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Date : 6th July 2017

#### 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 **14:00** on **14<sup>th</sup> July 2017** in the **Main Conference Room, Police Headquarters, Portishead.** 

Joint Audit Committee Members are invited to attend a pre-meeting at 13:00 in the Main Conference Room.

The agenda for the meeting is set out overleaf.

Yours sincerely

Alaina Davies Office of the Police and Crime Commissioner

Police and Crime Commissioner for Avon & Somerset Police Headquarters, Valley Road, Portishead, Bristol BS20 8JJ Website: <u>www.avonandsomerset-pcc.gov.uk</u> Tel: 01275 816377 email: pcc@avonandsomerset.pnn.police.uk

#### 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 1<sup>st</sup> floor.

(iii) Emergency Evacuation Procedure

The attention of Members, Officers and the public is drawn to the emergency evacuation procedure for the **Conference Room**: Follow the Green Fire Exit Signs to the large green Assembly Point A sign in the **Visitor's Car Park**.

- (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

Telephone:01275 814677Facsimile:01275 816388Email:JAC@avonandsomerset.pnn.police.uk

(vi) REPORT NUMBERS CORRESPOND TO AGENDA NUMBER

#### <u>AGENDA</u>

#### 14<sup>th</sup> July 2017, 14:00 Conference Room, Police Headquarters, Portishead

#### 1. Apologies for Absence

#### 2. Emergency Evacuation Procedure

The Chair will draw attention to the emergency evacuation procedure for the Conference Room: Follow the Green Fire Exit Signs to the large green Assembly Point A sign in the Visitors Car Park.

#### 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 22<sup>nd</sup> March 2017 (Report 5)
- 6. Business from the Chair (Report 6):
  - a) Police and Crime Board (Verbal Update)
  - b) Update on IPCC Investigations (Verbal Update)
  - c) Internal Audit Scoping Process
- 7. Internal Audit (Report 7):
  - a) Review of Policies (Counter Allegations/ Risk to Life or Threats of Serious Harm)
  - b) Volunteers
  - c) Management and Leadership Development Plan
  - d) 2016/17 Annual Report
  - e) Progress Report
- 8. External Audit (Report 8):
  - a) Joint Audit Findings
  - b) 2017/18 Audit Fee Letter
- 9. Annual Accounts and Governance Statement: Joint Audit Committee Questions and Answers

- 10. Office of the Police and Crime Commissioner Strategic Risk Register (Report 9)
- 11. Constabulary Strategic Risk Register (Report 10)
- 12. Summary of HMIC and Internal Audit Recommendations (Report 11)

#### Part 2

Items for consideration without the press and public present

13. Exempt minutes of the Joint Audit Committee Meeting held 22<sup>nd</sup> March 2017 (Report 12)

### POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

#### MINUTES OF THE JOINT AUDIT COMMITTEE MEETING HELD ON WEDNESDAY 22<sup>ND</sup> MARCH 2017 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

Gareth Morgan, Deputy Chief Constable Nick Adams, Head of Finance and Business Services Dan Wood, Head of Strategic Service Improvement Su Polley, Force Crime and Incident Registrar

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

Mark Simmonds, OPCC CFO Alaina Davies, Resources Officer

#### Also in Attendance

Sue Mountstevens, Police and Crime Commissioner Jackson Murray, Grant Thornton Mark Jones, RSM Cian Spaine, RSM

#### 1. Apologies for Absence

Andy Marsh, Chief Constable Julian Kern, OCC CFO Karin Takel, OPCC Strategic Planning and Performance Officer

#### 2. Emergency Evacuation Procedure

The emergency evacuation procedure for the Avon room was noted.

#### 3. Declarations of Interest / Gifts / Offers of Hospitality

None.

#### 4. Public Access

There were no requests for public access

# 5. Minutes of the Joint Audit Committee Meeting held on 2<sup>nd</sup> December 2016 (Report 5)

**RESOLVED THAT** the minutes of the meeting held on 2<sup>nd</sup> December 2016 were confirmed as a correct record and signed by the Chair.

Action update:

- Minute 33c Members were assured that issues within the Investigations Department are improved and HMIC have given a good grading in the latest inspection. HMIC have highlighted national issues but Avon and Somerset are not one of the forces they have identified as having issues. Action closed
- Minute 47c An ERP options paper will be discussed at the Constabulary Management Board next week and a decision made at the Police and Crime Board on 12<sup>th</sup> April 2017. Members will be given an update at the Joint Audit Committee meeting in July 2017.
- Minute 50 Changes as a result of the Priority Based Resourcing (PBR) work will be phased from the first week of April 2017. The Constabulary is going to have one programme of change going forward which will be overseen by the Deputy Chief Constable. Once the Southwest One Services come back in-house the Constabulary will be doing another big piece of work to rebuild Enabling Services. The Constabulary are confident that the sequencing of this work is right. Action closed

#### 6. Business from the Chair

#### a) Joint Audit Committee (JAC) ToR including JAC Chair Term

The Joint Audit Committee (JAC) Chair declared an interest in this item as the current Chair and the OPCC CFO chaired this part of the meeting. Benchmarking of the ToR was completed but as Avon and Somerset was one of the first OPCC's to get a JAC up and running many of the other OPCC's had similar ToR's. Currently the JAC Chair can only serve one term and it was proposed that this be extended to a second term which would allow continuity when the rest of the Members terms come to an end and a recruitment exercise will be needed to replace the rest of the committee. Members are happy to continue on the basis of appointing a Deputy Chair as and when needed but agreed that the ToR should be amended so that it is not a requirement the JAC Chair be present for the meeting to be quorate.

**RESOLVED THAT** the changes to the JAC ToR, as detailed in the report, were approved. The amended JAC ToR should be circulated to Members and published on the PCC's website.

#### b) Police and Crime Board Update

The OPCC and Constabulary Senior Leadership Team met last week to review the Police and Crime Board six months on from its introduction to replace the previous governance and scrutiny set of meetings. All agreed that the meetings are extremely valuable once per month and

the format is effective in providing a platform to discuss risks, track performance against the police and crime plan and make formal decisions. Some minor improvements to the process have been suggested. An assurance map has been developed helping to forward plan agendas and ensure the Constabulary Management Board and Police and Crime Board are aligned to reduce the burden on the Constabulary of preparing two different sets of reports once a month.

Members were informed that Strategic Priority 1 – Protect the Most Vulnerable from Harm, will be discussed at every other meeting as this covers a wide range of areas of business. The range of discussions at recent Police and Crime Board meetings were highlighted to Members (minutes are published on the PCC's website).

Members were assured that the new Scrutiny of Police Powers Panel the PCC is setting up has been planned for a long time and builds on the Taser Scrutiny Panel the PCC set up last year – the Constabulary are supportive of this approach.

#### **RESOLVED THAT**

- (i) the Police and Crime Board minutes should be included in the Joint Audit Committee papers; and
- (ii) JAC Members should be invited to observe the Police and Crime Board.

### c) Update on IPCC Investigations

The Deputy Chief Constable gave an update on the 17 current IPCC investigations. The number of investigations is higher than previous years due the change in regulations widening the remit of the IPCC – Members were assured that Avon and Somerset is not an outlier for the number of complaints with the IPCC.

There are still timeliness issues with IPCC investigations and delays with cases that are currently with the CPS – the PCC hopes that timeliness issues will improve under the new IPCC model which should be in place by January 2018. JAC Members, the PCC and the Constabulary are all concerned regarding the timeliness issues with regard to IPCC complaints and the strain this puts on families and the individual officers. The new model will include non-executive Board members which could be positive as they are all internal currently.

#### 7. Internal Audit Reports:

#### a) Internal Audit Plan (Report 7a)

Scoping of the ROCU/ Collaboration audit should not overlap with the HMIC inspection but instead focus on areas not looked at by the HMIC. One of the areas the HMIC are not expected to look at is financial controls. It was agreed that internal audit should still look at this area of business but the number of days can be reduced.

Members discussed the closely linked areas identified for internal audit and whether the timing was right i.e. should closely linked areas be looked at in the same quarter.

Equalities/ Representative Workforce was discussed and Members were keen that the scope should cover not just recruitment but also retention and progression. It was clarified that this audit would be looking volunteers but not including Specials as this should be looked at separately. The OPCC CFO informed Members that Avon and Somerset OPCC will submit a Police Transformation Fund bid, working with other Bristol Public Sector Bodies, on how to better attract skilled workers from underrepresented groups.

**RESOLVED THAT** the internal audit plan be adopted with a reduced number of days allocated to ROCU audit; and the new Director of HR should be invited to the Joint Audit Committee in September 2017.

#### b) Follow Up (Report 7b)

The internal auditors flagged that the constabulary reporting of the current status of implementing actions differs from what they have found in relation to four actions.

**RESOLVED THAT** the constabulary will liaise with the internal auditors to identify the four actions where their opinion of the status differs. The reasons for this will be reported back to the Joint Audit Committee.

### c) Payroll (Report 7c)

The only issues identified related to validation of changes to banking details and review of access rights.

#### d) Progress Report (Report 7d)

The internal auditors acknowledged the positive response from the Force Crime and Incident Registrar in relation to the Crime Data audit report. It will be important to mention this audit but not enough for the Head of Internal Audit to give a negative opinion in the Annual Report. Members want to ensure the right balance of focusing in on areas of concern and higher risk, but not creating a distorted negative perception.

There were some issues with late reports at this meeting and the JAC Chair stressed that she does not expect this to happen in future.

#### e) Crime Data (Report 7e)

The audit focused on crime outcomes and compliance levels with the forces own guidance. Low levels of compliance were found which is what the Force Crime and Incident Registrar was expecting and the reason she requested the audit – this report helps to identify where the problem are. A presentation was given to Members prior to this meeting by the Force Crime and Incident Registrar.

Members were informed that all forces are having difficulties with the Home Office guidance in relation to No Further Action cases and forces are pushing for better guidance.

Members were impressed by the constabulary's openness and honesty in recognising this as a weak area of performance and dealing with it robustly. There is now better compliance with getting the crimes recorded on the system and this report provides the baseline for showing where the issues are.

#### **RESOLVED THAT**

- (i) Share with the JAC the strategic assessment regarding crime recording and the actions taken to mitigate the risks; and
- (ii) Report back on the actions taken in response to the audit findings.

#### f) Draft Legal Claims (Report 7f)

A draft Legal Claims report was available for discussion at the meeting. There was a lack of benchmarking information available due to lack of engagement from other forces which make it difficult to assess the effectiveness and value for money of the Legal Services Department. Members were disappointed regarding the lack of meaningful benchmarking – this is a difficult area to benchmark as each force takes a different approach, some having in-house legal teams, some outsourcing and some doing a mixture of both.

The learning the lessons figure is low and ways to improve that were discussed, however many cases are in relation to police road traffic accidents where the learning is minimal. When learning is identified it is fed back to the officer via the Professional Standards Department.

Members were informed that the Deputy Chief Constable reviews all cases against the constabulary. The PCC and the constabulary confirmed openness to collaboration with other forces with regard to legal services. Members were assured that the Legal Services Department take a pragmatic approach to resolving cases as early as possible where resisting is likely to mean incurring much larger costs. Costs of cases that the constabulary have won are minimal due to having an in-house legal services team.

**RESOLVED THAT** the report be published once finalised and update the Joint Audit Committee Chair of any changes made.

#### 8. External Audit Reports:

#### a) Audit Committee Update (Report 8a)

The external auditor highlighted the changes to the CIPFA Code of Practice this year which means that the Financial Statement will look different. Members were assured that they would not need further training as a result of this as the changes have simplified the presentation.

#### b) Joint Audit Plan (Report 8b)

The risk of the planned revised funding formula was highlighted. The external auditor confirmed that the Joint Audit Findings will be reported to the July 2017 Joint Audit Committee but will not be finalised for publication until the following week due to the inspection period.

All interim audit tests are complete and no issues found. There is no specific reference to IT work this year following discussions as it didn't seem valuable at this point given the changes planned next year.

The fees have not been adjusted and remain at the same level as last year. Members thanked external audit for this helpful and clear report.

# 9. Office of the Police and Crime Commissioner Strategic Risk Register (Report 9)

The OPCC CFO reported that he expects some of the risks to reduce in the coming months.

SR1 –all those involved in the Police and Crime Board feel that it is working effectively and with a good approach to forward planning being developed and the Chief Constable contract extension agreed this risk should reduce. Members queried what oversight there was of the Police and Crime Panel – Grant Thornton carried out some national benchmarking work and will share the report on this with the Members.

SR2 – with assurance expected in coming months at the Police and Crime Board and via HMIC and audit and other assurance work - an updated assessment of how well the new Police and Crime Plan is being delivered will made and this risk will be reviewed.

SR3 – the risk remains high as there is still a budget deficit in coming years. Savings plans are in place and this risk should come down as the savings delivered are tracked. Reserves were discussed and Members were informed that Capital Reserves will forecast to be fully utilised in the next 2-3 years. Members were assured that any new planned borrowing is operating within the prudential limits. All forces are forecasting a high spend on ICT over the next two years as they modernise, mobilise and "spend to save".

SR5 – a new RJ Delivery service will be in place from June 2017 which will be more effective and better value for money.

SR6 – there are a number of Police Transformation Fund collaboration options being currently pursued by the OPCC and Constabulary.

**RESOLVED THAT** Grant Thornton will share the report they have produced on the national benchmarking of Police and Crime Panels.

#### 10. Constabulary Strategic Risk Register (Report 10)

Members thanked the constabulary for their work on this and commented that the risk management process looks much improved.

# 11. Exempt Minutes of the Joint Audit Committee Meeting held 2<sup>nd</sup> December 2017 (Report 11)

#### **RESOLUTION IN EXEMPT MINUTES**

#### 12. Summary of HMIC and Internal Audit Recommendations (Report 12)

#### **RESOLUTION IN EXEMPT MINUTES**

The meeting concluded at 16:30

#### CHAIR

#### **ACTION SHEET**

MINUTE NUMBER	ACTION NEEDED	RESPONSIBLE MEMBER/ OFFICER	DATE DUE
Minute 47c Business from the Chair: Collaboration Update 02/12/2016	An update on the ERP solution options should be given at the next meeting of the Joint Audit Committee.	OCC CFO	March 2017
Minute 6a Business from the Chair: Joint Audit Committee ToR and Chair 22 <sup>nd</sup> March 2017	The amended JAC ToR should be circulated to Members and published on the PCC's website.	OPCC HR and Office Manager	Immediate
Minute 6b (ii) Business from the Chair: Police and Crime Board Update 22 <sup>nd</sup> March 2017	JAC Members should be invited to observe the Police and Crime Board.	OPCC Resources Officer	Immediate
Report 7a Internal Audit Report: Internal Audit Plan 22 <sup>nd</sup> March 2017	The new Director of HR should be invited to the Joint Audit Committee in September 2017.	OPCC	September 2017
Report 7b Internal Audit Report: Follow Up 22 <sup>nd</sup> March 2017	The Constabulary will liaise with the internal auditors to identify the four actions which their opinion of the status differs. The reasons for this will be reported back to the Joint Audit Committee.	Head of Strategic Service Improvement	July 2017
Report 7e (i) Internal Audit Report: Crime Data 22 <sup>nd</sup> March 2017	Share with the JAC the strategic assessment regarding crime recording and the actions taken to mitigate the risks	Force Crime and Incident Registrar	April 2017
Report 7e (ii)	Report back on the actions taken in response to the audit findings.	Force Crime and Incident	July 2017

Internal Audit Report: Crime Data		Registrar	
22 <sup>nd</sup> March 2017			
Report 7f			
Internal Audit Report: Draft Legal Claims 22 <sup>nd</sup> March 2017	The report be published once finalised and update the Joint Audit Committee Chair of any changes made.	RSM/ OPCC Resources Officer	ASAP
Minute 9 Office of the Police and Crime Commissioner Strategic Risk Register 22 <sup>nd</sup> March 2017	Grant Thornton will share the report they have produced on the national benchmarking of Police and Crime Panels.	Grant Thornton	Immediate

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

#### **Internal Audit Planning**

#### 2017/18 scoping process

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.

# **INTERNAL AUDIT SCOPING**

As a result of some challenges in the scoping process in quarter one of the 2017/18 internal audit plan, it was requested that the JAC, OPCC, Constabulary and RSM agree the objective and audit lead for the remaining audits, to ensure that no further scoping issues or delays occur.

Scoping meetings are held at least four weeks in advance of the audit start date with the audit lead, with the Inspection and Audit Coordintor also in attendance. Following the meeting, draft scopes are issued to the audit lead, copying in the OPCC CFO, OPCC Strategic Planning and Performance Officer, the Costabulary CFO and Director of Resources and the Inspection and Audit Coordinator for review and comment.

The scope is also taken to the Constabulary Governance Group for approval. Once approved the final version is emailed to the above individuals, as well as the Joint Audit Committee Chair.

Audit title	Timing	JAC meeting presented to	Audit lead	Audit objective
Equalities (representative workforce)	August 2017	September 2017	Cathy Dodsworth, Head of HR	To look at key equality indicators and compare these with other Police forces, looking to draw out good practices and actions being implemented.
Training	September 2017	January 2018	Mike Carter, Head of CLaD	To follow up on key findings from the 2016/17 Workforce Planning. To review the proactive approach to developing training plans and undertaking training needs assessments to upskill staff to meet demand.
Performance Management (IPR)	October 2017	January 2018	Cathy Dodsworth, Head of HR	To provide assurance over the use of the new IPR system and compliance with key HR policies relating to appraisal and staff development.
Disaster Recovery	October 2017	January 2018	Steve Mulvihill, Contingency Planning Manager	To review the disaster recovery plans in place, regular testing of plans and lessons learnt.
IT Audit	October 2017	January 2018	Dan Wood, Head of Strategy and Transformation	Specific focus to be agreed by the JAC, OPCC and Constabulary. Suggestions include:
				<ul> <li>Body worn cameras – outcomes, use and achievements</li> </ul>

The remaining 2017/18 audits (not yet scoped) are set out below for discussion and approval.

				<ul> <li>Mobile working – airwaves and devices</li> <li>Digital evidence</li> <li>GDPR readiness</li> </ul>
Staff Culture and Wellbeing	October 2017	January 2018	Cathy Dodsworth, Head of HR	To review implementation of the Wellbeing Strategy.
				To review what support is available to staff to identify and manage mental health concerns in the workplace.
Financial Controls	November 2017	January 2018	Nick Adams, Head of Finance	To provide assurance on the operation of internal controls within the financial processes operated by the Constabulary. Specific areas of coverage to be agreed by the JAC, OPCC and Constabulary.
101	December 2017	March 2018	Supt Pete Warren, Head of Communications / IAU	To give assurance as to whether the Constabulary is hitting and monitoring its key call / performance targets, and what plans are in place to predict and manage high volume periods (e.g. summer).
Payments to Staff	January 2018	March 2018	Nick Adams, Head of Finance	Annual assurance review of design and application of control framework around payroll and expense payments.
Prevention and Community Engagement	October 2017	March 2018	ASC: C/Supt Ian Wylie, Commander Neighbourhood and Partnerships Directorate	To review the prevention strategy / initiative in place across the OPCC and Constabulary. To benchmark against what other
				Police forces are doing in terms of community engagement and prevention.
			OPCC: John Smith and Anna Hill	
Workforce Planning	January 2018	March 2018	Cathy Dodsworth, Head of HR	To review the reinvestment in staff in specific areas of high demand such as cyber and CSE, and whether this has resulted in the Constabulary meeting demand, delivering quality investigations. To include a review of succession planning and retention.

Requirements 2018 Operations management arrangements in the S area of 'threats to public order', including:	Strategic Policing Requirements	February March 2018 2018	Supt Paul Mogg, Operations	<ul><li>including:</li><li>Understanding and managing risk</li><li>Strategy</li><li>Capabilities</li></ul>
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# OFFICE OF THE POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET AND AVON AND SOMERSET CONSTABULARY

Review of Policies (Counter Allegation / Risk to Life or Threats of Serious Harm)

FINAL

Internal Audit Report: 1.17/18

4 July 2017

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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For further information contact	

Debrief held Draft report issued Responses received	12 April 2017 2 June 2017 13 June 2017 28 June 2017	Internal audit team	Mark Jones, Partner Victoria Gould, Manager Joe Hanley, Lead Auditor
Final report issued	4 July 2017	Client sponsor	Mark Simmonds, OPCC CFO Julian Kern, Constabulary CFO and Director of Resources Jane Walmsley, Inspection and Audit Coordinator Carolyn Belafonte, Detective Superintendent Su Polley, Force Crime and Incident Registrar
		Distribution	As above

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

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. Recommendations for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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We have no responsibility to update this report for events and circumstances occurring after the date of this report.

RSM Risk Assurance Services LLP is a limited liability partnership registered in England and Wales no. OC389499 at 6th floor, 25 Farringdon Street, London EC4A 4AB.

# **1 EXECUTIVE SUMMARY**

### 1.1 Background

This audit was requested by the Constabulary as part of an operation to learn from a major incident (the murder of Bijan Ebrahimi in July 2013). One outcome of the incident was the roll out of new policies and embedding long term good practice. This audit looked to test the compliance with, and application of the Counter Allegation policy and the Risk to Life or Threats of Serious Harm (RTL or TSH) policy.

Counter allegations may be made by either party during a criminal investigation. Although these allegations may prove to be false or unproven, consideration must be given to the possibility that both parties may be jointly culpable or to the original complainant proving to be the aggressor and the original suspect / counter complainant being the genuine victim.

A 'Risk to Life or Threats of Serious Harm' (RTL or TSH) is deemed to be one where as a result of a deliberate intention or the criminal act of another, the constabulary has identified a real and immediate threat to a loss of life or to cause serious harm or injury to another which also includes serious sexual assault and rape. A real and immediate danger means a risk that has been reasonably assessed to be real, and that the potential assailant has the intention and ability to carry out the threat. A relevant person means those directly associated with or affected by a RTL or TSH related matter i.e. potential assailant or victim. Article 2 of The Human Rights Act 1998 and case law enshrines the right to life in British law and this places an obligation on the Constabulary to take all reasonable steps to protect a person whose life they knew or ought to have known is in 'real and immediate' danger from the criminal acts of another.

When an incident is initially reported, the Constabulary uses the STORM command and control system to record the incident. An occurrence can then be created within Niche, the electronic crime recording and management system. Niche occurrences can record details of victims / suspects / other involved parties and a log of actions taken in relation to the case. Relevant documents such as statements, photographs, Pocket Note Book (PNB) entries and notices can also be uploaded and stored within Niche. The functionality to link occurrences also exists within Niche.

As part of the review we undertook a number of interviews with staff to determine their awareness of the policies and the way in which these were being applied in practice across the Constabulary. This was then tested by reviewing data in Niche for the two topic areas. The 12 Detective Inspectors (DIs) / Sergeants interviewed during the audit belonged to the following departments:

- Investigations x5;
- Intelligence x2;
- Communications x1;
- Safeguarding x1;
- LPA (Local Police Area) x1;
- Neighbourhood Policing x1; and
- Catch x1

## 1.2 Conclusion

Whilst we found there to be a generally robust control framework around the management of counter allegations and RTL / TSH incidents, we identified instances where Niche occurrences were not appropriately tagged and documentation was not attached when required. Improved compliance with the data recording requirements is needed to address the weaknesses identified.

#### Internal audit opinion:

Taking account of the issues identified, the OPCC and Joint Audit Committee can take reasonable assurance that the controls upon which the organisation relies to manage this area are suitably designed and consistently applied.

However, we have identified Niche compliance issues that that need to be addressed in order to ensure that the control framework is effective.



## 1.3 Key findings

The key findings from this review are as follows:

#### **Counter Allegations:**

- The Counter Allegation procedural guidance was due for review in January 2016. It contains outdated information such as referring to the old crime recording system, Guardian, as opposed to the currently used system, Niche.
- Counter allegation occurrences cannot be identified in Niche as a counter allegation tag does not exist. This means the Constabulary is unable to analyse data and identify quality issues specific to counter allegations.
- Where PNB entries were used, there was one case in which no signature or evidence of a refusal to sign the PNB entry had been provided. Where a PNB is not signed there is no evidence that a witness / suspect / victim has confirmed that the PNB entry is an accurate account of events.
- In one case there was a record on Niche to suggest that a corroborative independent witness statement had been taken but this had not been attached to the Niche occurrence.

#### Risk to Life / Threat of Serious Harm:

- The Constabulary has an RTL or TSH procedure which adequately outlines the control framework for the management of RTL / TSH incidents.
- Where an offence had been committed, the individuals at risk were identified and immediate action to protect these individuals was taken where appropriate.
- Where an offence had been committed, an intelligence check had been carried out and the results of the check were documented within Niche.
- In all cases information regarding the victim, suspect, location, timescale and method was recorded as appropriate.
- Niche tags were not used as effectively as possible, including the use of "no force tag" in two out of 10 cases. This
  means the Constabulary is unable to analyse data and identify data quality issues specific to RTL / TSH cases.
- In the five cases that were domestic abuse related, there was a Domestic Abuse, Stalking and Honour Based Violence (DASH) form completed and attached to Niche.
- In the four cases in which a child was at risk, the relevant Safeguarding Coordination Unit (SCU) or Multi-Agency Safeguarding Hub (MASH) had been informed.

- There were no risk assessment (335) forms completed in any of the cases.
- In two cases a notice had been served to the victim. The notices had been signed by the officer serving the notice and the victim in both cases.
- In all cases the Niche occurrence had been subject to supervisor review.
- In all cases the Niche occurrence had been filed and a clear decision making rationale had been provided in each case.

### **1.4 Additional information to support our conclusion**

The following table highlights the number and categories of management actions made. Where relevant, the detailed findings in Section 2 detail the specific actions agreed with management to implement.

Area	Control	Non		Agreed action	S
	design not effective*	Compliance with controls*	Low	Medium	High
Counter Allegations	1 (4)	2 (4)	1	1	0
Risk to Life / Threats of Serious Harm	1 (8)	3 (8)	0	3	0
Total	2 (12)	5 (12)	1	4	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

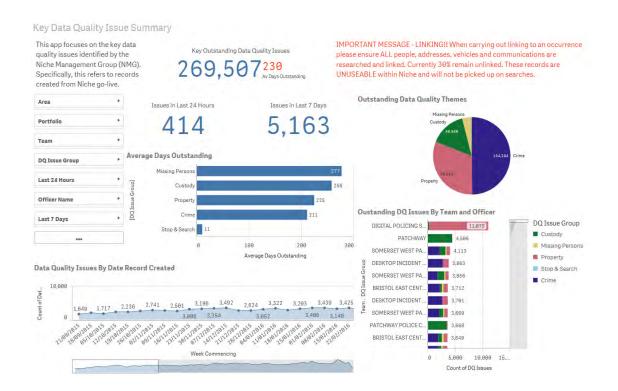
#### We have identified the following examples of good practice during this audit:

The Head of Performance informed us that a data quality application had been developed to identify strategic data quality issues within Niche, as identified by the Niche Management Group (NMG). We were informed that all supervisors at the Constabulary had access to the application at the time of the audit. The plan was for the application to be rolled out to all officers once a production server had been acquired on which the application could be hosted (estimated to be summer 2017).

The application can be used to show a summary of the key data quality issues (Figure 1). Issues such as no victim being identified, multiple victims being identified, no DASH form on file, no risk assessment and any occurrences with outstanding reviews are picked up by the application. These issues can be broken down into the following categories for data analysis purposes:

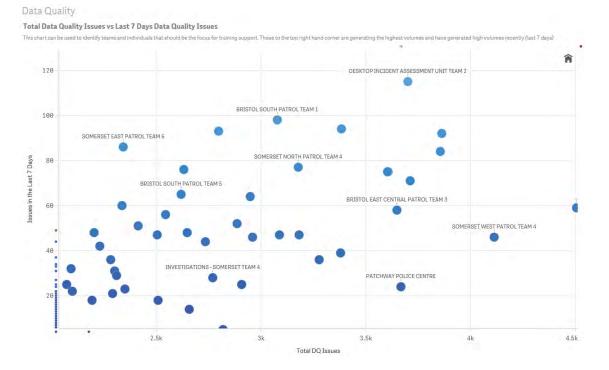
- data quality themes (crime / property / custody / missing persons / stop and search);
- data quality issues by team responsible;
- data quality issues by officer responsible;
- data quality issues in the last seven days;
- data quality issues in the last 24 hours;

- data quality issues by date record created; and
- average days outstanding per data quality theme.



#### Figure 1: Key data quality issue summary

The application can also be used to create scatter graphs to identify teams and individuals that should be the focus for training support and performance management (Figure 2). The Head of Performance informed us that the Training School Team Leader already proactively uses the application to target teams and individuals with a large number of data quality issues.



#### Figure 2: Total number of data quality issues per team against total number of issues in the last seven days

The Head of Performance was due to present the new data application to the National NMG in order to increase the awareness of the capabilities of the application nationally and to encourage its use for performance management and training purposes in the future.

We did not look to place assurance on the effectiveness of this application as part of the audit.

# 2 DETAILED FINDINGS

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.					

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
Area:	Counter Allegations							
1.1	<ul> <li>The Constabulary has procedural guidance in place for the recording, investigation and monitoring of counter allegations. The guidance includes:</li> <li>definition of a counter allegation;</li> <li>how to record a counter allegation;</li> <li>evidence or corroboration which should be sought;</li> <li>investigating officer responsibility for recording comments or statements;</li> </ul>	Yes	No	The Counter Allegation procedural guidance was due for review in January 2016. It contains outdated information such as referring to the old crime recording system, Guardian, as opposed to the currently used system, Niche. We confirmed that the procedural guidance is available to staff via the intranet. We have not looked to evaluate the controls or policies around counter allegations as part of this audit, only compliance with policies.	Low	The Counter Allegation procedural guidance will be reviewed by the Force Crime and Incident Registrar to ensure that the procedure accurately reflects expected practice at the Constabulary. The outdated terminology will be updated as part of this review. The procedure will clarify whose responsibility it is to monitor an allegation and the frequency at	31 July 2017	Force Crime and Incident Registrar
	<ul> <li>guidance to help identify the most culpable person;</li> <li>evidence which should be</li> </ul>			Whilst we are satisfied that the Constabulary has a Counter		which must be done.		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	obtained before making judgement; • example of a counter allegation situation; and • where to escalate cases should they be finely balanced or in doubt. The procedural guidance is updated on an annual basis and is available to staff via the intranet.			Allegation procedure which outlines the control framework for the management of counter allegations and that it is made available to staff, the procedure is not up to date. <u>Feedback from DI / Sergeant</u> <u>interviews:</u> One out of 12 members of staff said that they had not read the procedure and that instead they would take a sensible approach to the investigation and treat the incident in the same way as any other crime. One member of staff expressed the opinion that there seems to be inconsistencies between the ideology of the strategic managers responsible for the policies and the way in which policies are communicated to the different teams. One member of staff said that policies were too lengthy and that there are too many for which an in- depth knowledge can reasonably be expected. It was said that more concise policies would engage staff more effectively.				
1.2	During criminal investigations either party may make counter allegations. Consideration is	No	Yes	When selecting our sample it transpired that in order to select counter allegation occurrences, the		None.		

given to the possibility that both parties may be jointly culpable of to the original complainant proving to be the aggressor and the original suspect / counter complainant being the genuine victim. An incident including counter allegations is recorded as a crime for offences against an	r	report for sample selection was produced to show those cases which had been linked to another case. We could therefore not test whether there existed cases which had not been linked to other cases when they should have been. As a result, in all cases the counter allegation		
identified victim if, on the balance of probabilities, the circumstances amount to a crime defined by law and there is no credible evidence to the contrary. If a decision is made not to record the counter allegation on a new Niche report, having applied the National Crime Recording Standard (NCRS) rules and with the agreement of a supervisor, then this fact is recorded within the supervisory instructions / remarks section of the Niche report of the initial complainant. A full auditable entry outlining clear rationale behind the decision is required.		<ul> <li>In all cases the counter allegation</li> <li>had been recorded as a separate</li> <li>crime on Niche and had been linked</li> <li>to the initial allegation.</li> <li>The breakdown of tags used across</li> <li>the 20 Niche occurrences were as</li> <li>follows:</li> <li>"no force tag" - 15;</li> <li>business crime - 2;</li> <li>ASB Personal - 2; and</li> <li>hate crime - 1.</li> <li>There is a risk that counter allegation</li> <li>occurrences cannot be closely</li> <li>monitored where they cannot be</li> <li>identified in Niche. However the</li> <li>Superintendent decided at the</li> <li>debrief meeting that a Counter</li> <li>Allegation tag within Niche was not</li> <li>appropriate. The Superintendent</li> <li>informed us that the recording of</li> <li>counter allegations does form part of</li> <li>the current training programme.</li> <li>Therefore no action was agreed.</li> </ul>		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				interviews:				
				All staff indicated that they would record crimes separately and link them on Niche.				
1.3	<ul> <li>Investigating officers assess all available evidence, considering the condition, reliability and credibility of those providing it. When conducting the investigation, the investigator pursues all reasonable lines of enquiry, whether these point towards or away from the suspect.</li> <li>An investigating officer records any unsolicited comments or significant statements which are outside the context of an interview which might be relevant to the offence. This is done either in their PNB or in another auditable and retrievable format. These are timed and signed by the maker of the comments.</li> <li>Where practical, the suspect is given the opportunity to read the PNB entry or other auditable record and sign them as correct.</li> <li>If the suspect does not agree</li> </ul>	Yes	No	<ul> <li>We selected a sample of 10 allegations (and 10 corresponding counter allegations) made in 2016. From this we found:</li> <li>in three cases a PNB entry had been completed. Two of these were signed by either the suspect or the victim. In the remaining case there was no signature or evidence of a refusal to sign on the PNB entry; and</li> <li>in seven cases there were signed statements on file from the victim, the suspect or the witness. In two of the remaining cases the allegations were not pursued due to evidential difficulties and formal action not being in the public interest. In the remaining case there was a record on Niche to suggest that a corroborative independent witness statement had been taken but this had not been attached to the Niche occurrence.</li> </ul>	Medium	Constabulary will ensure there is a refresher training input on how to deal with Counter allegations and where matters should be recorded and stored.	31 August 2017	Detective Superintendent Carolyn Belafonte
	with the record, the recording			Where a PNB has not been signed				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	officer indicates how they consider it inaccurate and asks / invites the suspect to read and endorse that the changes accurately reflect their disagreement.			or the refusal to sign has not been documented, there is a risk that evidence is not available to show that information contained within the PNB has been explained and verified by the suspect or victim.				
	Where the suspect refuses to sign the notes the investigating officer makes a note of the individuals' refusal.			Where a witness statement is taken but not scanned and attached to the Niche occurrence, there is a risk that evidence is unavailable or lost.				
				<u>Feedback from DI / Sergeant</u> <u>interviews:</u>				
				In all cases staff indicated that they would record any significant statement in their PNB and scan these into Niche. All staff stated that they would record the refusal to sign within the PNB.				
1.4	Police responding to incidents may be confronted with conflicting accounts about what has taken place with each party claiming to be the victim.	Yes	Yes	We selected a sample of 10 allegations (and 10 corresponding counter allegations) made in 2016. From this we found:		See management action 1.1.		
	Counter allegations require officers conduct immediate enquires / investigation at the scene or scenes in an attempt to establish who is the most culpable. The person most culpable is not necessarily the person who first contacted police or the first person to use force or			• in nine cases there was evidence of investigation and enquiries taking place at the scene to determine the most culpable person. In the remaining case the scene could not be attended by the investigating officer (IO) however there was evidence of				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	threatening behaviour. All opportunities to gather corroborating and / or forensic evidence are explored to assist in establishing the facts. This could include recording and photographing injuries, identifying further witnesses, locating and reviewing CCTV as well as digital and forensic evidence which might support accounts from either party. Identification of the person most culpable may require skilled judgement and if the officer is in any doubt then advice is sought from supervisors. Advice can also be sought from Investigations, Case Progression Unit (CPU) or the Crown Prosecution Service (CPS) if necessary. Officers take into account all evidence which is readily available, to make a reasoned judgement as to whom they believe to be the most culpable aggressor. One party is then treated as a suspect and the other as a victim / witness. Details of the counter allegation are recorded at interview and a crime report is completed on			<ul> <li>investigation and enquiries subsequently taking place to identify the most culpable person;</li> <li>in all cases there was evidence that injuries / history between parties / history of allegations or violence had been considered where appropriate;</li> <li>in nine cases a judgement on the most culpable aggressor had been made and documented within Niche. In the remaining case advice had been sought from the Crown Prosecution Service; and</li> <li>in all cases there was evidence of a supervisor review of the case documented within Niche.</li> <li><i>Feedback from DI / Sergeant interviews:</i></li> <li>There were different answers received as to whose responsibility it is to monitor the progress of a case (Investigations / DI / Detective Sergeant / Supervisors).</li> <li>This should be considered when revising the policy so staff are clear on their roles and responsibilities.</li> </ul>				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	Niche.							
Area:	Risk to Life / Threats of Serious	Harm	<u>.</u>					
2.1	<ul> <li>The Constabulary has procedural guidance in place for the recording, investigation and monitoring of RTL or TSM. The guidance includes:</li> <li>definition of a RTL or TSH;</li> <li>immediate considerations which must be made;</li> <li>identification of RTL or TSH;</li> <li>receipt and initial action;</li> <li>threat assessment and evaluation;</li> <li>response required;</li> <li>categorisation of high / medium / low risks and threats;</li> <li>how to resolve high / medium / low risks;</li> <li>issuing of RTL or TSH notices;</li> <li>monitoring of cases; and</li> <li>role specific responsibilities.</li> </ul>	Yes	Yes	The RTL or TSH procedural guidance was reviewed in April 2016 and is next due for review in April 2017. We confirmed that the procedural guidance is available to staff via the intranet. We have not looked to evaluate the controls or policies around RTL or TSH as part of this audit, only compliance with the policy. We are satisfied that the Constabulary has an RTL or TSH procedure which adequately outlines the control framework for the management of RTL / TSH incidents, and that it is made available to staff. <u>Feedback from DI / Sergeant</u> <u>interviews:</u> All staff were aware of, and had read the RTL or TSH procedure.		None.		
2.2	If an allegation or intelligence is received concerning the RTL or	Yes	Yes	We selected a sample of 10 incidents which were tagged as RTL	·	None.		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	TSH then the safety and welfare of the person targeted is the first priority.			or TSH on Storm made from February 2016 to March 2017. From this we found:				
	All staff receiving a report of RTL or TSH are responsible for obtaining all available information and for notifying the Detective Inspector immediately. The staff receiving the information retain ownership of the threat until otherwise directed. The member of staff receiving the report takes immediate action to identify and protect persons at risk of real and immediate RTL or TSH.			<ul> <li>in eight cases the persons at risk were identified and immediate action was taken where appropriate (issuing of notices, consideration of welfare of children, TAUs placed, referred to lighthouse / safeguarding / MARAC (Multi-Agency Risk Assessment Conference); and</li> <li>in the remaining two cases no action was necessary as no offence was deemed to have been committed. We consulted an Inspector who confirmed that the appropriate investigative procedures were followed in these two cases.</li> </ul>				
				We are satisfied that the individuals at risk are identified and that immediate action to protect these individuals is taken where appropriate.				
				Feedback from DI / Sergeant interviews:				
				None.				
2.3	Any member of the Constabulary receiving the first notification of any RTL or TSH	Yes	Yes	We selected a sample of 10 incidents which were tagged as RTL or TSH on Storm made from		None.		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>takes immediate action. They obtain all available information concerning the threat and preserve any evidence relating to:</li> <li>victim;</li> <li>suspect;</li> <li>location;</li> <li>timescale; and</li> <li>method of notification.</li> </ul>			February 2016 to March 2017. We found that in all cases information regarding the victim, suspect, location, timescale and method were recorded as appropriate. We are satisfied that the circumstances are adequately documented within Niche. <u>Feedback from DI / Sergeant</u> <u>interviews:</u> All staff informed us that as much information as possible would be recorded within Niche with various				
				members of staff mentioning victims, suspects, locations, timescales and methods of intent as items that needed to be determined.				
2.4	The DI is responsible for ensuring that a Niche occurrence is raised and that the crime tag 'Threats to Life' is applied. There are 92 available tags that can be used on Niche. This includes a tag labelled "no force tag".	No	No	<ul> <li>We selected a sample of 10 incidents which were tagged as RTL or TSH on Storm made from February 2016 to March 2017. The breakdown of Niche tags used across the 10 occurrences were as follows:</li> <li>weapons - 3;</li> <li>domestic abuse (high risk victim) - 3;</li> <li>"no force tag" - 2;</li> <li>domestic abuse (medium risk victim) - 1; and</li> </ul>	Medium	The Constabulary will consider the use of tags in Niche for Risk to Life / Threats of Serious Harm cases going forward. Any decisions made will be updated within the current policy / procedure.	31 August 2017	Force Crime and Incident Registrar

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				• firearms weapons - 1.				
				We are not satisfied that Niche tags are used as effectively as possible. Where "no force tag" is selected on Niche, it is not possible to perform any analysis on the types of incidents occurring or on data quality issues.				
				interviews:				
				None.				
2.5	A DI is responsible for ensuring that any immediate action needed to protect life and to preserve evidence is taken. Consideration is given to obtaining further information utilising all internal and external databases. The intelligence research should not delay notification to a DI.	Yes	Yes	<ul> <li>We selected a sample of 10 incidents which were tagged as RTL or TSH on Storm made from February 2016 to March 2017. From this we found:</li> <li>in eight cases an intelligence check had been carried out and the results of the check were documented within Niche; and</li> <li>in the remaining two cases no action was necessary as no offence was deemed to have been committed. We consulted an Inspector who confirmed that the appropriate investigative procedures were followed in these two cases.</li> </ul>		None.		
				We are satisfied that intelligence checks are carried out where				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				appropriate. <u>Feedback from DI / Sergeant</u> <u>interviews:</u> None.				
2.6	The DI completes a comprehensive risk assessment. This is carried out at the first available opportunity, and is reviewed as more information becomes available, to establish whether it remains valid. In order to complete the full threat assessment and evaluation, a RTL or TSH Assessment (335) form is completed. The risk assessment (335) is a document used to manage, assess and review the risk and to outline a mitigation plan. The form includes: • personal details or individual at risk; • analysis of risk; • prioritising the risk; • control strategy; • probability of risk occurring; • contingencies; and	Yes	No	We selected a sample of 10 incidents which were tagged as RTL or TSH on Storm made from February 2016 to March 2017. We found that no risk assessment (335) forms had been completed in any of the cases. In seven of these cases an immediate arrest was sought. In the remaining three cases there was no risk assessment needed (two cases were deemed no threat to life and one case was referred from HMP Feltham who had responsibility for carrying out the initial risk assessment). The Superintendent informed us that where immediate arrests are sought it would not necessarily be expected that a risk assessment (335) form is completed prior to the arrest, as the 335 is a document to manage, assess and review the risk with a mitigation plan. In three cases there was reference to a risk rating as being high / medium / low within the Niche entries however there was no	Medium	Management will agree a communication plan around this audit finding to remind officers around the requirements for the Risk Assessment (335) forms to be completed for all verifiable RTL / TSH incidents that fit the criteria of RTL management. The forms will be attached to Niche. If forms are not required to be completed there will be a documented risk management plan in Niche.	31 August 2017	Detective Superintendent Carolyn Belafonte

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>action log.</li> <li>The assessment is appropriately graded as follows:</li> <li>low: no real threat identified;</li> <li>medium: the threat is conditional upon another factor; or</li> <li>high: the victim, suspect and / or location are identifiable.</li> <li>In cases which are classed as being domestic incidents, the risk assessment (335) form is completed in addition to the Domestic Abuse, Stalking and Harassment and Honour Based Violence (DASH) form.</li> <li>All cases in which a child may be at risk are referred to the relevant Safeguarding Coordination Unit (SCU) or Multi-Agency Safeguarding Hub (MASH).</li> </ul>			<ul> <li>documentation to demonstrate how the IO had arrived at the rating.</li> <li>In the five cases that were domestic abuse related, there was a DASH form completed and attached to Niche.</li> <li>In the four cases in which a child was at risk, the relevant Safeguarding Coordination Unit (SCU) or Multi-Agency Safeguarding Hub (MASH) was informed.</li> <li>We are satisfied that additional measures are used to protect children and those involved in domestic abuse related cases. However where a risk assessment (335) form is not completed there is a risk that due consideration has not been given to the likelihood and impact of any risk to an individual's life.</li> <li>Feedback from DI / Sergeant interviews:</li> <li>When asked about how they would proceed with an RTL / TSH cases, only one member of staff mentioned the risk assessment (335) form.</li> <li>When subsequently asked who should complete the risk assessment (335) form, there was confusion over</li> </ul>				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				whether this should be the DI, intelligence unit or the Force Incident Manager (FIM).				
2.7	A warning to an intended victim may be issued when the Superintendent believes that the intended victim should be made aware of a risk / threat against them. The warning is issued using the 'Person Targeted by a RTL or TSH' Form 335A. The purpose of this notice is to alert the potential victim of the existence of a risk / threat towards them and to allow the individual to take precautionary steps to protect themselves, or to allow the victim an opportunity to consider the protective measures proposed by the police. A copy of the notice needs to be signed by the officer serving the notice, the officer witnessing the serving of the notice and the recipient. It is the responsibility of the person serving the notice to ensure it is scanned onto NICHE and attached to the relevant occurrence. A second copy of the notice is issued to the victim.	Yes	No	<ul> <li>We selected a sample of 10 incidents which were tagged as RTL or TSH on Storm made from February 2016 to March 2017. From this we found:</li> <li>in two cases a notice had been served to the victim. The notices had been signed by the officer serving the notice and the victim in both cases. In one case the notice had not been signed by the witnessing officer despite a clear record on Niche which stated that he was present during the issue of the notice; and</li> <li>in the remaining eight cases there was a rationale behind a notice not being served clearly documented within Niche. These included three cases in which the victim requested no action be taken when reporting the incident, four cases where an immediate arrest was sought and one case where it was not possible to identify the suspect.</li> </ul>	Medium	Bespoke training will be provided for investigation supervisors in how to manage medium and high RTL / TSH cases. Training will also be provided to all staff and officers in how to manage RTL and TSH, specifically to include R v Osman issues of notification and accountability of notification.	31 August 2017	Detective Superintenden Carolyn Belafonte
	vvnere possible the officer			been served, the Superintendent			ne Commissioner for Av	

ontrol	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
elected should not have any volvement in an ongoing vestigation to which a 'RTL or SH' issue may refer or have rect access to the source of e intelligence, to avoid such atters			had been consulted in one case. In the other case the serving of the notice was requested as part of a Metropolitan police investigation and so authorisation was not required from an Avon and Somerset Constabulary Superintendent. We are satisfied that the correct procedures are followed for the issuing of notices. <u>Feedback from DI / Sergeant</u> <u>interviews:</u> There was confusion as to whether notices should be scanned into Niche.				
/here a decision is made that a sk / threat no longer exists, the ecision making process and tionale is recorded within iche.	Yes	Yes	<ul> <li>We selected a sample of 10 incidents which were tagged as RTL or TSH on Storm made from February 2016 to March 2017. From this we found:</li> <li>all cases were subject to supervisor review; and</li> <li>all cases had been filed and a clear decision making rationale was provided in each case.</li> <li>We are satisfied that clear decision making rationale is provided when each case is closed.</li> </ul>		None.		
	ne.	ne.	ne.	<ul> <li>all cases were subject to supervisor review; and</li> <li>all cases had been filed and a clear decision making rationale was provided in each case.</li> <li>We are satisfied that clear decision making rationale is provided when</li> </ul>	<ul> <li>all cases were subject to supervisor review; and</li> <li>all cases had been filed and a clear decision making rationale was provided in each case.</li> <li>We are satisfied that clear decision making rationale is provided when each case is closed.</li> </ul>	<ul> <li>all cases were subject to supervisor review; and</li> <li>all cases had been filed and a clear decision making rationale was provided in each case.</li> <li>We are satisfied that clear decision making rationale is provided when each case is closed.</li> </ul>	<ul> <li>all cases were subject to supervisor review; and</li> <li>all cases had been filed and a clear decision making rationale was provided in each case.</li> <li>We are satisfied that clear decision making rationale is provided when each case is closed.</li> </ul>

Ref	Control	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
			interviews:				
			None.				

# 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 areas:

#### Objectives of the area under review

To assess how new policies have been rolled out and applied to ensure lessons are learnt from previous incidents.

The audit was requested by the Constabulary as part of an operation to learn from a major incident. One outcome of the operation was the roll out of new policies and embedding long term good practice. We therefore tested compliance with, and application of, these policies as part of this review.

#### Areas for consideration:

We undertook a number of interviews of staff across different departments (Communications, Investigations, SCU, Intelligence, LPAs, and Neighbourhood Policing) to establish if staff were aware of the policies and how they are being applied in practice.

We also undertook sample testing of Niche entries to ensure accurate tagging and application of crime recording policies.

#### Counter Allegation

- ethical recording and investigation of all counter allegations at any point;
- all counter allegations were recorded as crimes in Niche;
- collection and recording of independent evidence;
- documentation of reasons why counter allegations were not recorded;
- perusing all lines of enquiry in investigations on a case by case basis;
- recording of unsolicited or significant statements which may be relevant, with the suspect reviewing and signing off these comments where practicable (also noting refusal to do so); and
- interviewing and arresting procedures.

#### Risk to Life or Serious Threats of Serious Harm

- immediate action to identify and protect persons at risk;
- establish / document circumstances (victim, suspect, location, time, method)
- assessment of risk level and escalation as appropriate (medium / high);

- response, resolution and monitoring appropriate for risk level identified;
- raise a Niche with appropriate tagging; and
- intelligence checks.

#### Limitations to the scope of the audit assignment:

This was a compliance / application test audit and did not look to evaluate the controls or policies around Counter Allegations / Risk to Life, only that they were being applied in practice.

We are not operational policing specialists, so did not comment on the specific actions taken outside of whether these comply with the policies. Guidance was sought from Officers / Staff where needed during the audit.

Testing was undertaken on a sample basis only.

# APPENDIX B: FURTHER INFORMATION

### Persons interviewed during the audit:

- Jason Hulbert, Sergeant (CATCH team);
- Lorette Spirenburg, DI (Investigations);
- Saj Rizvi, Acting DI (Investigations);
- Richard McKiernan, Force Incident Manager (Communications);
- Jamie Rees, DI (North Bristol LPA);
- Duncan Wood, Chief Inspector (Intelligence);
- Tony Coombe, Covert (Intelligence);
- Angela Burtonwood, DI (Investigations);
- Rob Brown, Manager (Neighbourhood Policing);
- Mike Williams, Manager (SCU);
- Matt Iddon, DCI (Investigations);
- Jane Wigmore, DI (Specialist Operations Team);
- Su Polley, Force Crime and Incident Registrar;
- Sean Price, Head of Performance; and
- Jess Aston, Inspector.

### Documentation reviewed during the audit:

- Counter allegations procedure;
- Counter allegations flowchart;
- RTL / TSH procedure;
- Report of all linked occurrences on Niche February 2016 March 2017;
- Report of all Storm logs February 2016 March 2017;
- RTL or TSH risk assessment (Form 335);
- Notices served on persons targeted (Form 335A);

- Notices served on persons suspected (Form 335B);
- Domestic abuse, stalking and harassment and honour based violence (DASH) forms; and
- Read only access to Niche to sample testing application in terms of crime recording.

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

Volunteers

FINAL

Internal audit report: 3.17/18

### 4 July 2017

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# 1 EXECUTIVE SUMMARY

### 1.1 Background

The Police and Crime Commissioner (PCC) acknowledges that people in communities can play a role in ensuring their area is safer. To ensure this continues to happen, there must be effective engagement to attract valued volunteers.

There are many different ways in which people can volunteer with Avon and Somerset Constabulary, however those included within this audit are:

- Specials;
- Police Support Volunteers (PSV) (including Cadet Leaders);
- · Cadets; and
- Community Speed Watch (CSW).

As CSWs and Cadets perform less integrated roles within the Constabulary the audit has focussed mainly on Specials and PSVs.

Specials are line managed by other Specials within the structure of the Special Constabulary.

Applications to become Specials are made through the Avon and Somerset website. To become a Special Constable they must complete the Independent Learning for Special Constables (IL4SC) foundation training.

All Specials are recorded on the Emergency Services Internet Booking System (ESIBS). This is used to record hours and training completed by Specials. It can also be used as a communication tool.

Previously, PSVs were retained in a pool and allocated out to posts as they became required. However, specific posts are now recruited into to ensure appropriate volunteers with the required experience and skills are used in the right roles.

PSVs are line managed by Constabulary management, as with any substantive police officer or staff member.

### **1.2 Conclusion**

The Constabulary has numerous systems and processes in place to engage with the community through volunteer schemes. The Constabulary demonstrates that it invests significant time and resources in its volunteers. However, our audit found a number of processes where improvements are needed as some structures and processes within the Constabulary are not as robust as required. This is partly due to this area of the organisation being less mature in its development. The structures and processes are therefore still in development.

### Internal audit opinion:

Taking account of the issues identified, the Joint Audit Committee and OPCC can take reasonable assurance that the controls in place to manage this risk are suitably designed and consistently applied. However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risks.



### 1.3 Key findings

The key findings from this review are as follows:

- Overall we found that the Constabulary has a large number of systems and processes in place to engage with the community through volunteer schemes.
- From our discussion with a sample of Specials and PSVs we found that overall they felt they were happy with the level of support and recognition.
- The Constabulary matches PSV's skills to the requirements of the role.
- The Constabulary has run engagement events with its Specials to collect feedback on their experiences as Specials. This highlighted the need for more post-foundation training which resulted in this being included in the Citizens in Policing (CIP) Delivery Plan.
- A Valuing Volunteers training course has been piloted. The Constabulary is in the process of enrolling all PSV line managers on this course.

However we also found the following weaknesses:

- All PSVs, Cadets and Specials have a basic HR record created and managed in the constabulary core HR system. However we found that personal details for Specials, PSVs and Cadets are all being held on excel spread sheets. This is not in line with best practice and this requirement has been captured in scope for the new ERP replacement system, due to be implemented in April 2018. The Constabulary had however recognised this prior to the audit.
- Our testing of mandatory annual Personal Protective Equipment (PPE) and First Aid refresher training for Specials found that in three cases from 10 there were no entries for PPE or first aid on ESIBS. We found that the current system for monitoring mandatory training is not consistent or robust.
- From our discussions regarding training with a sample of seven Specials we found that there was a clear desire for annual refresher or update training sessions on their required core skills.
- Zero hours are monitored and managed as part of the local Specials Management meetings. However we found that at the time of the audit there were 24 Specials who started more than a year ago and had completed zero hours in the last 12 months. This compromises the significant amount of time and resource invested in to the foundation training of Specials, and is a lost free resource to the Constabulary as a whole.
- Our discussions found that in only one of the seven Specials we spoke to meets with their line manager on a regular basis. We also found that two Specials stated that they did not really have line managers.
- We also found that two Specials do not feel they receive adequate recognition. They stated that the Specials Management Team can see how many hours some Specials are giving up through ESIBS and felt that there should be more effort made from the Management Team to recognise Specials who give up a lot of their time.
- We found that not all PSV roles are required to complete all five of the required volunteer training modules. However, there is currently no record or matrix setting out which training modules are required for each role.
- We found that the responsibility for sending the list of PSVs who have outstanding training was previously
  completed by a temporary staff member in the Policy Support team who has now left the Force. The Policy Support
  team has not been able to continue doing this due to a lack of capacity. There is therefore a risk that mandatory
  training is not completed by PSVs.

• We were informed by one PSV that they had not spoken to their line manager in over two years. This PSV regularly completed volunteering hours.

### **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.

Risk	Control Non				Agreed actions		
	design r effectiv			npliance controls*	Low	Medium	High
OPCC SR4 - Failure to engage with the public Constabulary SSR9 – Loss of legitimacy and public confidence	0 (1	7)	12	(17)	5	8	0
Total					5	8	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.

### Suggestions:

During the audit we identified that the Constabulary would benefit from having more staff across the Constabulary with designated responsibilities for managing the Citizens in Policing. Currently most of this is managed centrally by a small team, with some PSV SPOCs across areas and departments with their role being to champion PSVs; however these roles could be further expanded to cover all CiPs and to ensure they are providing the required support.

### Suggestion 1:

The Constabulary should consider implementing several CIP champions who would be responsible for tasks such as:

- acting as a local point of contact for CIPs;
- monitoring CIP training; and
- ensuring CIPs have adequate line management support.

These responsibilities would be included in role descriptions, and designated time would be given for them to complete their CIP responsibilities.

# 2 DETAILED FINDINGS

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.								

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

Ref	Control	Adequate control design (yes/no)	complied with	 Priority	Action for management	Implementation date	Responsible owner

### Risk: OPCC SR4 - Failure to engage with the public

### Risk: Constabulary SSR9 – Loss of legitimacy and public confidence

Special	S

1.1.1	The Force has historically not needed to undertake any advertising for the recruitment of Specials.	Yes	Yes	We reviewed the Constabulary's website and confirmed that the Special Constabulary page is easy to find and provides adequate information on the Special Constabulary and the application	None.
	Recruitment of Specials is undertaken through the			process.	
	Constabulary website. There is a			Through review of the Force's social	
	designated page for recruitment to			media account we confirmed that the	
	the Special Constabulary which			Force is starting to conduct social media	
	provides information on the			advertising campaigns.	
	Special Constabulary, the				
	application process and a link to			We spoke to a sample of seven Specials	

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	the applications portal.			and found that in all cases they confirmed that they were interviewed as part of their				
	Following this all applicants attend a Familiarisation Event which is run by current Specials. The event provides information on the role of a Special Constable, and the recruitment and training process. This is to ensure that all applicants are aware of the requirements of becoming a Special Constable prior to progressing the application any further.			applications process.				
	All Specials apply to the role of Special Constable (unless they are a more experienced transfer from another Force). Each Special Constable is assigned an Area, Line Manager and Tutor at the training school. They are assessed via an interview by their Line Manager who decides, based on their skills, experience and personality, whether to place Special Constable in either the Response or the Neighbourhood Team.							
1.1.2	All Specials are required to complete the national Independent Learning for Special Constables (IL4SC) training course prior to graduating and	Yes	No	We found that the Special Constabulary Training Coordinator commenced her role two years before the audit. They could not provide us with training records for Specials who started before	Low	On a monthly basis the Special Constabulary Coordinator will run a report from ESIBS identifying which	31 July 2017	Katie Hancock, Specials Coordinator

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>becoming a Special Constable.</li> <li>This is delivered over 12 weekends of training and includes the following: <ul> <li>Equality;</li> <li>IT systems;</li> <li>Caution, Search;</li> <li>First Aid;</li> <li>Theft, Robbery;</li> <li>Public Order Search Powers;</li> <li>PPE; and</li> <li>a post-foundation conclusion training course.</li> </ul> </li> <li>Special Constables do not take part in any police work prior to graduating from this course. Once they have graduated Special Constables can take part in police work while being supervised by an experienced regular or special officer.</li> <li>Following completion of the IL4SC Foundation Training, each Special Constable is given a Special Constable is given a Special</li> </ul>			then as these records were held in paper format by the predecessor. The Special Constabulary Training Coordinator did not know where these records are held. We could therefore only obtain the training records for two of our sample of 10 Specials in relation to their IL4SC training to confirm that they complete the full IL4SC training suite. We did note that for one of our sample the training was not required as they transferred from the regular Constabulary to the Special Constabulary. We also note that one of our sample was a Special Chief Inspector who started 25 years ago. This person was selected in our sample for interviews as we wanted to speak to someone with many years of experience of being a special. We did find that the training completed had been recorded in the Constabulary's Learning Management System LSO. However training was recorded against module numbers, not course titles. For the rest of our sample we could therefore only confirm that they had completed module eight or nine of the IL4SC, not what this module covered. For many of its Specials the Constabulary can therefore not evidence that they have completed the IL4SC training course. We did however review the mechanism in		Specials have recently completed their Special Constable Learning and Assessment Portfolio (SCLAP). The Specials will then be contacted to request the back sheet of their SCLAPs and maintain a record of this. On a monthly basis the Special Constabulary will conduct spot checks of five Specials who have completed their SCLAPs in the past and confirm that they have been sent evidence of completion.		
	Assessment Portfolio (SCLAP).			place to maintain training records now				

Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
This contains a number of competencies that they must complete and get signed off by their Line Manager in order for them to start doing police work without supervision. There is no timeframe for completion of the SCLAP. Training records for the Special Constabulary are maintained by the Special Constabulary Training Coordinator. The Training Coordinator maintains a completion checklist within an excel document for each training group. This outlines who attended which module and identifies what each module is.			<ul> <li>and found this to be much more robust.</li> <li>We also tested to confirm that evidence of completion of their SCLAP is retained. Our testing found that:</li> <li>in four cases the SCLAP was not yet completed;</li> <li>in two cases the SCLAP was not required. This was because one transferred from the regular Constabulary to the Special Constabulary, and the other started as a Special in 1992 when they would have undergone a different training process; and</li> <li>in four cases no record of the SCLAP was available. The Special Constabulary Coordinator confirmed that they rely on the Specials sending the evidence of confirmation to them but that this does not always happen.</li> <li>There is a risk that the Constabulary would not be able to evidence that a special has completed their SCLAP if they were ever required to do so, so in the event of an incident involving a Special who is lone working, there may not be evidence that they are sufficiently trained and experienced to do so.</li> </ul>				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
1.1.3	<ul> <li>In addition to the Foundation Training Specials must complete annual mandatory First Aid and Personal Protective Equipment (PPE) refreshers.</li> <li>There are also further training opportunities available to Specials which include:</li> <li>Body worn video cameras;</li> <li>updates on changes to the role of Specials;</li> <li>Drug swabs; and</li> <li>Intoxilyser training.</li> <li>The Emergency Services Internet Booking System (ESIBS) is used to record training. ESIBS includes a calendar which all Specials can</li> </ul>	Yes	No	During the audit we found that there is a control gap between the Specials completing their IL4SC foundation training and completing their first annual mandatory PPE and First Aid refresher training. When the First Aid and PPE training is recorded as an attribute on ESIBS an expiry date is recorded against this which prompts when the refresher training needs to be completed. However the first time the training is completed is during the foundation training. This training is however not recorded in ESIBS. There is currently no process in place to prompt the first time the annual refresher training is required. It currently depends on the Specials themselves to complete the first refresher; however this may be after more than 12 months.	Low	1) The Special Constabulary Training Coordinator will be given access to ESIBS to record the dates Specials complete their First Aid and PPE training as part of their IL4SC foundation training. When the First Aid and PPE training is recorded as an attribute on ESIBS an expiry date is recorded against this which prompts when the refresher training needs to be completed.	Completed	Katie Hancock, Specials Coordinator
	access and view and book on to upcoming events and training courses. Completed training is recorded is ESIBS as attributes. Once a Special has completed the training course they are given the attribute. Reports can then be run within ESIBS to identify who has completed which attributes.			<ul> <li>found the following:</li> <li>in six cases the first aid and PPE training was completed within the last 12 months;</li> <li>in one case the special works solely in a recruitment role so does not require the training; and</li> <li>in three cases there were no attributes for PPE or first aid on ESIBS.</li> <li>We contacted the local managers or</li> </ul>	Medium	2) The Special Constabulary Coordinator will investigate whether the mandatory annual First Aid and PPE training can be tracked using the Learning Management System LSO used by CLaD. If this is not possible, all	31 October 2017	Katie Hancock, Specials Coordinator

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				training coordinators for the three without attributes. In one case we did not receive a response so we could not confirm that they had completed the mandatory annual refresher training. We found that for the two final cases a local record of the training was being maintained. We were able to obtain training records for both PPE and First Aid in one case, but only PPE in another. The local manager confirmed that they record the training dates on an excel spreadsheet maintained locally however they do not confirm that the special actually attended the training course.		training will be recorded in a consistent manner. This will either be using the attributes on ESIBS or using local records. However those in charge of maintaining the records must be given registers for training courses to confirm attendance.	s 9 e. 30 June 2018 g n o rd 7	Mike Carter,
				They do not have access to the registers so cannot confirm that the special actually attended the training refresher that they were booked on to. We selected a sample of 20 Specials and		3) As planned the Citizens in Policing (CIP) Delivery Plan will be submitted to the Constabulary Management Board (CMB) in July 2017 for final approval.		Head of CLaD Katie Hancock, Specials Coordinator
				managed to speak to seven of these as part of the audit. From our discussions regarding training		This includes developing a post foundation training plan for all CIPs.		
				we found that there was a clear wish for an annual refresher or update training sessions on core skills not just PPE and first aid. Two Specials stated that there was some training available through ESIBS. One stated they would welcome more training but they are doing a specialised role so this is less commonly		See management action 1.2.		

Ref	Control			Priority		Implementation	
		control	complied		management	date	owner
		design	with				
		(yes/no)	(yes/no)				

#### available.

Four of the seven Specials we spoke to stated that they would welcome an annual refresher course covering core skills. Two of these four stated that there is no post-foundation training available. As Specials they do not use some of the skills as often and may therefore become out of practice. When the situation arises when they need to use the skills they often find that they have forgotten some required skills or practices.

This can be for processes such as stop and search, or giving updates on topics such as mental health or legislation. This could be delivered at a local level.

During the audit debrief the Special Constabulary Coordinator confirmed that they ran six engagement events in January and February 2017 to which all Specials were invited to. Approximately 60 Specials attended and provided feedback on their experiences of being Specials.

During these events frustrations were raised regarding the lack of availability and consistency of post-foundation training.

This was therefore included in the annual Citizens in Policing (CIP) Delivery Plan which is being approved at the July 2017 CMB meeting. The Delivery Plan includes

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				an action to develop post-foundation training for all CIPs.				
1.1.4	Personal details and other data on Special Constables is recorded on a manual excel spreadsheet called the Current Active Register. This is available on a shared drive and includes: • collar number; • name; • rank; • LPA/station;	Yes	No	Through review of the inactive register we found that previously the Constabulary was moving inactive Specials to the inactive Specials register. However this does not include as much information and does not include contact details. The Special Constabulary Coordinator confirmed that there have been occasions where they wanted to contact an ex-special but have not been able to. The Special Constabulary Coordinator is now keeping the personal details of inactive Specials in the Specials Force Register.	Medium	The Constabulary will start to record personal details for all Specials, PSVs and Cadets on its HR system as it does for normal employees.	30 June 2018	Cathy Dodsworth, Head of HR
	<ul> <li>personal details;</li> <li>date joined and years of service; and</li> </ul>			However it is still not best practice to maintain a record of all personal details in an excel spreadsheet. As part of the audit the Special Constabulary				
	<ul> <li>any awards or certificates for length of service.</li> </ul>			Coordinator requested a list of all staff members with access to the Specials registers.				
	The details are originally input by the Recruitment Team and are updated by HR.			It was identified that there were eight cases where the access was potentially no longer appropriate.				
	The following staff / teams require access to the Current Active Register for Specials:			This highlights some of the issues around access and data protection regarding personal details being kept in excel				
	Recruitment;			spreadsheets.				

Ref	Control	control	Controls Audit findings and implications complied	Priority	Action for management	Implementation date	Responsible owner
		design (yes/no)					

- HR; and
- the Special Constabulary Co-Ordinator.

The Constabulary also has a Specials Force Register which is a record of all Specials (Active and Inactive) and includes:

- name;
- collar number;
- rank;
- LPA;
- start and end date; and
- any medals.

1.1.5	Specials record the hours they complete on ESIBS. Reports can be run from ESIBS on hours completed within a particular time	Yes	No	Zero hours are monitored and managed as part of the local Specials Management meetings.	At the next Tactical Group meeting the Special Constabulary	31 October 2017	Katie Hancock, Specials Coordinator
	period. The individual areas of the Special Constabulary are			However we found that at the time of the audit there were 24 Specials who started more than a year ago and had completed zero hours in the last 12 months. The	Coordinator will raise the findings of the audit regarding the need for a more		
	responsible for monitoring zero hours and taking any required action.			breakdown of these Specials is as follows:	consistent and robust approach to the management of zero hours Specials.		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	This is done at monthly management meetings.			• Bath – 1;		One suggested action is for the		
				• Broadbury - 2;		Special Constabulary	i	
				• Catch and Disrupt - 1;		Coordinator to send a quarterly		
				• Chard - 2;		breakdown of all zero hours Specials		
				• Clevedon - 1;		to the entire Specials Leadership Team.		
				• Nailsea - 1;				
				• Somerton - 1;				
				• Southmead - 2;				
				• Trinity - 4;				
				• Wells - 1;				
				• Weston Super Mare - 7; and				
				• Yeovil - 1.				
				This shows that zero hours Specials are not being identified and managed in an adequately effective manner. This is particularly evident in Weston Super Mare.				
				There is a risk that some Specials disengage from the Constabulary who could have been re-engaged if they had been identified and managed earlier. This would represent a waste of Constabulary resources due to the high training costs and use of other, potentially not special,				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				constables.				
1.1.6	All Specials are line managed by other Specials. The Special Constabulary has a similar line management structure to the regular Constabulary. The structure is as follows: • Special Chief Officer; • Special Superintendent; • Special Chief Inspector; • Special Inspector; • Special Sergeant; and • Special Constable.	Yes	No	We selected a sample of 20 Specials and managed to speak to seven of these as part of the audit. Our discussions found that only one of the seven Specials confirmed that they meet with their line manager on a regular basis. Two of seven however stated that they see their line manager approximately monthly but this is during work, not as part of an arranged meeting. However we did find that six of the seven stated that they felt they were happy with the level of support and did not require more regular meetings with their line managers. We also found that two Specials stated that they did not really have line manager resigned a few months prior to the audit and they were therefore in regular contact with the Special Constabulary Coordinator instead. The other stated that they did not feel that they had a line manager. This special stated that they feel self- sufficient as they had been a special for over five years but that they are left to their own devices most of the time without supervision from their line manager.	Medium	Once the Constabulary has undergone its restructure, the Special Constabulary and Constabulary will review the structure of the regular and Special Constabulary at the next Governance Meeting. The gaps in the Specials management structure will be identified and any vacant posts will be filled as a result of this meeting.	31 December 2017	Superintenden t Andy Bennett

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				There is a risk that Specials are not adequately supervised, or receive adequate support.				
				During the audit debrief the Special Constabulary Coordinator confirmed that the Specials Leadership Team were aware that there were some vacancies in management position in the Special Constabulary. The decision was made to delay filling these vacancies until after the restructure of the regular Constabulary was completed.				
				The structure of the Special Constabulary large reflects that of the regular Constabulary. The leadership structure will therefore be reassessed once the restructure is finished.				
1.1.7	Specials can be nominated for any Force awards. The Special Chief Officer published a document on ESIBS outlining all the Force awards Specials can be nominated for.	Yes	No	We selected a sample of 20 Specials and managed to speak to seven of these as part of the audit. Our discussions confirmed that Specials receive annual letters of thanks from the Chief Constable and the PCC.	Low	The Special Constabulary will set a threshold for annual hours and implement a system of recognition for specials who work	31 October 2017	Katie Hancock, Specials Coordinator
	In addition to this there are regional and national Specials award ceremonies.			We found that five of the seven we spoke to are happy with the level of recognition received. Three Specials stated that there		for this many hours over a year. This can include annual emails or letters of		
	The Constabulary also provides long service awards to Specials after five and nine years.			used to be an annual event that all local Specials were invited to. They confirmed that this does not take place anymore and they would welcome the return of		thanks, and annual certificates.		
	On an annual basis all Specials			this. This was however organised by the				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	receive a letter of thanks from the Chief Constable and the PCC.			local Specials Management Team, some which have now left the Special Constabulary.				
				We would note that others stated that they were not interested in these annual events and were of the opinion that the efforts spent in organising these events can be better used. This shows the difference in opinions and wishes regarding these annual events.				
				We also found that two Specials do not feel they receive adequate recognition. One stated that they do not receive any recognition from the Specials Management Team and that they feel like 'a number in a box'.				
				They stated that the Specials Management Team can see how many hours some Specials are giving up through ESIBS and felt that there should be more effort made from the Management Team to recognise Specials who give up a lot of their time.				
				Another special we spoke to stated that they did not receive adequate recognition or support from their local team. They stated that they often feel like more of a burden that a help to the local team they work with, although this greatly depended on the particular officers they work with at the time. They stated that they did not feel integrated or part of the team.				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				There is a risk that Specials become disengaged from the Constabulary and stop being Specials. This would represent a loss of resources in terms of the Specials leaving, but also a waste of resources spent in terms of training.				
1.1.8	Promotions for Specials are all managed by the Special Constabulary. A standard template is provided by the Special Constabulary Coordinator.	Yes	Yes	We obtained the Special Constabulary Leaders - A New Approach document and found that this adequately outlines the processes for promotions for Specials.		None.		
	This is then used to develop a role advert for the position. The role advert is uploaded on to ESIBS. All Specials are sent a message through ESIBS from the Special Constabulary Coordinator informing them of the opportunity.			We also confirmed that this is available for all Specials on ESIBS. We also obtained two role advert examples for Special Sergeants, Special Inspectors and Special Chief Inspectors and confirmed that they all use a standardised template.				
	All roles are open to application from any serving special. The Special Chief Officer published the Special Constabulary Leaders - A New Approach document on ESIBS in April 2017.			We are satisfied that the Special Constabulary Leaders - A New Approach document on ESIBS clarifies the promotions process within the Special Constabulary and promotes a transparent and consistent approach.				
	This document outlines the processes around becoming a Special Constabulary Leader.							
	It is intended to provide clarification and ensure a consistent and transparent approach to promotions within the							

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	Special Constabulary. It also outlines the personal qualities required to fulfill each of the following roles:							
	<ul> <li>Supervisory Manager (Special Sergeant);</li> </ul>							
	<ul> <li>Middle Manager (Special Chief Inspector / Special Inspector);</li> </ul>							
	<ul> <li>Senior Manager (Special Superintendant); and</li> </ul>							
	• Executive (Special Chief Officer).							
Police	Support Volunteers (PSVs)	·	<u>.</u>		·	·		

1.1.9	Previously, PSVs were retained in Yes a pool and allocated out to posts as they became required.	Yes	We tested a sample of 10 PSVs and found the following:	None
			<ul> <li>in all cases a role profile was available;</li> </ul>	
	However, specific posts are now recruited into to ensure appropriate volunteers with the required experience and skills are used in the right roles. A PSV position is now proposed when a business need is		• in nine cases an application form was available on their personnel file. In all nine cases with an application form we were able to match their skills and experience back to the requirements of the role profile.	
	identified. Most PSV positions are advertised on the Constabulary website, with some more specialised, focused recruiting being done where appropriate.		We are satisfied that PSVs skills are being assessed and matched to the requirements of the job role.	

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	Applicants complete an application form through the website which is received by HR. Interviews are completed by the Line Manager of the post. An interview template is used which includes a minimum set of questions.							
1.1.10	All PSVs complete online induction training which can include the five following modules:	Yes	No	We found that not all PSV roles are required to complete all five training modules. However, there is currently not a record or matrix of which training	Medium	1) The Volunteer Programme Development Manager will record	31 September 2017	Kate Masters, Volunteer Programme Development
	<ul> <li>Equality Act 2010: An Introduction;</li> </ul>			modules are required for each role. The Volunteer Programme Development		the training requirements for each PSV role in the		Manager
	<ul> <li>Induction Safety e-learning;</li> </ul>			Manager confirmed that the Policy Support team has had the intention of		role profile. Once this is completed the		
	<ul> <li>Public Protection Initial Response;</li> </ul>			doing this but has not had the resource to do it.		list of outstanding training will be checked against		
	<ul> <li>Security Policies in Avon and Somerset; and</li> </ul>			We selected a sample of 10 PSVs and found that:		these and line managers of PSVs will be contacted		
	Volunteers Induction.			<ul> <li>six had completed the Equality Act 2010 training and four had not;</li> </ul>		regarding any required outstanding		
	All PSVs are required to complete the Volunteers Induction. The remaining four are dependent on the role profile. The Policy Support team receive a list of all			<ul> <li>three had completed the Induction Safety e-learning training and seven had not;</li> </ul>		training.		
	outstanding training for PSVs from CLaD.			<ul> <li>four had completed the public protection initial response training and six had not;</li> </ul>	Medium	A system of volunteer review meetings will be	30 June 2018	
	This is then used to send all local Volunteer Support Points of			• five had completed the security policies		implemented to be completed one and		Kate Masters,

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	Contact (SPOC) and line managers to chase their PSVs to complete the training modules.			<ul> <li>in Avon and Somerset and five had not; and</li> <li>five had complete the Volunteers Induction training module and five had not.</li> <li>We note that through discussions with the Volunteer Programme Development Manager we confirmed that some of these PSVs would perhaps not require the Equality Act 2010: An Introduction, Induction Safety e-learning, Public Protection Initial Response, and Security Policies in Avon and Somerset.</li> <li>However, we concluded that some of the training that is required was not being completed.</li> <li>We found that the responsibility for sending the list of PSVs who have outstanding training was previously completed by a temporary staff member in the Policy Support team who has now left the Force.</li> <li>The Policy Support team has not been able to continue doing this due to a lack of capacity. The team previously had five days a week of admin support, whereas now only two days is available.</li> <li>However, our sample included PSVs who started in 2013, 2014 and 2015 which shows that sending this list to line managers is not ensuring training is</li> </ul>		six months after starting for each volunteer. Consideration will be given to the possibility of integrating this in to the new HR system. This could include automated prompts to line managers when these become due.		Volunteer Programme Development Manager (with support from HR)

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				completed.				
1.1.11	Police Support Volunteers Data is held in a spreadsheet maintained by HR.	Yes	No	We found that the current mechanism for storing PSV personal details is not in line with best practice.		See management action 1.1.4.		
	The Volunteers Spreadsheet includes the following:			The spreadsheet does not interact with any other Constabulary systems. It is a standalone database. The spreadsheet				
	• name;			also only provides a current snapshot of Volunteers and provides very limited				
	• NI number;			reporting capability. It cannot be used to report on historic data such as how many				
	<ul> <li>contact details (work and home);</li> </ul>			PSVs there were 12 months ago compared to now.				
	• vetting outcome;			It is also not best practice in terms of data protection. Access can only be granted to				
	• start date; and			all of it or none of it. Line Managers can therefore not be given access to only				
	<ul> <li>line manager.</li> </ul>			their PSV's details.				
	It is stored on a shared drive. The			We found that there is currently no				
	Volunteers spreadsheet is used as a recruitment tracker and a list			mechanism in place to identify inactive PSVs centrally. This is partly due to PSVs				
	of all PSVs.			not being required to and therefore not consistently recording their hours on				
	All volunteers should record their hours on ESIBS, however the			ESIBS.				
	Constabulary is seeing difficulty in implementing this as it is not mandatory as with Specials.			The Constabulary is entirely dependent on line managers to ensure PSVs remain engaged. However there have been recently changes due to the new operating framework and there is currently no mechanism in place to inform the Volunteers team if a PSV line				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				manager changes role.				
				There is a risk that the PSVs line manager changes role but that HR or the Volunteer Programme Development Manager is not informed of this change. No new line manager may therefore be allocated and the PSV may disengage.				
				There is also a risk that PSVs start to disengage and the Constabulary cannot identify this centrally. The Constabulary may lose a valuable PSV. The time and resources involved in recruiting and training the PSV would also be wasted.				
				The Volunteer Programme Development Manager confirmed that they had managed to bring in two Specials in to PSV roles to attempt to increase the recording of hours by PSVs on ESIBS.				
				Overall, our findings are linked to a lack of advanced systems to record and monitor volunteers, which would be more efficient and effective than current systems and processes.				
1.1.12	All PSVs are line managed by police officers or police staff. The Line Manager is the staff member or police officer who either identified the original business need for the volunteer role, or the manager who best fits to manage the volunteer role depending on	Yes	No	We managed to speak to six PSVs as part of the audit. Our discussions found that overall there is a good level of supervision and support for PSVs from line managers. Of the six PSVs we spoke to five were happy with the level of support they receive. Some	Medium	As planned the Policy Support Team will continue to review the Volunteers Spreadsheet to update all PSV details and ensure	30 June 2018	Kate Masters, Volunteer Programme Development Manager

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	areas or department. The Line Manager acts as the PSVs main point of contact within the Constabulary and is therefore key to retaining volunteers. When a Line Manager moves department a new Line Manager should be allocated to the PSV. Many areas also have a Volunteer Support Point of Contact (SPOC) who supports line managers.		(yeshio)	even declared that they were very or extremely happy. All six confirmed that they have regular contact with their line manager. However we did find one PSV who had not spoken to their line manager in over two years. They had been in their role for approximately five years. Their line manager changed approximately three years ago. They confirmed that it took several months for a new line manager to be assigned to them; however they have not spoken to this line manager in over two years. They do not even know whether they still work for the Constabulary. This PSV was a rural watch volunteer and stated that when they wanted to report something in the past they have had to call 101 and go through this route. They no longer have any point of contact within the Constabulary. During the audit the Volunteer Programme Development Manager confirmed that the Constabulary has recently developed a training course for volunteers. Three sessions were run between February and May 2017, with a further three sessions planned in October and November 2017. The intention is to make this mandatory for all PSV line managers.		the correct line manager is recorded. As part of this process it will be confirmed that all PSVs have a current line manager. Once this list has been completely updated, all the PSV line managers will attend the Valuing Volunteers training course. This is also part of the requirement to align line managers for CiPs in the new ERP system, so movements in staff can be tracked in the ERP and reported on. The new ERP system is due in April 2018 and we have agreed to complete CiP full transfer of HR details to the system by June 2018.		

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				The Volunteer Programme Development Manager confirmed that they are in the process of obtaining a full list of all PSV line managers to enrol every one on the training course. By doing this the Constabulary should identify PSVs who do not have line managers such as the case discussed above and can assign new line managers.				
1.1.13	PSVs receive recognition in informal ways such as verbal or email 'thank yous' or in more formal ways such as award events.	Yes	Yes	From our discussions with six volunteers we found that in five cases they felt they receive adequate recognition. The five PSVs confirmed that they are				
	All PSVs also receive an annual letter thanking them of their contribution during National Volunteer Week from the PCC and Chief Constable.			happy with the current level of recognition received. This included the PSV who did not have a line manager as described in 1.12 above. The final PSV felt that they received too				
	The Volunteer Programme Development Manager recently also started encouraging line managers to write a thank you card to their PSVs.			much recognition. Their team had recently received an award for their volunteering services from the Constabulary. The PSV felt that this was a waste of resources that could be invested better elsewhere as they did not				
	There are also a number of awards linked to length of service such as a pin badge after one year, or a certificate signed by the PCC and Chief Constable after			want this level of recognition. They stated that thank you letters and emails they receive are adequate. We discussed this with the Volunteer Programme Development Manager who confirmed that they had received similar				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	five years.			feedback in the past from other PSVs. However the Constabulary has taken the decision to continue giving this level of recognition as many others do value it and the cost to the Force is minimal compared to the value in doing so.				
Comm	unity Speed Watch (CSW)			·		·		·
1.1.14	All CSW volunteers are recorded on an excel Central Database that includes:	Yes	No	and PSVs it is not best practice to store personal details on excel spreadsheets.	Low	As planned, the Continuous Improvement Officer will move the CSW	31 July 2017	Damien Devany, CSW Coordinator
	<ul><li>personal details;</li><li>contact details;</li></ul>			As part of the audit the Continuous Improvement Officer contact the IT Service Desk for a list of all staff with		Database to a separate folder within the Road		
	<ul> <li>scheme;</li> </ul>			access to the Central CSW Database.		Safety folder on the shared drive. Access		
	PNC check and results; and			The Continuous Improvement Officer confirmed that access is outdated, however as part of the recent		to the database will be controlled via access to this folder.		
	<ul> <li>training dates.</li> </ul>			restructuring of the Constabulary the Continuous Improvement Officer has				
	The central volunteer database is held on a shared drive.			moved to the Road Safety Folder as the Local Policing Directorate where the CSW Central Database is currently stored		Also see management action		
	All activity that is completed is sent in to a designated email			will no longer exist.		1.1.4.		
	inbox using a template provided to CSWs. This is uploaded on to the Speed Watch Administration and Notification (SWAN) system. Activity reports can then be run from SWAN.			We reviewed the CSW page on Qlik Sense and confirmed that this allows the Constabulary to identify inactive schemes and schemes with high miss read rates.				
	The Force has also set up a page on Qlik Sense, the data analytics							

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	application, which shows:							
	• number of schemes and sites;							
	<ul> <li>a breakdown of the number of sites by speed limits;</li> </ul>							
	<ul> <li>a miss read rate percentage (where the correct information has not been captured so no action can be taken against the offender);</li> </ul>							
	• activity over time; and							
	<ul> <li>the number of days since the last session by scheme.</li> </ul>							
	This can be used to identify schemes that have not been submitting any reports recently, or that have a high miss rate percentage and may need more training.							
1.1.15	Community Speed Watch Schemes are usually started if the local community raises a concern with the police. The police would then investigate whether there is a speeding issue within the community and whether it would be appropriate to set up a Community Speed Watch (CSW) Scheme.	Yes	No	We found that the CSW Central database is still in the process of being updated by the Road Safety Department's Continuous Improvement Officer. Not all CSW's PNC details and training records have been recorded on the Central database yet. We were therefore not able to test a sample of CSWs to confirm they have completed the required training and were PNC checked when		The Road Safety Department's Continuous Improvement Officer will continue to update the Central CSW Database to record all details of CSWs and their training and PNC	31 December 2017	Damien Devanny, CSW Coordinator

ef	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>If a CSW Scheme already exists in an area, members of the public can apply to join the scheme. There is a page on the Force website that provides information on CSW Schemes.</li> <li>For a member of the public to become a CSW, they contact their local police team. They are then sent a link to the application form on the Force website. The application page is built in to the website, however it is hidden and can only be found by following a link.</li> <li>As part of the application process all CSWs are checked on the Police National Computer (PNC)</li> </ul>		(yeshio)	they started as CSWs. In the short term the Continuous Improvement Officer will complete the migration of all data on to the Central CSW Database. In the longer term the Constabulary will consider recording CSWs on the HR system. We have included this in action 1.1.4.		check details.		
	to confirm they do not have any prior history that would result in the Force not wishing them to be a CSW volunteer. All CSWs must complete a mandatory online training course. This is on a hidden page on the Force website and includes a video briefing and a set of 13 questions. Applicants must achieve 100% to pass. All CSWs must complete this online training course annually.							

### Cadets

1.1.16 Cadet recruitment takes place twice per year in June / July, and

Yes Yes

We reviewed the Constabulary website and confirmed that this has a designated

None.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	January / February of each year.			Cadet's page for advertising free Cadet spaces.				
	There is a high demand for Cadet spaces. Advertising for Cadets is mostly done through the Force website.			At the time of the audit Cadet recruitment was closed. The recruitment processes for Cadets were outside the scope of this audit.				
	There is a designated page on the website which includes a link to the applications page.							
1.1.17	The Constabulary holds data on Cadets in a Cadet recruitment spreadsheet. This includes the following:	Yes	No	At the time of the audit there were 10 Cadet units with 227 Cadets. These were led by 47 Cadet Leaders and 13 Cadet Scheme Support Volunteers.		See management action 1.1.4.		
	Cadet unit;			Due to Cadets being minors and not being as integrated as other volunteers we focused on the storage of Cadet data.				
	<ul><li>name;</li><li>date of birth;</li></ul>			As previously mentioned for the Specials, PSVs and CSWs it is not best practice to				
	contact details;			store personal details on excel spreadsheets.				
	<ul> <li>parent name and contact details; and</li> </ul>			For Cadets, it is also important for the wider organisation to have easier access				
	<ul> <li>other details such as ethnicity, gender, religion etc.</li> </ul>			to Cadets' parents or next of kin details in case contact needs to be made.				
	A separate spreadsheet is also kept which has a breakdown of the membership of each Cadet Unit. This includes the Cadet Leaders and Cadets and contains			Storing this information in a spreadsheet means that only those with access to the spreadsheet can access this directly and no access is available at the weekends. However, individual Cadet Leaders do have access to Cadet next of kin				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	the following:			/emergency contact details as an alternative information source.				
	• Cadet unit;							
	• collar number;			All Cadets have basic data stored in the Constabulary ERP system, however this is to be further integrated with the new				
	• name;			system.				
	• role;							
	<ul> <li>DBS check (if Cadet Leader); and</li> </ul>							
	• a record of the training completed (if Cadet Leader).							

# 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
To ensure the Constabulary makes the most of police volunteers and offers them adequate support.	OPCC SR4 - Failure to engage with the public Constabulary SSR9 – Loss of legitimacy and public confidence	OPCC Risk Register Constabulary Risk Register

#### When planning the audit the following areas for consideration and limitations were agreed:

This audit looked to provide assurance whether the OPCC and Constabulary is evaluating and using volunteers in the best way to match their skill sets.

We also reviewed how the Constabulary is supporting, developing and retaining these volunteers.

We did this by reviewing the following aspects:

- Line Management and Supervision of volunteers (considering changes in structure over the past three years)
- Training provision and records for volunteers
- Discussions / interviews with a sample of volunteers
- Reviewing data / records on active / inactive volunteers and how this is managed (considering Data Protection)
- Marketing of the role of volunteers and vacancy advertising
- Retention including recognition and promotions (Specials specific)

#### Limitations to the scope of the audit assignment:

- We did not review the rationale for assigning / recruiting volunteers and did not comment on skill sets and appropriateness of roles, only that there is a robust process to do so.
- We have not commented on the quality of data maintained, only the process of securing and using the data to engage / retain volunteers.
- We did not comment on performance of volunteers.
- Testing was completed on a sample basis only.

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

Management and Leadership Development Workshop

FINAL

Internal Audit Report: 2.17/18

29 June 2017

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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For further information contact		

Debrief held	13 June 2017	Internal audit team	Mark Jones – Head of Internal Audit
Draft report issued	27 June 2017		Victoria Gould - Client Manager
Responses received	28 June 2017		Cian Spaine - Internal Auditor
Final report issued	29 June 2017	Client sponsor	Mark Simmonds - OPCC Chief Finance Officer Julian Kern - Constabulary CFO and Director of Resources Cathy Dodsworth - Head of HR Jane Walmsley - Inspection and Audit Coordinator

Distribution

As above.

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# **1 EXECUTIVE SUMMARY**

### 1.1 Background

As a result of a number of culture themed reviews and constructive feedback in 2015/16, the Constabulary developed the Management and Leadership Development Workshop for first and second line managers.

This audit specifically looks at the content, attendance and effectiveness of this workshop, and not the overall leadership of the OPCC or the Constabulary nor the new ASPIRE programme.

The workshop is four days long and is mandatory for all first and second line managers. The course is run twice per month. 27 workshops have been put on up to 1 June 2017. The pilot was run in January to March 2016 and included six sessions. Full roll-out started in July 2016.

This audit was agreed as the Constabulary and OPCC would like further insight into how the tools learnt on the workshop are being used in practice to change the way managers undertake their duties, and in the long run positively affect their own and their team's productivity.

### **1.2 Conclusion**

We found that the content of the Management and Leadership Development Workshop is in line with best practice and expectation for this level of management. The fact that it is mandatory for all first and second line managers demonstrates a significant investment by the Constabulary in management and leadership of its staff.

However, there are no processes in place for evaluating the workshop on an operational or strategic level. Attendance on the course is also not at the desired levels which represents a less effective use of Constabulary resources.

#### Internal audit opinion:

Taking account of the issues identified, the Joint Audit Committee and OPCC can take **reasonable assurance** that the controls in place to manage this risk are suitably designed and consistently applied.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk.



### 1.3 Key findings

The key findings from this review are as follows:

- We note that by providing a management and leadership training course the Constabulary is in line with good practice and addressing identified weaknesses.
- By making this mandatory for all first and second line managers the Constabulary is demonstrating a significant investment in the management and leadership of its staff.
- Our discussions with seven attendees on the workshop provided largely positive feedback.

• We reviewed the content of the course and agree that it is in line with expectation for the audience and in line with best practice.

However, we also found that:

- The Constabulary has separate HR and Learning Management systems that do not interact. There is therefore no easy way to identify which line managers within the Force have yet to complete the training workshop that they are required to. As this is a mandatory course we would expect this to be in place and this should be considered as part of implementing the new HR system and shared service.
- We found that since the introduction of the course, the average attendance is 10.5 attendees per course. To date 274 first and second line managers have completed the workshop, and there has been a total of 139 cancellations. This is a significant amount relative to the number of attendees. Due to the workshop being four days it is very difficult to find a replacement for the course who is available for the entire four days at short notice. Empty spaces are a waste of Constabulary resources.
- We found that since the full roll-out of the leadership workshop in July 2016 there has been very limited feedback obtained from course attendees. The Constabulary incurs a large cost to run these workshops and a minimum of feedback should be required. There is a risk that the leadership workshop is not updated to reflect feedback and the changing needs of attendees.
- The workshop is also not being evaluated for effectiveness against any pre-determined performance measures. An evaluation report completed after the pilot stage stated that if a 10% reduction in annual sickness was realised then this would pay for the cost of the course. However, no performance measures were agreed for regular monitoring to assess the effectiveness and return on investment of running the course. There is a risk that the Constabulary is investing heavily in a training course without knowing if it is having the desired impact on cost reductions, culture, development and staff morale.
- We also found that the new CPD log in the new IPR system is not being used by staff to support the resulting development plan from the course.

### **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.

Risk		Control		Non		Agreed action	reed actions	
		esign not ffective*		mpliance controls*	Low	Medium	High	
Workforce productivity declines (SSR11)	1	(8)	4	(8)	2	4	0	
Total					2	4	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.

## 2 DETAILED FINDINGS

Categoris	ation 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.						

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	Implementation date	Responsible owner
Risk:	Norkforce productivity decline	s (SSR11)						
1.1.1	The Constabulary runs a Management and Leadership Development Workshop which is mandatory for all first and second line managers. The original list of officers and staff members required to attend was provided by HR by extracting the list from SAP. This list contained over 1,000 staff members. This was however not an accurate list as it was based on pay scale. Some of the staff members on the list	Yes	No	We confirmed that the list identifying all staff that are required to attend the Management and Leadership Development Workshop was originally provided during the pilot period in January to March 2016, and that no further up to date list has been provided or requested since. We also confirmed that the Leadership Trainers are reliant on the resourcing teams, team managers and heads of department to notify them of staff that need to complete the leadership workshop. During debrief discussions with the Head of HR we found that roles within SAP which have line management responsibilities can	Medium	1) On a quarterly basis CLaD will obtain an up to date list of all police staff and officers who are required to complete the Management and Leadership Development Workshop from HR. CLaD will then reconcile this to their records of who has already completed the course, or who is booked on an upcoming course.	31 August 2017	Mike Carter, Head of CLaD

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	included project managers or other managers who did not have any direct line management responsibilities. One of the Leadership Trainers reviewed each record			be flagged as such. If a list can be run identifying all staff in roles with this line management flag then a more accurate record of all staff members and police officers required to attend the course can be obtained.		This will provide an up to date list of all staff that still need to do the workshop.		
	individually to confirm whether the officer or staff member was required to attend the course. Of the 1,004 staff members:	ier	Learning interact v Training Learning does not can run a worksho system t	The Constabulary has separate HR and Learning Management systems that do not interact with one another. Training records are recorded in LSO, the	Low	2) The Constabulary will take into consideration whether the HR system it will replace SAP with in April 2018 will include a learning and development system or add-on. The Constabulary will aim to integrate its HR, learning and development, and appraisal systems.		Cathy Dodsworth, Head of HR
	<ul> <li>182 attended in 2016;</li> <li>287 are due to attend in 2017;</li> </ul>			Learning Management system; however this does not link to SAP. The Training School can run a report of who has completed the workshop; however this is in a separate system to SAP and does not link to a list of everybody who is required to complete it.				
	<ul> <li>90 are due to attend in 2018 or 2019; and</li> <li>445 were not required to attend.</li> </ul>			As the Constabulary will be changing HR system in April 2018, consideration should be given to whether the new HR system includes a learning and development system				
	This was either because they were retiring or leaving soon, or because they were in fact not first or second line managers. An updated list has not been provided to the Leadership Trainers since the original in January 2016. The Leadership Trainers try to prioritise newly promoted Line Managers as the course will be most beneficial to them. An			or whether there is an option to procure a learning and development add-on.				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	automatic email notification is sent to the Leadership Trainers when a Police Officer is promoted in to a line management position. They can then ensure that this officer is enrolled on to an upcoming course.							
	This process is however not in place for police staff. The Leadership Trainers are therefore reliant on the individual resourcing teams and heads of the departments to inform them of anybody within their teams who meet the requirements for the training.							
1.1.2	The workshop started with six pilot courses between January and March 2016. The full roll- out commenced in July 2016. The course was evaluated between the pilot and full roll- out. As a result the course was extended from three to four days.	Yes	Yes	We obtained a briefing paper prepared by the Leadership Trainer covering the content of the Management and Leadership Development Workshop. Through review of the course content we are satisfied that this covers the expected content for first and second line managers and is comparable to what we see at other organisations.		None.		
	The course is now run over four days and the content includes the following: Day 1 - Context and Vision:			We note though that the best way to confirm that the workshop content is in line with requirements and expectation of managers is to collect feedback directly.				

ef	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>Insider Threat- internal sabotage. Knowing your people.</li> </ul>			We have discussed this in 1.1.5 and 1.1.6 below.				
	<ul> <li>Continuous Improvement Framework: What does the CIF mean for individual managers and their teams?</li> </ul>							
	<ul> <li>COG: Setting the vision and Q&amp;A.</li> </ul>							
	Coaching Practice.							
	Day 2 - Policy and Procedure:							
	• HR: focus on UPP, attendance and reasonable adjustments. Skills practice around giving feedback and 'having those conversations'. Coaching conversations.							
	<ul> <li>Having the confidence to challenge staff and being fair and consistent in approach.</li> </ul>							
	Day 3 - Wellbeing and Performance:							
	<ul> <li>Occupational Health: Building performance and maintaining resilience.</li> </ul>							

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>PSD: learning the lessons and guidance about dealing with disciplinary issues and how to support colleagues.</li> </ul>							
	Managing complaints							
	Emotional Intelligence							
	<u>Day 4 - Consolidation</u> Exercise:							
	<ul> <li>Followership: why would anyone want to be led by you?</li> </ul>							
	<ul> <li>Assessment at Work: Looking at PDR, ARC and feedback.</li> </ul>							
	<ul> <li>Consolidation exercise- practical exercise to embed the learning from previous three days.</li> </ul>							
	<ul> <li>Setting objectives for continual improvement - embedding coaching skills.</li> </ul>							
	<ul> <li>Action planning: set three actions as a result of attending the workshop.</li> </ul>							
	The course content will change slightly from June 2017 to focus more on							

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	coaching.							
1.1.3	The Management and Learning Development Workshop is run approximately every two weeks with the aim of having circa 15 attendees on each course. 27 workshops have been put on up to 1 June 2017, including six during the pilot. The CLaD (Corporate Learning and Development) Department use the LSO (Learning Solutions) system to record all attendees on the Management and Leadership Development Workshop. The CLaD Administrators record all course bookings on LSO and can record when a cancellation is received, including the reason for the cancellation. Following a course, the Leadership Trainers provide the CLaD Administrators with an event report of the training course. This confirms who attended and who did not.		No	<ul> <li>We reviewed the number of courses run to date and confirmed that two courses have been run every month since July 2016 except for in December 2016.</li> <li>Through discussions with the Leadership Trainer we found that they have seen a dip in attendance and an increase in cancellations at the workshop in recent months. The Leadership trainer confirmed that they have now started overbooking courses in anticipation of cancellations.</li> <li>We obtained a report from the LSO system of all attendees on the workshop since it started. We found that since the pilot in January 2016 274 had attended the workshop. We found that since the start of the course the average attendance per course has been 10.5. This can be split in to three periods to provide a little more insight:</li> <li>January - March 2016 (Pilot stage) average: nine attendees per course; and</li> <li>January to May 2017 average: 12 attendees per course. This included the two courses in April 2017 which only had seven and eight attendees respectively.</li> </ul>	Medium	Four and two weeks prior to each Management and Leadership Development Workshop the ClaD Administrator will send emails to all managers due to attend the workshop requesting confirmation of their enrolment. This could include the voting function of outlook emails to facilitate responses. CLaD will also work with the Resource Unit to identify a process improvement to help reduce the number of late notice cancellations due to workload.	31 August 2017	Mike Carter, Head of CLaD
	A report of who has completed the workshop and all			We also obtained a list of all cancellations				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	cancellations can then be run.			since the beginning of the workshop. We found that there had been a total of 139 cancellations. The cancellation reasons provided include the following:				
				• annual leave;				
				childcare problems;				
				• sickness;				
				• maternity leave;				
				<ul> <li>personal reasons;</li> </ul>				
				• operational reasons / work commitment;				
				<ul> <li>travel problems; and</li> </ul>				
				• unknown.				
				We would expect a number of cancellations due to reasons such as sickness, childcare problems, and operational reasons.				
				However reasons such as annual leave and maternity leave will have been known further in advance and last minute cancellations are questionable. If only the cancellation reasons annual leave, maternity leave, not attended - unknown, and event no longer required are included a total of 51 cancellations have occurred.				
				The number of not attended - reason unknown alone is 35. This means 35 police staff / officers have not attended and not				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				given any reason or justification.				
				Due to the workshop being four days it is then difficult to find a replacement for the course who is available for the entire four days at short notice. Empty spaces are a significant waste of Constabulary resource.				
1.1.4	The courses started with six pilot courses between January and March 2016. The full course roll-out commenced in July 2016. Following the pilot a thorough evaluation was undertaken by the Learning Support Adviser. The purpose of the evaluation was to establish: • the quality of the course content;	Yes	Yes	We obtained the pilot evaluation report and can confirm that the leadership workshop was evaluated thoroughly following the pilot to ensure the full course was rolled out following a full evaluation. Through review of the evaluation report, the course content and through discussions with attendees, we confirmed that the course was changed from three days to four days following feedback received during the pilot stage. This was done to include more practical exercises to provide more opportunity to practice the material taught during the workshop.		See management actions in 1.1.5.		
	<ul> <li>the effectiveness of the various delivery methods and in particular the Business led concept;</li> <li>any immediate impact on</li> </ul>			We are satisfied that the pilot of the workshop was evaluated, that feedback was taken into consideration and that changes were subsequently made to reflect this feedback.				
	1st and 2nd Line Managers;			ICCUDEOR.				
	<ul> <li>transferable knowledge once in the workplace; and</li> </ul>			We reviewed the Evaluation Plan with the Learning Support Adviser and confirmed that the later stages of the evaluation were not completed due to a lack of resources. This				
	<ul> <li>any positive/negative impact on business</li> </ul>			includes no paper surveys on the final day of the course, and no online surveys after 28				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	objectives/outcomes.			days as with the pilot.				
	The first phase of the evaluation took place during and following the pilot courses. This consisted of an immediate reactional survey during the three days. The methodology for this was a paper based collection process allowing instant results with a guaranteed response rate.			The Force does not have a designated team or staff member responsible for evaluation of courses. This is completed by the Learning Support Advisers and other trainers when they have spare capacity. We are satisfied that the initial pilot was subject to a thorough evaluation; however there has been very limited evaluation of the workshop since then.				
	A period of consolidation (28 days) was then built in to allow first and second line managers to reflect and if necessary to adjust ways of working moving forward. Following the 28 day period, the first and second line managers took part in a 360 data evaluation, which included two direct reports, a peer and their line manager.							
	The aim of this aspect of the evaluation was to establish if learning had been transferred into the workplace and/or changes in behaviours. This data was analysed against current baseline data as well as individual pre-course 360 evaluation results.							

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and im	plications	Priority	Action for management	Implementation date	Responsible owner
	In addition to this, course attendees were sent a questionnaire via Survey Monkey which was also designed to establish the level of knowledge/skill transfer into the workplace.								
	The evaluation was summarised in an Evaluation Report and presented to the Chief Officer Group (COG). The Evaluation Report also include the following:								
	• pilot workshop cost;								
	<ul> <li>benefit vs investment analysis;</li> </ul>								
	• evaluation results;								
	• summary; and								
	• recommendations.								
	An Evaluation Plan was also developed by the Learning Support Adviser. This outlined the phases of evaluation planned and included the following:								
	• 360 evaluation;								
	<ul> <li>self-assessment;</li> </ul>								

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<ul> <li>reactional surveys;</li> </ul>							
	• face to face interviews;							
	• focus groups; and							
	• telephone interviews.							
1.1.5	Since the full roll-out of the course in July 2016 there has been very limited evaluation undertaken.	No	No	Through discussion and review of documentation we confirmed that since the full roll-out of the leadership workshop in July 2016 there has been very limited feedback obtained on the course.		1) CLaD will implement an electronic survey to obtain feedback on the Management	31 August 2017	Mike Carter, Head of CLaD
	The evaluation report completed after the pilot stage stated that if a 10% reduction in annual sickness was			In December 2016 and January 2017 one of		and Leadership Development Workshop. All attendees on the		
	realised then this would pay for the cost of the course. However, no performance			the Leadership Trainers started to collect feedback using the feedback sheets developed during the pilot evaluation. However due to lack of resources this data		workshop will be sent the survey to complete. The		
	measures were agreed for regular monitoring to assess the effectiveness and return on investment of running the			was not centrally collated and analysed. No further formal evaluation of the course has been completed since.		feedback collected will be collated and analysed for any themes which could		
	course. For a training course or			In February 2017 the Leadership Trainer raised a question with the Acting Head of		help improve the workshop or make it more relevant to the		
	workshop of this size and nature the minimum we would expect to see is direct			CLaD, Superintendant Head of Intelligence and Tasking, other Leadership Trainers and the Investigative Trainer regarding the		needs of line managers.		
	feedback being collected using feedback surveys.			current delivery format of the course. This led to a discussion with the Head of HR and	Modium		21 October 2017	
	Good practice would also be to review the effectiveness at a more strategic level,			slight amendments to the content of the course as outlined in 1.1 above. Due to the leadership workshop being	weatum	2) The Head of HR and Head of CLaD will develop a suite of goals and key	31 October 2017	Cathy Dodsworth,

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	assessing the medium and long term impact.			<ul> <li>mandatory for all first and second line management it would be best practice to collect some form of feedback.</li> <li>The Constabulary incurs a large cost to run these workshops and a minimum of feedback is required.</li> <li>There is a risk that the leadership workshop is not updated to reflect the changing needs attendees.</li> <li>Through discussions with the Leadership Trainer, the Evaluation Officer, the Head of CLaD and the Head of HR we confirmed that no high level objectives were set prior to the start of the workshop.</li> <li>The workshop is therefore not being evaluated for effectiveness against any key performance measures or required outcomes. However, it is noted that outcomes in terms of changed behaviour resulting in cultural changes will not be recognised immediately therefore regular monitoring of trends and information is important.</li> <li>There is a risk that the Constabulary is investing heavily in a training course but cannot gain assurance that it is having the desired impact on cost reductions, culture, development and staff morale.</li> </ul>		performance indicators to evaluate the effectiveness of the Management and Leadership Development Workshop in the medium to long- term. These will then be monitored and reported on an on- going basis.		Head of HR

The Management and Leadership Development Workshop is designed to provide managers with the skills they need to be effective first and second line	Yes	Yes	As part of the audit we selected a sample of 10 line managers to speak to who had attended the workshop. We were able to obtain feedback from seven.	None.
managers.			regarding the following:	
The course is mandatory for all first and second line managers, regardless of their			Whether they felt the course was beneficial (and any other feedback);	
experience levels. This is to ensure a consistent approach and level of management and			What they have done differently since and have they noticed / felt a difference in their approach;	
We would expect attendees to meet with their own line			Whether they have a development plan as a result of the course and how they are working towards it;	
course to explore the topics and key themes and help identify ways the learning can			Whether they have discussed the course with their line manager;	
be translated back into their day to day role and their own personal development. This			How the course outcome / development plan links to their IPR.	
should include a review of the action plan developed as part			Our discussions found the following:	
or the workshop.			Course reeuback.	
The Senior Management briefing paper on the workshop which was sent to all Inspectors, Chief Inspectors, Superintendents			Most of the feedback on the course was positive. Most found the course interesting and useful to them in their role as line managers.	
and Department Heads also confirms this.			There was a general theme that the course would be particularly beneficial to new line managers, which the Leadership Trainers are aware of. This was confirmed by one line manager who attended the course shortly after becoming a line manager. However,	
	Leadership Development Workshop is designed to provide managers with the skills they need to be effective first and second line managers. The course is mandatory for all first and second line managers, regardless of their experience levels. This is to ensure a consistent approach and level of management and leadership across the Force. We would expect attendees to meet with their own line managers before and after the course to explore the topics and key themes and help identify ways the learning can be translated back into their day to day role and their own personal development. This should include a review of the action plan developed as part of the workshop. The Senior Management briefing paper on the workshop which was sent to all Inspectors, Chief Inspectors, Superintendents and Department Heads also	Leadership Development Workshop is designed to provide managers with the skills they need to be effective first and second line managers. The course is mandatory for all first and second line managers, regardless of their experience levels. This is to ensure a consistent approach and level of management and leadership across the Force. We would expect attendees to meet with their own line managers before and after the course to explore the topics and key themes and help identify ways the learning can be translated back into their day to day role and their own personal development. This should include a review of the action plan developed as part of the workshop. The Senior Management briefing paper on the workshop which was sent to all Inspectors, Chief Inspectors, Superintendents and Department Heads also	Leadership Development Workshop is designed to provide managers with the skills they need to be effective first and second line managers. The course is mandatory for all first and second line managers, regardless of their experience levels. This is to ensure a consistent approach and level of management and leadership across the Force. We would expect attendees to meet with their own line managers before and after the course to explore the topics and key themes and help identify ways the learning can be translated back into their day to day role and their own personal development. This should include a review of the action plan developed as part of the workshop. The Senior Management briefing paper on the workshop which was sent to all Inspectors, Chief Inspectors, Superintendents and Department Heads also	LeadershipDevelopment10 line managers to speak to who had attended the workshop. We were able to obtain feedback from seven.workshop is designed to provide managers.attended the workshop. We were able to obtain feedback from seven.workshop is designed to skills they need to be effective first and second line managers.We obtained feedback on the workshop regarding the following:The course is mandatory for all first and second line managers, regardless of their experience levels. This is to ensure a consistent approach and level of management and leadership across the Force.What they have done differently since and have they noticed / felt a difference in their approach;We would expect attendees to meagers before and after the course to explore the topics and y to any role and their owy role and help tidentify ways the learning can be translated back into their of the workshop.We ther they have a development plan as a result of the course and how they are working towards it;The Senior Management briefing paper on the workshop.Most of the feedback on the course was positive. Most found the course was positive. Most found the course interesting and useful to them in their role as line managers.The Senior Management briefing paper on the workshop which was sent to all Inspectors, Chief Inspectors, Superintendents and Department Heads also confirms this.Most of the feedback on the course was positive. Most found the course interesting and useful to them in their role as line managers.The Senior Management briefing paper on the workshop which was sent to all Inspectors, Chief Inspectors, Superintendents and Department Heads als

thought the course was beneficial to them. It provided a refresher or update on current good practice.

Attendees also found that the leadership workshop would help ensure a more consistent approach across the Force.

We did however speak to one line manager who did not feel the course was very beneficial. They had been a line manager for 15 years and felt that they had already learnt most of the content from their experience as a line manager. They wanted the course to cover more specific HR issues that they had encountered during their time as a manager, and provide more guidance on how to use SAP for HR tasks.

There was an appreciation for the mix of the groups. Attendees found this positive as it gave them the chance to discuss experiences and views from police officers, staff and different teams throughout the Force.

From our discussions we found that the occupational health session was particularly well-received by the experienced line managers. Other sessions such as PSD, mental health and wellbeing and insider threat also received positive feedback from experienced line managers.

The newly promoted line manager we spoke to found the HR, sickness and PSD sessions most useful. Of the seven attendees we spoke to six would recommend the course to other line managers. Two of these confirmed that they had recommended the course to colleagues. The final attendee stated that the course would be beneficial for new managers but as an experienced line manager they did not feel it added much value.

#### Implementing learning gained:

We found that five of the seven we spoke to confirmed that the course identified things that they could do differently in their approach to management and leadership. This included more of a one to one focus, emphasising the importance of recordkeeping, or more of a focus on staff wellbeing.

However we did find that one of these stated that they had not been able to implement the changes that they had wanted due to a lack of time available to them. We did find though that attendees confirmed that they had been able to implement some of the learning gained on the training workshop. Examples of this included the following:

- using what was learnt from the coaching sessions in their management role;
- including some of the learning gained in a locally developed wellbeing strategy;
- one attendee had since managed a staff member on long-term sick and has used the course content directly when managing this situation; and
- using the learning gained when developing objectives during the most recent IPR process.

#### Setting objectives:

As part of the workshop attendees are to meet with their own line managers before and after the course to explore the topics and key themes and help identify ways the learning can be translated back into their day to day role and their own personal development. This should include a review of the action plan developed as part of the workshop.

Of the seven attendees we spoke to we found that four of these discussed the course before and/or after attending it and set objectives.

Three of the four who did set objectives confirmed that the objectives fed into their IPR. However for one of the attendees who did set objectives with their line manager, these objectives were never followed up. They did not link to their IPR and were not reviewed as part of the IPR.

The remaining three did not set objectives. One of these three stated that the course did not link to their IPR because it did not highlight anything that they needed to change; it merely reaffirmed the practices already in place.

We also attempted to contact 15 police staff or officers whose line managers had been on the course to determine whether they had noticed a direct change in their management approach or leadership style since the course. We were able to speak to seven of these, however in three of these cases their line manager only became their line manager after they attended the workshop so could not provide any feedback (this was mainly due to the new operating framework).

Our discussions with the remaining four did not provide any additional feedback. Some confirmed that they were aware their managers went on the course but they could not confirm whether their line manager had changed their management approach or leadership style. They stated that the fact that their line managers attended the course did not have a direct impact on them.

Due to the lack of detailed responses we are unable to conclude on the impact of the workshop at this point in time. Staff members or officers whose line managers had attended may not necessarily notice the change in approach immediately, or it may not be obvious to them. The workshop content could help managers most in more difficult situations such as dealing with longterm sickness or performance related issues. However those being line managed would not notice a change in approach because they would not have needed this before. A much larger sample may be needed with a larger scale survey perhaps being more appropriate, or more focused sample selection which we could not do as part of the audit. This also links to the need for more high level monitoring of performance measures over time to identify any changes in trends in terms of sickness, staff turnover, staff survey results, compliance etc.

1.1.7	All staff have a CPD log within Ye the Constabulary's new IPR system. This offers staff members the chance to maintain a record of their	es No	During our interviews with staff members we Lo also discussed the CPD resources and whether they use the CPD log to record their CPD, and whether this has changed as a	ow 30April 2018	Cathy Dodsworth, Head of HR
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CPD. It is not linked to appraisals anymore as it was in the previous PDR system.

The new format of the Management and Leadership Development Workshop will include a section on the new CPD log. This outlines what CPD is and what the log is to be used for. The Leadership Trainer has also developed a designated CPD page on the Force's pocketbook. This contains links to the various CPD materials available.

The workshop should encourage line managers to seek various methods of CPD as well as encouraging staff or officers they supervise as well.

result of the course.

We found that only one of the seven attendees we spoke to had used the CPD log. They used it to record training they attended, but also other CPD such as knowledge gained from the Chief Officer Roadshow.

The remaining six confirmed that they had not accessed the CPD log. One of these stated that they would prefer to record their CPD on the main section of their IPR rather than separately in the CPD log; however they had not yet done this. One attendee confirmed that they discuss CPD with their line manager but they do not record this anywhere.

We identified a theme of CPD not being a priority. Managers stated that they did not have enough time to think and reflect on CPD. Completing their day to day responsibilities was the priority and they found that after this they did not have time for CPD. One attendee stated that the IPR or CPD log doesn't link to promotions so they do not see the value in completing this.

None of the attendees we spoke to had accessed the CPD page on pocketbook.

1.1.8 The Constabulary conducted Yes The staff survey results included some of the Yes following key findings: a staff survey in partnership with Durham University, in late 2016 and early 2017. The aims of the survey were to establish scores for a number of key measures (24) for workplace factors. staff attitudes. motivation and well-

None.

#### Areas of strength:

· Community focused climate, (extent that people perceive the organisation and people within it have an active concern and focus on the interests and welfare of being which can be tracked over time; and to use statistical analysis to investigate the relationship between the measures.

This survey analysis identifies which factors that have the largest impact on key measures and helps in the identification of priorities for action.

Responses were collected in two stages: a main survey from late November 2016 followed by a shorter survey at the beginning of January 2017, with a four week completion period for each stage.

In total, 2,166 responses were received from Part A (35.1% response rate) and 1,520 from Part B (24.6% response rate).

As the format of the staff survey was different this year and based on 24 four key measures rather than a list of simpler questions, the HR department is in the process of translating the results in to a more accessible and understandable format. The results have therefore not yet been made public. the community);

- Public service motivation (This measure comprises three key dimensions: self-sacrifice, commitment to the public interest or civic duty and compassion); and
- Engagement (measure of an individual's personal expression of their self-in-role and willingness to invest their emotional, cognitive and physical energies into their work.

#### Areas requiring support/improvement:

- Emotional energy (the amount of emotional and mental energy individuals have available to them to meet the daily demands and challenges they face in their jobs) – particularly low for police officers;
- Job satisfaction (how content an individual is with his or her job);
- Organisational pride (an individual's evaluation of the organisation's standing, general worth and status - particularly for police officers; and
- Organisational support (Individual's beliefs regarding the degree to which the organisation values their contributions, cares about their well-being and a feeling of assurance that the organisation will provide support when individuals face particularly difficult or challenging circumstances when carrying out their duties particularly for police officers.

As this is the first year the Constabulary has

completed the staff survey in this way, there isn't comparable data from previous years available.

The Management and Leadership Development Workshop could help the Constabulary in improving on some of the weaker performing areas such as their general worth, how much they feel the organisation values their contributions, cares about their well-being and feeling assured.

Direct line management can have an impact on these matters. Improvements may not be visible straight away and the Constabulary should continue to monitor this on a medium to long-term basis.

However we were informed that the Head of HR has already agreed an action plan to respond to the staff survey with COG and this does not involve this workshop in the first instance.

# 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 area under review	Risks relevant to the scope of the review	Risk source
For Avon and Somerset Constabulary to be a place where people thrive and are supported by their leaders to be the best they can be, and to deliver excellent policing services to the communities they serve.	SSR11 - Workforce productivity declines	Constabulary Risk Register

#### Controls selected from your risk register and reviewed during the audit:

- Consult with staff and provide opportunity for feedback, ensuring consultation is impactful and solution focussed.
- Provide training and/or tools to ensure managers have the capabilities to manage change effectively.
- Provide managers with help and guidance to help communicate and manage organisation changes with their staff.
- Constabulary key performance indicators in relation to the change programme will be actively monitored and corrective action taken as required.

#### When planning the audit the following areas for consideration and limitations were agreed:

- We looked at the process for identifying staff to attend the line manager training course, and whether this is aligned to the new IPR process going forward.
- We looked at the number of courses run to date, content of the course in line with expectation and best practice, and attendance (including non-attendance)

• We looked at the initial feedback obtained by the Constabulary, and then spoke to a sample of staff who have attended the course:

- Whether they felt the course was beneficial (and any other feedback)
- What they have done differently since and have they noticed / felt a difference in their approach
- Whether they have a development as a result of the course and how they are working towards it
- Whether they have discussed the course with their line manager
- How the course outcome / development plan links to their IPR

We also spoke to a sample of staff members and officers whose line managers had been on the course to establish whether they had noticed a change in their leadership style / approach.

We looked at the mechanisms of CPD and development being undertaken as a result of the course.

We considered how the Constabulary is monitoring / assessing the benefit and return on investment of these courses, and provide best practice suggestions as to what measures could be used.

The staff survey results were also considered as part of this review.

#### Limitations to the scope of the audit assignment:

- We did not challenge any aspect of the delivery or detailed content of the training course.
- We did not comment on the reasons why individuals are selected to attend the course.
- Course attendees spoken to as part of this review will remain anonymous.
- Detailed IPR records were not reviewed as part of this audit, only the link to attending and developing from the course.
- Testing was undertaken on a sample basis only.

## APPENDIX B: FURTHER INFORMATION

Documentation reviewed during the audit:

Leadership Workshop Required Attendees Pilot Leadership Workshop Content Leadership Workshop Content List of Attendees List of Cancellations Workshop schedule of dates Evaluation Report Evaluation Plan Summary of Leadership feedback – we spoke to a sample of seven first and second line managers who had attended the Management and Leadership Development Workshop whose experience of line managing ranged from one to 20 years. We also spoke to a sample of staff who are supervised by line managers who have attended the workshop The names of the participants in the audit will remain anonymous as per the agreed scope of the audit.

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

Annual internal audit report 2016/17

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As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at http://www.icaew.com/en/members/regulations-standards-and-guidance.

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. Management actions for improvements should be assessed by you for their full impact before they are implemented. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

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# 1 THE HEAD OF INTERNAL AUDIT OPINIONS

In accordance with Public Sector Internal Audit Standards, the head of internal audit is required to provide annual opinions to the Police and Crime Commissioner and Chief Constable, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisations' risk management, control and governance processes. The opinions should contribute to the organisations' annual governance statements.

### 1.1 The opinions

### Office of the Police and Crime Commissioner

For the 12 months ended 31 March 2017, the head of internal audit opinion for the Office of the Police and Crime Commissioner for Avon and Somerset is as follows:

### **OPCC Head of Internal Audit opinion 2016/17**

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further improvements required in terms of compliance with frameworks to enhance the effectiveness of controls in place.

Application of and compliance with controls has a cultural and leadership element which has been a consistent factor to our audit findings over the past two years. This is being addressed by the introduction of a number of new leadership programmes in an aim to improve the compliance culture.

### Constabulary

For the 12 months ended 31 March 2017, the head of internal audit opinion for Avon and Somerset Constabulary is as follows:

### Constabulary Head of Internal Audit opinion 2016/17

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further improvements required in terms of compliance with frameworks to enhance the effectiveness of controls in place.

Application of and compliance with controls has a cultural and leadership element which has been a consistent factor to our audit findings over the past two years. This is being addressed by the introduction of a number of new leadership programmes in an aim to improve the compliance culture.

Please see appendix A for the full range of annual opinions available to us in preparing this report and opinion.

# 1.2 Scope of our work

The formation of our opinions are achieved through a plan of work, developed and agreed with both the OPCC and the Constabulary, and approved by the Joint Audit Committee, which is linked to assurance needs across both OPCC and Constabulary strategic risk registers as well as being linked to PCC Priorities. The plan should therefore provide a reasonable level of assurance, subject to the inherent limitations described below.

The opinion does not imply that internal audit has reviewed all risks and assurances relating to the organisations. The opinions are substantially derived from the conduct of risk-based audits linked to the developing risk registers and assurance maps. This is the first year in which the audit plan and individual assignments have taken a risk-based approach linked to strategic risks, and this improved oversight for the Joint Audit Committee is one component that the Corporations Sole take into account in making their annual governance statements (AGS).

# 1.3 Factors and findings which have informed our opinions

Based on the work we have undertaken on the systems of internal control, governance and risk management across the OPCC and Constabulary, we do not consider that there are any issues that need to be flagged as significant internal control weaknesses. Key findings in the year have related more to data quality as a result of non-compliance with controls.

We have one issued one 'no assurance' opinion (Crime Data) and two 'partial assurance' opinions (Vulnerability and Staff Wellbeing) with three 'high' category management actions agreed across the year. They key points taken from these reviews are set out below:

- The Crime Data audit highlighted high levels of non-compliance with Home Office Counting Rules regarding crime outcomes. This has the potential to affect the Constabulary's crime statistics and whether an individual is charged or cautioned correctly and ethically. HMIC also issued the Constabulary with a 'requires improvement' grading for its Crime Data Integrity inspection in 2016, despite noting a number of improvements since the 2014 inspection. The Force Crime and Incident Registrar has developed an action plan to address the detailed findings of this audit.
- The Vulnerability audit identified recording issues in Niche with missing persons reports not being completed as required, inconsistent recording of young persons as missing or absent, and missing person risk ratings being recorded in the wrong place in Niche with the potential for the wrong action to be taken as a result. We have however, seen robust improvement actions taken with detailed updates provided by management on these identified weaknesses, showing progress being made despite the actions not being fully implemented.
- The Staff Wellbeing audit found delays in implementing plans and actions around responses to staff surveys and the new IPR process, delaying the impact of such changes. Issues identified previously by HMIC around the workload of the investigations teams had not yet been addressed and this was affecting the morale. With the recent PBR and resulting redundancies across the Constabulary, morale, leadership and wellbeing will be a key focus of the 2017/18 audit plan.
- An advisory review of Workforce Planning also found weaknesses around the link between demand management, learning and development and succession planning. Whilst demand management was found to be using good tools and mechanisms to identify, analyse, plan and manage demand, this was not linked in with CLaD and succession planning to identify training and development needs.

We have also issued two 'substantial' opinions (Benefits of Change and Key Financial Controls) and one 'reassonable' assurance opinion (Payments to Staff). They key strengths and good practice identified in these audits are set out below:

- Projects for change comply with consistent central project governance arrangements, with progress reported to the Corporate Change Board via Programme Boards. Closure reports and post implementation reviews ensure that lessons are learnt across the Constabulary.
- Robust controls were found to be in place over access setup to SAP and access to financial functions, as well as minimal miscoding errors being found within the finance system when data analytics were applied to purchase transactions, requiring less resource to correct miscoded transactions.
- We found improved compliance on expense claims and payments, with past weaknesses relating to receipts and approval having been implemented.

A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix B.

# **1.4** Topics judged relevant for consideration as part of the annual governance statements

The OPCC and Constabulary should consider the areas set out above where no or partial assurance was given over compliance with the control framework for Crime Data, Vulnerability and Staff Wellbeing, when completing its annual governance statement. Key findings and gradings from HMIC should also be considered.

Our regular follow up work as well as update reports from the Constabulary's Inspection and Audit Coordinator provides the Joint Audit Committee with regular updates on progress against actions and recommendations throughout the year.

# 2 THE BASIS OF OUR INTERNAL AUDIT OPINIONS

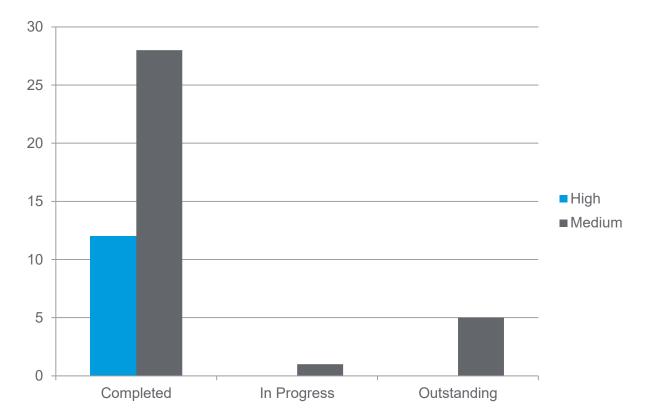
As well as those headlines discussed at paragraph 1.3, the following areas have helped to inform our opinions. A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix B.

## 2.1 Acceptance of internal audit management actions

We work with management at the debrief meeting of each audit to ensure actions are agreed to address all of the findings reported by the internal audit service during 2016/17. There have been no instances whereby actions have not been agreed. There have been some instances in our follow up work whereby we have agreed to remove or supercede old actions that are no longer relevant, once satisfied that other assurances are available that the risk originally identified is now mitigated.

# 2.2 Implementation of internal audit management actions

Our follow up of the actions agreed to address previous years' internal audit findings shows that the organisations had made reasonable progress in implementing the agreed actions.



The five medium actions that remain outstanding relate to the Estates, Financial Controls and Cyber Crime audits from the previous two years. Further detail was provided in the follow up reports presented to the last Joint Audit Committee meeting.

# 2.3 Working with other assurance providers

In forming our opinions we have not placed any direct reliance on other assurance providers.

# **3 OUR PERFORMANCE**

# 3.1 Wider value adding delivery

Throughout the year we have provided technical and sector updates as part of our progress reports presented to each JAC meeting.

We have continued to support the further development of strategic risk registers and assurance maps for the OPCC and Constabulary, and have commented on where controls and/or assurances are missing from risk registers when undertaken audit assignments.

We have offered places at sector seminars to OPCC and Constabulary staff.

We have provided benchmarking information where possible from across our Police client base, for example in the Legal Claims audit.

## 3.2 Conflicts of interest

RSM has not undertaken any work or activity during 2016/17 that would lead us to declare any conflict of interest.

## 3.3 Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Public Sector Internal Audit Standards (PSIAS).

Under PSIAS, internal audit services are required to have an external quality assessment every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2016 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF) published by the Global Institute of Internal Auditors (IIA) on which PSIAS is based.

The external review concluded that ""there is a robust approach to the annual and assignment planning processes and the documentation reviewed was thorough in both terms of reports provided to audit committee and the supporting working papers." RSM was found to have an excellent level of conformance with the IIA's professional standards.

The risk assurance service line has in place a quality assurance and improvement programme to ensure continuous improvement of our internal audit services. Resulting from the programme, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you.

# 3.4 Feedback

We actively seek feedback on each audit assignment when the final report is issued, however for 2016/17 no formal feedback was provided by the Constabulary or OPCC.

We did however receive thanks for the work on the Crime Data report in which our auditor tested a large sample of crimes against Home Office Counting Rules which was a benefit to the Constabulary as they did not have the resource to do this in house at the time.

## 3.5 Performance indicators

A number of performance indicators were agreed with the joint audit committee. Our performance against those indicators is as follows:

			Quality			
Target	Actual	Notes (ref)		Target	Actual	Notes (ref)
Yes	No	(a)	% audit reports presented to agreed Joint Audit Committee meetings	100%	92%	
100%	89%	(b)	% of High & Medium actions followed up	100%	15/16 – 100% 16/17 – 59%	(d)
100%	89%	(c)	Conformance with PSIAS	Yes	Yes	
100%	100%	-	Respond to emergencies or notifications of potential fraud within one working day	100%	N/A	(e)
	Yes 100% 100%	Yes No 100% 89% 100% 89%	Yes     No     (a)       100%     89%     (b)       100%     89%     (c)	TargetActualNotes (ref)YesNo(a)% audit reports presented to agreed Joint Audit Committee meetings100%89%(b)% of High & Medium actions followed up100%89%(c)Conformance with PSIAS100%100%The spond to emergencies or notifications of potential fraud	TargetActualNotes (ref)TargetYesNo(a)% audit reports presented to agreed Joint Audit Committee meetings100%100%89%(b)% of High & Medium actions followed up100%100%89%(c)Conformance with PSIASYes100%100%NoRespond to emergencies or notifications of potential fraud100%	TargetActualNotes (ref)TargetActualYesNo(a)% audit reports presented to agreed Joint Audit Committee meetings100%92%100%89%(b)% of High & Medium actions 

(a) Workforce Development (Phase 2) was deferred and is included in the 2017/18 audit plan.

(b) + (c) Payments to Staff audit fell slightly behind the set deadlines due to leave commitments from both the auditors and constabulary staff involved.

(d) Actions from the more recent 16/17 reports have not been followed up to allow time for them to be adequately implemented. (e) No emergency / fraud notifications received in the year.

# **APPENDIX A: ANNUAL OPINIONS**

The following shows the full range of opinions available to us within our internal audit methodology to provide you with context regarding your annual internal audit opinions.

#### Annual opinions

The organisation has an adequate and effective framework for risk management, governance and internal control.

The organisation has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

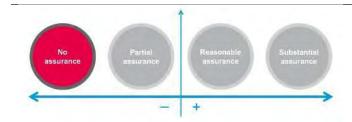
There are weaknesses in the framework of governance, risk management and control such that it could be, or could become, inadequate and ineffective.

The organisation does not have an adequate framework of risk management, governance or internal control.

# APPENDIX B: SUMMARY OF INTERNAL AUDIT WORK COMPLETED 2016/17

Assignment	Executive lead	Assurance level	Actions agreed		
			н	М	L
Vulnerability (1.16/17)	Geoff Wessell	Partial	1	2	0
Workforce Development (2.16/17)	Cathy Dodsworth	Advisory	0	2	1
Follow up of Previous Internal Audit Recommendations (3.16/17)	Jane Walmsley	Reasonable progress	0	1	0
Benefits of Change Portfolio (4.16/17)	Ronnie Hext	Substantial	0	1	0
HR – Staff Wellbeing and Productivity (5.16/17)	Cathy Dodsworth	Partial	0	4	0
Financial Controls (6.16/17)	Nick Adams	Substantial	0	1	3
Payments to Staff (7.16/17)	Cathy Dodsworth	Reasonable	0	2	1
Follow Up - Part 2 (8.16/17)	Jane Warmsley	Reasonable progress	0	3	0
Legal Claims (9.16/17)	Sue Dauncey	Advisory	0	2	0
Crime Data (10.16/17)	Su Polley	None	2	6	0
Policies Compliance (11.16/17)	Carolyn Belafonte	DRAFT			

We use the following levels of opinion classification within our internal audit reports. Reflecting the level of assurance the PCC & CC can take:



No assurance - + Taking account of the issues identified, the PCC & CC cannot take assurance that the controls upon which the organisations rely to manage this risk are suitably designed, consistently applied or effective. Urgent action is needed to strengthen the control framework to manage the identified risk(s).

Taking account of the issues identified, the PCC & CC can take partial assurance that the controls to manage this risk are suitably designed and consistently applied. Action is needed to strengthen the control framework to manage the identified risk(s).



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

# **Internal Audit Progress Report**

## Joint Audit Committee

14 July 2017

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# **1 INTRODUCTION**

The internal audit plan for 2017/18 was approved by the Joint Audit Committee at the meeting on 21 March 2017 subject to some minor changes as discussed at that meeting.

We have issued three final reports since the last Joint Audit Committee meeting as set out below.

Assignments Sta		Opinion issued	Actions agreed		
			н	Μ	L.
Review of Policies – Counter Allegation Risk to Life and Threats of Serious Harm (1.17/18)	, FINAL	No assurance Partial assurance Reasonable assurance Substantial assurance	0	4	1
Management and Leadership Development Workshop (2.17/18)	FINAL	No assurance Partial assurance Reasonable ssurance Substantial assurance +	0	4	2
Volunteers (3.17/18)	FINAL	No assurance Partial assurance Resonable Substantial assurance +	0	8	5

# 1.1 Impact of findings to date

To date we have not issued any audit reports including any high priority management actions or any negative assurance opinions which will affect our 2017/18 Head of Internal Audit opinion.

# 2 LOOKING AHEAD

Assignment area	Timing per approved IA plan 2017/18	Status
Follow Up (Part 1)	July 2017	Scoped. Fieldwork commencing 24 July 2017.
Equalities / Representative Workforce	July 2017	To be scoped. Fieldwork commencing 8 August 2017.
Data Quality	July 2017	Scoped. Fieldwork commencing 9 August 2017.
ROCU / Collaboration	August 2017	Scoped. Fieldwork commencing 11 September 2017
Training	January 2018	To be scoped. Brought forward to cover other audit delays. Fieldwork commencing 18 September 2017.
Prevention / Community Engagement	October 2017	To be scoped. Fieldwork commencing 2 October 2017.
Performance Management (IPR)	September 2017	To be scoped. Fieldwork commencing 2 October 2017.
IT Audit	October 2017	To be scoped. Fieldwork commencing 2 October 2017.
Staff Culture and Wellbeing	October 2017	To be scoped. Fieldwork commencing 16 October 2017.
Financial Controls	November 2017	To be scoped. Fieldwork commencing 6 November 2017.
101	May 2017	To be scoped. Delayed at the request of OPCC. Fieldwork commencing 18 December 2017.
Payments to Staff	January 2018	To be scoped. Fieldwork commencing 2 January 2018.
Disaster Recovery	August 2017	Scoped, but delayed at the request of Constabulary. Fieldwork commencing 15 January 2018.
Workforce Planning	January 2018	To be scoped. Fieldwork commencing 22 January 2018.
Follow Up (Part 2)	January 2018	Scoped. Fieldwork commencing 30 January 2018.
Strategic Policing Requirements	February 2018	To be scoped. Fieldwork commencing 12 Febraury 2018.

# **3 OTHER MATTERS**

## 3.1 Changes to the audit plan

All changes in timing are set out in the previous table and are timing related only at this stage.

## 3.2 News briefing

Our latest Emergency Sector news briefing from June 2017 is attached for information.

Recent sector news since the last JAC meeting, is also set out below.

## **Media relations**

Police forces across England and Wales have been issued with new guidance designed to promote openness, transparency and a professional approach to working with media. The College of Policing's Media Relations Authorised Professional Practice comes after consultation involving the media, public and police forces and features guidance on: defining speaking terms; manging inaccurate or misleading media coverage; and naming on arrest, amongst many others.

#### Read more

### **Needs from future government**

The Police Federation of England and Wales in collaboration with the Police Superintendents' Association of England and the Chief Police Officers' Staff Association have published a letter outlining the 'fundamental requirements for an effective police sector.' Some of the requirements include: officers to be properly trained, protected and supported; and a national consensus on what is the core role of police and what should be expected of the service in light of the recent comments regarding police forces being stretched by having to deal with vulnerable people.

#### Read more

# State of policing

HM Inspectorate of Constabulary (HMIC) has published its annual assessment of policing in England and Wales for 2016. The 131 page report brings together HMIC's activity for the year with a particular mention given to the 'too large a role' the police currently face in dealing with people suffering from mental ill-health; calling for mental health to be given the 'same priority' as physical health in resources and funding.

#### Read more

### Upgrading emergency services communications

The Public Accounts Committee (PAC) is 'greatly concerned' that the introduction of the Emergency Services Network (ESN) has been delayed, but also 'is not likely to be deliverable' within these delayed timescales, and with 'potentially catastrophic' new operational information regarding the use of current system 'Airwave' coming to light.

The hastily published report 'Upgrading emergency communications - recall' which closely follows a report on the ESN by the PAC in January 2017, comes after revelations from Motorola, the owners of Airwave, that extensions to keep the Airwave system running after March 2020 could now not be possible due to upgrade works planned by supplier

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Vodafone that would make the Airwave system unusable unless additional compatibility work for Airwave is performed. The PAC emphasised the importance of the Home Office engaging with Motorola and Vodafone to find a solution to this impending problem highlighting the huge effects any shutdown of service would have on the emergency services. The Home Office was also criticised for the 'little slippage' (nine months) of the transition period for the ESN to September 2020, and the additional issues this will cause in establishing which regions will require 'dual running' of the ESN and Airwave in the transition period.

In addition the PAC was critical of the Home Office's risk identification and management, stating that the Home Office 'did include a general risk around extending what was ageing equipment but it did not anticipate the specific issue that has occurred,' with the PAC also expressing its surprise that Motorola themselves did not pick up on the issue when conducting due diligence before the companies purchase of Airwave in February 2016.

#### Read more

We have also issued the following briefings which are appended to the bottom of this report:

- Apprenticeship Levy
- How vulnerable is your organisation to cyber attacks
- Are you vulnerable to email scamming
- Is your business GDPR ready

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# THE APPRENTICESHIP LEVY



THE POWER OF BEING UNDERSTOOD AUDIT | TAX | CONSULTING In 2015 the government introduced its plans to expand the National Apprenticeship Service through the introduction of the apprenticeship levy (levy). Although we expect the system will continue to evolve after its introduction in April 2017, the government has released further detail as to how it will work.

#### **Basis of payment**

The levy is to apply to employers in all sectors across the UK, with the amount payable being 0.5 per cent of their total pay bill, less an allowance. Pay bill, for purposes of the levy, is defined as the total amount of earnings payable by the employer subject to employer's class 1 National Insurance Contributions (NIC), including those earnings falling below the secondary NIC threshold. The allowance available to each stand–alone employer to set against the levy is an amount of up to £15,000 per annum. This means that only employers with a total annual pay bill in excess of £3m will ultimately bear a cost. Connected companies, however, will only have one allowance available to the group and they must decide how this is to be allocated.

Based upon earnings attracting employer's class 1NIC, the levy will be applied to salary, commission, bonuses, employee pension contributions and non-tax advantaged share awards, but will not apply to earnings of international assignees where they stay within the social security system of their home country. Also, benefits that have traditionally been reported on forms P11D or in a Pay As You Earn (PAYE) settlement agreement will not be considered in the calculation as they attract NIC under Class 1A or Class 1B.

The levy will be collected by HMRC through the PAYE process and will be calculated on a monthly cumulative basis. Even after a deduction for corporation tax, this levy will be seen by many employers as an extra tax.

The government has recently confirmed that only employers with a wage bill of £3m will have to register for the levy. It had previously intimated that those with a wage bill of £2.8m would be required to register in case they exceeded the £3m threshold.

#### **Planning for the levy**

In preparation, employers need to make an early assessment of all earnings attracting an employer class 1NIC liability, whilst planning for any anticipated growth before April, to know how the new levy will affect their business.

Companies may wish to give renewed consideration to their reward strategy in light of this new charge, for example, by considering:

- the timing of bonuses in the lead up to April 2017, which may mean they do not attract this additional 0.5 per cent payroll charge;
- providing equity rewards through tax advantaged share schemes, such as the Enterprise Management Incentive (EMI) scheme and Share Incentive Plan (SIP), which do not attract income tax and NIC;
- using benefits in kind that attract NIC charges under Class 1A or Class 1B and which currently do not attract employee NIC;
- where possible, choosing a means of remunerating business performance such as through dividends to shareholders of owner managed businesses, rather than paying directors' bonuses; and
- using salary sacrifice arrangements, where appropriate, to structure remuneration packages in a more tax and/or NIC efficient way. For example, salary sacrifice in favour of employer pension contributions brings savings in Class 1 NIC liabilities to both employees and employer.

In considering these options, it should be noted that arrangements put in place with the main purpose, or one of the main purposes, of obtaining an advantage in relation to the levy will be caught under antiavoidance rules. Employers must also remain mindful of the government's recent decision to restrict the use of salary sacrifice arrangements. However, it has pledged not to challenge such arrangements in relation to employer supported child care, pensions and cycle to work schemes, so these options remain available as a means of providing tax efficient remuneration.

#### Using the levy as an opportunity

In England levy funds will be held in a apprenticeship service (AS) account which will be linked to their PAYE scheme. From 13 February 2017, the government has invited employers to register to create their individual AS account. Employers can utilise the funds held in these accounts to pay for apprenticeship training from approved training providers. All employers will receive a 10 per cent top up from the government to their AS account, so that an employer can recover more from the scheme than the payments they make through the levy.

A key issue for most employers is understanding how they can access what they pay in relation to the apprenticeship levy. Levy funds can only be used towards the cost of apprenticeship training with an approved training provider for new and existing staff. It cannot be used towards any unapproved training, or to fund the apprentice's salaries. The employer will negotiate the price for training with the provider. Each apprenticeship standard or framework will be placed into one of 15 bands, ranging from £1,500 to £27,000. These bands will determine the maximum amount that can be spent from the AS account on each apprenticeship. If the employer has agreed an amount higher than the cap they will need to pay any amount over the cap in full. The Department of Education has recently published the bands and these can be found at https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work

Employers will access the levy funds in different ways depending on whether they are located in Scotland, Wales and Northern Ireland. Employers should review the devolved country's' education board's website for more details as these vary from country to country.

#### How long will employers have to spend their levy?

The government was originally intending to give employers 18 months to spend the levy; however this was increased and now levy funds will expire 24 months after they first enter the AS account unless spent on approved apprenticeship training. The account will work on a first-in, first-out basis. The AS account will be set up so that funds that enter the account at the earliest date will automatically be used first.

The levy will start to be collected based on April 2017 payroll and will be available for spend incurred from May.

#### Example

	APR	MAY	JUN	JUL	AUG	SEP	ост	NOV
Levy allowance								
In month	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250
Cumulative	£1,250	£2,500	£3,750	£5,000	£6,250	£7,500	£8,750	£10,000
Pay Bill	£320,000	£400,000	£370,000	£500,000	£420,000	£450,000	£480,000	£450,000
Cumulative	£320,000	£720,000	£1,090,000	£1,590,000	£2,010,000	£2,460,000	£2,940,000	£3,390,000
Levy @ 0.5%	£1,600	£2,000	£1,850	£2,500	£2,100	£2,250	£2,400	£2,250
Levy allowance	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250	£1,250
Levy payable	£350	£750	£600	£1,250	£850	£1,000	£1,150	£1,000
Cumulative	£350	£1,100	£1,700	£2,950	£3,800	£4,800	£5,950	£6,950

Many companies have a grow their own philosophy and recognise the benefits of training staff on the job, using external courses to fill the gap in technical skills whilst learning to apply these skills within the ethos of that company. The levy used in this way is even easier to stomach when considered in conjunction with the exemption from employer's NIC introduced in April 2016 for apprentices up to the age of 25.

DEC	JAN	FEB	MAR
£1,250	£1,250	£1,250	£1,250
£11,250	£12,500	£13,750	£15,000
£500,000	£460,000	£500,000	£480,000
£3,890,000	£4,350,000	£4,850,000	£5,330,000
£2,500	£2,300	£2,500	£2,400
£1,250	£1,250	£1,250	£1,250
£1,250	£1,050	£1,250	£1,150
£8,200	£9,250	£10,500	£11,650

Those employers willing to embrace the new levy would be well placed to start planning the process now to ensure maximum use. They may need to rethink their current recruitment and training policies offered to trainees. Where they do not fall within the government's requirement of a qualifying apprentice working towards an approved apprenticeship standard or within an approved apprenticeship framework, they should think about what changes can be made to their training programme to maximise use of funds in the AS account.

The term apprenticeship is legally protected and can only be used to describe a statutory apprenticeship as set out in the Enterprise Act 2016. Apprenticeship in this context means the training and (where applicable) end point assessment for an employee as part of a job with an accompanying skills development programme.

There are rules governing what an apprenticeship is, the main ones being:

- the apprentice must be employed in a real job whether existing or new;
- there should also still be a job at the end of the apprenticeship;
- the apprentice must work towards achieving an approved apprenticeship standard or framework;
- the cost of the apprentice's wages must be met by the employer;
- the job role must provide the opportunity to gain the knowledge, skills and behaviours needed to achieve the apprenticeship;
- the apprenticeship training (not just the employment period) must last at least 12 months;
- the apprentice must spend at least 20 per cent of their time on off-the-job training; and
- the individual must be eligible under the funding rules.

The National Apprenticeship Service provides more detail on how to employ an apprentice at https://www.gov.uk/take-on-an-apprentice.

Grouped companies should consider in advance where they will best utilise their levy funds and can register their different PAYE schemes to pool the levy into a single AS account to maximise opportunities for use.

Training providers are generally staying well-tuned to the new apprenticeship levy and listening to the needs of employers to develop training programmes that fit the needs of the job and fall within the scheme parameters.

# HOW CAN EMPLOYERS SPEND THE LEVY

#### Apprenticeship service accounts

#### Can the levy be used for pre-May 2017 registrants?

The government has recently stated that any apprentices who started their apprenticeship pre–May 2017 will be funded for the full duration of their apprenticeship under the terms that were in place at the commencement of the apprenticeship. Therefore employers will not be able to utilise funds in their AS account funds to cover these apprentices.

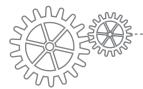
For post May 2017 starters, if an employer pays the levy but AS account funds do not cover the full cost of the apprenticeship training, additional government support will be provided to help the employer meet the additional costs, up to the maximum amount of funding available for that apprenticeship. Employers will also be expected to make additional contributions for the extra amount they wish to spend. The contribution by the government will be 90 per cent and employers will contribute an extra 10 per cent.

Employers will also be given a £1,000 incentive for employing a 16–18 year old apprentice, which also applies to 19–24 year old care givers or young adults with additional learning needs. The £1,000 will be paid in two instalments in months three and 12 of the apprenticeship.

#### How will payments be made to the training provider?

When an employer agrees to buy apprenticeship training from a provider, monthly payments will be automatically taken from the AS account and sent to the provider. This spreads the cost over the lifetime of the apprenticeship. Employers will not need to have sufficient funds in the AS account to cover the entire cost of the training at the start. As payments are taken from the AS account monthly, employers will need to have sufficient funds in the account to cover the monthly cost of each apprenticeship chosen. The Department for Education will make sure the payments reach the provider.

Employers should note that not all AS account funds will be taken out on a monthly basis; 20 per cent of the cost of the apprenticeship will be retained and taken from the AS account at the end of the apprenticeship. The government believes that employers will increasingly move to training apprentices to approved apprenticeship standards, where there is an end point assessment. The price negotiated with the training provider at the beginning of the apprenticeship should include payment for the end point assessment.



#### **Employer responsibilities**

The employer will need to have an employer agreement with the Secretary of State for Education acting through the Skills Funding Agency. This will bind the employer into the funding rules. The employer will also need to have an apprenticeship agreement with the apprentice at the start of and throughout their apprenticeship.

The employer, provider and apprentice all need to sign a commitment statement setting out how they will support the successful achievement of the apprenticeship. There will also be a written agreement with the main provider.

There are certain evidence requirements with which the employer will need to comply.

In some cases the apprentice will be required to undertake further maths and English training. This is funded separately (not from the levy funds) and the employer must allow time for study.

#### Employer providers

Employers can also be training providers for their apprentices. Rules are set out at https://www.gov.uk/government/ uploads/system/uploads/attachment\_ data/file/590269/Feb\_employer\_ provider\_guide.pdf



#### Non-levy paying employers

The new funding system will be implemented on 1st May 2017. Once this comes into effect, the proposal is that employers will pay 10 per cent of the cost of the apprenticeship and the government will pay 90 per cent. The maximum cost will depend upon which one of the 15 bands the apprenticeship falls into. Employers in these circumstances will also be able to negotiate the price of the apprenticeship with the training provider.

Where employers have fewer than 50 members of staff and also employ 16–18 year old apprentices, the employer contribution will be waived so the cost of training such young persons will be free.

Employers that do not pay the levy will be able to look for training options and search for a provider using the tools on the apprenticeship service. However, such employers will not need to use the apprenticeship service to pay for apprenticeship training and assessment until at least 2018. Prior to this they will be required to pay their provider on agreed payment terms.



If you would like more information on the apprenticeship levy then please contact your usual RSM advisor or:

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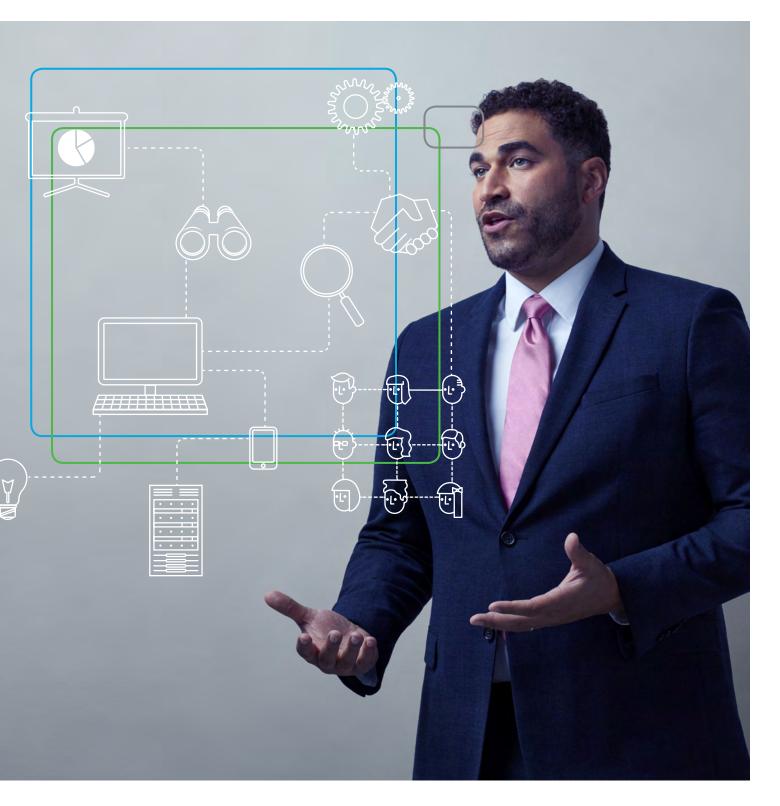
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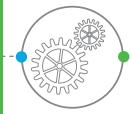


# HOW VULNERABLE IS YOUR ORGANISATION TO CYBER ATTACKS?

Confidence through our cyber assurance services



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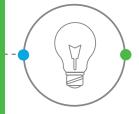
We have benefited from the use of ethical phishing in that we were given insight into the behaviours of individuals within our organisation and have been able to use this to educate our staff further in the identification and management of suspicious e-mails. We will be repeating this exercise now periodically in order to give us assurance that staff are listening to the advice and behaviours have changed.

Deputy Chief Information Officer, large health trust



Having read numerous news articles recently about the increasing number of cyber-attacks on organisations similar to ours, we discussed with RSM about delivering a cyber-security audit that they were already undertaking for our organisation. From scope, planning, execution and reporting, RSM's approach was straightfor ward yet comprehensive. The results from the exercise clearly proved that we needed to do more – further, they pointed us in the right direction in order to address the issues. Cyber-security needn't be complex, especially when you've got RSM providing you with expert assurance.

Head of ICT, large housing group



RSM demonstrated the necessary cyber security expertise and professional maturity to simulate a phishing attack on our Group as part of a wider cyber security review. The exercise enabled a full independent assessment to be performed of the quality of both our IT security control and procedures to prevent such an attack, and the responsiveness of management in reacting to such an incident.

Group Head of Audit, private company

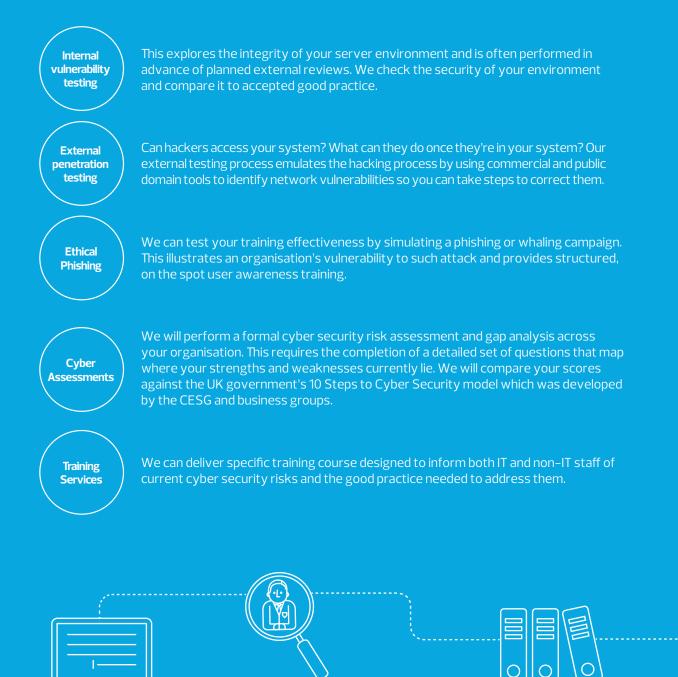
# HAVE YOU CONSIDERED THE IMPACT THAT A CYBER ATTACK COULD HAVE ON YOUR ORGANISATION?

Malicious hacking, identity theft and high profile cyber disruption have become common occurrences in today's business environment. The impact of attacks can vary in severity but most common is a disruption to every day operations and reputational damage that is very difficult to recover and rebuild.

Despite a better awareness of the risks, many firms not only have inadequate defences but also are yet to assess how such an attack would impact their operations.

Weaknesses of any degree across your infrastructure, suppliers and third party providers can expose the whole business. It is critical that you take steps before those vulnerabilities are exploited.

Technology related risks are rarely isolated to one area. As such, our approach to tackling risk is to assess the exposure across your whole organisation.





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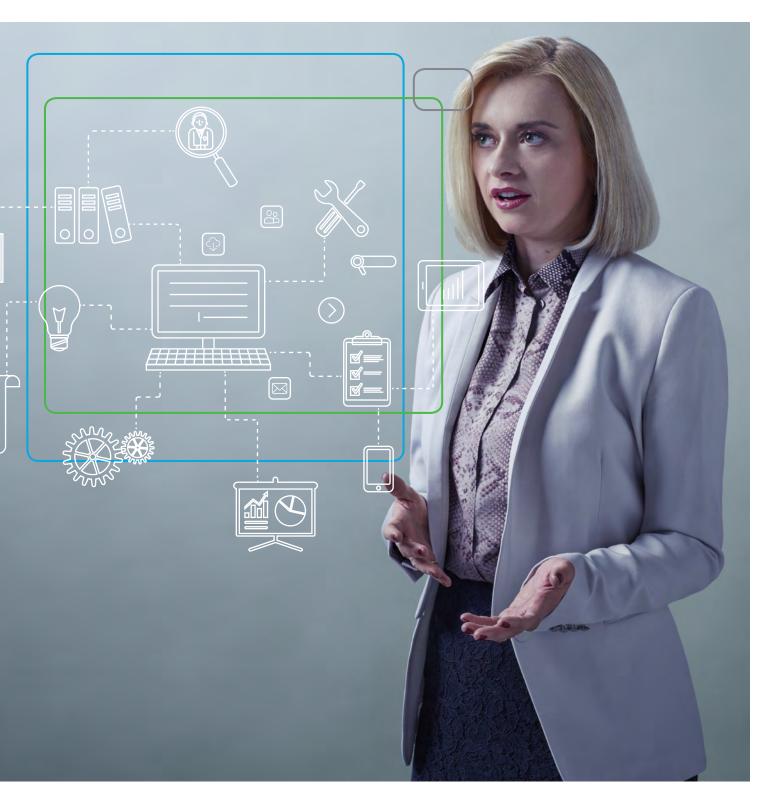
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# ARE YOU VULNERABLE TO EMAIL SCAMMING?

The growing threat of phishing and whaling 2017



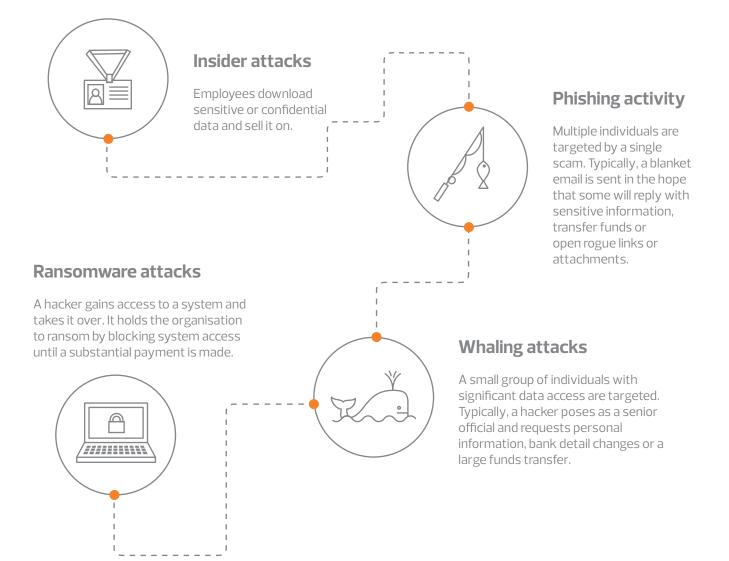
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# HOW VULNERABLE ARE YOU?

Across all sectors we can see security breaches and data loss destroying reputations and causing tangible loss of profit and turnover. We are seeing new threats continue to target organisations at their most vulnerable – their staff and third parties.

The practice of phishing and whaling is no different and means sending emails claiming to be from reputable organisations to encourage individuals and companies to reveal valuable personal or corporate information.

# HOW DO CYBERCRIMINALS ATTACK?

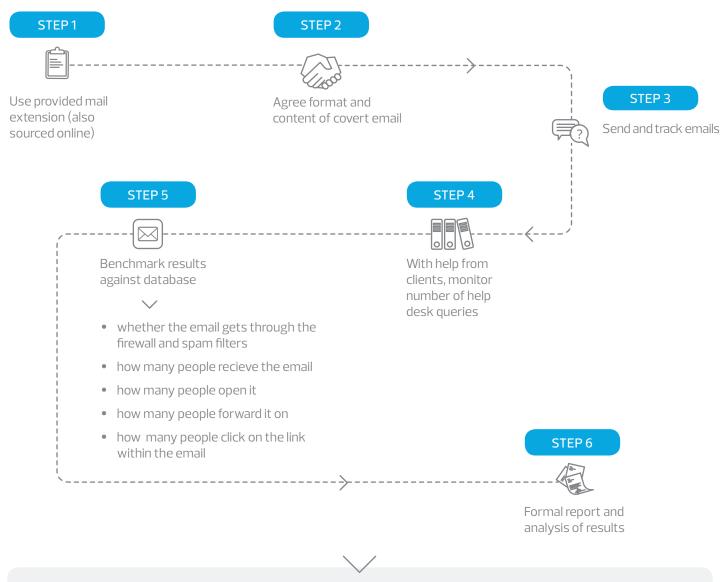


#### What can you do to address this threat?

Typically, a company will implement technical controls that use firewalls and gateways to identify and filter out spoof, spam and infected emails. However, these will not catch every threat and some emails do make it through. Consequently focus should shift from technical controls, to training and education. It is critical they be trained on their responsibility for keeping information and data secure and how to respond.

#### What risk factors should concern you?

- recent frauds or losses through cybercrime;
- a history of issues with viruses and malware;
- a large non-technical workforce;
- reliance upon remote working practices;
- reliance upon on-line business activities; and
- limited training on the topic.



- Illustrates an organisation's vulnerability to such an attack, showing what percentage of their employee base is likely to fall victim;
- Provides structured, on the spot user awareness training where employees learn the importance of keeping the organisation safe and secure in future; and
- Provides an agreed base-line that future training can be measured against.

#### How would we help through simulated phishing?

For further information contact:

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# The General Data Protection Regulation (GDPR) will come into force in the UK on 25 May 2018 after four years of negotiations and unprecedented levels of lobbying by businesses.

These new rules will cause significant disruption to how organisations store, manage and process personal data, with significant penalties for those who don't comply.

This will impact all businesses but especially those in the consumer sector where data has become such a large part of customer loyalty, marketing and delivery.

#### What is the GDPR?

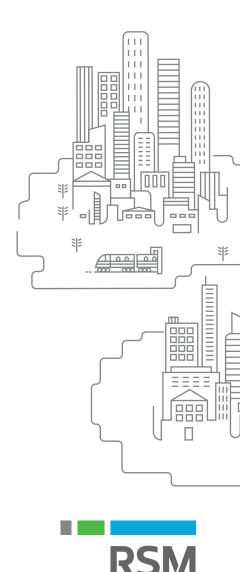
The new legal framework is the biggest change to data privacy legislation in over 20 years. Digital advancements over this time have meant that consumer data is created, collected and stored within seconds. It is more important now, than ever, to have clear laws and safeguards in place given the growing digital economy and associated cyber security risk.

#### **Does Brexit impact GDPR?**

The GDPR aims to protect EU citizens' personal data, regardless of borders or where the data is processed. The new rules are much broader than the 1995 Data Protection Act with a more expansive definition of personal identifiers, such as an IP address, which is now classified as personal data. Businesses based outside the EU will still need to be compliant if they have EU customers. As such the UK's decision to leave the EU will not affect the need to comply with GDPR.

#### What are the penalties?

The penalties are significant, fines for non–compliance of up to  $\leq 20$ m or 4 per cent of annual global turnover could be imposed.



#### How does this affect my business?

Any company who processes consumers' personal data will need to comply with the new obligations. That means firstly understanding the changes to the existing processes under the new rules:



**Consent – do you have explicit consent from individuals for the data you hold about them?** Under the new rules the requirements have been tightened significantly. Requesting consent from a consumer to process their personal data must be 'unambiguous'.



**New responsibilities – are you a data processor or data controller responsible for processing personal data?** Under the GDPR, data processors will have greater legal liability and are required to maintain records of personal data and processing activities. There are also further obligations on controllers to ensure that any third-party contractors also comply with the GDPR eg cloud hosting or outsourcing.



Accountability – do you have a data protection programme and are you able to provide evidence of how you will comply with the requirements of the GDPR?

Organisational and technical measures to protect personal data are now the responsibility of the data controller and data processor – data protection and privacy requirements should be built into the development of your business processes and systems.



Mandatory breach notification – would you be able to notify a data protection supervisory authority of a data breach within 72 hours?

You will need internal processes that allow you to report and manage communications with affected consumers quickly and accurately.



New rights – do you know how you will comply with the new rights; the 'right to be forgotten', the 'right to data portability', and the 'right to object to data profiling'? You will need processes in place to comply and reassure that these rights have been adhered to (including notifying third-parties).



Data protection officers – do you conduct large scale systematic monitoring (including employee data) or process large amounts of sensitive personal data?

Where 'large scale' processing of data is evident a dedicated Data Protection Officer needs to be appointed.

#### How we can help

Our specialists can help you to ensure compliance in the first instance, and provide the evidence to prove it in the second. Through robust analysis we will identify any risks and implement processes and systems to ensure compliance:

- GDPR gap analysis
- Privacy Impact Assessment
- GDPR awareness sessions
- Breach management processes
- Security monitoring and reporting

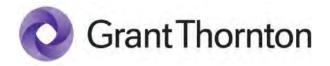
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# The Joint Audit Findings for Avon and Somerset Police and Crime Commissioner and Chief Constable for Avon and Somerset

Year ended 31 March 2017

4 July 2017

#### **lain Murray**

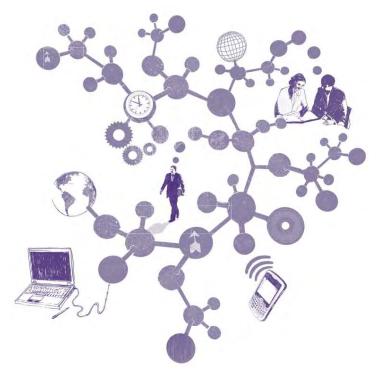
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### Private and Confidential

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4 July 2017

Dear Sue and Andy

#### Audit Findings for Avon and Somerset Police and Crime Commissioner and Avon and Somerset Chief Constable for the year ending 31 March 2017

This Audit Findings report highlights the key findings arising from the audits of the Police and Crime Commissioner and Chief Constable for the benefit of those charged with governance, as required by International Standard on Auditing (UK & Ireland) 260, the Local Audit and Accountability Act 2014 and the National Audit Office Code of Audit Practice. For police bodies, those charged with governance are the Police and Crime Commissioner and the Chief Constable for the respective corporations sole. The contents of the report have been discussed with officers.

As auditors we are responsible for performing the audit, in accordance with International Standards on Auditing (UK & Ireland), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements and giving a value for money conclusion. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify. 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.

We would like to take this opportunity to record our appreciation for the kind assistance provided by management, the finance team and other staff during our audit. Yours sincerely

Iain Murray Engagement Lead Chartered Accountants

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### Appendices

- A Joint action plan
- B Audit opinion in respect of the PCC and Group financial statements
- C Audit opinion in respect of the Chief Constable's financial statements

# Section 1: Executive summary

01.	Executive summary	
02.	Audit findings	
03.	Value for Money	
04.	Other statutory powers and duties	
05.	Fees, non audit services and independence	

06. Communication of audit matters

### **Purpose of this report**

This report highlights the key issues affecting the results of Avon and Somerset Police and Crime Commissioner ('the PCC') and Avon and Somerset Chief Constable and the preparation of the financial statements of the group, the PCC and the Chief Constable for the year ended 31 March 2017. It is also used to report our audit findings to management and those charged with governance in accordance with the requirements of International Standard on Auditing (UK & Ireland) 260, and the Local Audit and Accountability Act 2014 ('the Act').

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion, the PCC's and the Chief Constable's financial statements give a true and fair view of the financial position of the respective bodies and their income and expenditure for the year and whether the financial statements have been properly prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting.

We are also required to consider other information published together with the audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report), whether it is consistent with the financial statements, apparently materially incorrect based on, or materially inconsistent with, our knowledge of the PCC and the Chief Constable acquired in the course of performing our audit; or otherwise misleading.

We are required to carry out sufficient work to satisfy ourselves on whether the PCC and the Chief Constable have each made proper arrangements to secure economy, efficiency and effectiveness in their use of resources ('the value for money (VFM) conclusion').

Auditor Guidance Note 7 (AGN07) clarifies our reporting requirements in the Code and the Act. We are required to provide conclusions whether in all significant respects, the PCC and the Chief Constable have each put in place proper arrangements to secure value for money through economic, efficient and effective use of their resources for the relevant period.

The Act also details the following additional powers and duties for local government auditors, which we are required to report to you if applied:

- a public interest report if we identify any matter that comes to our attention in the course of the audits that in our opinion should be considered by the PCC or the Chief Constable or both, or brought to the public's attention (section 24 of the Act);
- written recommendations which should be considered by the PCC or the Chief Constable or both and responded to publicly (section 24 of the Act);
- application to the court for a declaration that an item of account is contrary to law (section 28 of the Act);
- issue of an advisory notice (section 29 of the Act); and
- application for judicial review (section 31 of the Act).

We are also required to give electors the opportunity to raise questions about the accounts and consider and decide upon objections received in relation to the accounts under sections 26 and 27 of the Act.

### Introduction

In the conduct of our audit we have not had to alter or change our audit approach, which we communicated to you in our Joint Audit Plan dated 10 March 2017.

Our audit is substantially complete although we are finalising our procedures in the following areas:

- review of the response from Somerset County Council LGPS auditors regarding the Avon and Somerset Police civilian's data submitted to the actuary for their estimate of the defined pensions benefit liability (LGPS)
- obtaining and reviewing the signed management letter of representation
- updating our post balance sheet events review, to the date of signing the opinion; and
- receipt and review of your Whole of Government Accounts

We received draft financial statements and accompanying working papers at the commencement of our work, in accordance with the agreed timetable.

### Key audit and financial reporting issues

### Financial statements opinion

We have identified no adjustments affecting the Chief Constable's reported financial position, and no adjustments affecting the PCC's reported financial position, leading to no adjustments affecting the group. The draft financial statements for the group for the year ended 31 March 2017 recorded net expenditure of  $\pounds$ 744,544k, and this therefore remains unchanged in the final version. During our audit we recommended a number of adjustments to improve presentation and disclosure in the financial statements, which management have agreed to make in the final version.

The key messages arising from our audit of the PCC's and Chief Constable's financial statements are:

- The dry run of early close has worked well and management provided us with a draft set of financial statements on 22 May several days ahead of the start of the audit on 25 May, working papers we also available for us at the start of the audit. The draft accounts were published on 5 June and this means that you are well placed to meet the earlier deadlines which come in to effect in 2017/18.
- The financial statements and working papers were of a good standard. Requests for additional working papers were responded to promptly as were requests for explanations.
- We identified some presentational and disclosures changes which management have agreed to make in relation to the fair value of financial instruments. These did not alter the reported financial performance.
- We identified a £2m classification adjustment on the PCC's Balance Sheet, which did not adjust the PCC's net assets.

Further details are set out in section two of this report.

We anticipate providing a unqualified audit opinion in respect of the PCC's financial statements, including the group financial statements, which consolidate the financial activities of the Chief Constable (see Appendix B). We also anticipate providing an unqualified opinion in respect of the Chief Constable's financial statements (see Appendix C).

#### Other financial statement responsibilities

As well as an opinion on the financial statements, we are required to give an opinion on whether other information published together with each of the audited financial statements is consistent with the financial statements. This includes considering if the Annual Governance Statements do not meet the disclosure requirements set out in the CIPFA/SOLACE guidance or are misleading or inconsistent with the information of which we are aware from our audits.

Based on our review of the PCC's and Chief Constable's Narrative Reports and AGSs we are satisfied that they are consistent with the audited financial statements. We are also satisfied that the AGSs meet the requirements set out in the CIPFA/SOLACE guidance and that the disclosures included in the Narrative Reports are in line with the requirements of the CIPFA Code of Practice.

### Controls

#### Roles and responsibilities

The PCC's and Chief Constable's management are responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the systems of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the PCC and Chief Constable.

### Findings

We draw your attention in particular to control issues identified in relation to the review and authorization of journal entries.

Further details are provided within section two of this report.

### **Value for Money**

Based on our review, we are satisfied that, in all significant respects, the PCC and Chief Constable each had proper arrangements in place to secure economy, efficiency and effectiveness in their use of resources.

Further detail of our work on Value for Money are set out in section three of this report.

### **Other statutory powers and duties**

During the course of our audit we did not identify any issues that would give rise to the use of other statutory powers or duties.

### The way forward

Matters arising from the financial statements audits and our review of the PCC's and Chief Constable's arrangements for securing economy, efficiency and effectiveness in their use of resources have been discussed with the Chief Finance Officer to the PCC and the Chief Finance Officer to the Chief Constable, as well as with the PCC and Chief Constable as the two individuals charged with overall governance for the office of the PCC and the police force respectively.

We have made a number of recommendations, which are set out in the action plan at Appendix A. Recommendations have been discussed and agreed with management and those charged with governance, and their responses are included.

### Acknowledgement

We would like to take this opportunity to record our appreciation for the assistance provided by management, the finance team and other officers in both the office of the PCC and the police force during our audits.

Grant Thornton UK LLP July 2017

### Section 2: Audit findings

- 01. Executive summary
- 02. Audit findings
- 03. Value for Money
- 04. Other statutory powers and duties
- 05. Fees, non audit services and independence
- 06. Communication of audit matters

### Materiality

In performing our audits, we apply the concept of materiality, following the requirements of International Standard on Auditing (UK & Ireland) (ISA) 320: Materiality in planning and performing an audit. The standard states that 'misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements'.

As we reported in our joint audit plan, we determined overall materiality for the financial statements as a proportion of the smaller of gross revenue expenditure of the PCC and the gross revenue expenditure of the Chief Constable. This was  $\pounds$ 7,201k being 2% of gross revenue expenditure of the Chief Constable for Avon and Somerset. We have considered whether this level remained appropriate during the course of the audits and have made no changes to our overall materiality.

We also set an amount below which misstatements would be clearly trivial and would not need to be accumulated or reported to those charged with governance because we would not expect that the accumulated effect of such amounts would have a material impact on the financial statements. We have defined the amount below which misstatements would be clearly trivial to be  $f_{360k}$ . This remains the same as reported in our audit plan.

As we reported in our audit plan, we identified no items where we decided that separate materiality levels were appropriate

Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements; Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both; and Judgments about matters that are material to users of the financial statements are based on a consideration of the common financial information needs of users as a group. The possible effect of misstatements on specific individual users, whose needs may vary widely, is not considered. (ISA (UK&I) 320)

# Audit findings against significant risks

In this section we detail our response to the significant risks of material misstatement which we identified in the Joint Audit Plan. As we noted in our plan, there are two presumed significant risks which are applicable to all audits under auditing standards.

	to P	evant PCC / ' Both?	Work completed	Assurance gained and issues arising
1	The revenue cycle includes fraudulent transactionsBothUnder ISA (UK&I) 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.Both	n	<ul> <li>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:</li> <li>there is little incentive to manipulate revenue recognition;</li> <li>for the PCC opportunities to manipulate revenue recognition are very limited as revenue is principally grant allocations from central and local government;</li> <li>for the Chief Constable opportunities to manipulate revenue recognition are very limited as revenue is principally an intergroup transfer from the PCC, with no cash transactions; and</li> <li>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.</li> </ul>	Our audit work has not identified any issues in respect of revenue recognition.
2	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.	'n	<ul> <li>Summary of work performed,</li> <li>testing of journal entries</li> <li>review of accounting estimates, judgements and decisions made by management</li> <li>review of unusual significant transactions</li> </ul>	Our audit work has not identified any evidence of management over-ride of controls. The findings of our review of journal controls and testing of journal entries has identified potential control improvements which are noted later in this section of the report. We also set out later in this section of the report our work and findings on key accounting estimates and judgements.

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, due to either size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty." (ISA (UK&I) 315). In making the review of unusual significant transactions "the auditor shall treat identified significant related party transactions outside the entity's normal course of business as giving rise to significant risks." (ISA (UK&I) 550)

### Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Joint Audit Plan. Recommendations, together with management responses are attached at appendix A.

Transaction cycle	Description of risk	Relevant to PCC / CC / Both?	Work completed	Assurance gained & issues arising
Employee remuneration	Employee remuneration accruals understated (Remuneration expenses not correct)	Both	<ul> <li>We have undertaken the following work in relation to this risk:</li> <li>documented our understanding of processes and key controls over the transaction cycle</li> <li>undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding</li> <li>undertaken an analysis of trends and relationships to identify any anomalous areas for further investigation</li> <li>reconciled the payroll system to the general ledger and financial statements</li> <li>substantively tested a sample of staff and officer payroll payments, ensuring that payments were made in accordance with the individual's contract</li> </ul>	Our audit work has not identified any significant issues in relation to the risk identified
Operating expenses	Creditors understated or not recorded in the correct period	Both	<ul> <li>We have undertaken the following work in relation to this risk:</li> <li>documented our understanding of processes and key controls over the transaction cycle</li> <li>undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding</li> <li>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</li> </ul>	Our audit work has not identified any significant issues in relation to the risk identified

"In respect of some risks, the auditor may judge that it is not possible or practicable to obtain sufficient appropriate audit evidence only from substantive procedures. Such risks may relate to the inaccurate or incomplete recording of routine and significant classes of transactions or account balances, the characteristics of which often permit highly automated processing with little or no manual intervention. In such cases, the entity's controls over such risks are relevant to the audit and the auditor shall obtain an understanding of them." (ISA (UK&I) 315)

# Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Joint Audit Plan. Recommendations, together with management responses are attached at appendix A.

Transaction cycle	Description of risk	Relevant to PCC / CC / Both?	Work completed	Assurance gained & issues arising
Valuation of Property, Plant and Equipment (PPE)	A full valuation of the PCC's land and buildings was performed as at 1 April 2016. A full desk top review was undertaken by the valuer as at 31 March 2017, with asset valuations adjusted based upon this review. PPE valuations represents a significant accounting estimate in the financial statements.	PCC	<ul> <li>We have undertaken the following work in relation to this risk:</li> <li>documented management's processes and controls for the calculation of the estimate</li> <li>undertaken walkthrough of the key controls to assess whether those controls were in line with our documented understanding</li> <li>reviewed the competence, expertise and objectivity of the experts used</li> <li>reviewed the instructions issued to valuation experts and considered the scope of their work</li> <li>discussed with the PCC's valuer the basis on which the valuation was carried out, challenging key assumptions where appropriate</li> <li>considered the information used by the valuer to ensure it was robust and consistent with our understanding</li> <li>tested revaluations made during the year to ensure they were correctly processed into the PCC's asset register and accounted for correctly</li> </ul>	Our audit work has not identified any significant issues in relation to the risk identified
Valuation of Pension Fund net liability	Actuarial amounts are not determined properly.	Chief Constable	<ul> <li>We have undertaken the following work in relation to this risk:</li> <li>documented our understanding of management's processes and controls related to the IAS 19 valuation of the LGPS and Police Pension Schemes.</li> <li>reviewed the competence, expertise and objectivity of the actuary who carried out your pension fund valuation</li> <li>gained an understanding of the basis on which the valuation is carried out and obtained assurances over any significant assumptions, where appropriate</li> <li>gained assurances over the data provided to the actuary to ensure it was robust and consistent with our understanding</li> </ul>	Our audit work identified one issue in relation to the assumptions used by the actuary to produce the estimate of the net liability shown in the balance sheet. We are satisfied that the estimate remains reasonable and this is explored in more detail in the judgements and estimates section on page 15 of this report. There were no other significant issues in relation to the risk identified.

# Audit findings against other risks continued

Transaction cycle	Description of risk	Relevant to PCC / Chief Constable / Both?	Work completed	Assurance gained & issues arising
Police Pensions Benefits Payable	Benefits improperly computed and / or claims liability understated	Chief Constable	<ul> <li>We have undertaken the following work in relation to this risk:</li> <li>documented our understanding of processes and key controls over the transaction cycle</li> <li>undertaken walkthrough of the key controls to assess the whether those controls were in line with our documented understanding</li> <li>performed analytical procedures to confirm whether balances and movements were in line with expectations</li> <li>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</li> </ul>	Our audit work has not identified any significant issues in relation to the risk identified

### **Going concern**

As auditors, we are required to "obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern" (ISA (UK&I) 570).

We reviewed management's assessment of the going concern assumption for each of the PCC and the Chief Constable and the disclosures in the financial statements and concluded that are satisfied with their assessment that the going concern basis is appropriate for the 2016/17 financial statements.

# Group audit scope and risk assessment

ISA (UK&I) 600 requires that as Group auditors we obtain sufficient appropriate audit evidence regarding the financial information of the components and the consolidation process to express an opinion on whether the group financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework.

Component	Significant?	Level of response required under ISA 600	Work completed	Assurance gained & issues raised
Police and Crime Commissioner (parent)	Yes	Comprehensive	Full scope UK statutory audit performed by Grant Thornton UK LLP	Our audit work has not identified any issues in relation to the group consolidation.
Chief Constable (subsidiary)	Yes	Comprehensive	Full scope UK statutory audit performed by Grant Thornton UK LLP	Our audit work has not identified any issues in relation to the group consolidation.

# Accounting policies, estimates and judgements

In this section we report on our consideration of accounting policies, in particular revenue recognition policies, and key estimates and judgements made and included with the PCC's and Chief Constable's financial statements.

Accounting area	Relevant to PCC / CC / Both?	Summary of policy	Comments	Assessment
Revenue recognition	Both	<ul> <li>PCC</li> <li>Income is recorded in the accounts when it becomes due, rather than when it is received (the accruals basis). External income in the form of sales, fees, charges and rents are accrued and accounted for in the period to which they relate.</li> <li>Chief Constable</li> <li>Income is recorded in the accounts when it becomes due, rather than when it is received.</li> </ul>	<ul> <li>PCC audit</li> <li>The policy used is appropriate and in line with the accounting framework (CIPFA Code of Practice on Local Authority Accounting). The accounting policy is adequately disclosed.</li> <li>Chief Constable audit</li> <li>The policy used is appropriate and in line with the accounting framework (CIPFA Code of Practice on Local Authority Accounting). The accounting policy is adequately disclosed.</li> </ul>	Green
Judgements and estimates	Both	<ul> <li>Key estimates and judgements include: <ul> <li>Useful lives of PPE (estimate)</li> <li>Valuations of land and buildings (estimate)</li> <li>Income and expenditure accruals (estimate)</li> <li>Valuation of the pension fund net liability (estimate)</li> <li>Provisions (estimate)</li> <li>Fair values of financial assets and liabilities (estimate)</li> <li>IAS19 LGPS asset valuation (estimate)</li> <li>Recognition of Private Finance Initiatives (PFI) on the balance sheet (judgement)</li> </ul> </li> </ul>	<ul> <li>PCC audit The key estimates applied are appropriate. The accounting policies are adequately disclosed. From the work undertaken the judgements and estimates made are reasonable. </li> <li>Chief Constable audit The discount rate assumption used by the actuary, Barnett Waddingham, to estimate the pension fund net liability (both civilians and police officers) was above the range suggested by our expert (PwC as engaged by the NAO). We have assessed the potential effect on the liability of using a higher discount rate and taking into account all of the other assumptions used, in particular the use of a higher range for inflation, we are able to conclude that the approach to calculating the estimate is reasonable. The key estimates are applied appropriate. The accounting policies are adequately disclosed. From the work undertaken the judgements and estimates made are reasonable.</li></ul>	Green

# Accounting policies, estimates and judgements continued

Accounting area	Relevant to PCC / Chief Constable / Both?	Summary of policy	Comments	Assessment
Judgements - changes to the presentation of local authority financial statements	Both	The statement of accounts have been amended to reflect new reporting requirements for the comprehensive income and expenditure statement and the introduction of a new expenditure and funding analysis, both resulting from the "Telling the Story" review of the presentation of Local Authority statements within the 2016/2017 CIPFA Code. The new format of the comprehensive income and expenditure statement, to the net cost of police services, reflects the format of the information provided to the PCC for decision making purposes. In line with management outturn reporting, the net cost of police services comprises: - Police Services OCC - OPCC - Commissioning costs	<ul> <li>The policy used is appropriate and in line with the accounting framework (CIPFA Code of Practice on Local Authority Accounting). It is also consistent with the approach adopted by other police bodies.</li> <li>The restated 2015-16 balances within the Comprehensive Income and Expenditure Statement have been appropriately reconciled to the 2015-16 audited accounts.</li> <li>The Expenditure and Funding Analysis (EFA) note needs to be positioned in the financial statements where it is most accessible and relevant to its users. Management have positioned the EFA to accompany the Comprehensive Income and Expenditure Statements.</li> </ul>	Green
Going concern	Both	The Police and Crime Commissioner and Chief Constable both have a reasonable expectation that the services they provide will continue for the foreseeable future. For this reason, the bodies continue to adopt the going concern basis in preparing the financial statements.	We have reviewed the PCC's and Chief Constable's assessments and are satisfied with their assessment that the going concern basis is appropriate for the 2016/17 financial statements.	Green

# Accounting policies, estimates and judgements continued

· Accounting area	Relevant to PCC / Chief Constable / Both?	Summary of policy	Comments	Assessment
Intra-Group funding arrangements and cost recognition	Both	<ul> <li>The OCC is treated as a wholly owned subsidiary of the PCC for accounting purposes;</li> <li>All assets/liabilities are under the control of the PCC and are reported in the books the PCC, with the exception of the IAS 19 pension liability and associated assets, the short-term absences accrual (which places a financial value on holiday and time off owed to employees) and other employee expense accruals and provisions, all of which are reported in the books of the OCC. These liabilities are matched by an intragroup debt to the PCC;</li> <li>The accounts of the OCC show the operating cost of policing together with an equal notional transfer of funding from the PCC.</li> </ul>	<ul> <li>PCC audit The policy used is appropriate and in line with the accounting framework (CIPFA Code of Practice on Local Authority Accounting). The accounting policy is adequately disclosed. </li> <li>Chief Constable audit The policy used is appropriate and in line with the accounting framework (CIPFA Code of Practice on Local Authority Accounting). The accounting policy is adequately disclosed. </li> </ul>	Green
Other accounting policies	Both		We have reviewed the PCC's and Chief Constable's policies against the requirements of the CIPFA Code of Practice. The accounting policies are appropriate and consistent with previous years.	• Green

### Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

	Issue	Commentary
1.	Matters in relation to fraud	• We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures
2.	Matters in relation to related parties	• From the work we carried out, we have not identified any related party transactions which have not been disclosed
3.	Matters in relation to laws and regulations	• You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
4.	Written representations	• A standard letter of representation has been requested from each of the PCC and Chief Constable, including specific representations in respect of the Group.
5.	Confirmation requests from third parties	• We requested from management permission to send confirmation requests to the external Treasury Manager and organisations with which the PCC holds bank accounts with. This permission was granted and the requests were sent. All of these requests were returned with positive confirmation.
6.	Disclosures	Our review found no material omissions in the financial statements
7.	Matters on which we report by	We are required to report on a number of matters by exception in a number of areas:
	exception	<ul> <li>If the Annual Governance Statements do not meet the disclosure requirements set out in the CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audits</li> </ul>
		<ul> <li>The information in the Narrative Reports is materially inconsistent with the information in the audited financial statements or our knowledge of the PCC and Chief Constable acquired in the course of performing our audit, or otherwise misleading.</li> </ul>
		We have not identified any issues we would be required to report by exception.
8.	Specified procedures for Whole of Government Accounts	We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions.
		As the PCC Group exceeds the specified group reporting threshold, we are required to examine and report on the consistency of the WGA consolidation pack with the PCC Group's audited financial statements. The work is due to be completed during September 2017.

### Internal controls

The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

	Assessment	Issue and risk	Recommendations
1.	• Amber	Journals do not require authorisation prior to being posted to the system. It is possible that fraudulent / erroneous journals could be posted. We noted that in 2015/16 there was a mitigating control in place, with a random sample check of journals performed by the Head of Financial Services (Southwest One) on a quarterly basis. This involved a high level scan of all journals and a random sample check of at least five journals. This check has not occurred since the departure of the Head of Financial Services (Southwest One)	We are aware management are currently reviewing their journal procedures and recommend management either implement a preventative (system based) control which requires journal authorisation before posting to the general ledger, or a detective/ corrective control such as retrospective review of journal entries by an individual other than the poster.

#### Assessment

Significant deficiency – risk of significant misstatement

Deficiency – risk of inconsequential misstatement

# Review of issues raised in prior year

	Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
1.	X	The description of a journal can be changed in SAP after the posting has been made. There is the possibility that this ability could be used to mask the true purpose of a journal.	No action has been taken to address this issue. Consideration should be given to removing the ability to overwrite journal descriptions once postings have been made, though we recognise that this may be of a lower priority given the planned move to a new finance system in April 2018.

Assessment

Action completed

Not yet addressed

"The purpose of an audit is for the auditor to express an opinion on the financial statements. Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters being reported are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance." (ISA (UK&I) 265)

## Adjusted misstatements - Police and Crime Commissioner

There have been no non-trivial adjustments to the Chief Constable's draft accounts during the audit process. Disclosure and classification changes are set out over the page.

### Unadjusted misstatements – Police and Crime Commissioner

There were no adjustments identified during the Chief Constable's audit which have not been made within the final set of financial statements

# Misclassifications and disclosure changes – Police and Crime Commissioner and Group

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

				Impact on the financial statements
1	Misclassification	2,000	Balance Sheet: Short Term Investments and Cash and Cash Equivalents	An investment of $\pounds 2m$ which matured within 3 months of the balance sheet date was incorrectly allocated to Short Term Investments. Per the PCC's accounting policies, this investment should be classified as Cash and Cash Equivalents. The balance was re-classified, and this did not have any effect on the net assets of the PCC.
2	Disclosure	Various	Disclosure Note 36	<ul> <li>Our review of the reconciliation of debtors and creditors in the Balance Sheet to the disclosures in the financial instruments note identified a number of non-trivial disclosure changes, as per below:</li> <li>Debtors 'Less VAT' line – adjustment of -£807k to the 2015/16 comparator.</li> <li>Debtors – inclusion of additional statutory items line, being £530k in 2016/17 and £654k in 2015/16.</li> <li>The adjustments were made to ensure that all balances that do not meet the classification of a financial instrument were correctly removed.</li> </ul>
3	Disclosure	N/A	Various	We suggested a number of minor disclosure amendments and potential improvements to management throughout the audit, the majority of which were agreed and processed through the financial statements. These included arithmetic, spelling and presentational changes.

### Adjusted misstatements – Chief Constable

There have been no non-trivial adjustments to the Chief Constable's draft accounts during the audit process.

### Unadjusted misstatements - Chief Constable

There were no adjustments identified during the Chief Constable's audit which have not been made within the final set of financial statements

# Misclassifications and disclosure changes - Chief Constable

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

1	Disclosure	N/A	Various	We suggested a number of minor disclosure amendments and potential improvements to management throughout the audit, the majority of which were agreed and processed through the financial statements. These included arithmetic, spelling and presentational changes.

### Section 3: Value for Money

- 01. Executive summary
- 02. Audit findings
- 03. Value for Money
- 04. Other statutory powers and duties
- 05. Fees, non-audit services and independence
- 06. Communication of audit matters

### Background

We are required by section 21 of the Local Audit and Accountability Act 2014 ('the Act') and the NAO Code of Audit Practice ('the Code') to satisfy ourselves that the PCC and Chief Constable have each put in place proper arrangements for securing economy, efficiency and effectiveness in their use of resources. This is known as the Value for Money (VFM) conclusion.

We are required to carry out sufficient work to satisfy ourselves that proper arrangements are in place at both the Office of the PCC and the Force. The Act and NAO guidance state that for local government bodies, auditors are required to give a conclusion on whether the PCC and Chief Constable have put proper arrangements in place.

In carrying out this work, we are required to follow the NAO's Auditor Guidance Note 3 (AGN 03) issued in November 2016. AGN 03 identifies one single 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.

AGN03 provides examples of proper arrangements against three sub-criteria but specifically states that these are not separate criteria for assessment purposes and that auditors are not required to reach a distinct judgement against each of these.

### **Risk assessment**

We carried out an initial risk assessment and identified significant risks in relation to the financial plan and strategy and the governance of the Tri-Force Collaboration, which we communicated to you in our Joint Audit Plan dated 10 March 2017

We identified the significant risks in respect of specific areas of proper arrangements using the guidance contained in AGN03.

We have continued our review of relevant documents up to the date of giving our report, and have not identified any further significant risks where we need to perform further work.

We carried out further work only in respect of the significant risks we identified from our initial and ongoing risk assessment. Where our consideration of the significant risks determined that arrangements were not operating effectively, we have used the examples of proper arrangements from AGN 03 to explain the gaps in proper arrangements that we have reported in our VFM conclusion.

#### Significant qualitative aspects

AGN 03 requires us to disclose our views on significant qualitative aspects of the PCC's and Chief Constable's arrangements for delivering economy, efficiency and effectiveness.

We have focused our work on the significant risks that we identified in the PCC's and Chief Constable's arrangements.

We have set out more detail on the risks we identified, the results of the work we performed and the conclusions we drew from this work on pages 26 to 29.

#### **Overall conclusion – Police and Crime Commissioner**

Based on the work we performed to address the significant risks, we concluded that:

• the PCC has proper arrangements in all significant respects to ensure they delivered value for money in their use of resources. The text of our reports, which confirm this, can be found at Appendices B and C.

#### **Overall conclusion – Chief Constable**

Based on the work we performed to address the significant risks, we concluded that:

• the Chief Constable has proper arrangements in all significant respects to ensure they delivered value for money in their use of resources. The text of our reports, which confirm this, can be found at Appendices B and C.

#### **Recommendations for improvement**

We discussed findings arising from our work with management and have agreed recommendations for improvement. These recommendations are set out below:

#### **Recommendations for improvement**

We discussed findings arising from our work with management and have agreed recommendations for improvement. These recommendations are set out below:

- Management have historically taken a prudent position on future forecasting of key assumptions such as inflation. Given current and future economic and political uncertainty, it will be important to maintain this approach. At its next update, key assumptions in the MTFP should be reviewed to ensure that they remain appropriate and other external factors, such as Brexit, and their effect should be considered and assessed.
- Over the next 5 years, the capital programme forecasts a spending requirement of £93.4m, with forecast funding levels of £73.6m. It is recognised that this is not a sustainable position, and work to prioritise capital projects should be undertaken. There is a balance to be struck between capital investments designed to generate efficiency savings, and spending to maintain estate and equipment capabilities. The prioritisation should also ensure that capital requirements reflect the Force's operational requirements as the operating model changes as a result of PBR.
- The Tri-Force Commissioning Board Terms of Reference should state whether decisions can be made based upon a majority or must be unanimous, and include the number of attendees required for the meeting to be quorate.
- The performance measures used to monitor Tri-Force should also be output focused, to allow conclusions to be drawn about the effectiveness and value of the collaboration. Comparable data should be available from all three Forces for the performance measures to ensure that meaningful comparisons to be made.

Management's response to these recommendations can be found in Appendix A.

We set out below our key findings against the significant risks we identified through our initial risk assessment and further risks identified through our ongoing review of documents.

Significant risk	Work to address	Findings and conclusions
Financial Strategy and position Avon and Somerset Police have been required to deliver substantial savings since 2010/11, and forecast significant savings requirements going forward. The latest Medium Term Financial Position (MTFP) identifies a budget deficit of £20.6m by 2021/22. Current savings plans total £15.5m by 2021/22, resulting in an additional £5.2m of required additional savings.	<ul> <li>We have:</li> <li>Reviewed the MTFP, including the assumptions that underpin the plan.</li> <li>Reviewed savings delivery and progress on developing savings required in future years, including savings identified from enabling services and Priority Based Resourcing</li> </ul>	In its PEEL 2016 Police efficiency report, HMIC rated Avon and Somerset as 'good'. They note "Avon and Somerset Constabulary's future is based on prudent assumptions about revenue, its cost base, required savings and areas for investment. Its mid-term financial plan is reviewed quarterly to adjust areas of pressure and is scrutinised by the police and crime commissioner". Our review of the latest Medium Term Financial Plan (MTFP), which runs from 2017/18 to 2021/22, supports this view; it is based upon reasonable assumptions and appropriately incorporates all known cost and funding pressures. It also identifies a number of risks, including the impact upon funding of the outcome of the review of police formula funding, and the full impact of the end of the Southwest One contract. Recent political events, including the outcome of the General Election and Brexit, create future economic uncertainties which are not yet fully considered in the MTFP. These developments are likely to have a significant impact on the MTFP, and it should be updated and refreshed as the outcomes of these events become better understood – <b>recommendation one</b> . The MTFP includes information on the savings identified to date, and outlines four key areas of savings delivery. The two most significant areas relate to the Priority Based Resourcing (PBR) review and targeted savings from a geographical basis to a directorate basis, with four key directorates – Response, Neighbourhoods, Investigations, Intelligence. The new borderless approach is estimated to save up to £5m, with savings possible from more efficient ways of work and a lower estates requirement. During the year the decision was taken to return all Southwest One provided enabling services to the Constabulary's control in 2017/18, with the exception of 1T which will return later in 2018; these were the earliest possible dates to avoid financial penalties under the contract. The difference between the cost of providing the service in-house and the Unitary Charge previously paid to Sout

Significant risk	Work to address	Findings and conclusions
Financial Strategy and position Continued		The 2016/17 revenue outturn report identifies a revenue underspend of £4.78m (1.7%) before year-end provisions and reserve adjustments – after these are processed the position was break-even. This and prior year budget outturns provide assurance that the budgeting methodology and in year budget management remains robust.
		The MTFP projects that by 31 March 2021, usable reserves will have all but halved to £26.8m from £51.3m at 31 March 2016. Whilst the use of reserves in itself does not represent a significant risk, ensuring that the transformation projects funded by these reserves deliver the required long-term benefits remains key.
		The Capital Receipts Reserve and the Capital Financing Reserve are forecast to be fully utilised by the end of the 2017/18 financial year, representing the utilisation of £13.5m of funds from 31 March 2016. Over the next 5 years, the capital programme forecasts a spending requirement of £93.4m, with forecast funding levels of £73.6m (including the use of reserves described above and new borrowing of £25m). It is recognised that this is not a sustainable position, and therefore work is underway to prioritise projects to ensure that they fall within the current funding forecasts and will deliver against the priorities articulated by the PCC and Chief Constable in the Police and Crime Plan – <b>recommendation two</b> .
		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.

Significant risk	Work to address	Findings and conclusions
Tri-Force governance Avon and Somerset Police are partners in a number of regional collaborations with local Forces, including Tri- Force. A strong governance framework and resultant assurances are key to ensuring that key collaborations deliver the benefits that they are designed to.	<ul> <li>We have:</li> <li>Reviewed the Tri-Force governance framework</li> <li>Reviewed how assurance is gained by Avon and Somerset Police over the collaboration</li> </ul>	The Tri-Force Specialist Operations Unit is a collaboration between the forces of Avon & Somerset, Gloucestershire and Wiltshire. It was created in April 2014, and provides firearms, dogs and roads policing capabilities across the force areas. The Police and Crime Commissioners and Chief Constables of all three forces signed the collaboration agreement in April 2014 which is available on the public website of Avon and Somerset Police – equivalent to £11.853m in 2016/17. The collaboration agreement also sets out key governance and management arrangements, included provisions for a Commissioning Board and a Management Board as part of the governance framework. During the 2016/17 year, the governance arrangements were reviewed and updated. A Tri-Force Steering Committee was established, with delivery and project boards reporting into it. The Steering Committee in turn reports to the Management Board. The first meeting of the Tri-Force Steering Group was held in February 2017, and the agenda included updated and more detailed terms of reference (ToR) for both the Commissioning Board and the Management Board. These represent an encouraging improvement on the previous ToR, however it is not currently clear from the Commissioning Board ToR whether decisions can be made based upon a majority or must be unanimous, nor the number of attendees required for the meeting to be quorate – recommendation three. The Home Office published Statutory Guidance for Police Collaboration in October 2012, which includes consideration of governance structures, and the governance are aligned to four categories which has been developed by to monitor and report on the effectiveness of operational delivery and keeps the relevant stakeholders abreast of current performance. Performance indicators are aligned to four categories which are directly linked to the objectives agreed with operational leads for each of the portfolio areas. An example assurance pack, presented during the February 2017 meeting of Tri-Force Steering Committee ests out t

Significant risk	Work to address	Findings and conclusions
<b>Tri-Force governance</b> <i>Continued</i>		There is a Tri-Force risk register that is considered at the Commissioning Board which has a total of six RAG rated operational risks. The register was established in January 2017, and includes the elements expected from a risk register such as risk category, inherent risk score (considering impact and likelihood), mitigation plans, residual risk score (considering impact and likelihood), risk owner and risk lead. The above developments show the signs of improved and improving governance arrangements, although it is too early to say they are fully effective as many have only recently been developed. The recent promotion of the Tri-Force ACC provides an opportunity to reflect and reassess future future arrangements and governance. It will be important that this does not detrimentally impact on the momentum generated and progress gained, particularly in the last 6 months.
		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 working with partners.

### Significant difficulties in undertaking our work

We did not identify any significant difficulties in undertaking our work on your arrangements which we wish to draw to your attention.

### Significant matters discussed with management

There were no matters where no other evidence was available or matters of such significance to our conclusion or that we required written representation from management or those charged with governance.

### **Any other matters**

There were no other matters from our work which were significant to our consideration of your arrangements to secure value for money in your use of resources.

### Section 4: Other statutory powers and duties

- 01. Executive summary
- 02. Audit findings
- 03. Value for Money
- 04. Other statutory powers and duties
- 05. Fees, non audit services and independence
- 06. Communication of audit matters

# Other statutory powers and duties

We set out below details of other matters which we, as auditors, are required by the Act and the Code to communicate to those charged with governance.

	Issue Commentary	
1.	Public interest report	We have not identified any matters that would require a public interest report to be issued
2.	Written recommendations • We have not made any written recommendations that the PCC, Chief Constable or the Group are required to respond to publicly	
3.	Application to the court for a declaration that an item of account is contrary to law	We have not used this power
4.	Issue of an advisory notice	We have not used this power
5.	Application for judicial review	We have not used this power

### Section 5: Fees, non-audit services and independence

- 01. Executive summary
- 02. Audit findings
- 03. Value for Money
- 04. Other statutory powers and duties
- 05. Fees, non audit services and independence
- 06. Communication of audit matters

# Fees, non-audit services and independence

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

### Fees

	Proposed fee £	Final fee £
Police and Crime Commissioner audit	36,353	36,353
Chief Constable audit	18,750	18,750
Total audit fees (excluding VAT)	55,103	55,103

### The proposed fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA).

#### Fees for other services

Service	Fees £
Non-audit services:	
VAT disposal work on police vehicles	2,350

#### **Independence and ethics**

• Ethical Standards and ISA (UK&I) 260 require us to give you timely disclosure of matters relating to our independence. In this context, we disclose the following to you:

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.

For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the group. The table above summarises all non-audit services which were identified.

### Independence and non-audit services

We have considered whether non-audit services might be perceived as a threat to our independence as the PCC's and Chief Constable's auditor and have ensured that appropriate safeguards are put in place

	Service provided to	Fees	Threat?	Safeguard
<b>Non-audit services:</b> VAT disposal work on police vehicles	Avon and Somerset Police and Crime Commissioner	2,350	No	The non-audit fee is less than 6.5% of the audit fee for the PCC. We have implemented firm independence practices, including a separate engagement team performing the non-audit work.
	TOTAL	2,350		

The above non-audit services are consistent with the PCC's and Chief Constable's policy on the allotment of non-audit work to your auditor.

# Section 6: Communication of audit matters

- 01. Executive summary
- 02. Audit findings
- 03. Value for Money
- 04. Other statutory powers and duties
- 05. Fees, non audit services and independence
- 06. Communication of audit matters

# Communication to those charged with governance

International Standards on Auditing ISA (UK&I) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

This document, The Audit Findings, outlines those key issues and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

#### **Respective responsibilities**

The Audit Findings Report has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by Public Sector Audit Appointments Limited (<u>http://www.psaa.co.uk/appointing-auditors/terms-of-appointment/</u>)

We have been appointed as the PCC's and Chief Constable's independent external auditors by the Audit Commission, the body responsible for appointing external auditors to local public bodies in England at the time of our appointment. As external auditors, we have a broad remit covering finance and governance matters.

Our annual work programme is set in accordance with the Code of Audit Practice ('the Code') issued by the NAO (https://www.nao.org.uk/code-audit-practice/aboutcode/). Our work considers the PCC's and Chief Constable's key risks when reaching our conclusions under the Code.

It is the responsibility of the PCC and Chief Constable to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the PCC and Chief Constable are fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	√	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	√	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	$\checkmark$
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence.	~	~
Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged		
Details of safeguards applied to threats to independence		
Material weaknesses in internal control identified during the audit		$\checkmark$
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Non compliance with laws and regulations		~
Expected modifications to auditor's report or emphasis of matter		$\checkmark$
Unadjusted misstatements and material disclosure omissions		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓
Significant matters in relation to the Group audit including:	~	~
Scope of work on components, involvement of group auditors in component audits, concerns over quality of component auditors' work, limitations of scope on the group audit, fraud or suspected fraud.		

# Appendices

A. Joint action Plan

B. Audit opinion - Police and Crime Commissioner

B. Audit opinion – Chief Constable

# Appendix A: Joint action plan

Rec no.	Recommendation	Priority	Management response	Implementation date and responsibility
1	Management have historically taken a prudent position on future forecasting of key assumptions such as inflation. Given current and future economic and political uncertainty, it will be important to maintain this approach. At its next update, key assumptions in the MTFP should be reviewed to ensure that they remain appropriate and other external factors, such as Brexit, and their effect should be considered and assessed.	Low	Agree. Avon & Somerset always make MTFP planning provision for inflation and will continue to do so. We agree that the inflation risk is escalating with lower value of Sterling. We always benchmark our planning assumptions with other PCCs/Police Forces and generally take a view at the more prudent end of the spectrum.	CFOs September 2017 until Budget approved in Feb 2018
2	Over the next 5 years, the capital programme forecasts a spending requirement of £93.4m, with forecast funding levels of £73.6m. It is recognised that this is not a sustainable position, and work to prioritise capital projects should be undertaken. There is a balance to be struck between capital investments designed to generate efficiency savings, and spending to maintain estate and equipment capabilities. The prioritisation should also ensure that capital requirements reflect the Force's operational requirements as the operating model changes as a result of PBR.	Low	Agree. This work is underway and will involve some difficult decisions about prioritisation of capital projects and about how capital can be funded over the medium term. The capital programme is being re scheduled and reprioritised in an iterative process and will be reviewed at August PCB.	CFOs and ASC Head of Finance and Business Services At PCB August 2017 following prior scrutiny at CMB
3	The Tri-Force Commissioning Board Terms of Reference should state whether decisions can be made based upon a majority or must be unanimous, and include the number of attendees required for the meeting to be quorate.	Medium	Noted. Review with new head of Tri Force	Head of Tri force to be appointed.
4	The performance measures used to monitor Tri-Force should also be output focused, to allow conclusions to be drawn about the effectiveness and value of the collaboration. Comparable data should be available from all three Forces for the performance measures to ensure that meaningful comparisons to be made.	Medium	Noted. Review with new head of Tri Force	Head of Tri force to be appointed.
5	Management should implement a preventative (system based) control which requires journal authorisation before posting to the general ledger, or a detective / corrective control such as retrospective review of journal entries by an individual other than the poster.	Medium	Noted. The journal process has been updated within the Finance Team and quarterly spot check reviews will be conducted retrospectively by the Financial Services Manager to act as a detective / corrective control.	ASC Financial Services Manager July 2017

- High Significant effect on control system
   Medium Effect on control system
- Low Best practice

# Appendix B: Audit opinion – Police and Crime Commissioner

We anticipate we will provide the PCC and the group with an unmodified audit report

# DRAFT INDEPENDENT AUDITOR'S REPORT TO THE POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

We have audited the financial statements of the Police and Crime Commissioner for Avon and Somerset (the "Police and Crime Commissioner") for the year ended 31 March 2017 under the Local Audit and Accountability Act 2014 (the "Act"). The financial statements comprise the Group Comprehensive Income and Expenditure Statement, the Police and Crime Commissioner Comprehensive Income and Expenditure Statement, the Group Movement in Reserves Statement, the Police and Crime Commissioner Movement in Reserves Statement, the Police and Crime Commissioner Balance Sheet, the Police and Crime Commissioner Cash Flow Statement and the related notes and include the police pension fund financial statements of Avon & Somerset Police comprising the Fund Account and the Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

This report is made solely to the Police and Crime Commissioner, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Police and Crime Commissioner those matters we are required to state to the Police and Crime Commissioner in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of the Chief Financial Officer and auditor

As explained more fully in the Statement of Responsibilities, the Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Police and Crime Commissioner and Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Financial Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Narrative Report and the Annual Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion:

- the financial statements present a true and fair view of the financial position of the Police and Crime Commissioner and Group as at 31 March 2017 and of the Police and Crime Commissioner's and Group's expenditure and income for the year then ended; and
- the financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

#### Opinion on other matters

In our opinion, the other information published together with the audited financial statements in the Narrative Report and the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the audited financial statements.

#### Matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance included in 'Delivering Good Governance in Local Government: Framework (2016)' published by CIPFA and SOLACE; or
- we have reported a matter in the public interest under section 24 of the Act in the course of, or at the conclusion of the audit; or

#### Appendices

• we have made a written recommendation to the Police and Crime Commissioner under section 24 of the Act in the course of, or at the conclusion of the audit; or

• we have exercised any other special powers of the auditor under the Act.

We have nothing to report in respect of the above matters.

Conclusion on the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

#### Respective responsibilities of the Police and Crime Commissioner and auditor

The Police and Crime Commissioner is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 20(1)(c) of the Act to be satisfied that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

# Scope of the review of the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, as to whether the Police and Crime Commissioner had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Police and Crime Commissioner put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether in all significant respects the Police and Crime Commissioner has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

#### Conclusion

On the basis of our work, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, we are satisfied that in all significant respects the Police and Crime Commissioner put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

#### Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate in accordance with the requirements of the Act and the Code of Audit Practice until we have completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Police and Crime Commissioner for the year ended 31 March 2017. We are satisfied that this work does not have a material effect on the financial statements or on our conclusion on the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

[Signature to be inserted]

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Grant Thornton House Melton Street Euston Square London NW1 2EP

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# Appendix C: Audit opinion – Chief Constable

We anticipate we will provide the Chief Constable with an unmodified audit report

# DRAFT INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE FOR AVON AND SOMERSET

We have audited the financial statements of the Chief Constable for Avon and Somerset (the "Chief Constable") for the year ended 31 March 2017 under the Local Audit and Accountability Act 2014 (the "Act"). The financial statements comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and the related notes and include the police pension fund financial statements of Avon & Somerset Police comprising the Fund Account and the Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17.

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of the Chief Financial Officer and auditor

As explained more fully in the Statement of Responsibilities, the Chief Financial Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17, which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law, the Code of Audit Practice published by the National Audit Office on behalf of the Comptroller and Auditor General (the "Code of Audit Practice" and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Chief Constable's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Chief Financial Officer; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Narrative Report and the Annual Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

#### In our opinion:

- the financial statements present a true and fair view of the financial position of the Chief Constable as at 31 March 2017 and of its expenditure and income for the year then ended; and
- the financial statements have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 and applicable law.

#### Opinion on other matters

In our opinion, the other information published together with the audited financial statements in the Narrative Report and the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the audited financial statements.

#### Matters on which we are required to report by exception

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance included in 'Delivering Good Governance in Local Government: Framework (2016)' published by CIPFA and SOLACE; or
- we have reported a matter in the public interest under section 24 of the Act in the course of, or at the conclusion of the audit; or
- we have made a written recommendation to the Chief Constable under section 24 of the Act in the course of, or at the conclusion of the audit; or
- we have exercised any other special powers of the auditor under the Act.

We have nothing to report in respect of the above matters.

Conclusion on the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

#### Respective responsibilities of the Chief Constable and auditor

The Chief Constable is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 20(1)(c) of the Act to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

# Scope of the review of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, as to whether the Chief Constable had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Chief Constable put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether in all significant respects the Chief Constable has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

#### Conclusion

On the basis of our work, having regard to the guidance on the specified criteria issued by the Comptroller and Auditor General in November 2016, we are satisfied that in all significant respects *the Chief Constable* put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

#### Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate in accordance with the requirements of the Act and the Code of Audit Practice until we have completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Chief Constable for the year ended 31 March 2017. We are satisfied that this work does not have a material effect on the financial statements or on our conclusion on the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2017.

[Signature to be inserted]

#### DRAFT

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24 April 2017

Dear Mark

# Planned audit fee for 2017/18 – Avon & Somerset Police and Crime Commissioner

The Local Audit and Accountability Act 2014 provides the framework for local public audit. Under these provisions, the Secretary of State for Communities and Local Government delegated some statutory functions from the Audit Commission Act 1998 to Public Sector Audit Appointments Limited (PSAA) on a transitional basis.

PSAA will oversee the Audit Commission's audit contracts for local government and police bodies until they end in 2018, following the announcement by the Department for Communities and Local Government (DCLG) that it will extend transitional arrangements until the conclusion of the 2017/18 audits. PSAA's responsibilities include setting fees, appointing auditors and monitoring the quality of auditors' work. Further information on PSAA and its responsibilities are available on the PSAA website.

From 2018/19 PSAA has been specified by the Secretary of State as an appointing person for principal local government and police bodies. It will make auditor appointments and set fees for bodies that have opted into its national auditor appointment scheme it.

#### Scale fee

PSAA prescribes that 'scale fees are based on the expectation that audited bodies are able to provide the auditor with complete and materially accurate financial statements, with supporting working papers, within agreed timescales'.

There are no changes to the overall work programme for police audited bodies for 2017/18. PSAA therefore set the 2017/18 scale audit fees at the same level as the scale fees applicable for 2016/17. The scale fee for 2017/18 for the Police and Crime Commissioner for Avon and Somerset has been set by PSAA at  $\pounds$  36,353. The scale fee for 2017/18 for the Chief Constable for Avon and Somerset has been set by PSAA at  $f_1$ , 18,750. The total scale fee for 2017/18 for the audit of the group financial statements of the Police and Crime Commissioner for Avon and Somerset, including the statements of the Chief Constable, is £55,103.

The audit planning process for 2017/18, including the risk assessment, will continue as the year progresses. Fees will be reviewed and updated as necessary as our work progresses.

Chartered Accountants

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#### Scope of the audit fee

Under the provisions of the Local Audit and Accountability Act 2014, the National Audit Office (NAO) is responsible for publishing the statutory Code of Audit Practice and guidance for auditors from April 2015. Audits for 2017/18 will be undertaken under this Code, on the basis of the <u>201718 work-programme and scales of fees</u> set out on the PSAA website. Further information on the NAO Code and guidance is available on the <u>NAO</u> website.

The scale fee covers:

- our audit of your financial statements;
- our work to reach a conclusion on the economy, efficiency and effectiveness in your use of resources (the value for money conclusion); and
- our work on your whole of government accounts return (if applicable).

PSAA will agree fees for considering objections, from the point at which auditors accept an objection as valid, or any special investigations, as a variation to the scale fee.

#### Value for Money conclusion

The Code requires us to consider whether the Police and Crime Commissioner has put in place proper arrangements for securing economy, efficiency and effectiveness in their use of resources. This is known as the Value for Money (VfM) conclusion.

The NAO issued its guidance for auditors on value for money work in November 2016. The guidance states that, for police bodies, auditors are required to give a conclusion on whether the Police and Crime Commissioner has put proper arrangements in place.

The NAO guidance identifies one single criterion for auditors to evaluate:

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 outcomes for taxpayers and local people.

#### **Billing schedule**

Total fees for the audits of the Police and Crime Commissioner and the Chief Constable will be billed as follows:

Audit fee	£
September 2017	13,775.75
December 2017	13,775.75
March 2018	13,775.75
June 2018	13,775.75
Total	55,103.00

#### **Outline audit timetable**

We will undertake our audit planning and interim audit procedures by March 2018. Upon completion of this phase of our work, we will issue a detailed audit plan setting out our findings and details of our audit approach. Our final accounts audit and work on the VfM conclusion will be completed by 31 July 2018 and work on the whole of government accounts return will be completed by the national deadline.

Phase of work	Timing	Outputs	Comments
Audit planning and interim audit	Between November 2017 and March 2018	Joint Audit plan	The plan summarises the findings of our audit planning and our approach to the audit of the Police and Crime Commissioner accounts and VfM arrangements.
Final accounts audit	Between May and July 2018	Joint Audit Findings (Report to the PCC as 'the individual charged with governance')	This report sets out the findings of our accounts audits and VfM work for the consideration of the PCC as the individual charged with governance.
VfM conclusion	Between November 2017 and July 2018	Joint Audit Findings (Report to the PCC as the individual charged with governance)	As above
Whole of government accounts	In accordance with national deadline	Opinion on the WGA return	This work will be completed alongside the accounts audit.
Annual audit letter	September 2018	Joint Annual audit letter to the Police and Crime Commissioner	The letter will summarise the findings of all aspects of our work.

#### Our team

The key members of the audit team for 2017/18 are:

	Name	Phone Number	E-mail
Engagement Lead	Iain Murray	0207 728 3328	Iain.G.Murray@uk.gt.com
Engagement Manager	Jackson Murray	0117 305 7859	Jackson.Murray@uk.gt.com
In Charge Auditor	Megan Gibson	0117 305 7681	Megan.Gibson@uk.gt.com

#### **Additional work**

The scale fee excludes any work the Police and Crime Commissioner may request that we may agree to undertake outside of our Code audit. Any such additional pieces of work will be separately agreed and a separate project specification and fee will be agreed with the Police and Crime Commissioner.

#### **Quality assurance**

We are committed to providing you with a high quality service. If you are in any way dissatisfied, or would like to discuss how we can improve our service, please contact me in the first instance. Alternatively, you may wish to contact Jon Roberts, our Public Sector Assurance regional lead partner for the South West, via Jon.Roberts@uk.gt.com.

Yours sincerely

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Iain Murray Engagement Lead

For Grant Thornton UK LLP

#### **AVON & SOMERSET JOINT AUDIT COMMITTEE**

#### 14 JULY 2017

#### REVIEW OF THE ANNUAL ACOUNTS ENDING 31 March 2017

#### JAC Members questions and management responses on the accounts 2016/17

#### From the JAC Chair:

"Firstly thank you to all who have worked on these accounts. I believe they are clear and readable to a lay person."

#### **Questions and management responses**

#### A) <u>CFO Foreword</u>

#### Qu:

The pie charts on p6 of the PCC accounts suggest income from partnerships of 3% and expenditure of 8%. Some clarification would be helpful. I assume the income is from regional policing collaboration and the higher expenditure is the support for community projects offered by the PCC's office.

#### Management Response:

We would expect there to be differences between the income and the expenditure figures here.

The expenditure relates to all costs we have identified as being made to a partner third party as defined by the subjective coding on which the expenditure was captured. Owing to the way in which some of our collaborations with other police forces are structured this does not automatically reflect expenditure in relation to all collaborations. For example, SWROCU is a host force model – which means that Avon & Somerset recognizes a contribution in our management accounts of our share of the costs of this collaboration, using a partnership subjective code to capture this cost. Tri-Force on the other-hand is not a lead force model, but rather a collaboration based upon pooling of costs. This means that Tri-Force costs are captured in our management accounts against a subjective code which reflects the type of expenditure (e.g. police officers), and not therefore as partnership costs.

Partnership costs which are therefore shown within the 8% identified include items such as our payments to Southwest One, mutual aid paid to other forces for their support in policing major operations such as football matches, those collaborations (e.g. SWROCU) which are structured so as to be recognized by partnerships in this way etc...

Our partnership income on the other hand reflects the income received in support of partnerships, the biggest element of which is the income received from Southwest One in relation to our secondees that we would recharge across to Southwest One.

Having considered the response to this question we accept that the position might be a bit confusing, and therefore we intend to review the way in which this information is presented in future statements of account.

#### B) Borrowing

#### Qu:

Why was borrowing increased by £4m to £41m in the year? (PCC accounts p9)

#### Management Response:

At the end of the year £5m new borrowing was taken at a very low rate to support the capital programme. This is offset by some EIP loans which were repaid during the year.

#### *C)* <u>*MTFP*</u>

### Qu:

What will be the impact on the MTFP of changes in the provision of enabling services post-SW One?

#### Management Response:

The MTFP will be updated at the SW1 contract comes to an end. At the moment, £5m plus of planned savings are linked to

#### D) Annual Governance statement

This statement appears clear and concise and reflects the concerns/ issues raised during the year and the actions taken or underway to address these.

#### Qu: re funding

Given that there is no movement on the funding formula, are we expecting government grants to the Police to continue as is, for the life of this parliament ? Is there any environmental scanning information on uplift in resources for example, given recent events and the Opposition's manifesto ? Conversely (and probably part of the same question) with Brexit looming and the divorce costs being discussed, is it likely that the MTFP will be adversely affected by the Treasury imposing new or sudden further cuts?

#### Management Response:

Our current assumption is that the Main Grant will slowly reduce over the life of this parliament, offset by rising council tax precept receipts. The police funding formula review would appear to be paused, possibly for the entire new parliament – however long it lasts.

Policing is higher on the political agenda currently and the PCC and Chief have already written to our new and returning MPs and to the Home Secretary and contributed to an APCC/NPCC request for evidence to support their upcoming spending review submission – all setting out our issues on armed response, rising demand, the need for investment in local policing and our concerns at "flat cash" PCC funds when costs are rising and capital projects nee funding.

Brexit does remain a risk on our scanning, as a high "exit bill" from the EU will need to be funded by tax and/or more austerity. This could be made worse by lower business investment in the UK and a slowing economy as consumer spending slows dues to rising prices.

In respect of rising prices, we will review our INFLATION assumptions in the Autumn 2017 for the next iteration of the MTFP, as Brexit appears to have deflated sterling for the foreseeable future and so will introduce higher prices on many imported goods an services.

## E) Capital and Reserves

### Reserves

#### Qu:

Reserves are low in relation to turnover and are reducing. What consideration has been given to the long term impact of use of reserves? Have management identified a tipping point below which is would be unwise to go?

#### Management Response:

Earmarked useable Reserves have reduced in year by £2.6 million and this is due to a net reduction in the 'Transformation' reserve which has been used to fund change activity including digital programme; enabling services programme; accommodation programme.

The General Fund is unchanged at £10.4 million and has been subject to risk assessment by the PCC's CFO and reviewed at the Police & Crime Board.

Capital Receipts reserve has reduced by £4.4 million. This is the net of £5.6 million as contribution to funding £14 million of capital expenditure in 2016/17 and £1.2 million of new capital receipts generated in the year.

The PCC reviews reserves usage and planned usage at the Police &Crime Board. The PCC has agreed a reduced cost of change for 2017/18 and has sufficient transformation reserve to support this level of change for a further year. Thereafter further savings would be required to fund change, however it is expected that the cost of change programmes will reduce after 2019. The PCC has not yet set a minimum level of reserves as levels have been deemed satisfactory, but this assessment may be needed in coming years. In particular the general fund will not fall below a risk assessed minimum unless in exceptional circumstances.

#### Capital

#### Qu:

Capital expenditure has fallen due to rationalisation of estates and revaluation of assets. Did sale of property in year not have a positive impact on reserves?

#### Management Response:

Please see the notes above on reserves.

There were less significant property disposals in 2016/17.

There are still a number of large sites planned for future disposal including: Taunton; Minehead; Trinity Road; Yeovil.

#### F) <u>Accounts</u>

#### Adjustments to provisions = £ 3886 ( CC acc. )

## Qu:

What was the make-up of this sum?

#### Management Response:

The following table provides a breakdown of this figure:-

Provision – Underspend Movement	£'000
Insurance Provision	1,472
Legal Services Provision	(47)
III-health retirements Provision	238
Redundancy Provision	77
Holiday Pay on Overtime Provision	0
Overtime Liability	1,793
Employment Support Allowance	353
TOTAL PROVISIONS	3,886

#### Total recorded crime.

#### Qu:

In these accounts this is reported as having increased by 20% up till December 2017.( CC acc)

In the group accounts the figure used is 17.5% in year.

Is there a reason for the use of different reporting periods?

What is the operational and financial impact of this increase?

#### Management Response:

There was no intentional difference, just rounded in one report.

The Constabulary have improved their recording of crime compliance and this accounts for most of the uplift. There is overall still increasing demand on the police service and this requires prioritization and investments to make resources as efficient and effective as possible. The Constabulary's PBR – Priority Based Review – of their operating model has created a new 4 Directorate Model better suited to manage the new and emerging demands on the service. This will be supported by enabling services that are being consolidated and reviewed in 2017/2018. In addition officers are and better supported by investments in Body Worn Video, Qliksense data analytics tools and Mobilisation.

# Regional Organised Crime Unity (Zephyr)

# Qu:

Why has the cost of this collaboration increased so significantly in year?

## Management Response:

Yes, the PCC's contribution has increased from £1.7 million in 2015/16 to £2.3 million in 2016/17 and the overall cost of the unit has increased to £ 6.7 million in 2016/17.

This is due to the scope of what is included in the ROCU expanding during the year, specifically in relation to:-

- Undercover functions these were moved from the Constabulary into ROCU w/e from 1<sup>st</sup> May 2016;
- Technical Surveillance Unit the management, administration and non-pay costs associated with this function were moved into ROCU during the year.

### South West Forensic Services

Qu:

There is a considerable uplift in payment to the South West Forensic Services - is there a particular reason for this?

#### Management Response:

Yes, the PCC's contribution has increased from £2.8 million in 2015/16 to £6.7 million in 2016/17 and the overall cost of this service has increased to £18.4 million in 2016/17.

These increases are a reflection of the phased implementation of this collaboration. In 2015/16 the collaboration saw a fullyear cost in relation to identification services (phase 1), and part year effects for digital forensics (phase 2 – went live in Aug 2015) and crime scene investigations (Phase 3 – went live in Jan 2016).

In 2016/17 all three phases saw a full-year effect of costs, with some increases in the scope of costs included in the collaborations also occurring.

#### Staffing Costs

#### Qu:

A high % of income is currently spent on staffing (79%) this impacts on the ability to rationalise. Will the repatriation of staff from South West one impact positively on this?

There are savings reported against the local policing costs and prevention, protection and prosecution costs in the OCC report (p5) - are these some of the permanent savings identified ? Have they been achieved through staffing changes or a variety of factors ? Are we confident that this doesn't adversely affect public confidence and access to the police concerns?

#### Management Response:

Staffing represents the majority of the revenue budget.

The move of staff from Southwest One will happen in two stages in July 2017 and then June 2018. This will create opportunities to review these departments, re-let third party contracts and ensure these functions are efficient and fit for purpose to support the new operating strictures in the Constabulary.

Page 5 of the report shows where underspends against savings were realized during the 2016/17 financial year. As the question highlights there were significant underspends in relation to local policing. These were reported on in more detail to the Police and Crime Board meeting in May (see PCC's website where the outturn paper is published - http://www.avonandsomerset-pcc.gov.uk/Document-Library/TERM-TWO/Police-and-Crime-Board/03-May-2017/20170503-PCB-Revenue-and-Capital-Outturn-Report.pdf).

In summary the majority of the local policing underspend reflects vacancies which were prevalent more towards the start of the year. These vacancies have been and continue to be filled, and therefore do not represent permanent savings taken. In addition it was identified that the standard unit cost used in budgeting was too high, this has enabled us to make an adjustment to budget which has delivered a recurring saving without actually deleting any posts. The resources therefore in local policing (as was before the new structure was implemented) remain largely in tact without having seen reductions from savings this year. As vacancies are filled there is therefore actually scope for public confidence and access concerns to be addressed positively.

The underspends in relation to prevention, protection and prosecution were also predominantly realized as a consequence of vacancies, in many cases consciously so as we wanted to realized capacity to make the changes in the realization of savings. Some of these vacancies will have been taken as permanent savings, whereas some of the vacancies will have allowed for re-

#### Overtime

#### Qu:

Overtime expenses and accruals (leave and other) amounts to £7,997,138( group acc)

Although reduced on the previous year this still appears to be a substantial figure for carry forward of entitlements What procedure is in place to manage down the size of this liability? If overtime has risen, as has recorded crime, whilst head count has stabilised. Is it anticipated that this cost will continue to rise

#### *in these circumstances* Management Response:

The total accrual figure is made up of several amounts, with leave accounting for the following over the two years:-

31/03/2016	31/03/2017	Movement (£)	Movement (%)
£6,617,234	£6,197,640	-£420,094	-6.3%

This balance reflects all leave, including annual leave not taken, flexi-time and TOIL not taken at the end of the financial year. It continues to reduce, but will never completely be removed as it reflects the position as at a point in time dependent on many factors (e.g. where Easter falls in relation to year-end, where flexi period falls in relation to year-end etc...).

We would not immediately presume that the accrual for leave balances will necessarily continue to rise, as it is dependent on many factors. As we fill more of our operational vacancies we would hope that pressure on overtime (particularly that element which was as a consequence of covering vacancies) will reduce, and therefore the TOIL balance would likewise reduce. This will from time to time be offset by demand pressures, including pressures of day to day demand and those brought about by planned operations (e.g. events policing) and responses to major incidents. The Constabulary has been working hard, including working with partner agencies, to bring about reductions in our demand which we hope will further manage these pressures, and investments in digital mobilization in particular we hope will bring about more effective ways of working enabling demand to be better managed still further.

The Constabulary will continue to support managers in reducing overtime and TOIL balances. We will also intend to explore what system controls might be in place through the implementation of MFSS to enable more contemporaneous taking of TOIL, or conversion into payment for overtime. This is something we were looking to bring about through SAP, and will not take forward through our MFSS implementation.

#### **Future Deficit**

#### Qu:

There is a predicted deficit of £21 million in 21/22. Is there reference to a longer term strategy re how this is being addressed?

#### Management Response:

The PCC has approved planned savings of £15.5 million against this deficit. Some £8 million of these will be delivered in the current year (2017/18) driven by the priority based review work and arly savings from the end of the SW1 contract.

The focus on future savings is from:

- restructuring enabling services following the end of the Southwest One contract;
- re-letting third party contracts following the end of the Southwest One contract;
- continued savings from the accommodation programme;
- increased efficiency from better use of technology including: mobile; digital evidence; and data analytics;
- continued drive for procurement savings;
- continued drive for collaboration efficiencies with other police services, other blue light services and local authority partners.

#### Chief Officer expenses.

#### Qu:

What was operation Sweden?

#### Management Response:

Operation Sweden was the name given to the investigation surrounding the shooting at Chubbards Cross caravan park, near Ilminster, in May 2016.

#### **Intra-Group Adjustment**

#### Qu:

*Qu. Why is there a large change between years in the "Intragroup adjustment" in the Income and Expenditure summary on p33 of the constabulary accounts.* 

#### Management Response:

These figures are the sum of all the figures above, excluding the "pensions top-up grant" (this is excluded in order to remain internally consistent with the presentation of the I&E on page 23 – where the expenditure and income net off against one another).

Overall the figure has increased by £1.9 million. You can therefore see there have been some movements in the income, with the following movements explaining the variance:-

- Sales, rent, fees and charges increase of £2.9 million this is consequence of increased receipts from speed enforcement, funding for policing at Hinkley Point, and increase in proceeds of crime income as a consequence of successful asset confiscation work;
- Southwest One recharges reduction of £1.1 million this reflects the ongoing reduction in secondee numbers, replaced by direct hires in Southwest One during the year;
- Seconded Officers reduction of £0.1 million a reflection of reduction in number of officers and staff seconded out of force over the course of the year;
- CT policing grant increase of £0.9 million this reflects increased funding in support of CTSFO uplift and funding in support of special branch accommodation moves;
- Other specific grants reduction of £0.8 million this reflects one-off transformation fund grant income in 15/16 for DEMS which wasn't repeated in 16/17.

#### **Collaboration and Balance Sheet**

### Qu:

*Qu. Neither set of accounts makes clear the financial impact of regional police-force collaborative ventures on the balance sheet of the Constabulary. This would be helpful and informative.* 

#### Management Response:

There is no requirement to separate out the balance sheet amounts in the accounts, in the same way that there is for revenue costs (as set out in Note 14 of group accounts). The following would be the ways in which amounts relating to collaborations are captured on the balance sheet.

#### Long-Term Assets:-

There are essentially two assets which relate to collaboration:-

• Blackrock Training Centre – this is a shared PFI facility between ourselves and Wiltshire and Gloucestershire Constabulary's. As with all of our PFI assets these are recognized on the Balanced Sheet of the PCC, with the Blackrock asset split between A&S, Wilts and Glos. The A&S share of the value of this asset at 31/03/17, and therefore

• SWROCU site – the project to provide a new facility for the SW Regional Organised Crime Unit is being managed by A&S on behalf of the region. At the end of the financial year this asset was under construction and wholly accounted for by Avon & Somerset PCC at a value of £4.0m. The accounting for this asset upon completion is yet to be agreed across the region, and we will confirm this in advance of the 2017/18 financial year-end.

#### Debtors/Creditors:-

At the end of the financial year we may have debtors (money owed to us) or creditors (money we owe) in relation to collaborations. These are normally not material, and often reflect the financial performance of a collaboration during the year (e.g. underspend would result in amount to be returned to individual forces).

#### PFI Liability:-

We would include our share of the PFI Liability as it relates to Blackrock on the PCC's balance sheet. This would be split between short-term (falling due within 12 months) and long-term (falling due beyond 12 months). As at 31/03/17 the total A&S share of the PFI liability amounted to £5.8m, with £0.1m recognized in short-term liability, and £5.7m recognized as a long-term liability.

#### **Reserves:-**

There are two reserves which relate to collaborations:-

- Capital Adjustment Account (non-useable reserve) this is the reserve into which the capital re-payment that reduces the PFI liability ends up. This payment is posted to the I&E, and is then reversed out again into this reserve;
- Zephyr Reserve this reflects the value of funds retained in support of Zephyr, and specifically in support of its new accommodation. This earmarked reserve is held by Avon & Somerset on behalf of the region, and is separately identified and explained in note 33.1 to the PCC's accounts. The balance as at 31/03/17 stood at £1.2m.

	RISK		MITIGATION OF RISK			A	ASSESSMENT
Risk / Objective	Description	Impact	Controls and Assurances	Unmitiç	gated / Curre	ent Risk	Commentary and
	Description	impuor		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	PCC and Chief Executive reviewed governance arrangemer and a revised governance structure has been adopted with agreement from the Constabulary. These include a monthly PCC Board, formalising scrutiny, k decisions and performance tracking. This has replaced PCC
SR1 Governance failure Fa Fa of Fa CI Fa Fa Fa Fa Fa Fa Fa Fa Fa Fa	Failure to ensure adequate transparency of the OPCC and/or the Constabulary. Failure to ensure effective systems and controls are in place to manage risk and support the delivery of service including fulfilment of the Strategic Policing Requirement. Failure to hold Chief Constable to account. Failure to address conduct or performance of Chief Constable. Failure to address complaints against the Chief Constable. Failure to ensure Chief Constable sets appropriate culture, ethics and values.	<ul> <li>Reduced Public confidence</li> <li>Substandard performance</li> <li>Sub standard performance</li> <li>Force not efficient /effective</li> <li>risks not managed</li> <li>financial loss</li> <li>reputational risk</li> </ul>	Risk owner: PCC / OPCC CEO and CFO PCC Police and Crime Board PCC Chief Constable 1:1s Representation at Constabulary CMB Qlik sense application Audit Committee, audit, annual governance statement Scrutiny of complaints - IRP Service Delivery assurance OPCC visits Police and Crime Panel meetings DCC attendance at OPCC SLT Staff survey review	4	4	16	COG Board. Governance arrangements were reviewed in March 2017. Positive assurance from RSM annual report. Significant changes have been made in both organisations (Constabulary and OPCC) in relation to governance arrangements, and the Constabulary is currently undergoing structural change. While this needs to embed, the annual internal audit report concluded that the PCC and CC have an adequate and effective framework for risk management, governance and internal control. The CC has written to the PCC regarding the changing security climate. On this basis, the probability of this risk materialising has been increased and until concerns are addressed, this risk is considered to be on an escalating trajectory.
	Failure to sufficiently assess needs and			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	failure to agree an appropriate Police and	<ul> <li>to agree an appropriate Police and Plan with the Chief Constable.</li> <li>e to deliver the Police &amp; Crime Plan.</li> <li>PCC priorities not agreed, set or delivered</li> <li>Public confidence eroded</li> </ul>	Risk owner: PCC / OPCC CEO PCC/Chief Constable meetings Police and Crime Board Representation at Constabulary CMB Qlik Sense App Audit Committee	3	3 4	12	While the Constabulary were unsuccessful in delivering the previous Police and Crime Plan, there is evidence the new plan has been understood and adopted at senior level. Internal assurance mechanisms are in place to evaluate delivery of the Plan's objectives, and there is evidence of progress being made against the majority of these.
							The organisational change underway is both a threat and an opportunity in terms of Plan delivery.plan. The probability of this risk materialising is considered to be decreasing.

REGISTER -	RISK		MITIGATION OF RISK			A	SSESSMENT
				Unmiti	gated / Curre		Commentary and
Risk / Objective	Description	Impact	Controls and Assurances	Probability	Impact	Risk Score	Review date
	Failure to agree and deliver a balanced Constabulary budget with the Chief Constable. Running an unsustainable budget deficit running out of funds.			4	5	20	<ul> <li>Deficit £9m for 17/18 addressed by PBR and Enabling services plans now agreed and in process.</li> <li>£21m savings needed by March 2022 including £5m reinvestment</li> </ul>
070	Unable to meet financial obligations as they fall due, reserves insufficient to cover deficits. Unable to manage or control budgets.	- Run out of money - require intervention - Govt. intervention - Reputation / public	Risk owner: PCC / CFO Medium and long term financial planning			15	<ul> <li>PBR has £5m savings objective agreed</li> <li>PBR has been implemented and there is confirmation savings will be delivered. The South West One succession project is on track to deliver identified savings.</li> </ul>
SR3 Financial Incapability & VFM	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.	<ul> <li>Reputation / public confidence lost</li> <li>unable to fund adequate or minimum service unable to fund delivery of PCC priorities</li> <li>unable to afford change.</li> <li>inefficiency in use of police funds wastes money and harms reputation</li> </ul>	Medium and long term financial planning Regular oversight of revenue & capital budget Maintain adequate risk-assessed reserves Audit Committee / Internal Audit Treasury Management strategy in place outcomes reviewed by CFOs and Finance meeting HMIC efficiency inspection regime	3	3 5	•	Enabling services plan is to be agreed and needs to deliver £9.5m savings. Funding formula for 18/19 will be consulted on - presents bot opportunity and threat to future government funding. delayed by G Election. Precept rise agreed 1.99% for 2017-18 and assumed at 1.99% increase for the following 2 years. If pay cap is lifted from 1% for future years this will generate budget pressure unless matched by new funding from main grant and/or precept rises above 2%. Demands and threats continue to increase, but net funding is "flat cash", so creating pressure on resources
			Risk owner: PCC / OPCC CEO/Head of Comms	4	3	12	Latest PCC-CC video live chat was viewed by circa 6000 people. There was a good response to the consultation on priorities
SR4 Failure to <b>Engage</b>	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.	ies and stakeholders. and people's priorities cing and crime. It of local people's views, and single issue voices	Meetings with LA chairs/ CEOs; CSP Chairs; local community group leaders PCC Forums, out and about days, attendance at summer events, meeting community groups			12	for the Police and Crime Plan (1915 responses). Opportunities exist to increase community engagement at forums, events etc. Opportunity to increase engagement with people from diverse communities presented by the establishment of the SOP panel.
Failure to Engage with the public			Web site, twitter & social media Representation on CSPs, Children's Trusts, LCJB, Health and Wellbeing Boards OCC/OPCC Comms meetings	4	3	<b>4</b> Þ	<ul> <li>PCC and COG have developed a joint comms plan (proactive) and reactive) to ensure closer working and resource allocation. This is working well.</li> <li>There are concerns over racial tensions in Bristol. There are also two reviews (Neighbourhood Policing and Enquiry Office underway that have escalated the probability of this risk materialising in this latest iteration (June 2017).</li> </ul>

	RISK		MITIGATION OF RISK			А	SSESSMENT
Risk / Objective	Description	Impact	Controls and Assurances	Unmiti	gated / Curre	ent Risk	Commentary and
(ISK / Objective	Description	Impact	Controls and Associatices	Probability	Impact	Risk Score	Review date
	Failure to:			4	4	16	Commissioning budget review taken place to balance t
SR5 Commissioning & Services	Deliver community safety, victims services and other partnership outcomes effectively.	<ul> <li>Delivery failure</li> <li>Reputation / public confidence</li> <li>Relationship with</li> <li>Constabulary and partners</li> <li>Government penalties</li> <li>Poor assessment results</li> </ul>	<b>Risk owner:</b> Head of C&P OPCC Business and Delivery Plan OPCC commissioning team Governance Boards, scheme of governance Victims service established by OPCC/OCC, with regular review meetings OPCC Risk Register OPCC Issue Register	3	4	12	Commissioning budget review taken place to balance to 2017/18 budget and prioritise in line with the Police and C Plan complete. Funding reductions being managed RJ review complete and new model go live from 1st Ju Transition / handover taking place in coming weeks. Applied for funding from VAWG transformation fund - ris current service provision if not successful. Delay in announcement due to purdah places further risk on serv provision SARC re-commissioning process just commenced, led NHS England. Risk to service provision, relationships a equitable outcome for Avon and Somerset through th commissioning period and beyond

	RISK		MITIGATION OF RISK			A	SSESSMENT
iala ( Obia atiaa	Description	laure e et		Unmiti	gated / Curre	ent Risk	Commentary and
Risk / Objective	Description	Impact	Controls and Assurances	Probability	Impact	Risk Score	Review date
				4	4	16	
	Failure to: Develop and implement effective 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 Failure to put in place effective governance and ownership of regional projects and programmes Collaborate with Fire Authorities.	<ul> <li>Inefficient compared to other regions/areas         <ul> <li>Government scrutiny/intervention</li> <li>forced to accept others terms from future alliances or mergers</li> <li>Poor VFM assessment results</li> </ul> </li> </ul>	<b>Risk owner:</b> PCC / OPCC CEO/ OPCC CFO OPCC Business Plan Regional commissioning and programme boards Strategic Collaboration Governance	4	4	16	<ul> <li>Strategic Collaboration programme on enabling services heen stopped, though existing collaborations will continue. ASC and OPCC remain open to future collaboration arrangements.</li> <li>CJ transformational work with CJ partners has commence ERP decision is a police collaboration.</li> <li>Regional progress made on Major Crime, ROCU, Forensi STORM, CT, ESMCP.</li> <li>Dialogue with local partners regarding commissioned servi working together, e.g. drug &amp; alcohol, victims etc. is ongoi</li> <li>Dialogue with Fire and Local authority partners underwa focused on co-location and call centres.</li> </ul>
SR7 Capacity/	Risk that: i) People in post do not have sufficient knowledge or skills to perform roles to standards of quality and/or to meet	materialisation of risks	Risk owner: PCC / OPCC HR Manager (supported by SLT)	4	4	16 12	There is appetite to undertake new work, but no furthe
Capability Failure to have adequate capacity and capability	deadlines; ii) there is insufficient transfer of knowledge that would provide cover/resilience; iii) there is insufficient capacity in - d	(governance, scrutiny, commissioning of services, engagement with public); - damaged relationship with public, constabulary and/or partners.	OPCC Business Plan PDR process and regular supervisory sessions SLT, Delivery plan meetings and Team meetings (to share knowledge, resolve issues) OPCC HR policies Resource planning	3	4	Δ	capacity - to do this would require additional resource prioritisation of deliverables with a view to slowing/stopp some. Resilience has yet to be built as although there a workstream teams, responsibilities for areas of knowledge rest with individuals.

	RISK		MITIGATION OF RISK	ASSESSMENT			
Risk / Objective	Description	Impact	Controls and Assurances	Unmiti	gated / Curre	ent Risk	Commentary and
Visk / Objective	Description	impact	Controls and Assurances	Probability	Impact	Risk Score	Review date
	Failure to: Set Policing Plan / Priorities (as above). Set Policing Precept budget (as above). Deliver community safety, victims services		<b>Risk owner:</b> PCC / OPCC CEO, CFO, Office/HR Manager and Head of C&P	4	3	12	
SR8	and other partnership outcomes effectively. Operate an effective Custody Visiting Scheme.	- Delivery failure - Reputation / public confidence	OPCC Business Plan Police and Crime Plan / Annual Report OPCC commissioning team			3	OPCC Business and Delivery Plan is developed with workstreams that detail activity covering all statutory requirements.
Failure to meet OPCC Statutory Requirements	Provide effective oversight of complaints against Chief Constable. Failure to follow legal and other guidance to ensure transparency of OPCC work.	- Relationship with Constabulary and partners - Government penalties - Poor assessment results	Governance Boards, scheme of governance Annual Assurance Statement Audit Committee / Internal Audit Victims service established by OPCC/OCC Transparency Checklist OPCC Risk Register OPCC Issue Register	1	3	•	OPCC team appointed owners to statutory duties. OPCC have forum (delivery plan meetings) which will ena tracking or progress and for issues and risks to be raised evaluated.

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<b>DEPARTMENT:</b> Business Improvement	AUTHOR: Sean Price	COG Sponsor: DCC Crew

**NAME OF PAPER:** Strategic Risk Management

# 1. PURPOSE OF REPORT AND BACKGROUND

This report provides an update on strategic risks currently facing the Constabulary and an update on reviews and relevant risk management work that has been undertaken since our last update.

# 2. OVERVIEW

The Constabulary continues to develop its Strategic Risk Register (SRR) and each directorate manages the review of risks, maintaining their own local documentation that informs the SRR. The SSR is then reviewed each month at the Corporate Management Board where a collective understanding of risk interdependencies, escalation/de-escalation and mitigating approaches are discussed.

The risk registers have been recently refreshed to reflect the new operational directorate structures. The exception to this is Enabling Services but this has been recognised and forms one of the recommendations from June's Constabulary Management Board (CMB) held on the 29<sup>th</sup> June.

In addition, it was agreed at the CMB, the need to continually improve the quality of risk management process with an action agreed for the Governance & Secretariat function to work with Directorate Heads and agree risk management process roles and responsibilities process and timelines for the coming year.

Finally, mitigating actions and updates to SSR4 were discussed in light of recent national events.

# 3. CURRENT POSITION

- Overview and management of the Constabularies Strategic Risk Register is now owned by the Business Improvement department.
- Enabling Services risk register work continues
- A piece of work has been commissioned by ACC Watson to report to the Demand Management Group in response to identified risks including the Constabularies response to a sudden increase in demand, with <u>a consideration</u> for a 'demand level status' and making improvements to the allocation of resourcing across major events, linked to SSR3 & SSR4
- Two new risks have been added to the Strategic Risk Register concerning Data Quality (SSR14) and Police National Database (PND) – (SSR15)

# 4. FINANCE

No implications

# 5. DIVERSITY

Equality and diversity issues are considered within the ongoing risk management and business continuity processes, in particular where any mitigating actions may have a direct impact upon a particular group(s)

# 6. SUSTAINABILITY

The risk management process has no implications for sustainability.

# 7. RECOMMENDATIONS

The Joint Audit Committee is invited to consider the Strategic Risk Register and current position

MEETING: JAC	Date: 14 July 2017	
<b>DEPARTMENT:</b> Business Improvement	AUTHOR: Sean Price	12
NAME OF PAPER: Summary of HMIC and Internal Audit Recommendations		COG Sponsor: DCC

# 1. PURPOSE OF REPORT AND BACKGROUND

This report contains summaries of progress against HMIC and recommendations for inspection reports published for 2016 /17.

The agreed Inspection and Audit process and approach is set out in the Guidance for Business Leads. Progress updates from the Business Leads are recorded on the AFI Tracker. All recommendations are overseen by the Governance Group, chaired by the DCC.

- At the meeting on 27 February Business Leads from HR and PSD were invited to update the group on progress against HMIC recommendations made in the HMIC Legitimacy Report.
- The FCIR has been invited to the Governance Group meeting on 17 August to talk through progress against the recommendations from the CDI Report.

A QlikSense App has been produced that covers HMIC and RSM recommendations. The app allows users to filter recommendations by inspection body, COG Lead, Business Lead as well as open and closed statuses; the Inspection Recommendations App can be accessed via Pocketbook.

# Section A

HMIC reports contain recommendations that require action from specific forces; action from all forces; action from national bodies such as the College of Policing, the Home Office and action from ACPO Leads. Not all require a response from Avon and Somerset Constabulary. Some recommendations are addressed to a combination of organisations, and some are dependent on action from other agencies taking place in order for forces to progress their part of the recommendation.

The term 'recommendation' used within this report covers recommendations, causes of concern and areas for improvement.

HMIC are reviewing progress made against existing recommendations as part of the new PEEL Assessments.

#### Section B

Internal audits are undertaken by RSM, the Internal Auditors. The yearly internal audit programme is agreed and approved by the Joint Audit Committee (JAC) Members. The JAC Members follow a risk based audit approach when identifying audit themes to ensure they add value and avoid duplication with existing assurance processes. Recommendations from internal audits will be reviewed by the Governance Group.

At the close of each audit RSM provide a Final Report. Twice a year RSM undertakes a Follow Up Audit of all High and Medium recommendations and report back to the JAC on what progress has been made.

#### **SECTION A**

#### 2. HMIC OUTCOME/ FINDINGS

- The **2016/17** HMIC reports contained **28** recommendations, **5** of these require a national response. **23** require a response from the force. This is fewer recommendations than at this time last year. The 2016/17 recommendations are very recent and therefore still in the early stages of progression.
- Of the 23 recommendations the constabulary needed to action 21 remain open:
  - <u>HMIC PEEL Effectiveness Force Report</u> Business Lead Supt Rich Kelvey and DCI Matt Iddon The force specific Effectiveness report was **published on 2 March 2017**, and contained 5 AFIs (Areas for Improvement). All 5 remain open and are being progressed by the Leads for review and response. None are overdue.
  - <u>Crime Data Integrity</u> Business Lead FCIR Su Polley The force report, **published on 9 February 2017**, contains four Causes of Concern, from which HMIC have made 8 recommendations and 4 AFIs (Areas for Improvement). All the recommendations and AFIs have been reviewed by the FCIR, none are overdue, and an action plan has been formulated. Progress is being overseen by the Crime Data Core Group chaired by ACC Nikki Watson.
  - <u>HMIC PEEL Leadership</u> Business Lead Supt Rachel Williams
     The force specific Leadership report was published on 8 December 2016, it contained one recommendation which is being progressed and overseen by the Business Lead and HR. The initial timescale, set by the Constabulary, was the end of April however this is being reviewed as the resolution is reliant on IS capacity to support.
  - <u>HMIC PEEL Legitimacy</u> Business Lead Supt Richard Corrigan
     The force specific Legitimacy report was **published on 8 December 2016**, it contained 5 recommendations, 2 have been completed and 3 are being progressed. 1 recommendation sits with the Lead; the other 2 sit with HR. None are overdue.

# SECTION B

# 1. RSM OUTCOME/ FINDINGS

# RSM Internal Audit Findings 2016/17

- In 2016 /17 RSM have made a total of **71** recommendations, **18** remain open.
  - <u>Workforce Development Report</u> Business Lead Cathy Dodsworth and Mike Carter 1 Recommendation remains open and in progress.
  - <u>Financial Controls</u>
     2 Recommendations remain open and active.
  - <u>Payments to Staff</u>
     1 Recommendation is open and being progressed.
  - <u>Crime Data Integrity</u>
     8 Recommendations are open and being progressed.
  - <u>Estates Follow Up</u>
     2 Recommendations open and in progress.
  - <u>Collaboration Follow Up</u>
     1 Recommendation open and in progress.
  - Financial Controls Follow Up

# RESTRICTED

1 Recommendation i1 open and active.

• <u>Vulnerability Follow Up</u> 2 Recommendations are open and in progress.

# 4. FINANCE FOR OPTIONS

There are no finance options.

# 1. DIVERSITY

There are no diversity issues.

## 2. SUSTAINABILITY

There are no sustainability issues.

# 3. **RECOMMENDATIONS**

There are no recommendations.

# RESTRICTED