery of budgets.	The report also noted that "the savings required beyond 2015/16 are not yet agreed, although the constabulary has identified possible areas of business where potential savings can be made. Therefore, there is a need to develop detailed plans that identify the savings required beyond 2016". The latest MTFP, which runs from 2016/17 to 2020/21, identifies a total funding shortfall of £16.8m. Over the period, identified savings total £11.034m, leaving £5.753m of savings still to be identified. Of this balance, £1.391m related to the 2016/17 budget, with proposals not fully developed for these savings. Savings from increased collaboration are planned, although it is recognised that these savings will take time to be realised. Since the completion of our audit the 2016/17 budget has been balanced and is on track for delivery based on outturn at the end of the second quarter.
However, the current Medium Term Financial Plan (MTFP) still includes a number of		The MTFP includes a sensitivity analysis on a number of the key components designed to identify potential outcomes. The analysis includes consideration of changes to grant funding, council tax funding and pay increases. The supporting paper also outlines the key assumptions in relation to the MTFP. Our review of the key assumptions deemed these to reasonable and appropriate. The MTFP includes information on the savings identified to date, which are allocated to specific projects and areas. HMIC noted that
unidentified savings and so there will remain a challenge to ensure the delivery of balanced budgets over the medium		"the constabulary adheres to strict assurance processes before savings associated can be factored into future budgets and the constabulary exercises strong financial control". Savings are built into budgets, and therefore the budget monitoring arrangements in place ensure that under delivery will be identified and corrective action taken. Quarterly budget monitors are take to the Joint Finance Meeting, attended by both the PCC and Chief Constable and for which papers and meeting notes are available on the PCC's website.
term.		Taking the above information into account, we concluded that the risk was sufficiently mitigated and the PCC and Chief Constable each has proper arrangements for informed decision making and sustainable resource deployment.

Risk identified	Work carried out	Findings and conclusions
Risk identified Police and Crime Plan The new Police and Crime Plan represents the possibility that the strategic direction of the Constabulary could change.	 Work carried out We: reviewed transition arrangements, including how the old Police and Crime Plan will be evaluated and how lessons learned will be shared and actioned. considered if the operating model could be affected by any change in strategic direction set out in the new Police and Crime Plan. 	 Findings and conclusions The original Police and Crime Plan set out the priorities for Avon and Somerset Police for 2013-2017, covering the first term of the Police and Crime Commissioner (PCC). The elections for PCCs in May 2016 created a risk that the priorities and strategic direction of the Constabulary could change. The reelection of the PCC reduces this risk and a public consultation on the proposed priorities for the next Police and Crime Plan for 2016 – 2021 is underway. The strategic direction for the Constabulary remains broadly in line with that of the old plan. The priorities in the original plan have been effectively subsumed within the proposed new priorities (domestic abuse and sexual violence into 'protecting the most vulnerable from harm', road safety into 'strengthening local policing teams' for example) or are a cross-cutting theme/principle – in the case of 'victims first': victim-centred approach is at the heart of each priority. A public consultation is underway on the new priorities for the Police and Crime Plan 2016-2021 and a sub-group of the Strategic Plan Working Group is overseeing the process of updating the plan. There has been no formal review of lessons learned on development and delivery of the old plan, though informal discussions have taken place within the Senior Leadership Team and predominantly these have centred around the clarity of the priority, the importance of meaningful measures and governance arrangements to focus on plan delivery. The Strategic Plan Working Group has therefore considered these in developing the new plan. Governance arrangements over the plan and priorities have been met or not. It is not clear whether the operating model would be affected by implementing the new police and crime plan as it is too early to say. The Chief Constable has operational independence and therefore can organise the resources of the Constabulary differently to deliver the plan if he wished. The developmen

Appendix A: Reports issued and fees

We confirm below our final fees charged for the audit and provision of non-audit services.

Fees

	Planned £	Actual fees £	2014/15 fees £
Statutory audit of PCC	36,353	36,353	48,470
Statutory audit of Chief Constable	18,750	18,750	25,000
Total fees (excluding VAT)	55,103	55,103	73,470

Fees for other services

Service	Fees £
 Non-audit services: Review of Whistleblowing policy and training workshop VAT assistance in relation to the disposal of vehicles 	3,600 8,800

Reports issued

Report	Date issued		
Joint Audit Plan	March 2016		
Joint Audit Findings Report	September 2016		
Joint Annual Audit Letter	October 2016		



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AVON AND SOMERSET POLICE & CRIME COMMISSIONER STRATEGIC RISK 24/11/2016 REGISTER -

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk / Objective	Description	Impact	Controls and Assurances	Unmiti	Unmitigated / Current Risk		Commentary and
	2000.1910.1			Probability	Impact	Risk Score	Review date
	Ineffective governance, scrutiny, oversight of services and outcomes delivered by the Constabulary. Ineffective arrangements for complaints and serious cases.	- Reduced Public confidence	Risk owner: PCC / OPCC CEO and CFO	4	4	16	
SR1 Failure to ensure adequate transpare the OPCC and/or the Constabulary. SR1 Failure to ensure effective systems ar controls are in place to manage risk a support the delivery of service. Failure Fraud. Failure to hold Chief Constable to acc Failure to address conduct or perform of Chief Constable. Failure to address complaints against Chief Constable. Failure to ensure Chief Constable set	Failure to ensure effective systems and controls are in place to manage risk and support the delivery of service. Fraud.	ate transparency of onstabulary. ve systems and nanage risk and ervice Relationship with Constabulary not optimal - Government criticism, penalties - Sub standard performance results and poor inspection outcomesnstable to account. uct or performance laints against the- Force not efficient /effective financial loss - reputational risk	PCC Police and Crime Board PCC Chief Constable 1:1s Representation at Constabulary CIB, CCB and Force COG Qlik sense application Audit Committee, audit, annual governance statement	3	4	12	 PCC and Chief Executive reviewed governance arrangements and a revised governance structure has been adopted with agreement from the Constabulary. These include a monthly PCC Board, formalising scrutiny, key decisions and performance tracking. This has replaced PCC-COG Board. Governance arrangements will be reviewed in March 2017.
	Failure to address conduct or performance of Chief Constable. Failure to address complaints against the						
SR2	Failure to sufficiently assess needs and failure to agree an appropriate Police and		Risk owner: PCC / OPCC CEO	5	4	20	A new Police and Crime Plan has been developed collaboratively. Delivery plans are being developed to underpin the strategy.
Police and Crime	Crime Plan with the Chief Constable. Failure to deliver the Police & Crime Plan.	 PCC priorities not agreed, set or delivered Public confidence eroded 	PCC/Chief Constable meetings Police and Crime Board Representation at Constabulary CIB Qlik Sense App Audit Committee	4	4	16 	However, the Constabulary have been unsuccessful in delivering the previous Police and Crime Plan. The Constabulary has initiated (with effect from 17 October) a 'back to basics' programme aimed at driving performance improvements. The priority-based budgeting exercise will result in a reduction in people and more change which could threaten delivery of the plan.

REPORT 9

AVON AND SOMERSET POLICE & CRIME COMMISSIONER STRATEGIC RISK	24/11/2016
REGISTER -	

REPORT 9

RISK		MITIGATION OF RISK	ASSESSMENT				
		laure a st		Unmitigated / Current Risk		nt Risk	Commentary and
Risk / Objective	Description	Impact	Controls and Assurances	Probability	Impact	Risk Score	Review date
C C R ru	running out of funds.	- Run out of money - require intervention	Risk owner: PCC / CFO	4	5	20	 Deficit £8m for next year 17/18 not yet resolved £18 m savings needed by March 2020 including £5m reinvestment Scope and ambition of Tri Force enabling services still not secure to deliver £9.5m savings, also risk re timing of delivery Funding formula for 18/19 will be consulted on - presents both opportunity and threat to future government funding. Precept rise agreed 1.99% for 2016-17 and assumed at 1.99% increase for the following 3 years.
SR3 Financial Incapability & VFM	Unable to meet financial obligations as they fall due, reserves insufficient to cover deficits. Unable to manage or control budgets. Savings not delivered in sufficient time, sequence or scope. Borrowing and /or Government intervention required. Failure to set precept. Failure to ensure value for money in OPCC and across the delegated budgets to the Chief Constable.	 Govt. intervention Reputation / public confidence lost unable to fund adequate or minimum service unable to fund delivery of PCC priorities unable to afford change. inefficiency in use of police funds wastes money and harms reputation 		4	4	16	
			Risk owner: PCC / OPCC CEO/Head of Comms	4	3	12	Good viewing figures for PCC-CC video live chats. Good response to the consultation.
SR4 Failure to Engage with the public	Failure to effectively engage with local people, communities and stakeholders. Failure to understand people's priorities and issues re policing and crime. Not taking account of local people's views, only "loud voices" and single issue voices heard.	 Reputation / public confidence Relationship with partners Police and Crime plan and actual delivery not aligned to 	Meetings with LA chairs/ CEOs; CSP Chairs; local community group leaders PCC Forums, out and about days, attendance at summer events, meeting community groups Web site, twitter & social media Representation on CSPs, Children's Trusts, LCJB, Health and Wellbeing Boards OCC/OPCC Comms meetings	1	3	3	 Opportunities exist to increase community engagement with new engagement strategy to be produced by end of December 2016 - will have a voice through local plan development as well. PCC awareness increased since Police Authority, contacts to OPCC materially increased, approx. 4 times higher number of website visitors per month than when operating as a Police Authority. PCC and COG have developed a joint comms plan (proactive and reactive) to ensure closer working and resource allocation. Reviewing best ways to work with partners to engage PCC/OPCC with public.

AVON AND SOMERSET POLICE & CRIME COMMISSIONER STRATEGIC RISK 24/11/2016 REGISTER - REPORT 9							
RISK			MITIGATION OF RISK	ASSESSMENT			
Risk / Objective	Description	Impact	Controls and Assurances	Unmitie Probability	gated / Curre Impact	ent Risk Risk Score	Commentary and Review date
	Failure to:			4	3	12	
SR5	SR5 effectively. - Rep c Failure to commission - Rel Constabulation lequate services - Gover	- Delivery failure - Reputation / public confidence	ation / public OPCC Business and Delivery Plan offdence OPCC commissioning team ionship with Governance Boards, scheme of governance ary and partners Victims service established by OPCC/OCC, with regular review meetings		3 4 <u>A</u>	12	Commissioning budget review taking place to balance the 2017/18 budget and prioritise in line with the Police and Crime Plan Risk to service delivery where significant funding
		Constabulary and partners - Government penalties		3		Δ	reductions have been made Consultation on RJ service delivery structure currently taking place which could result in significant changes to the service model
SR6	Failure to: Develop and implement effective regional			4	4	16	Strategic Collaboration programme on enabling services has been stopped, though existing collaborations will continue and ASC and OPCC remain open to future collaboration arrangements. The impact of this decision (taken November 2016) has increased the probability of
Collaboration Failure to deliver effective and efficient regional and other	Collaboration ailure to deliver effective and fficient regional strategy to make the region more efficient and effective Develop and deliver collaboration plans with Wiltshire and Gloucestershire Constabularies to increase efficiency and effectiveness Eailure to put in place offective governance	- Government scrutiny/intervention - forced to accept others terms from future alliances or	Risk owner: PCC / OPCC CEO/ OPCC CFO OPCC Business Plan Regional commissioning and programme			16	this risk materialising and therefore the risk is judged to be greater and escalating. OPCC CSE work underway with Wilts OPCC. Regional progress made on Major Crime, ROCU, Forensics, STORM, CT, ESMCP.
and ownership of regional projects and programmes Collaborate with Fire Authorities.	- Poor VFM assessment results		4	4		Dialogue with local partners regarding commissioned services working together, e.g. drug & alcohol, victims etc. is ongoing. Dialogue with Fire and Local authority partners underway focused on co-location and call centres.	
				4	3	12	
SR7 Capacity/ Capability	Risk that: i) People in post do not have sufficient knowledge or skills to perform roles to standards of quality and/or to meet	 Increased likelihood of materialisation of risks through deliverv failure 	Risk owner: PCC / OPCC HR Manager (supported by SLT) OPCC Business Plan			6	

AVON AND SOMERSET POLICE & CRIME COMMISSIONER STRATEGIC RISK 24/11/2016

AVON AND SOMERSET POLICE & CRIME COMMISSIONER STRATEGIC RISK 24/11/2016 REGISTER - REGISTER -							
RISK			MITIGATION OF RISK	ASSESSMENT			SSESSMENT
Risk / Objective	/ Objective Description		Impact Controls and Assurances	Unmitigated / Current Risk			Commentary and
Risk / Objective Descript	Description	Impact	Controis and Assurances	Probability	Impact	Risk Score	Review date
Failure to have adequate capacity and capability within OPCC to	deadlines; ii) there is insufficient transfer of knowledge that would provide cover/resilience; iii) there is insufficient capacity in workloads to perform role to standards of quality and/or to meet deadlines.	commissioning of services, engagement with public); - damaged relationship with public, constabulary and/or partners.	PDR process and regular supervisory sessions SLT, Delivery plan meetings and Team meetings (to share knowledge, resolve issues) OPCC HR policies Resource planning	2	3	\bigtriangledown	Probability of risk materialising has reduced through the establishment of OPCC teams to support delivery of the strategic priorities. This should, in the long-term, build capability and resilience.