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Date : 12th March 2019

To: ALL MEMBERS OF THE JOINT AUDIT COMMITTEE

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

Dear Member

NOTICE OF MEETING

You are invited to a meeting of the **Joint Audit Committee** to be held at **11:00** on **21st March 2019** in the **Main Conference Room, Police Headquarters, Portishead**. Due to the timing of this meeting lunch will be provided.

Joint Audit Committee Members are invited to attend a pre-meeting at 10:00 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

INFORMATION ABOUT THIS MEETING

(i) Car Parking Provision

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

(ii) Wheelchair Access

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

(iii) Emergency Evacuation Procedure

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

(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:

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Valley Road
Portishead
BS20 8JJ

Telephone: 01275 814677

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(vi) REPORT NUMBERS CORRESPOND TO AGENDA NUMBER

AGENDA

21st March 2019, 11:00

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 Car Park at the front of the Admin Building.

3. Declarations of Gifts/Offer 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 e-mailed to JAC@avonandsomerset.pnn.police.uk

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 16th January (Report 5)

6. Business from the Chair (Report 6):

- a) Welcome New Joint Audit Committee Member
- b) Police and Crime Board (Verbal Update)
- c) Update on IOPC Investigations (Verbal Update)
- d) Internal Audit

7. Internal Audit (Report 7):

- a) Environmental Scanning
- b) PCC and Chief Constable Expenses
- c) Organisational Learning
- d) Follow Up Part 2
- e) Annual Report

8. External Audit Update (Report 8):

- a) Joint External Audit Plan
- b) Audit Progress Report

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

10. Constabulary Strategic Risk Register (Report 10)

Part 2

Items for consideration without the press and public present

11. Exempt minutes of the Joint Audit Committee Meeting held 16th January 2019 (Report 12)

POLICE AND CRIME COMMISSIONER FOR AVON AND SOMERSET

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**MINUTES OF THE JOINT AUDIT COMMITTEE MEETING HELD ON WEDNESDAY
16TH JANUARY 2019 AT 10:30 IN THE CONFERENCE ROOM, POLICE HQ,
VALLEY ROAD, PORTISHEAD**

Members in Attendance

Katherine Crallan
Jude Ferguson (Chair)
Sue Warman
Shazia Riaz

Officers of the Constabulary in Attendance

Sarah Crew, Deputy Chief Constable
Nick Adams, Chief Officer - Finance, Resources and Innovation
Ben Valentine, Governance Secretariat Manager
Jen Grannan, Head of Transformation (part meeting)
Jane Walmsley, Inspection and Audit Co-ordinator (part meeting)
Alecto Shyne, Inspection and Audit (part meeting)

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

Mark Simmonds, OPCC CFO
Karin Takel, OPCC Strategic Planning and Performance Officer
Vicky Ellis, OPCC PA to CEO and CFO

Also in Attendance

Iain Murray, Grant Thornton
Jackson Murray, Grant Thornton
Mark Jones, RSM
Victoria Gould, RSM
Sue Mountstevens, Police and Crime Commissioner

38. Apologies for Absence

Mark Milton, Director of People and Organisational Development

39. Emergency Evacuation Procedure

The emergency evacuation procedure for the Conference room was noted.

40. Declarations of Interest / Gifts / Offers of Hospitality

None.

41. Public Access

There were no requests for public access

**42. Minutes of the Joint Audit Committee Meeting held on 26th September
2018 (Report 5)**

RESOLVED THAT the minutes of the meeting held on 26th September 2018

UNCONFIRMED Draft

were confirmed as a correct record and signed by the Chair.

Action update:

- Minute 31c** Audit arrangements will be included in the negotiations stage and any subsequent collaboration agreement for any collaborations from this point on. **Action Closed**
- Minute 34** The risk to partner funding should be included in the commentary of other relevant risks rather than be a specific risk of its own. The collaboration risk should be separated by collaborations with other forces and collaborations with other partners. **Action Closed**
- Minute 36** The Constabulary should submit summary reports relating the open recommendations to the Joint Audit Committee. The Joint Audit Committee will decide on a process for agreeing the information they would like to drill down on at the meetings based on the report and informing the Constabulary. **Action Closed**

43. Business from the Chair

- a) The Chair recorded her thanks to Shazia Riaz for her work as a Member of the Joint Audit Committee and wished her all the best for the future. The PCC and the DCC also recorded their thanks.
- b) The Chair thanked Grant Thornton for the useful training provided to members and for the further offers of help made.
- c) The OPCC CFO advised that the Airport contract has now been signed. The Head of Legal has reviewed the lessons learned and reported on the findings. There were no issues regarding payment or service provision as a result of the delays.

d) Police and Crime Board

The OPCC CFO advised that the funding arrangements had changed as a result of the police settlement announcement, with more income than forecast previously, which will reduce the amount of future borrowing required.

Members were reassured that the Constabulary have contingency plans for Brexit in place locally, regionally and nationally.

Members were updated on collaborations. The exit from MFSS is nearly complete. Tri Force will be disbanded and units returned to local forces, though the Black Rock Training facility will remain a shared asset. The Regional Organised Crime Unit will continue.

e) Update on IOPC Investigations

There are currently 15 active IOPC investigations; members were assured peer assessment shows this is proportionate. Of those investigations completed since the last Joint Audit Committee 1 resulted in findings of gross misconduct and an officer was dismissed. Members were assured that the Constabulary have reviewed the performance of the Professional Standards Department. It was found that Avon & Somerset has the highest performance nationally for finalising complaints – within 53 days compared to 103 nationally and locally investigating within 87 days compared to 153 nationally. Since April only 4 appeals have been upheld by the IOPC – 2 years ago it was around 8 a month.

45. Internal Audit Reports:

a) IT Projects – Benefits Realisation (Report 7a)

Members were advised the report had been conducted by a slightly different team, and it was reported on a by exception basis which explained the different format. 2 medium actions recommended. Members queried Recommendation 6 which should have closed in January. The DCC confirmed this was being completed currently. Members were advised there was a long implementation date on recommendation 3 due to the link to the Strategic Framework.

b) GDPR Governance (Report 7b)

No opinion given as this report is advisory and also presented on exception basis. Same scope has been used across a number of clients. 1 recommendation and 2 medium actions. The DCC reassured the members that the new DPO has identified all the issues and has them in hand, as such the Constabulary plan to remove GDPR from their risk register. It was noted that the OPCC is also supported by the Data Protection Officer.

c) Procurement/ Contract Management (Report 7c)

Members were reassured there were no actions or areas of weakness found and noted their thanks for an excellent report.

d) Change Commissioning Transformation (Report 7d)

This report was moved to the Exempt session of the meeting.

e) Key Financial Controls

This was a less positive report. It was noted that restructuring within the department and resulted in some staff turnover. New recruits were starting to bring stability back and improvements should be seen. The Financial Regulations are old but still fit for purpose currently. Members thanked the auditors for the benchmarking which was helpful.

RESOLVED THAT this was an annual report and would be repeated in November. Grant Thornton will be doing some crossover work so will liaise with RSM to ensure the department are not overloaded.

f) Progress Report (Report 7e)

It was noted there were a couple of negative opinions in this report – the auditors will be looking for good follow up.

46. External Audit Update

It was noted that planning work has commenced and a plan will be brought to the next meeting. Finance officers are attending training with Grant Thornton and the auditors continue to meet with the CFOs and the PCC & CC.

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

It was noted that the financial risk has decreased, whilst partner collaboration has increased. Members were reassured regarding the red risk related to the plan and thanked Karin for the information and background provided in the pre-meet.

The PCC advised she was meeting with Avon Fire and Rescue later in the week and would discuss any further opportunities for collaboration to assist in addressing the red risk in that area.

48. Constabulary Strategic Risk Register (Report 10)

Data quality was noted as a red risk – however the rate at which new data errors are created has reduced and a lot of the data quality issues are historical. The Constabulary have a team of 7 people now working with records review to deal with the legacy from Guardian/Niche conversion. Members suggested it might be helpful to have an organisational chart to show how the roles relate and also include a glossary of the abbreviations. The Chair expressed interest in the Hallmarks of Excellence – it was advised these were brought in through the ASPIRE leadership team in 2017.

49. Summary of Open Recommendations (Report 11)

The Committee were shown the Qlik Sense app which lists all the recommendations for tracking. It was noted there is an increase in open recommendations. The Constabulary need to know what information the JAC want to know so that they can provide it for future meetings.

RESOLVED THAT the Joint Audit Committee will prepare some themes they would like the Constabulary to update on.

50. Exempt Minutes of the Joint Audit Committee Meeting held 5th July 2018 (Report 12)

EXEMPT MINUTES

The meeting concluded at 12:40

CHAIR**ACTION SHEET**

MINUTE NUMBER	ACTION NEEDED	RESPONSIBLE MEMBER/ OFFICER	DATE DUE
Minute 32a Internal Audit Report: Governance 26th September 2018	A briefing on the new Strategic Framework should be given at a future Joint Audit Committee Member pre-meeting.	OPCC CFO's PA	TBA
Minute 32b Internal Audit Report: Health and Safety 26th September 2018	A follow up to the Health and Safety audit should be carried out next year.	RSM	2019 - TBA
Minute 49 Summary of Open Recommendations (Report 11) 16th January 2019	The Joint Audit Committee will prepare some themes they would like the Constabulary to update on.	JAC Chair	TBA



AVON AND SOMERSET POLICE

Environmental Scanning

FINAL

Internal audit report 15.18/19

13 March 2019

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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Debrief held 19 February 2019

Draft report issued 8 March 2019

Responses received 12 March 2019

Final report issued 13 March 2019

Internal audit team Mark Jones - Head of Internal Audit
Victoria Gould - Client Manager
Cian Spaine - Lead Auditor

Client sponsor Sarah Omell - Head of Improvement
Mark Simmonds – OPCC CFO
Nick Adams – Constabulary CFO
Jane Walmsley - Inspection and Audit
Coordinator

Distribution As agreed.

1 EXECUTIVE SUMMARY

1.1 Background

As part of the approved internal audit plan for 2018/19, we have undertaken a review of the Constabulary's approach to Environmental Scanning. This audit has reviewed the controls in place for the Constabulary to predict and/or react to changes in:

- future crimes;
- the victim focus approach;
- laws and legislation.

Environmental Scanning can provide a systematic overview of both the external and internal factors that are important to the Constabulary and indicates whether they can be influenced or not. An effective environmental scan can result in identifying the impact of relevant factors in the entire environment of the Constabulary and can assist in proactive decision making for resource allocation and crime prevention.

As part of the audit we have spoken to a sample of business leads across the following areas:

- Intel;
- Safeguarding (with a focus on child sexual exploitation);
- QlikSense; and
- Domestic Abuse.

The latest figures from the Crime Survey for England and Wales show little change in the prevalence of domestic abuse in recent years. In the year ending March 2018, an estimated 2.0 million adults aged 16 to 59 years experienced domestic abuse in the last year (1.3 million women, 695,000 men). The police recorded 599,549 domestic abuse-related crimes in the year ending March 2018. This was an increase of 23% from the previous year, however figures for 2018/19 do not appear to have increased to the same level. This in part reflects police forces improving their identification and recording of domestic abuse incidents as crimes and an increased willingness by victims to come forward. In terms of environmental scanning, the Constabulary needs to ensure it is responding in a timely manner to changes in crime, demand in specific areas of vulnerability and how different crime types are managed for both the victim and the accused.

Figures regarding child sexual exploitation are difficult to confirm. A change to recording practices is to flag offences where children have been sexually abused or exploited. New experimental statistics for the year ending March 2018 showed the police flagged 55,061 crimes as involving child sexual abuse and 15,045 as involving child sexual exploitation. As with flagging for domestic abuse, the data quality for these figures is variable across police forces but is expected to improve over time.

The Constabulary has implemented and expanded its use of data analytics over the past few years using the QlikSense app, which can be used for many purposes including demand forecasting and location management. This has been seen as an advance in this area and is ahead of many other Forces in having ready to use information accessible across the organisation.

1.2 Conclusion and key findings

From the fieldwork and testing conducted, we can see that across the organisation and across the different themes reviewed, a lot of activity is taking place under the 'environment scanning' heading, and we have been able to verify sources of information and attendance at or feedback from regional and national forums. However, there is currently no way of knowing how all of this information is then filtered through the organisation and used to influence future planning, training and decision making.

The key findings that have led to three medium priority recommendations being raised were around there not being a full suite of intelligence collection plans in place for all theme areas. The collection, development and dissemination of intelligence closes knowledge gaps and allows decisions to be made about priorities and tactical options, and without these plans being in place there is a risk the Constabulary falls behind in some areas.

The overarching finding of not having a structure to environmental scanning links to our conclusion on the further use of the Force Management Statements (FMS), which are currently seen as an annual task rather than being used as a decision-making tool. Both of these findings need to feed into the Constabulary's new Strategic Framework and its single delivery plan, which will eventually ensure that the knowledge of, for example, changes to legislation or law will trigger an organisation wide response to adapting / providing training and updating policy. The Constabulary need to ensure that outputs from the FMS continue to identify gaps and improvement activity, taking into consideration the capacity and resourcing needed to deliver the improvement, and that as part of the new framework there is a process for logging and monitoring this.

1.3 Additional information to support our conclusion

The following table highlights the number and categories of recommendations made. The detailed findings section lists the specific actions agreed with management to implement.

Area	Agreed recommendations		
	Low	Medium	High
Environmental scanning	0	3	0
Total	0	3	0

2 ACTION PLAN

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 regulatory scrutiny/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, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

Ref	Recommendation	Priority	Management action	Implementation date	Responsible owner
1	All thematic areas included within the Strategic Intelligence Requirement need to have a completed intelligence collection plan.	Medium	Theme leads of areas with no intelligence collection plans will be tasked with completing this with support of the Intelligence Lead, to ensure a consistent and robust approach is taken. Leads will be asked to set clear priorities and timescales in this process.	30 June 2019	Intelligence Lead
2	Environmental scanning activities that take place across the Constabulary, such as the use of Qlik, the outputs from the FMS, and other ad hoc work undertaken across teams, needs to be logged and fed into the new Strategic Framework and the resulting new systems and processes. This will ensure visibility, accountability and a joined-up approach to gathering, sharing and using information useful to the overall strategy	Medium	The aim is to use the FMS going forward as a decision-making tool not an annual task. This will feed into the Strategic Framework's single delivery plan. Work is taking place to map current activities, but the next steps for the FMS will be tasking business leads to identify the action and resource needed to address the gaps identified from the FMS into future improvement activity.	30 September 2019	Head of Improvement

Ref	Recommendation	Priority	Management action	Implementation date	Responsible owner
	of the Constabulary and OPCC.		How this will be recorded is still a work in progress.		
3	Communications are required to ensure improved engagement and all relevant information is received from individuals and working groups attended by members of the Constabulary, OPCC and partner agencies, so this can be fed into the development of the Police and Crime Needs Assessment.	Medium	<p>A template form and process exists for individuals to feedback on information received from attending internal and external meetings. This will be rolled out again with communications to reinforce the need for staff to feed into the development of the PCNA.</p> <p>The OPCC will also consider and gather feedback on whether a workshop session would better facilitate engagement and contribution to the PCNA.</p> <p>PCNA will be included as a standing agenda item on quarterly OPCC SLT meetings to gather further feedback.</p> <p>Communications will be issued to partner agencies for a further request of engagement in the PCNA process.</p>	30 September 2019	OPCC Strategic Planning and Performance Officer

3 DETAILED FINDINGS

As part of the audit a sample of four areas was selected to review the environmental scanning practices across the Constabulary to predict and/or react to changes in its environment. These four areas were:

- intelligence;
- safeguarding (focus on child sexual exploitation);
- domestic abuse; and
- QlikSense / data.

Safeguarding and domestic abuse are two of the Constabulary's key themes, for which there are theme leads, whereas Intelligence covers a much wider remit. We have therefore focused more on strategic level environmental scanning within Intelligence, whereas we have included more operational environmental scanning for safeguarding and domestic abuse. For QlikSense we met with the Business Intelligence Manager and confirmed how QlikSense is used to predict demand and what environmental scanning is conducted for technological solutions.

Intelligence

Strategic Threat Assessment

As part of the National Intelligence Model each police force is required to complete a strategic threat assessment annually. Avon and Somerset publishes its strategic threat assessment (STA) in September / October of each year. The force level STAs feed in to a regional threat assessment, completed by the South West Regional Organised Crime Unit (ROCU) for the South West of England, which feeds in to the national assessment completed by the National Crime Agency (NCA).

The Constabulary completed a full STA in 2017/18, and in 2018/19 it completed a review of the prior year version to update the key threats. The STA is prepared using a number of sources of internal scanning such as data from Niche and Storm, and external environmental scanning such as information received from partners such as the NCA, NPCC or Community Safety Partners (a local authority led partnership). The STA outlines the priorities of the Constabulary and is divided in to the following sections:

- Vulnerability (priorities include CSE, Modern Slavery and Human Trafficking, Domestic Abuse);
- Serious and Organised Crime (priorities include Drug Markets, Fraud, Firearms Supply and Use);
- Counter Terrorism and Domestic Extremism;
- Protests and Public Safety; and
- Organisational Risks (priorities include Corruption, Austerity Measures, Staff Wellbeing).

As part of the audit we met with the Director of Intelligence and Intelligence Leader. We reviewed the strategic threat assessment and found that child sexual exploitation and child abuse and neglect are the first two priorities outlined in the vulnerability section of the STA, which links to our testing around safeguarding below. We confirmed that a full strategic threat assessment was completed in September 2017, with a review and update of this being completed in 2018. The 2018 version of the STA included the following:

- a review of the 17/18 threat;
- new and emerging issues; and
- 2018/19 threat including trend, forecast, intelligence requirement and a risk score.

Through review of email correspondence and the source material used to develop the strategic threat assessment, we confirmed that the Constabulary is on mailing lists for the regional and national strategic threat assessments. These, along with other information sent to the Constabulary are used to prepare the strategic threat assessment. Examples of reports used in its preparation covered topics such as Brexit, firearms, drug markets, and domestic abuse.

Control Strategy, Intelligence Requirement and collection plan

The strategic threat assessment is used to develop an annual control strategy and an intelligence requirement. The control strategy brings together the PCC priorities and the strategic threats and priorities from the strategic threat assessment and demonstrates how these align with each other. The control strategy outlines where the Constabulary will focus its control over the following 12 months.

The intelligence requirement analyses the Constabulary's current intelligence and where gaps in knowledge lie in relation to the strategic threat assessment threats and priorities. The intelligence requirement outlines the following:

- Intelligence requirement for the priorities;
- level of current knowledge;
- collection priority; and
- a RAG rating for each.

It is broken down in to control strategy collection priorities, high, medium and low collection priorities.

We reviewed the 2017 control strategy and strategic intelligence requirement with the Intelligence Leader and confirmed that this was completed. Post audit we were informed that the 2018 control strategy had now been completed following release of the Police and Crime Needs Assessment (PCNA) being published in November 2018.

Once the strategic intelligence requirement has been completed, an intelligence collection plan is developed for the thematic areas. The Intelligence Leader confirmed that not all areas outlined in the strategic intelligence requirement had completed a collection plan, however this was something the Constabulary is aiming to complete for all intelligence requirement areas. For example, a collection plan had been developed for CSE which we viewed as part of our testing under the safeguarding section below, however not all themes had a similar collection plan. We note that we did not test which themes did or did not have a collection pan in place.

We are satisfied that the Constabulary completes a strategic threat assessment, control strategy and intelligence requirement. These documents form a strategic level assessment of the key threats in its environment and help with predicting demand. The Constabulary identifies where it has gaps in knowledge and preparing plans to address these gaps, however not in all areas.

See recommendation 1

Child Sexual Exploitation

As part of the audit we met with the theme lead for Child Protection and Child Sexual Exploitation.

There is a CSE National Working Group for child protection and child sexual exploitation chaired by Chief Constable of Norfolk Constabulary that meets on a quarterly basis. The national working group is attended by a representative from each region as well as key partners and stakeholders such as the Home Office, Ministry of Justice, and Crown Prosecution Service.

The Avon and Somerset CSE theme lead attends these meetings as the South West representative where issues such as changes in legislation, the Government perspective, funding for new capabilities or transformational changes in policing in this field are discussed. Key changes or issues related to CSE are discussed and the working group is a key forum for environmental scanning regarding CSE.

Through review of the minutes from October 2018 we confirmed that topics discussed at the meeting included grooming of children, Home Office funding, high profile CSE operations, partnership updates (e.g. charities, NHS), and updates from each region. We confirmed that the Avon and Somerset CSE Theme Lead attended the October 2018 meeting. The previous meeting was held in June 2018, where a representative for Wiltshire attended instead. We confirmed that the Constabulary were still sent the meeting minutes for this meeting.

In addition to the national working group there is a regional group – the CSE Strategic Governance Group chaired by the head of the South West ROCU. The regional group also meets quarterly and shares information and best practice. A Detective Inspector is employed by this group to coordinate the meetings and share best practice across the region. As mentioned above the South West ROCU is responsible for the preparation of the regional strategic threat assessment which includes CSE.

Through review of the meeting minutes we confirmed that meetings of the CSE Strategic Governance Group took place in June and October 2018 following the meeting of the National Working Group. These meetings were attended by Avon and Somerset, Wiltshire, Dorset, Ofsted, Children's Services and GAIN. Topics discussed included a regional action plan, covert tactics, comparison of different Constabulary's data and national data relating to CSE provided by the NCA. Through examination of the minutes we confirmed that these meetings are used for information sharing and include updates from partners and each force.

The Constabulary has a Child Protection team room on pocketbook where the CSE Theme Lead uploads key briefings and documents received via the various networks or from partners. Examples contained in the team room covered county lines, CSA in residential schools and guidelines on child abuse and neglect.

As outlined above the Constabulary's intelligence requirement outlines the gaps in knowledge and is broken down in to areas and theme leads, including CSE. The Constabulary prepared an intelligence collection plan for CSE, named Addressing the Strategic Intelligence Requirement for CSE, which includes the following:

- intelligence requirement;
- level of current knowledge;
- specific intelligence gaps; and
- actions to address the gap.

The collection plan identified gaps in intelligence in areas such as victim numbers or disabled children. This document is used by the CSE Prevent and Coordination Officer to collect intelligence where gaps have been identified.

We reviewed the collection plan and confirmed that the Constabulary had identified gaps in its knowledge and developed a collection plan to address the knowledge gaps for CSE.

Domestic Abuse

As with CSE, domestic abuse has its own designated theme lead.

The Constabulary has a number of domestic abuse champions which form the Domestic Abuse (DA) Influences Group. As with CSE there is a national lead for domestic abuse, which is the DCC for West Midlands Police. There is a national working group, however Avon and Somerset has less direct input in to this working group as it is not the South West representative. The regional lead for the South West is part of Gloucestershire Police and relates discussions and information back to other police forces in the South West following national meetings. There is a National Domestic Abuse Portfolio Coordinator who coordinates the meetings and shares information and best practice with police forces across the country.

Through review of email correspondence, we confirmed that the Avon and Somerset DA Theme Lead regularly receives updates from the National Domestic Abuse Portfolio Coordinator.

There is also a Regional Domestic Abuse group which meets on a quarterly basis. The latest meeting was held in September 2018 following the national DA group. Through review of the meeting minutes we confirmed that this was attended by Avon and Somerset, Wiltshire and Gloucestershire police forces, including the South West regional lead from Gloucestershire police. Topics discussed during the meeting included:

- equalities data;
- multi agency risk assessment conferences (MARAC);
- local updates from each force;
- an update from the national DA meeting;
- College of Policing update;
- Serial perpetrators; and
- other partnership updates.

Through review of evidence we are satisfied that the Constabulary is engaged in the DA group, and through this receives information from the national group.

QlikSense & Business Intelligence

QlikSense

The Constabulary has a number of apps within QlikSense that it uses to predict demand. This includes the following:

- Demand Level Forecast app: This app forecasts the Constabulary's demand for the following 12-month period. It can be used to analyse shorter timeframes, for example the following week. It maps the demand level based on a four-point scale based on the number of logs. It also highlights which days the Constabulary is forecast to have high levels of demand, so it can plan accordingly.
- Strategic Demand Management app: This app is retrospective and analysis the previous 12 months of demand. It highlights the percentage change in demand and change in complexity of crimes. The strategic demand management app also maps out seasonal trends in demand on a graph.
- Location Management app: This app allows the Constabulary to analyse the locations where most crime occurs. This can be drilled down to beat level, so officers can be aware of these locations within their area. This app highlights high-demand locations to allow officers to profile and plan better.

We could not test how the above apps are being used to inform decision-making, only that these tools are made available, as this occurs on an ongoing basis across the Constabulary. However, we also confirmed that the Constabulary has an app to track the usage of the various apps.

Through review of the QlikSense apps relating to demand we confirmed that the Constabulary has strong controls in place to predict demand. However, we could not confirm how this information is used to inform decision-making as this happens on an operational level and is not auditable.

See recommendation 2

Business Intelligence Environmental Scanning

The Business Intelligence Manager confirmed that environmental scanning in Business Intelligence is completed mostly by team members undertaking pro-active scanning when they have time or come across a potential business solution. This is done through routes such as LinkedIn or HMICFRS reports.

In addition to this the Business Intelligence team attend conferences on various technological solutions as a method of environmental scanning. We reviewed examples of invitations or booking confirmations to confirm that the Business Intelligence team attend conferences or events as a means of environmental scanning. One example of this was a Qlik conference where the Constabulary were presented with an award from QlikSense for using their product for transformational change. The Business Intelligence Manager confirmed that whilst at this conference, they discovered a possible solution for push notifications that is compatible with QlikSense.

We are satisfied that the Business Intelligence team are conducting environmental scanning.

Force Management Statement

In April 2018 the Constabulary published its first annual Force Management Statement which is a self-assessed statement and explanation of:

- the current and future level of demand the Constabulary faces;
- current ways of working, performance and status of its workforce and assets;

- plans to make changes to its workforce and assets; and
- what gaps might still exist in the Constabulary's ability to meet demand.

The Constabulary has developed a long and short format FMS. We obtained the condensed version of the FMS and confirmed that the Force Management Statement is a key exercise in environmental scanning. The FMS ensures the Constabulary completes an annual exercise on forecasting demand and analysing capabilities and capacity to meet this demand. Just as the strategic threat assessment and the intelligence requirement identifies gaps in knowledge, the FMS can be used to identify gaps in capability to meet future demand.

The Head of Improvement confirmed that whilst the Constabulary has completed the FMS for 2018, there is scope to use the FMS further in terms of decision-making. Instead of using it as a document that the Constabulary is required to complete annually, the FMS can be seen as an opportunity to undertake valuable analysis and use this as a management tool to drive decision-making.

See recommendation 2

Police and Crime Needs Assessment

The OPCC completes a Police and Crime Needs Assessment (PCNA) to present a consolidated, evidence-based, picture of the most significant issues, risks and threats shared by local crime, community safety, criminal justice, and other partner agencies across Avon and Somerset in order to inform strategic planning and decision making.

The latest PCNA was completed and published in November 2018 by reviewing information from a wide range of sources, particularly the environmental and organisational assessments that those partner agencies routinely produce. This document brings together much of the OPCC's environmental scanning in to one high-level strategic document. The previous version was completed in 2015. The 2018 PCNA includes the following:

- Avon and Somerset background information;
- changing patterns;
- strategic priorities;
- strategic issues, risks and opportunities; and
- conclusions.

The PCNA has been developed in stages:

Stage 1: Review key documents to produce first draft. These include crime figures, perception and satisfaction data, performance information, force and partner strategic assessments, national strategic reports, inspection reports, the Tipping Point report and the Force Management Statements. Organise this into background information and reflections against each current strategic priority of the current Police and Crime Plan and document any information indicating emerging considerations/potential for future priorities. Circulate draft to stakeholders and invite feedback and opportunity to attend a round-table discussion

Stage 2: Round-table discussion with key stakeholders to validate and moderate information, identify any gaps (including considering feedback received to-date)

Stage 3: Produce final draft for PCC sign off and consideration by the Police and Crime Panel

Stage 4: finalise assessment and publish.

The PCC publishes a Police and Crime Plan, with the last one being published in November 2016 and covering the period until 31 March 2021. The PCNA process initiates a review of the Plan and enables decisions to be made around whether to adjust the Plan. This was last done in October 2017 and identifies key changes and their impact on the Police and Crime Plan.

In October 2018 Strategic Planning and Performance Officer presented a report to the Police and Crime Panel to present a revised approach to completing this moving forward. To increase the value of the document and reduce the burden of its production, it was proposed that the following happen:

- The stakeholders who were invited to the PCNA development workshop will be set up as a working group.
- This group will have responsibility for identifying core source documents relevant to the development of the needs assessment on a quarterly basis and submitting them to the Strategic Planning and Performance Officer for consideration on a quarterly basis with a summary paragraph on core messages e.g. identification of new risk; highlighting increasing prevalence of an issue.
- The Needs Assessment will be revised twice a year instead of once per year.

Following review of the revised approach to the PCNA we found that the revised approach will allow the OPCC to maintain a more up to date PCNA. It will promote the PCNA being used as a working document, instead of an exercise that is completely annually or perhaps less frequent. By submitting relevant information to the Strategic Planning and Performance Officer on a quarterly basis the OPCC will ensure regular environmental scanning is conducted and acted upon.

We found that Avon and Somerset's controls relating to the PCNA reflect good practice in the sector, as not all OPCC's complete a similar document.

Other police forces that complete similar documents include the following:

- Nottinghamshire Police and Crime Commissioner who also complete a PCNA that "is intended for use as a reference tool to inform planning and priority setting, resource allocation, commissioning processes and bids for funding. The document scans the crime, community safety and criminal justice environment in order to highlight key trends, issues, risks and threats."
- Warwickshire and West Mercia Police forces complete an Alliance Strategic Assessment to provide Chief Officers with an annual assessment of the medium term threats them.

The revised approach that will be adopted from October 2018 represents good practice as not all police forces complete a similar exercise in environmental scanning. Furthermore, the OPCC's revised approach to completing and updating this twice per year will ensure environmental scanning is embedded in to strategic planning and decision-making and that it becomes business as usual, rather than an annual exercise.

We did however identify that, whilst this process and resulting document appears to reflect good practice when benchmarking across the sector, there is limitations of the information included within it due to a lack of input across parties. Currently the document is developed by one member of staff in the OPCC and we could not evidence much formal input from relevant working groups and partners, meaning that it could be lacking in detail on areas not on the OPCC's radar that maybe should be. There needs to be increased compliance to the mechanism in place to feed information from across the Constabulary, OPCC and other partners into the development of the PCNA to ensure it is a complete and accurate picture of the landscape, as the next version of the PCNA will inform the potential candidates for the PCC elections in 2020.

See recommendation 3

National Working Groups

The OPCC is a member of a number of national working groups that meet on a quarterly basis such as:

- APACE - Association of Policing & Crime Chief Executives – attended by the OPCC Chief Executive;
- APCC – Association of Police and Crime Commissioners – attended by the PCC and/or Chief Executive;
- PACCTS – Police and Crime Commissioners Treasurers' Society – attended by the OPCC CFO.

The OPCC completes a large proportion of its environmental scanning through these groups as they serve as forums for sharing of information and best practice. These are all national groups that are financed by all OPCCs. The national working groups employ staff to conduct environmental scanning and share this with its members.

We confirmed the following examples of circulars received from the national working groups:

APCC:

- Daily briefings – a daily briefing is received from the APCC Communications Advisor which highlights any relevant news articles from mainstream media sources, or more police specific media sources such as Police Oracle or Police Professional. Through review of emails received by the OPCC SLT we confirmed that daily briefings are being received.
- Red box Briefings – This is a regular newsletter received from the APCC Secretariat. We obtained the November 2018 version and found it included an introduction from the APCC Chair and Chief Executive, news, events, reports and projects, and a parliamentary update. This included a development day event for Deputy and Assistant PCCs, briefings and publications from crime trends, CSE, and Stop and Search.

APACE:

- Regular briefings are received from the APACE Coordinator. We reviewed one from September 2018 which was titled *September 2018: summary of new legislation, Parliamentary activity and current consultations*. This included three attachments for legislation, parliament and consultations which covered topics such as amendments to legislation, bills before parliament, and ongoing consultations such as youth justice local government pension schemes and minimum price of alcohol.

PaCCTS:

- Pensions technical working group – a working group was held to provide support from PaCCTS on emerging pensions funding issues. We confirmed this through email correspondence that this was held, and that information was being shared, including the perspective from the Home Office and HM Treasury.
- Monthly Newsletters – We were provided with the February 2018 newsletter received from PaCCTS Technical Support. The OPCC CFO confirmed that they do not keep these every month so this was the only version available at the time of the audit. The February 2018 newsletter covered major announcements (2018/19 police funding settlement, budget survey), consultations, government announcements, and news articles.
- NPCC Finance Coordination Committee - PaCCTS shared the minutes and papers from the June September 2018 NPCC Finance Coordination Committee meetings. These included topics such as counter terrorism units, force management statements, and charging for police services.

We are satisfied that the OPCC is linked in to a number of national working groups which act as key methods of environmental scanning.

The OPCC have a weekly SLT meetings where, among other things, much of the environmental scanning conducted is discussed. The SLT meetings are the main method for the OPCC to discuss any information or good practice received, and where decisions are made as to what actions to take.

We obtained the SLT meeting minutes from the following dates:

- 28 August 2018;
- 10 September 2018;
- 17 September 2018;
- 5 November 2018;
- 26 November 2018; and
- 3 December 2018.

Following review of the SLT meeting notes we found that the agenda includes the following:

- PCC's views;
- CEO/CFO update;
- key events;
- COG update;
- national issues; and
- APCC circulars for response, with notes recorded against recent circulars received for what action is being taken and by whom.

From our review of a sample of SLT meeting notes we found that national issues are not discussed at every meeting, however it is a standing agenda to ensure any relevant items are discussed. Furthermore, we found that at each meeting the key APCC circulars are recorded as part of the meeting notes with actions to be taken.

In addition to this, the Head of Research and Innovation at Nottinghamshire OPCC completes regular environmental scanning. Due to the OPCC's relationship with them, they also send the environmental scanning to the Avon and Somerset OPCC. We obtained the December 2018 version of this and found that it covered the following:

- bidding opening for the latest round of Tampon Tax Funding for charities supporting vulnerable women;
- research reports on 'public confidence in the police complaints system among people with mental health conditions' and 'the police response to fraud';

- HMICFRS report on the impact of growing mental health demand on the police service;
- report of the Independent Review of the Mental Health Act 1983; and
- Final report of the Independent Review of the Mental Health Act 1983.

APPENDIX A: SCOPE

The scope below is a copy of the original document issued.

Scope of the review

Objectives of the area under review

To review the mechanisms in place for the Constabulary to predict and/or react to changes in its environment.

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

Areas for consideration:

This audit will review the controls in place for the Constabulary to predict and/or react to changes in:

- future crimes;
- the victim focus approach;
- laws and legislation.

We will assess how effective these processes are and how this information is collected, collated and shared.

We will seek to determine whether it impacts on strategic decisions such as investment in workforce, training, capital and projects.

As part of the audit we will speak to a sample of business leads across the following areas:

- Intel;
- Safeguarding;
- QlikSense; and
- Domestic Abuse.

We will identify any areas of good practice within the Constabulary and compare this against best practice seen elsewhere, with a view to ensuring environment scanning is undertaken in an efficient and effective manner.

Limitations to the scope of the audit assignment:

We will not reperform any environment scanning, only confirm that this is being undertaken.

This audit will not confirm that information from all aspects of the Constabulary's environment is being scanned.

Testing will be completed on a sample basis only.

APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

Constabulary:

Will White – Theme Lead for Child Protection and Child Sexual Exploitation (CSE)

Neil Byrne – Director of Intelligence

Sarah Davies – Intelligence Leader

Tina Robinson – Theme Lead for Domestic Abuse

Jonathan Dowey – Business Intelligence Manager

Sarah Omell – Head of Improvement

OPCC:

John Smith – Chief Executive

Mark Simmonds - CFO

Karin Takel - Strategic Planning and Performance Officer

Marc Hole – Head of Commissioning

Alice Jones – Senior Commissioning and Policy Officer

Charlotte Pritchard - Senior Commissioning and Policy Officer

Joanna Coulon - Senior Commissioning and Policy Officer

Kate Watson - Office and HR Manager

FOR FURTHER INFORMATION CONTACT

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. 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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PCC FOR AVON & SOMERSET AVON & SOMERSET CONSTABULARY

Chief Constable and PCC Expenses

REVISED FINAL

Internal audit report: 12.18/19

21 February 2019

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Debrief held	17 January 2019	Internal audit team	Mark Jones - Head of Internal Audit Victoria Gould - Client Manager Stuart Baker - Lead Auditor
Draft report issued	4 February 2019		
Responses received	11 February 2019		
Final report issued	21 February 2019	Client sponsor	Mark Simmonds - OPCC CFO Nick Adams - Constabulary CFO Jane Walmsley - Inspection and Audit Coordinator
		Distribution	Mark Simmonds - OPCC CFO Nick Adams - Constabulary CFO Jane Walmsley - Inspection and Audit Coordinator

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1 EXECUTIVE SUMMARY

1.1 Background

This audit has been commissioned as an additional review within the 2018/19 audit plan, with the aim of being open and transparent around the use of public funds to pay PCC and Chief Constable expenses.

Expense incurred or paid to both the Chief Constable and the Police and Crime Commissioner are made publicly available via the respective websites, to ensure there is openness and transparency in the process.

The Chief Constable can claim expense through:

- A force issued procurement card which is used for incidental purchases such as parking and subsistence.
- Through the Corporate Support team who book travel and accommodation.
- Independently purchasing items through cash or other means are submitted via the finance system SAP and approved by the Chief Finance Officer before being reimbursed through the payroll function.

The Chief Constable has declared £5,156.35 of expense in the financial year 2018/19 as at the end of November 2018.

The Police and Crime Commissioner can also claim expense through the same functions, although does not have access to a procurement card. The Police and Crime Commissioner declared £3,948.31 in the financial year 2018/19 as at the end of November 2018.

1.2 Conclusion

The control framework to provide openness and transparency around the expenses of both the Chief Constable and Police and Crime Commissioner is operating effectively. The presentation of data provided by the OPCC to the public requires a minor update to bring it in line with Home Office guidance, otherwise with four low agreed management actions we have reached a conclusion of substantial assurance.

Internal audit opinion:

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



1.3 Key findings

The key findings from this review are as follows:

Benchmarking of the Police and Crime Commissioner's (PCC) expense spending, places them second amongst the four compared forces (Devon and Cornwall, West Midlands, Humberside and Nottinghamshire). This reflected the view of the OPCC Chief Finance Officer that, due to the public facing nature of the PCC role as an elected voice of the people on all policing matters, travel across the wide area of Avon and Somerset was required to fulfil this objective effectively.

The benchmarked spend of the Chief Constable placed them third amongst the four compared forces. When compared to the average total spend of £992, the spending of the Chief Constable was more than £250 less at £728.

Expenses of the Chief Constable did not include the cost of mileage when travelling using their force provided car. While providing details of the expenses of Chief Officers is not a mandatory item for the Constabulary to provide and has not been declared by other Constabulary, the creditability of this provision would be improved by including this cost for the public to view and challenge as they feel necessary.

Provision of declared expense data to the public on both the OPCC and Constabulary websites is clear, although could be improved by publishing the relevant expense policies alongside them. This would allow the public to clearly link the cost of spending with what is allowed and further hold those in senior positions to account where they step outside of the guidelines provided.

When benchmarked against other PCC expense policies, information within the Avon and Somerset policy is not in line with Home Office guidance and lacks the table of PCC authorised allowance amounts. Furthermore, the declared expenses information requires additional information to bring it in line with guidance issued by the Home Office in August 2018 on the information relevant to each claim. The guidance is available at: <https://www.gov.uk/government/publications/expenses-2/expenses>.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Area	Control design not effective*		Non Compliance with controls*		Agreed actions		
					Low	Medium	High
Expenses Policy	0	(2)	0	(2)	2	0	0
PCC Expenses	0	(3)	1	(3)	1	0	0
Chief Constable Expenses	0	(3)	0	(3)	1	0	0
Total					4	0	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 ACTION PLAN

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 regulatory scrutiny/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, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

Ref	Recommendation	Priority	Management action	Implementation date	Responsible owner
1.1	Management should include the Constabulary's expense policy alongside the declared expenses on the public website.	Low	The expense policy document will be uploaded to the public website so that the public can review declared expense alongside the policy.	01 March 2019	Constabulary Chief Finance Officer
1.2	Management should include the table of authorised allowance amounts issued by the Home Office in the Travel and Expense policy. The policy will be published alongside the declared expenses.	Low	In line with demonstrated best practice, the authorised allowance amounts table will be added to the Travel and Expense policy. The expense policy document will be linked to the public website so that the public can review declared expense alongside the policy.	01 April 2019	Office and HR Manager (OPCC)
2.2	Management should include the information referenced by the Home Office https://www.gov.uk/government/publications/expenses--2/expenses in their monthly submissions to the OPCC website.	Low	The declared expense documentation uploaded to the public website will reflect the guidance issued by the Home Office in August 2018.	01 March 2019	Office and HR Manager (OPCC)

Ref	Recommendation	Priority	Management action	Implementation date	Responsible owner
3.2	Management should consider the suitability of disclosing business mileage as an expense of the Chief Constable and if this should be published monthly in the public domain.	Low	Operational issues will be considered alongside the increased workload to ascertain if it is suitable to publish the business mileage of the Chief Constable on a monthly basis.	01 March 2019	PCC

3 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 regulatory scrutiny/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, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
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Area: Expenses Policy

1.1	<p>The Constabulary has an Expenses, Allowances and Travel Procedural Guidance document that outlines the process for claiming expenses and allowances, including travel. The document covers areas that include:</p> <ul style="list-style-type: none"> taxable and non-taxable travel; concessionary bus travel; prescription spectacles; overnight and hardship allowance; 	Yes	Yes	<p>We examined the policy and confirmed it was available to all staff on the Pocket Book intranet, the policy was published 8 November 2018. We noted that the policy was not available on the Constabulary's public website to allow comparison of expenses claimed with policy by the public.</p> <p>There is an opportunity to strengthen the transparency in the process by publishing the expense policy alongside the documented spending.</p> <p>We noted there was no date of next review within the document and that</p>	Low	Management should include the Constabulary's expense policy alongside the declared expenses on the public website	01 March 2019	Chief Finance Office
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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 style="list-style-type: none"> overnight allowance for police staff food and accommodation expenses; detective expenses; Chief Constable; and Chief Officer Group. <p>The policy is available to all staff on the Pocket Book intranet system.</p>			<p>sections 13 and 14, under the heading of Chief Officer Group Expense, appear to be incomplete with additional guidance and legislative links not included. Good practice observed amongst other clients would be to include a next review date, to ensure the policy accurately reflects the needs of the organisation and any legislative changes that may impact it's suitability.</p> <p>We identified through our review of the policy that there was clear guidance on reclaiming appropriate costs incurred by all Police staff and officers, which included the Chief Constable. The policy consistently made reference to the need to secure value for money when committing to expenditure, these included:</p> <ul style="list-style-type: none"> questioning if a journey was absolutely necessary or could it be avoided by using telephone or video conferencing facilities; if the journey could be reasonably carried out by public transport, that it should be booked well in advance through Click travel (purchasing cards and expenses should not be used); and open rail tickets (which cost significantly more) should be avoided. <p>We identified through our benchmarking exercise of the Constabulary's</p>				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				<p>expenses, allowances, and travel policy with four other Constabulary that:</p> <ul style="list-style-type: none"> • subsistence allowances varied from the position of claims being necessary and reasonable with two Constabularies stating a monetary value for each meal throughout the day to a maximum of £30 and £29.50 and two Constabularies reflected the same position of claims being necessary and reasonable; • the provision for alcohol with meals is not reimbursed by two Constabulary, where Avon and Somerset Constabulary do allow one alcoholic drink to be claimed; • the allowance for overnight accommodation (inclusive of VAT) in hotels for two Constabulary was stated as £110 and £160 (including breakfast) for an overnight stay in London and two Constabulary stated an unspecified amount to provide standard single occupancy accommodation. The position of Avon and Somerset Constabulary is to provide a room to a maximum of £180 within London; • provision for items that are regulated by the Police Regulations 2003, such as hardship allowances, were consistent across all Constabularies. 				

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				We are satisfied that the Constabulary's position reflects good practice across the sector to enable effective use of public funds.				
1.2	<p>The PCC has an independent Travel and Expense Policy from the Constabulary, this outlines the process for claiming expenses and other eligible expenditure. The policy sets out:</p> <ul style="list-style-type: none"> • general points for claims; • use of public transport; • use of pool cars; • use of private transport; subsistence expenditure; and • the process by which claims are to be made. <p>The policy is publicly available on the PCC's website.</p>	No	Yes	<p>We examined the policy and confirmed it was available publicly via the PCC's website, the policy was last updated and published in November 2018. We note that the policy was not available on the same web page as the declared expenses. There exists an opportunity to strengthen the transparency in the process by publishing the expense policy alongside the declared spending.</p> <p>We identified that good practice in stating a next review date is included in the policy and that responsibility is defined to a specific job role for completing the review.</p> <p>In line with the findings in 1.1, we noted that monetary amounts are not stated for subsistence claims. The Secretary of State has outlined through paragraph 3 of Schedule 1 to the Police Reform and Social Responsibility Act 2011 that reasonable expenses can be reimbursed when incurred by the PCC in carrying out their duties. Guidance issued by the Home Office in August 2018, sets out the amounts of such allowances determined by the Secretary of State. For subsistence this is limited</p>	Low	Management should include the table of authorised allowance amounts issued by the Home Office in the Travel and Expense policy. The policy will be published alongside the declared expenses.	01 April 2019	Office and HR Manager (OPCC)

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				<p>to £30 for evening meals and £10 for breakfast.</p> <p>We identified through our benchmarking exercise of the Commissioner travel and expense policies with four other Commissioners that:</p> <ul style="list-style-type: none"> all four benchmarked Commissioners reflected the guidance issued by the Home Office in a clearly laid out table. Avon and Somerset PCC did not include a table within their policy; in line with Avon and Somerset PCC all four benchmarked Commissioners required Chief Executive approval prior to reimbursement being made; the provision for alcohol with meals is not reimbursed by two Commissioner, where Avon and Somerset PCC do allow one alcoholic drink to be claimed; and in line with the Avon and Somerset PCC all four reflected the need to publish the allowances paid. <p>We are satisfied that the Commissioner's position reflects good practice across the sector to enable effective use of public funds.</p> <p>However, we note that in line with observed good practice across the sector, there is an opportunity to further increase transparency in the process by</p>				

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 the table of information published by the Home Office in August 2018.				
Area: PCC Expenses								
2.1	<p>The PCC has a Travel and Expense policy that outlines the process for claiming expenses as detailed above in 1.1.2.</p> <p>The PCC submits claim through:</p> <ul style="list-style-type: none"> the SAP system; and Click Travel. <p>Expense claims submitted by the PCC are to be approved by the OPCC CFO to ensure they are reasonable and in line with policy.</p>	Yes	Yes	<p>We examined the declared expenses for April, August and October for the PCC. We confirmed that:</p> <ul style="list-style-type: none"> the PCC submitted all expense claims through SAP system or via Click Travel, who provide both the OPCC and Constabulary with travel agent services; expense claims that are to be reimbursed are authorised by the OPCC CFO using SAP, no signed documentation was available; and SAP audit trails confirmed that all requests made by the PCC had been appropriately authorised. <p>Overall compliance with the guidance issued was satisfactory and appeared to be a reasonable use of public funds.</p>		None.		
2.2	Under paragraph 1(d) of the Schedule to the Elected Local Policing Bodies (Specified Information) Order 2011, PCCs are required to publish the allowances paid to them and to their deputies in respect of expenses incurred by the commissioner or deputy in the	No	Yes	We sampled three months, April, August and October from the 2018/19 financial year to confirm all PCC expenses had been declared on the Avon and Somerset PCC website. We confirmed that:	Low	Management should include the information referenced by the Home Office in their monthly submissions to the OPCC website.	01 March 2019	Office and HR Manager (OPCC)

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
	<p>exercise of the commissioner's functions.</p> <p>The PCC and their deputies publish a breakdown of their expenses on the OPCC public website. These detail:</p> <ul style="list-style-type: none"> • date; • activity; • place of origin; destination; • category of travel; description; and • cost. 			<ul style="list-style-type: none"> • all expenses submitted via SAP by the PCC were accurately reflected on the website documents; and • all expenses incurred through Click Travel had been accurately reflected on the website. <p>We identified that the template used to upload details of expense claims was not fully in line with the information specified under paragraph 1(d) of the Schedule to the Elected Local Policing Bodies (Specified Information) Order 2011 and the guidance issue by the Home Office in August 2018. We noted that the following general fields were not included:</p> <ul style="list-style-type: none"> • their name; • force area; • claim reference numbers; • expense type (e.g. travel, accommodation); • amount reimbursed; amount not reimbursed; and the reason why a claim was not reimbursed. <p>We further noted that for travel and subsistence claims the following fields were not included in the template:</p> <ul style="list-style-type: none"> • category of journey (for example own car, taxi or train); • class of travel; and • category of hotel stay. 				

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 an opportunity for the OPCC to further strengthen the transparency by including the information referenced by the Home Office.				
2.3	PCCs across the country publish their expenses to demonstrate openness and transparency. We have provided a benchmark of these expenses to demonstrate the position of Avon and Somerset PCC in relation to it's peers.	Yes	Yes	<p>Through our benchmarking of four other PCC's across England for quarter one of 2018/19 we have identified:</p> <ul style="list-style-type: none"> the average declared expense claim for the quarter was £782.53, compared to the quarterly spend of £1254.10 for Avon and Somerset PCC. The highest claim was £1423.87 and the lowest was £226.99; the average declared spend on travel for the quarter was £475.18, compared to the quarterly spend of £1190.10 for Avon and Somerset PCC. The highest claim was £800.65 and the lowest was £226.99; and the average declared spend on subsistence for the quarter was £41.87, compared to the quarterly spend of £64 for Avon and Somerset PCC. The highest claim was £167.48 and the lowest was £0. <p>When benchmarked to other PCC's, the overall expense claim of the Avon and Somerset PCC appears to be</p>		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
				reasonable when compared to other Commissioners.				
Area: Chief Constable Expenses								
3.1	<p>Avon and Somerset Constabulary has set out it's position for expense claims in their Expenses, Allowances and Travel Procedural Guidance as detailed above in 1.1.1.</p> <p>The Chief Constable's expense claims are:</p> <ul style="list-style-type: none"> required to have relevant receipts for all expenditure; approved by the CFO; and reviewed and approved on a monthly basis by the Office of the Police and Crime Commissioner's Chief Finance Officer prior to publishing online. 	Yes	Yes	<p>We examined the declared expenses for April, August and October for the Chief Constable. We confirmed that:</p> <ul style="list-style-type: none"> procurement card expense for all three months had been signed off by the CFO; expense documents uploaded to the website had been signed off by the Chief Constable, CFO and Director of Resource, PCC and OPCC CFO, with the exception of October which had yet to be published; all items purchased were consistent with the requirements laid out in the expense guidance and met our expectations of being reasonable to be reimbursed; and two (of 11) items purchased were not backed up by a receipt, subsistence of £26 and suit hire of £129 (of which has was later refunded by the form of a deposit return) <p>Overall compliance with the guidance issued was satisfactory and appeared to be a reasonable use of public funds.</p>		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
3.2	<p>In order to remain open and transparent, police Chief Officers publish their expense claims to the public on a monthly basis. Avon and Somerset Constabulary include the following information on their public website:</p> <p>the names of the officer claiming an expense, including all nil returns in that month;</p> <p>date of the claim; reason for expenditure; and</p> <p>the source of payment, such as procurement card or cash.</p>	Yes	Yes	<p>We sampled three months, April, August and October from the 2018/19 financial year to confirm all Chief Constable expenses had been declared on the Avon and Somerset Constabulary website. Data for the month of October had not been uploaded to the website at the time of the audit, however we were provided with the source documentation that would be uploaded to review. We confirmed that:</p> <ul style="list-style-type: none"> all procurement card expense, from a report provided by the Procurement team, reconciled exactly to the information uploaded to the website; no expense claims were submitted through the SAP system and no payroll payments were made to the Chief Constable in any of the sampled months; and declared expense from Corporate Support bookings, such as accommodation, reconciled exactly to the uploaded website information. Although the expenses for October had yet to be uploaded, so we are unable to make a judgement on this month. <p>We identified that business mileage for the Chief Constable's company car was not declared on the website and through our discussions with the Chief Finance Officer we confirmed that this accurately</p>	Low	Management should consider the suitability of disclosing business mileage as an expense of the Chief Constable and if this should be published monthly in the public domain.	01 March 2019	PCC

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management	Implementation date	Responsible owner
				<p>reflected the current position of the Constabulary.</p> <p>While not recorded by other Constabularies, there is an opportunity to provide further transparency, ahead of observed good practice elsewhere, of the Chief Constables expenses by declaring the cost of the business mileage with the monthly reports.</p>				
3.3	<p>Constabulary's across the country publish their expenses to demonstrate openness and transparency.</p> <p>We have provided a benchmark of these expenses to demonstrate the position of Avon and Somerset Constabulary in relation to its peers.</p>	Yes	Yes	<p>Through our benchmarking of four other Constabulary across England for quarter one of 2018/19 we have identified:</p> <ul style="list-style-type: none"> the average declared expense claim for the quarter was £992.45, compared to the quarterly spend of £728.09 for Avon and Somerset Constabulary. The highest claim was £2,298.15 (this included £1,266.81 of advance payments for future conference accommodation and subsistence) and the lowest was £249.80; the average declared spend on travel for the quarter was £422.98, compared to the quarterly spend of £117.40 for Avon and Somerset Constabulary. The highest claim was £679.60 and the lowest was £77.80; and the average declared spend on subsistence for the quarter was £36.04, compared to the quarterly 		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
				<p>spend of £475.20 for Avon and Somerset Constabulary. The highest claim was £108.16 and the lowest was £0.</p> <p>When benchmarked to other Chief Constables, the overall expense claim of the Avon and Somerset Chief Constable is below the average and is over 30 percent lower than two of the highest claims.</p>				

APPENDIX A: SCOPE

The scope below is a copy of the original document issued.

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

Objective of the area under review: To be efficient with public funds, and to publically declare all PCC and Chief Constable expenses, with the intention of being open and transparent to the public.

Objective of the audit: To review the adequacy of and compliance with the expenses policy, and whether this reflect efficient use of public funds.

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

Areas for consideration:

We will review the expenses policy to ensure it reflects good practice to enable effective use of public funds when compared to other policies across the sector.

We will test compliance with the policy for a sample of claims from 2018/19 for both the PCC and Chief Constable.

We will test to ensure the completeness of the expenses declared to the public on both the PCC and Constabulary websites.

We will provide a benchmarking analysis on the amount and types of expenses claimed when compared to other similar forces.

Limitations to the scope of the audit assignment:

Testing will be undertaken on sample basis only.

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

APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

Nick Adams – Chief Finance Officer

Mark Simmonds – OPCC Chief Finance Officer

Jo Drewe – Executive Assistant

Kate Watson – OPPC Office and HR Manager

Documentation reviewed during the audit:

OPCC Travel and Expense Policy

Avon and Somerset Constabulary Expenses, Allowances and Travel Procedural Guidance

Declared expenses for the PCC

Declared expenses for Chief Officers

OPPC Expense policy and published expenses for Devon and Cornwall, West Midlands, Humberside and Nottinghamshire

Published expenses for Warwickshire, Cleveland, North Yorkshire and West Mercia Chief Constables.

FOR FURTHER INFORMATION CONTACT

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AVON AND SOMERSET POLICE

Organisational Learning

FINAL

Internal audit report: 14.18/19

12 March 2019

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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Debrief held	12 February 2019	Internal audit team	Mark Jones – Head of Internal Audit Vickie Gould – Client Manager Joe Hanley – Senior Auditor
Draft report issued	8 March 2019		
Responses received	11 March 2019		
Final report issued	12 March 2019	Client sponsor	Ed Yaxley – Organisational Learning Lead Nick Adams – Constabulary CFO Mark Simmonds – OPCC CFO Jane Walmsley – Inspection and Audit Coordinator
		Distribution	As agreed

1 EXECUTIVE SUMMARY

1.1 Background

An audit of Organisational Learning was undertaken as part of the approved internal audit plan for 2018/19.

In addition to Avon and Somerset Constabulary's determination to properly uphold its commitment to protect the public and meet their needs and expectations, there is clear recognition of the climate of growing public scrutiny and accountably as well as the ever-increasing demand and financial pressures faced by the service. These mean that the Constabulary must not only do all it can to prevent serious service failures but also that it must continually find ways to improve, build on its successes and innovate in order to achieve better outcomes, improved service-user experiences and higher productivity whilst, at the same time, reducing costs. In this context, the Police and Crime Commissioner and the Chief Constable have stressed the importance of strengthening the Constabulary's approach to organisational learning.

In November 2014, the then Acting Deputy Chief Constable commissioned a review to establish how the Constabulary's approach to organisational learning should be developed, drawing on relevant research and good practice from within the organisation and other relevant contexts with a view to proposing an organisational learning strategy along with an appropriate governance framework to underpin and support its implementation. The review concluded that there were considerable opportunities for potential further development of organisational learning at the Constabulary. It noted that in order for organisational learning to progress in an orchestrated, manageable and sustained way, an organisational learning strategy was needed to set out the long-term direction and approach to development and this needed to be translated into annual organisational learning development plans containing specific and timed actions with clear owners across the organisation.

More recently, the Constabulary has taken the decision to redesign its Strategic Framework and is in the early stages of developing a holistic organisational learning framework which will feed into this. The new Strategic Framework is due for launch in April 2019. This will include a new system to capture learning from a variety of sources and monitoring action plans. A visual illustration of how organisational learning has been identified, analysed and then applied within the organisation previously, compared with how this will be done going forward, can be found in Appendix C.

1.2 Conclusion

The Constabulary is undergoing a significant change to its strategic framework, and as such we have not commented on the effectiveness of organisational learning at this point due to it being in development. We have identified four areas for improvement and have raised four management actions to address these (two 'medium' priority and two 'low' priority). These actions address issues regarding updating the organisational learning delivery plan, provision of an update to the Constabulary Management Board on the closure and work of the Task and Finish Group, ensuring the organisational learning matrix and guidance is available to staff and ensuring that a strong organisational learning culture is consistently embedded across Senior Leadership Teams going forward.

Internal audit opinion:

Taking account of the issues identified, the OPCC, Chief Constable and JAC can take reasonable 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 risks.



1.3 Key findings

The key findings from this review are as follows:

The Task and Finish Group has a Terms of Reference document in place which sets out the role and membership of the Task and Finish Group. The Terms of Reference include a delivery plan to support the aims and objectives of the Group. However, delivery dates and owners against each action have not been identified. There is therefore a risk that individuals are not accountable for the actions and that they are not monitored going forward.

The Organisational Lead has provided updates to the Constabulary Management Board (CMB) on the progress with the Force's organisational learning plans. However, the closure of the Task and Finish Group has not been recognised, as was outlined in the Terms of Reference.

The Task and Finish Group met three times in April, June and October 2018, across which it appears to have served its purpose in focusing the direction of organisational learning going forward, achieving the following outcomes:

- Organisational Learning Lead provided briefing sheets to four different Inspectors around three areas of identified learning (death messages, searching vehicles and counter allegations), for dissemination to staff;
- statistics for Pocketbook access and views were shared to gauge effectiveness of communication; and
- encouraged people to post in the Organisation Learning team room on Pocketbook.

The People Development Project (PDP) delivered a presentation to the Task and Finish Group in October 2018 and to the CMB in December 2018. The PDP delivered the following outcomes:

- qualitative and quantitative research into communication routes for learning;
- a new structured organisational learning process map;
- a new organisational learning tool box;
- broader representation through the problem-solving team; and
- support from COG.

There is an organisational learning matrix in place which clearly sets out the guidelines to staff on how to prioritise learning identified. At the time of the audit the learning matrix had not been disseminated to staff or uploaded to Pocketbook.

There is an Organisational Learning Tracking Form in place is available to staff via Pocketbook. However, there is no guidance to inform staff of where to send the form once it is completed. Where there is no guidance to inform staff of where to send the forms, there is a risk that the forms will not be used for the purpose which they are intended.

There are only 124 members of staff that have been granted or have requested access to the Pocketbook Team Room. Whilst this figure indicates that the number of staff that view the Team Room page is relatively small, through conversation with the Organisational Learning Lead and Chief Superintendents we were informed that they feel Pocketbook serves its purpose as a useful information / reference point.

We performed a walkthrough of the new tracking tool (WeKan software) and QlikSense app and confirmed that it has been tested and is ready to be rolled out Constabulary-wide as of 1 April 2019. Induction sessions are booked in March 2019 to deliver training to those members of the Constabulary who will be using the tool.

Whilst there are examples of good practice in place across the Constabulary Directorates, there is inconsistency in the identification and sharing of learning. Organisational learning does not appear as a standing agenda item across all SLT meetings. Where there is no consistent mechanism through which learning identified at team debriefs is fed up to SLT and to training sessions, there is a risk that any learning identified is not shared appropriately.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Risk	Control design not effective*	Non-Compliance with controls*	Agreed actions		
			Low	Medium	High
Loss of legitimacy and public confidence (SRR1)	0 (9)	5 (9)	2	2	0
Total			2	2	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 Benchmarking and good practice

We have also identified innovation or good practice in this area at other organisations (both emergency services and NHS) that the Constabulary may wish to consider:

Identification

Departmental divisions alternate and present on a key finding to a central group / organisational learning forum which meets on a quarterly basis.

Informal benchmarking groups meet with key contacts in other NHS Trusts / Police Forces to discuss key issues and learnings. For example, in the NHS, RSM have held a couple of Mental Health sessions across clients on Cost Improvement Plans, at which Directors of Finance have met to share learning and experiences.

Root Cause Analysis (RCAs) to identify lessons to be shared when there is a serious incident or when there is a complaint / claim. Often this would be dealt with by teams who sit under the governance lead (Executive Director) and often there is a group / committee who oversee the outcomes of the RCA investigation.

Actioning

Provide set timeframes for departments to respond to whether they have implemented the learning and ask them what differences they have seen.

The convening of clinical and patient safety staff within 48 hours of an incident to review the facts and ensure that the incident is correctly categorised.

Sharing

The sharing and dissemination of lessons learnt should be carried out in a very proactive way, encouraging staff to report incidents. Such activities could include:

- the production of Organisational Wide Learning Summaries which are disseminated to all operational / clinical staff;

- monthly PowerPoint presentations at departmental team meetings, summarising serious incidents and never events on a monthly basis and highlighting the learning points from each; and
- highlighting and sharing in organisational magazines and starred articles via both internal email communications and the intranet page.

Governance

A Quality and Governance Committee and Serious Incident and Complaints Review Panel could be set up which would be responsible for monitoring compliance with the serious incidents and complaints reported to the organisation. A Quality Improvement and Lessons Learnt Committee could be set up to convene on a monthly basis, ensuring that the organisation identifies areas for quality improvement based on the lessons learned as a result of comprehensive investigations.

2 ACTION PLAN

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 regulatory scrutiny/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, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

Ref	Recommendation	Priority	Management action	Implementation date	Responsible owner
1	The organisational learning delivery plan should be reviewed to ensure it is up to date and reflects the current position of the Constabulary.	Medium	<p>The organisational learning delivery plan will be updated to reflect the current position of the Constabulary and to ensure it outlines the actions required to deliver against the organisational learning framework.</p> <p>The delivery plan will include outstanding actions, and these will be allocated to the relevant responsible owners. Actions will be entered and allocated using the new tracking system is in place, once it has been implemented.</p>	1 June 2019	Ed Yaxley, Organisational Learning Lead
2	As outlined in the Task and Finish Group Terms of Reference, an update should be provided to the CMB recognising the closure of the Group.	Low	The Organisational Learning Lead will ask for the CMBs steer on the future of the Group. Should it be decided that the Group is to close, the Organisational Learning Lead will present to the CMB to recognise the closure of the Task and Finish Group and on the outcomes achieved during its lifespan.	1 April 2019	Ed Yaxley, Organisational Learning Lead

Ref	Recommendation	Priority	Management action	Implementation date	Responsible owner
5	The organisational learning matrix should be uploaded on to Pocketbook and clear instructions provided to staff on how to use the matrix.	Low	<p>The Organisational Learning Lead will upload the learning matrix to the Organisational Learning Team Room on Pocketbook in preparation for the launch of the new tracking system in April 2019.</p> <p>The Team Room will also be updated to give clear instructions to staff submitting an organisational learning tracking form, including where the form should be sent.</p>	1 May 2019	Ed Yaxley, Organisational Learning Lead
9	<p>SLT meetings should have organisational learning as a standing agenda item.</p> <p>Any learning identified as part of the SLT meetings should be input into the new tracking system by the Improvement Consultants.</p>	Medium	<p>A strong organisational learning culture will be implemented across all Directorates and departments. This will be achieved by ensuring:</p> <ul style="list-style-type: none"> organisational learning is a standing agenda item at each SLT meeting; and the responsibility for inputting identified learning actions into the tracking tool is clearly outlined. 	1 September 2019	Sarah Crew, Deputy Chief Constable

3 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 regulatory scrutiny/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, regulatory scrutiny, 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	Recommendation
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Risk: Loss of legitimacy and public confidence (SRR1)

1	<p>The Constabularies strategic vision, in terms of organisational learning, is achieved through addressing all items outlined in the delivery plan, which is detailed in Appendix 1 of the Task and Finish Group Terms of Reference document. The delivery plan intends to:</p> <ul style="list-style-type: none"> embed organisational learning throughout the Constabulary; develop a technical solution to record, store, retrieve and disseminate learning across the Constabulary; communicate new organisational learning; and 	Yes	No	<p>We obtained the Task and Finish Group Terms of Reference and confirmed that they include a delivery plan to support the aims and objectives of the Group.</p> <p>The delivery plan has not allocated delivery dates and owners against each action. There is therefore a risk that individuals are not accountable for the actions and that they are not monitored going forward. Through discussion with the Organisational Learning Lead we were informed that some of the actions in the delivery plan had been completed but that the document itself had not been updated.</p>	Medium	The organisational learning delivery plan should be reviewed to ensure it is up to date and reflects the current position of the Constabulary.
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Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
	<ul style="list-style-type: none"> establish governance arrangements so learning is consistently analysed, reviewed and actioned. <p>Under each objective, actions are outlined with their corresponding owner, delivery date and review date.</p>			The organisational learning aspect of the new strategic framework had not been written at the time of the audit and so we could not review this as part of the audit.		
2	<p>The Organisational Learning Task and Finish Group was set up in April 2018, after being commissioned by the CMB, and has met three times since its inception. The Group aims to deliver to the force a sustainable solution for the future governance and management of organisational learning. This is supported through a focused delivery plan.</p> <p>The Task and Finish Group has a documented Terms of Reference which sets out the Group's:</p> <ul style="list-style-type: none"> strategic vision; aims and objectives; key stakeholders; measures of success; interdependencies; timeline and milestones; deliverables and deadlines; resources; and governance. <p>The Terms of Reference document states that approval of handover to business as usual working practice and therefore closure of the Task and Finish Group will be managed through the monthly CMB.</p>	Yes	No	<p>We obtained the Task and Finish Group Terms of Reference and confirmed that they set out the role and membership of the Task and Finish Group.</p> <p>We obtained the CMB minutes from the 20 December 2018 and found that the Organisational Learning Lead provided an update on progress with the Force's organisational learning plans, covering the Task and Finish Group (and also the People Development Programme and Strategic Framework Delivery Group).</p> <p>We were unable to see evidence that the closure of the Task and Finish Group has been recognised, as was outlined in the Terms of Reference.</p> <p>Through conversation with the Organisational Learning Lead we were informed that the Task and Finish Group is unlikely to meet again as the Group Chair is leaving the Constabulary and the Group has served the purpose for which it was set up. The Organisational Learning Lead should</p>	Low	As outlined in the Task and Finish Group Terms of Reference, an update should be provided to the CMB recognising the closure of the Group.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
				report to the CMB on the outcomes and closure of the Task and Finish Group.		
3	<p>The Organisational Learning Task and Finish Group membership consists of:</p> <ul style="list-style-type: none"> • Chief Superintendent (Neighbourhoods); • Governance Manager; • Chief Inspector x3; • Detective Chief Inspector; • Sergeant; • Neighbourhood Team Inspector; • Head of eServices; • Detective Inspector; • Communications Centre Manager; • Senior Project Manager; • Area Business Manager; • Training Manager; • Civil Contingencies Planning Officer; • Solicitor; • Head of Operational Training; and • Head of Victim Care, Safeguarding and Vulnerability. <p>Task and Finish Group meetings are minuted and are available via the Operational Team Room on Pocketbook.</p>	Yes	Yes	<p>We obtained the meeting minutes from the Task and Finish Group on the 25 April, 27 June and 22 October 2018. We confirmed that the individuals who attended the meetings are appropriate and in line with the purpose of the group.</p> <p>The meetings took place infrequently and only a total of three meetings have taken place since the Group's inception. Despite this, the Group appears to have served its purpose in focusing the direction of organisational learning going forward.</p> <p>Through examination of the meeting minutes we confirmed that action points are raised and assigned to responsible owners. The implementation status of each action is considered at the start of each meeting and completed actions are then closed on the action log.</p> <p>We found that the meetings achieved the following outcomes:</p> <ul style="list-style-type: none"> • Organisational Learning Lead provided briefing sheets to four different Inspectors around three areas of identified learning (death messages, searching vehicles and counter allegations), for dissemination to staff; • reviewed the PDP presentation prior to it going to CMB; 		None.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
				<ul style="list-style-type: none"> statistics for Pocketbook access and views were shared to gauge effectiveness of communication; and encouraged people to post in the Organisation Learning team room on Pocketbook. <p>We also confirmed that three examples of learning identified: searching vehicles, death messages and counter allegations, were disseminated to staff via the weekly Good to Know, Need to Know" email newsletter and are available to staff via Pocketbook.</p>		
4	<p>The PDP is an internal leadership highlighting programme in which all 15 members were expected to complete a project. One of the projects specified was "Organisational Learning" which was taken on by Trisha Tout as Business Manager / Project Lead and Jade Golding as Project Support.</p> <p>The project objectives included:</p> <ul style="list-style-type: none"> aid Task and Finish Group led by C/Supt Ian Wylie; formalise organisational learning process and principles; and develop a simple approach to organisational learning across departments. <p>The project team members gave a 'wrap-up' presentation in December 2018 to demonstrate the outcome of their projects.</p>	Yes	Yes	<p>We obtained the PDP presentation which went to the CMB in December 2018. We found that the presentation was reviewed by the Task and Finish Group as part of the meeting on 22 October 2018. We confirmed that the presentation was subject to challenge and scrutiny by the Group.</p> <p>As part of the PDP presentation to CMB, the outcomes of the project were summarised as follows:</p> <ul style="list-style-type: none"> qualitative and quantitative research into communication routes for learning; a new structured organisational learning process map; a new organisational learning tool box; broader representation through the problem-solving team; and support from COG. 		None.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
	The Task and Finish Group was asked to assess the impact of the PDP learning.			We found that the PDP supported the work of the Task and Finish Group.		
5	<p>The Constabulary has a Learning Prioritisation Matrix in place which guides staff to help prioritise learning and to categorise learning so that colleagues are not 'burdened' with irrelevant learning.</p> <p>The matrix rates an item of learning by:</p> <ul style="list-style-type: none"> • impact on a scale of 1 to 3 (1 - nice to know, 2 - good to know and 3 - must know); and • applicable cohort on a scale of 1 to 4 (1 - unit, 2 - department, 3 - directorate and 4 - force). <p>The prioritisation of learning is used to rate learning reported using the Organisational Learning Tracking Form.</p> <p>The matrix is due to be sent to Senior Leaders for dissemination to staff.</p>	Yes	No	<p>We obtained the learning matrix and confirmed that it clearly sets out the guidelines to staff on how to prioritise learning identified.</p> <p>At the time of the audit the learning matrix had not been disseminated to staff or uploaded to Pocketbook.</p>	Low	The organisational learning matrix should be uploaded on to Pocketbook and clear instructions provided to staff on how to use the matrix.
6	<p>The Constabulary has an Organisational Learning Tracking Form which is used to identify learning across the Constabulary and ensure that clear actions are agreed and communicated as appropriate.</p> <p>The forms can be completed by any member of staff and are sent to the #OrgLearning email inbox, at which point the Business Intelligence Unit score the learning according to the impact and its applicable cohort. The form is then sent on to the relevant Business Lead, who scores</p>	Yes	No	<p>We confirmed that the Organisational Learning Tracking Form is available to staff via Pocketbook. However, there is no guidance to inform staff of where to send the form once it is completed.</p> <p>No forms have been completed in the last three months.</p> <p>Where there is no guidance to inform staff of where to send the forms, there is a risk that</p>		See management action 5.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
	<p>the learning again using the same criteria, before agreeing actions to take forward.</p> <p>The form includes:</p> <ul style="list-style-type: none"> • date; • details of the learning identified; • name of individual submitting; • relevant Business Lead; • learning scoring; and • methods through which learning should be communicated. <p>Prior to the actions being agreed, the Business Intelligence Unit reviews the actions to ensure they are appropriate for the impact and applicable cohort.</p> <p>The forms are available to all staff who have requested access to the Organisational Learning Team Room page on Pocketbook.</p>			the forms will not be used for the purpose which they are intended.		
7	<p>The Constabulary has a dedicated Organisational Learning Team Room page on Pocketbook. The page includes:</p> <ul style="list-style-type: none"> • Organisational Learning Capture Form; • Organisational Learning Task and Finish Group action log; • Organisational Learning Task and Finish Group minutes; • Organisational Learning Delivery Plan; • idea drop box; and • blog page. 	Yes	Yes	<p>We found that only 124 members of staff have been granted or have requested access to the Pocketbook Team Room.</p> <p>Whilst this figure indicates that the number of staff that view the Team Room page is relatively small, through conversation with the Organisational Learning Lead and Chief Superintendents we were informed that they feel Pocketbook serves its purpose as a useful information / reference point.</p>		None.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
	Any member of staff can request access to the Team Room page, which is approved automatically. However, staff cannot view the page without requesting such access. The Team Room function within Pocketbook is such that staff cannot be granted access without requesting it.					
8	<p>All organisational learning actions will feed into a new Strategic Framework Tracking Tool IT system as of 1 April 2019. The system has been procured from an external company, "WeKan", and has been customised by the Strategic Digital Services (SDS) team.</p> <p>The SDS team were given a brief at the beginning of the customisation project and bi-weekly meetings were held to discuss progress made. These meetings were not minuted and no longer took place at the time of the audit as the tool was ready to be rolled out.</p> <p>Actions added to the system are assigned to action owners and can be tagged with various category labels (e.g. burglary, domestic abuse, vehicle crime, IT Directorate etc.). The actions can then be drag and dropped between the "to do", "doing" and "done" panels, depending on the implementation status. An audit trail of activity is kept showing which members of staff have moved which actions.</p> <p>The Business Intelligence team has customised QlikSense to work alongside the software and</p>	Yes	Yes	<p>The Head of SDS and SDS Product Owner performed a walkthrough of the new tracking tool and QlikSense app. We confirmed that it has been tested and is ready to be rolled out Constabulary-wide as of 1 April 2019.</p> <p>Screenshots of the WeKan and QlikSense test areas can be found in Appendix D.</p> <p>We also confirmed that induction sessions are booked in March 2019 to deliver training to those members of the Constabulary who will be using the tool.</p>		None.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
	<p>read the data produced, converting this to visual, user-friendly graphs / charts.</p> <p>QlikSense visually interprets the actions and activity, categorising these in a number of ways, as follows:</p> <ul style="list-style-type: none"> by activity status (complete / ongoing / not started); by framework category (digital / people / service / infrastructure); by high risk activity; by activity tags (drugs / HMIC recommendations / hate crime / CSE / mental health etc.); and by activity owner (names of owners). 					
9	<p>The Constabulary has a Senior Leadership Team (SLT) for each Operational Directorate (Neighbourhood and Partnerships, Investigations, Operational Support and Response) and each Enabling Directorate (Transformation and Improvement, Finance and Business Services, People and Organisational Development and Information Technology).</p> <p>The SLTs are chaired by the Chief Superintendent for each Operational Directorate and the Deputy Director of each Enabling Directorate. SLT meetings take place every two to four weeks. The CMB has indicated that it wants Organisational Learning to be a standing agenda item at every meeting.</p>	Yes	No	<p>Organisational learning is a standing agenda item at the Operational Support Directorate SLT meetings. Each of the five Superintendents in this area are asked to complete a departmental update template in advance of SLT meetings, which includes a section for learning identified and action taken. All learning and actions feed into a Directorate spreadsheet. We note that this Directorate has followed good practice with regards to identifying and monitoring organisational learning which should be kept in place going forward, with the new tracking system replacing the existing spreadsheet.</p> <p>Organisational learning is not a standing agenda item at Finance and Business Services Directorate SLT meetings, however there is an agenda item for 'new ideas and</p>	Medium	<p>SLT meetings should have organisational learning as a standing agenda item.</p> <p>Any learning identified as part of the SLT meetings should be input into the new tracking system by the Improvement Consultants.</p>

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Recommendation
				<p>innovation', during which any learning can be shared.</p> <p>Organisational learning is not a standing agenda item at the Neighbourhood and Partnership Directorate SLT meetings. Through discussion with the Chief Superintendent of Neighbourhood and Partnerships we were informed that going forward, QlikSense will help identify problem solving plans to see how effective these are, by analysing information such as number of victims and offenders in each location. This will then form the basis of evidence-based policing so that effective problem-solving plans can be learnt from.</p> <p>Organisational learning is not a standing agenda item at the Response Directorate SLT meetings. However, it is discussed as part of a daily call between the Superintendent and Force Duty Officer and forms part of the SLT conference call at the end of each week.</p> <p>Where there is no consistent mechanism through which learning identified at team debriefs is fed up to SLT and to training sessions, there is a risk that any learning identified is not shared appropriately.</p>		

APPENDIX A: SCOPE

The scope below is a copy of the original document issued.

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
Objective of the area under review: To capture all aspects of learning and share this across the Constabulary. Audit objective: To review the steps being taken to improve the control framework to seek and capture learning from incidents and reviews, and how this is communicated across the organisation.	Loss of legitimacy and public confidence (SRR1)	Strategic risk register

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

N/A

When planning the audit, the following Risks for consideration and limitations were agreed:

The overall strategy for organisational learning, including how this links to the new Strategic Framework.

The role and membership of the Task and Finish Group, and how it reports to CMB on activities undertaken, progress made and decision making.

The People Development Project in supporting the role of the Task and Finish Group.

The matrix available of all aspects of learning, including the reviews taking place and where the outputs from these sources are held and monitored.

Guidance and information available to staff and officers on organisational learning (Pocketbook).

Plans for the implementation of an IT system to manage organisational learning, how this is being tested and the roll out plan.

The use of SLT meetings across all departments and teams to identify and share learning.

Benchmarking / good practice seen at other Police clients.

Limitations to the scope of the audit assignment:

We will not comment on the effectiveness or organisational learning at this point due to it being in development.

We will not comment on the strategic framework as this has been covered in another audit.

We will not comment on the decisions made to procure / build IT software, only how this has been assessed, tested and approved.

We will not provide assurance that all learning is captured.

Testing will be on a sample basis only.

APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Ed Yaxley, Detective Chief Inspector (Policy, Support and Review) / Organisational Learning Lead;
- Ben Valentine, Governance Manager;
- Will White, Chief Superintendent, Neighbourhood and Partnership Directorate;
- Rachel Williams, Chief Superintendent, Operational Support Directorate;
- Sharon Quantick, Deputy Director, Finance and Business Services Directorate;
- Rhys Hughes, Superintendent;
- Tricia Tout, Business Manager;
- Scott Fulton, Head of Strategic Digital Services; and
- Anandhi Pandurangan, Strategic Digital Services Product Owner.

Documentation reviewed during the audit:

- SLT minutes for each Directorate;
- Organisational Learning Task and Finish Group Terms of Reference;
- Organisational Learning Task and Finish Group minutes;
- Organisational Learning capture form;
- Constabulary Management Board minutes;
- People Development Project presentation;
- Good to Know, Need to Know newsletter;
- Learning from experience report;
- Organisational Learning flow chart
- Organisational Learning review report;
- Organisational Learning Task and Finish Group action log; and
- Organisational Learning prioritisation matrix.

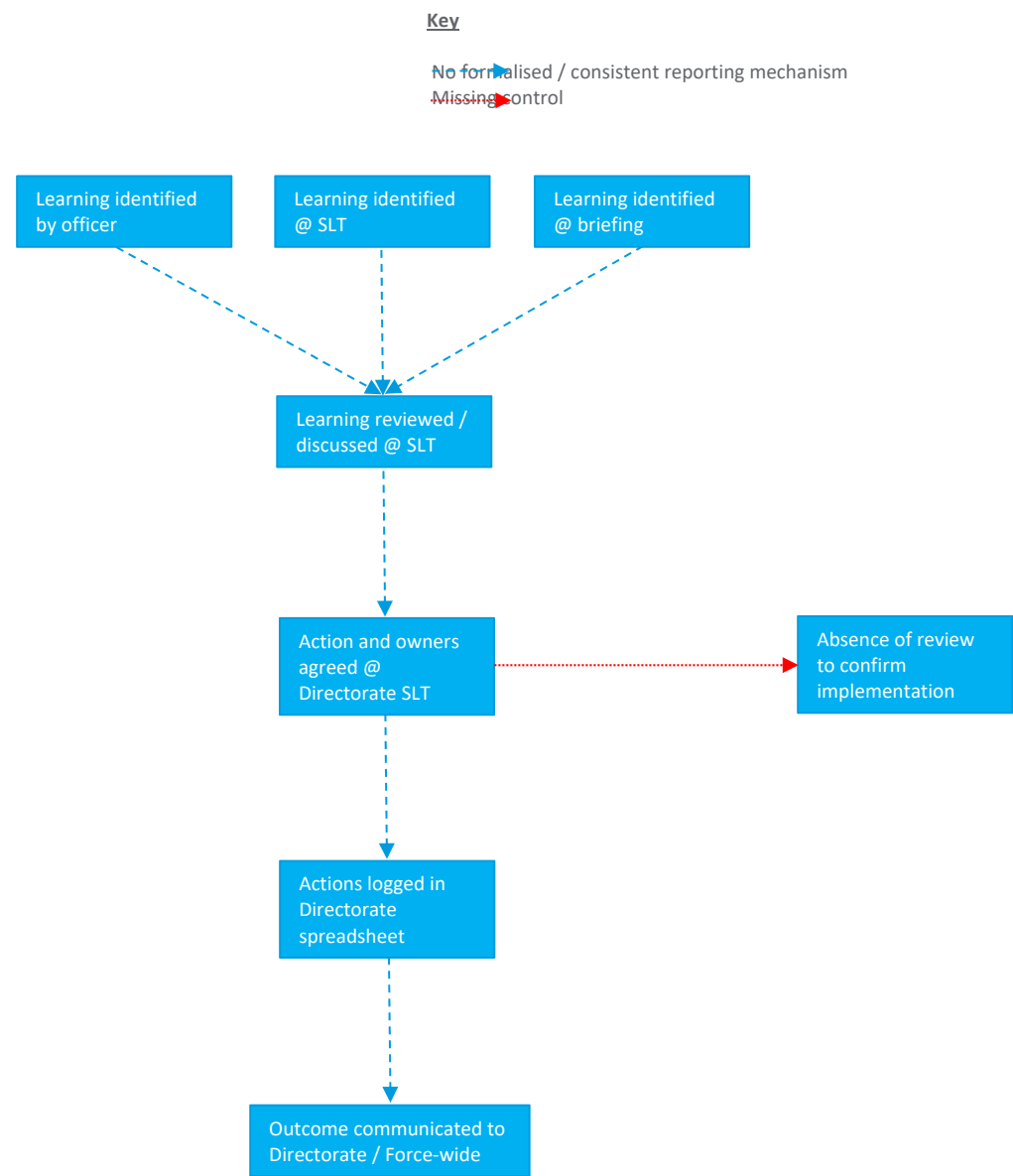
Benchmarking

We have included some comparative data to benchmark the number of management actions agreed, as shown in the table below. In the past year, we have undertaken a number of audits of a similar nature.

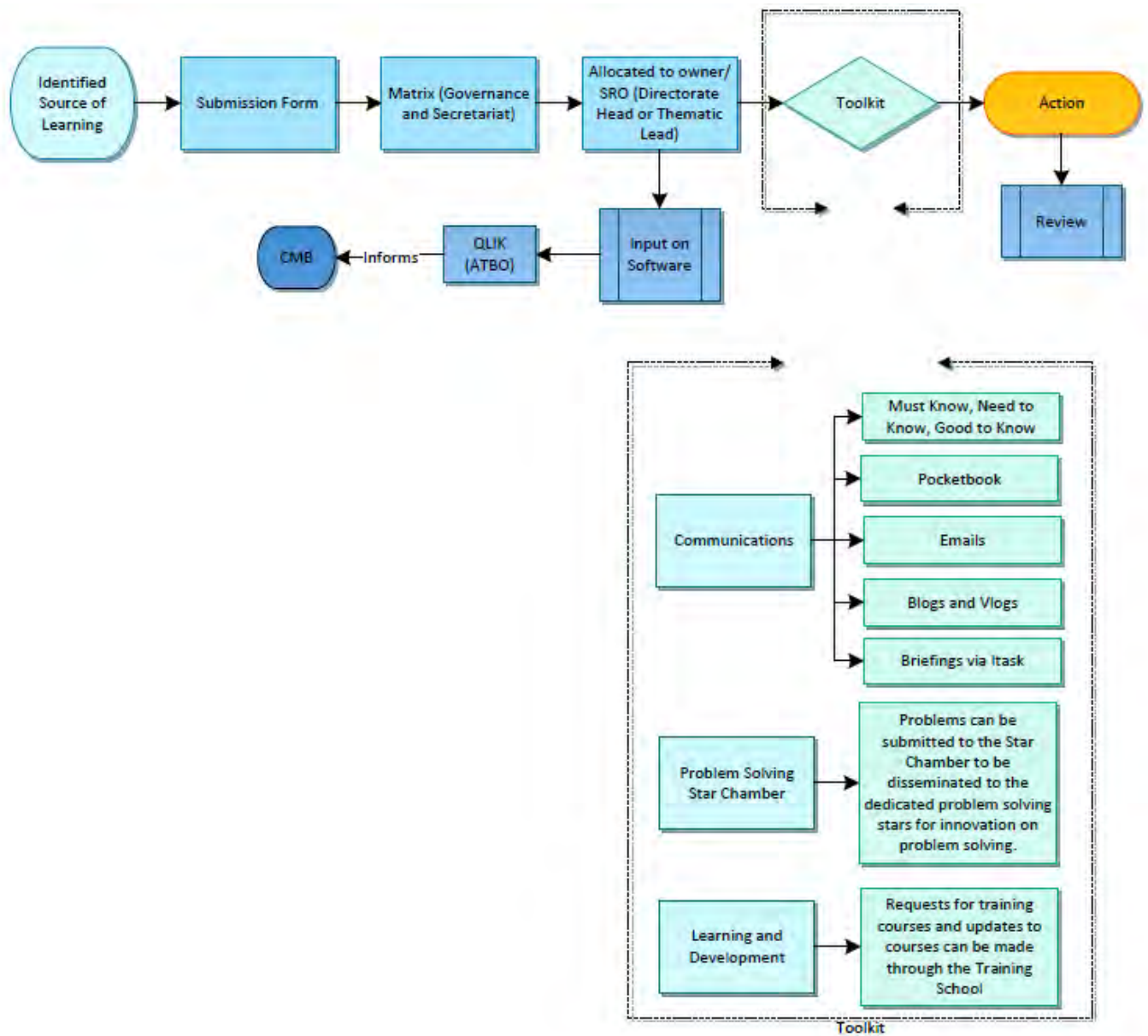
Level of assurance	Percentage of reviews	Results of the audit
Substantial assurance	29%	
Reasonable assurance	47%	X
Partial assurance	24%	
No assurance	0%	
Management actions	Average number in similar audits	Number in this audit
High	0.4	0
Medium	3.3	2
Low	2.2	2
Total	5.9	4

APPENDIX C: “AS-IS” / “TO-BE” MAP

“As-Is” OL Process Map

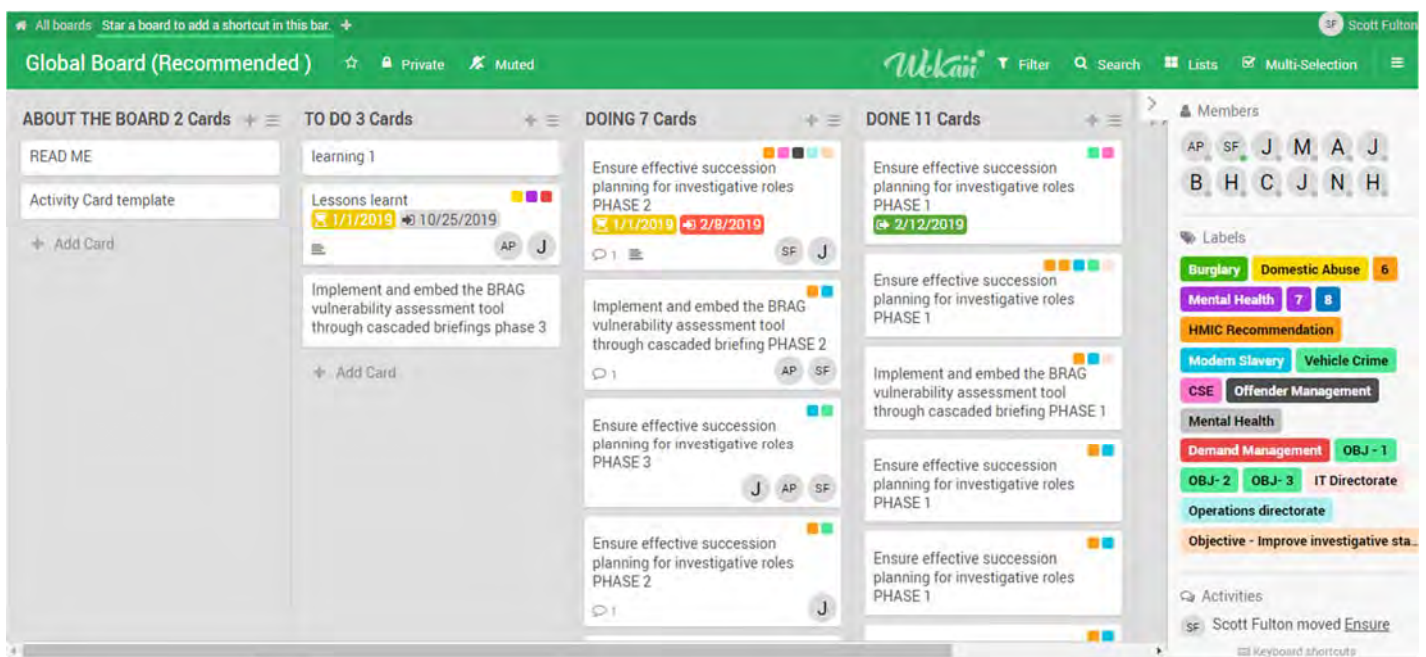


“To-Be” OL Process Map

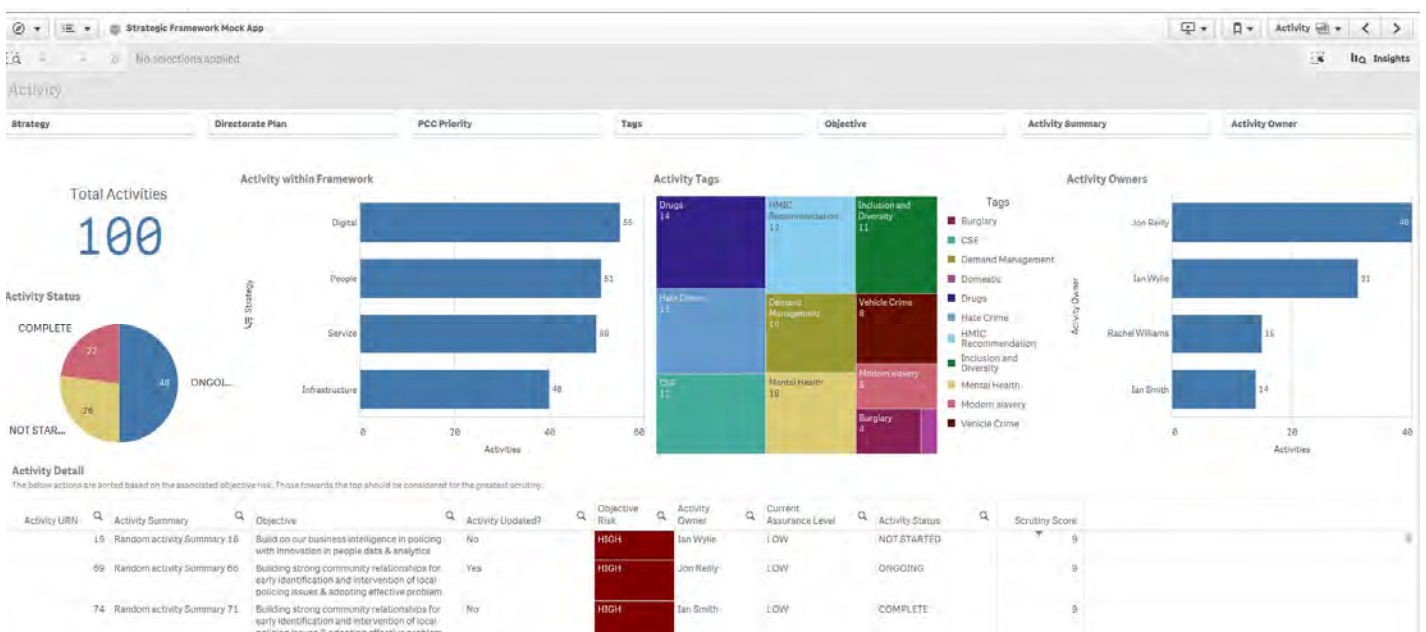


APPENDIX D: TRACKING TOOL AND QLIKSENSE

A test area has been set up in the WeKan system to assist in demonstrating the systems capabilities both to the Constabulary Management Board and during induction training. A screenshot of the test area is shown below:



A screenshot of the QlikSense analysis of the test area is shown below:



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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. 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.

Our report is prepared solely for the confidential use of Police and Crime Commissioner for Avon and Somerset, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. 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 and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

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

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AVON AND SOMERSET POLICE

Follow Up Part 2

REVISED FINAL

Internal Audit Follow Up Report: 13.18/19

11 March 2019

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	14

Debrief held 15 February 2019

Draft report issued 6 March 2019

Responses received 11 March 2019

Final report issued 11 March 2019

Revised final issued 11 March 2019

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1 EXECUTIVE SUMMARY

1.1 Introduction

As part of the approved internal audit plan for 2018/19 we have undertaken a review to follow up progress made by the Constabulary and OPCC to implement the previously agreed management actions. The audits considered as part of the follow up review were:

- Training (9.17/18);
- Workforce Pressures (15.17/18);
- Crime Prevention and Community Engagement (16.17/18);
- Additional Payments (1.18/19);
- Governance (2.18/19);
- Income Generation (3.18/19);
- Follow Up Part 1 (4.18/19);
 - Training (9.17/18);
 - Volunteers (3.17/18);
 - Equalities Representative Workforce (4.17/18);
 - Performance Management (7.17/18); and
- Health and Safety (5.18/19).

The 21 management actions considered in this review comprised of 21 'medium' priority actions. The focus of this review was to provide assurance that all actions previously made have been adequately implemented. For actions categorised as 'low' we have accepted management's assurance regarding their implementation.

1.2 Conclusion

Taking account of the issues identified in the remainder of the report and in line with our definitions set out in Appendix A, in our opinion Police and Crime Commissioner for Avon and Somerset Police has demonstrated **good progress** in implementing agreed management actions. This is due to 86% of actions followed up being fully implemented (with a further 5% being superseded).

We have raised new management actions where appropriate; these are detailed in section 2 of this report.

1.3 Action tracking

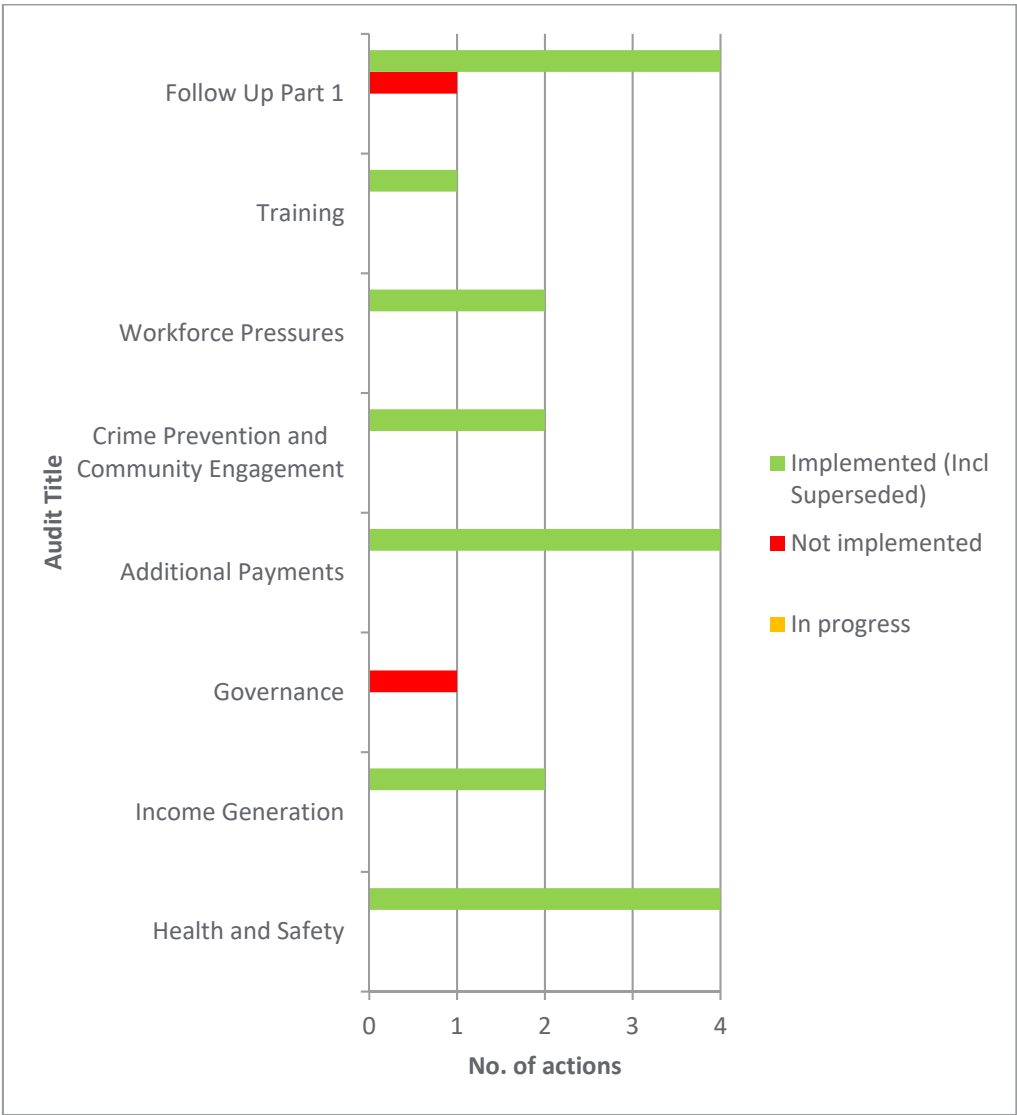
Action tracking enhances an organisation's risk management and governance processes. It provides management with a method to record the implementation status of actions made by assurance providers, whilst allowing the Joint Audit Committee to monitor actions taken by management.

Action tracking is undertaken by the Constabulary's Business Improvement department on a regular basis, and management are required to provide timely updates on the progress of action implementation. This is done in line with HMICFRS recommendations.

As part of our Follow Up review, we have verified this information and completed audit testing to confirm the level of implementation stated and compliance with controls.

We have verified that the status of implementation of management actions, as reported to the Joint Audit Committee via the internal action tracking process, is accurate. We found one exception where the action was recorded as closed, however we have reopened this action as the risk still exists.

The following graph highlights the progress made on the actions that have been followed up.



1.4 Progress on actions

Implementation status by review	Number of actions agreed	Status of management actions					
		Implemented (1)	Implementation ongoing (2)	Not implemented (3)	Superseded (4)	Not yet due (5)	Confirmed as completed or no longer necessary (1) + (4)
Follow Up Part 1 (4.18/19)	5	4	0	1	0	0	4
Training (9.17/18)	1	1	0	0	0	0	1
Workforce Pressures (15.17/18)	2	2	0	0	0	0	2
Crime Prevention and Community Engagement (16.17/18)	2	2	0	0	0	0	2
Additional Payments (1.18/19)	4	3	0	0	1	0	4
Governance (2.18/19)	1	0	0	1	0	0	0
Income Generation (3.18/19)	2	2	0	0	0	0	2
Health and Safety (5.18/19)	4	4	0	0	0	0	4
Totals	21	18	0	2	1	0	19
	100%	86%	0%	10%	4%	0%	90%

2 FINDINGS AND MANAGEMENT ACTIONS

This report has been prepared by exception. Therefore, we have included only those actions graded as 2 and 3. Each action followed up has been categorised in line with the following:

Status	Detail
1	The entire action has been fully implemented.
2	The action has been partly though not yet fully implemented.
3	The action has not been implemented.
4	The action has been superseded and is no longer applicable.
5	The action is not yet due.

ASSIGNMENT TITLE: Follow Up Part 1 (4.18/19)

Ref	Management action	Original date	Original priority	Status reported to audit committee	Audit finding	Current status	Updated management action	Priority issued	Revised date	Owner responsible
1	Volunteers (3.17/18): A system of volunteer review meetings will be implemented to be completed one and 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.	31 December 2018	Medium	1	Through discussion with the Volunteers Programme Development Manager we were informed that the Constabulary originally had plans to integrate the review process with MFSS. This was not progressed due to the Constabulary's decision not to implement MFSS. The Constabulary has since implemented a Duty Sheet system for its volunteers which has the ability to conduct Personal Development Reviews (PDRs) and therefore monitor the completion of training modules, however	3	The Volunteer Programme Development Manager will use the Duty Sheet software to maintain a record of training undertaken by volunteers. The Duty Sheet system will then be used to remind volunteers of what training remains outstanding, upon logging in to the system.	Medium	1 October 2019	Volunteer Programme Development Manager

this function has not yet been switched on for volunteers. This is because Duty Sheet is a steep learning curve for volunteers and the Constabulary is prioritising recording of hours and expense claims.

In order to introduce the PDR function, line managers need to be given accounts on Duty Sheet. There is a cost per head of roughly £20 for each of the approximately 200 line managers. The Volunteer Programme Development Manager has been asked to cost up the estimated amount for giving line managers access and is to present this to the next Silver meeting.

At the time of the audit, the Citizens in Policing team (CIP) was in the process of uploading all induction training records to Duty Sheet. This will maintain a record of training that is visible to individual volunteers.

This action has not been implemented.

ASSIGNMENT TITLE: Governance (2.18/19)

Ref	Management action	Original date	Original priority	Status reported to audit committee	Audit finding	Current status	Updated management action	Priority issued	Revised date	Owner responsible
2	The Constabulary will consider the benchmarking provided as part of this audit in its governance review, including the use of an 'organisational infrastructure' with key business domains on which assurance is reported via its governance structure.	31 December 2018	Medium	3	Through discussion with the Governance Manager we were informed that the governance review is being developed as part of the new Strategic Framework. The Strategic Framework is due to undergo the internal quality assurance process in February / March 2019. Therefore, this action has not been fully implemented.	3	The Constabulary will consider the benchmarking provided as part of the Governance (3.18/19) audit in its Strategic Framework governance review, including the use of an 'organisational infrastructure' with key business domains on which assurance is reported via its governance structure.	Medium	1 June 2019	Governance Manager

APPENDIX A: DEFINITIONS FOR PROGRESS MADE

The following opinions are given on the progress made in implementing actions. This opinion relates solely to the implementation of those actions followed up and does not reflect an opinion on the entire control environment

Progress in implementing actions	Overall number of actions fully implemented	Consideration of high actions	Consideration of medium actions	Consideration of low actions
Good	> 75 percent	None outstanding	None outstanding	All low actions outstanding are in the process of being implemented
Reasonable	51 – 75 percent	None outstanding	75 percent of medium actions made are in the process of being implemented	75 percent of low actions made are in the process of being implemented
Little	30 – 50 percent	All high actions outstanding are in the process of being implemented	50 percent of medium actions made are in the process of being implemented	50 percent of low actions made are in the process of being implemented
Poor	< 30 percent	Unsatisfactory progress has been made to implement high actions	Unsatisfactory progress has been made to implement medium actions	Unsatisfactory progress has been made to implement low actions

APPENDIX B: SCOPE

Scope of the review

The internal audit assignment has been scoped to provide assurance on how Police and Crime Commissioner for Avon and Somerset manages the following objective:

Objective of the area under review

To follow up previously agreed internal audit actions.

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

Areas for consideration:

- Follow Up Part 1 (4.18/19);
- Training (9.17/18);
- Workforce Pressures (15.17/18);
- Crime Prevention and Community Engagement (16.17/18);
- Additional Payments (1.18/19);
- Governance (2.18/19);
- Income Generation (3.18/19); and
- Health and Safety (5.18/19).

We will not follow up the following audits:

- Procurement / Contract Management (6.18/19) (no actions raised);
- IT Projects – Benefits Realisation (7.18/19) (actions not yet due);
- GDPR Governance (8.18/19) (actions not yet due);
- Change Commissioning Transformation (9.18/19) (actions not yet due);
- Strategic Framework (10.18/19) (actions not yet due);
- Key Financial Controls (11.18/19) (actions not yet due); and
- Chief Constable & PCC Expenses (12.18/19) (actions not yet due).

Limitations to the scope of the audit assignment:

Testing will be undertaken on a sample basis to confirm the effectiveness of steps taken to address these management actions.

Testing will be undertaken where appropriate to confirm the effectiveness of actions taken to address these actions. Where testing is undertaken, samples will be selected from the period since actions were implemented or controls enhanced.

APPENDIX C: ACTIONS COMPLETED

From the testing conducted during this review we have found the following actions to have been fully implemented and are now closed:

Assignment title	Management actions
Follow Up Part 1 (4.18/19)	Training (9.17/18): Management will ensure that course directories are regularly updated to reflect the courses offered by and available to the Constabulary.
Follow Up Part 1 (4.18/19)	Training (9.17/18): Management will ensure that the required training data / reports are provided to the Performance Team on a quarterly basis to enable them to update the QlikSense Apps. This will allow the app to provide live data which will be more useful for managers.
Follow Up Part 1 (4.18/19)	Equalities Representative Workforce (4.17/18): Management will ensure that the Equality Action Plan is reviewed annually and that it is circulated / made available to staff to inform them of the action being taken in this area. The Equality Action Plan will also be made available to staff via the intranet.
Follow Up Part 1 (4.18/19)	Performance Management (7.17/18): Going forward, Constabulary management will reinstate the need for the IPR Overview Report to be presented to the CMB on a quarterly basis as part of the HR dashboard update.
Training (9.17/18)	Going forward, management will ensure that the Constabulary annual training plan is driven by Directorates and their needs. To facilitate this, management will consider introducing forums such as a Training User Group or Organisational Learning Board.
Workforce Pressures (15.17/18)	Once the Force determines when or if it will move to MFSS, it will consider how to best implement the succession planning tool.
Workforce Pressures (15.17/18)	The Constabulary will continue to develop its succession planning processes. This will include developing a people and places unit which will be responsible for succession planning. Future succession planning will look three to five years ahead and include officers and staff above Constable level. The succession planning process will monitor which staff and officers

are likely to leave the Force within the next three to five years and what skills, experience and accreditations they have. This will allow the Force to plan further ahead and identify what skills and accreditations gaps they may have in the future and fill these gaps accordingly.

Crime Prevention and Community Engagement (16.17/18)

Management will consider the use of measurable KPIs to evaluate the effectiveness of its community engagement and crime prevention work. This will allow the Constabulary to determine whether the resource and methods employed in these areas are having the desired effect.

Crime Prevention and Community Engagement (16.17/18)

The Development Officer will attempt to ensure external co-ordinators and chairs are in place for the current One Teams, dependent upon the appropriateness to each team, to ensure that the teams can work more effectively. Additionally, the Constabulary will consider focusing different aspects of the successful Halcon One Team to different One Teams, enabling it to better analyse the most effective approaches.

Additional Payments (1.18/19)

The HRAP Team will only process honorarium payments when an Honorarium Request Form has been fully completed, showing the rationale for payment and approval from the Chief Officer, HR Advisory and the VRM Panel. The HRAP team will sign and date the request to evidence that it has been input on SAP and checked by a separate member of staff. Quarterly spot checks will be undertaken until consistent processes are embedded.

Additional Payments (1.18/19)

The HRAP team will only process market supplement payments subject to a fully completed VRM form which has a detailed justification for payment, together with authorisation from HR, ECT and Recruitment. These forms will be signed and dated when input into SAP and when checked by a separate member of the HRAP.

Additional Payments (1.18/19)

HR Advisory will issue communications to remind line managers of their responsibility to notify the VRM Panel in advance of an employee reaching 46 days of acting up. It will be investigated whether acting up responsibilities can be flagged in MFSS / the new HR system for future monitoring.

Income Generation (3.18/19)

The Constabulary will investigate and decide whether it can update the rates for charging for police services in the SPS matrix earlier each year. If it is updated earlier, the Senior Accountant (Finance and Business Services) will ensure the correct version is used in all cases to ensure the correct rates are charged. This includes events that are planned in one financial year but take place in the following year. If it is not

updated, this decision will be reflected in the policy in paragraph 1.

Income Generation (3.18/19)	The Constabulary will agree and sign an updated contract with Bristol Airport for the policing services it provides. Mechanisms will be put in place to ensure contracts are agreed in advance each year.
Health and Safety (5.18/19)	The custody suites at Bridgwater, Patchway and Keynsham will be reintroduced to the inspection programme. Any issues relating to actions not being completed will be escalated by the Head of Safety.
Health and Safety (5.18/19)	For premises where workplace inspections are completed three-yearly, a follow up visit will be completed one year following the workplace inspection to confirm any actions agreed as part of the workplace inspection have been implemented. The action plan template used for workplace inspections will also be amended to add timescales to each action.
Health and Safety (5.18/19)	Line managers and supervisors will record investigations and close health and safety incidents recorded on SAP. Where no investigation takes place, a note will be recorded stating that no further action was required, or no learning can be gained from the incident. The Head of Safety will report the findings of this audit report to the Health and Safety Executive Committee which will determine what action will be taken to ensure this is done.
Health and Safety (5.18/19)	Records of induction training completion will be maintained by the Constabulary. These will be used to monitor and ensure all staff complete health and safety training as part of their induction training.

APPENDIX D: ACTIONS NOT YET DUE

The table below lists the management actions that were not yet due during the time of this follow up audit assignment being carried out:

Assignment title	Management action
Governance (2.18/19)	The Constabulary Strategy Board will agree terms of reference which set out the purpose and membership of the Board, and identifies decision making powers and expected outputs. A date should be set to review the terms of reference to ensure they remain current and appropriate.
Governance (2.18/19)	The Governance Secretariat will ensure that the CMB capture sheets identify attendees and apologies and also specifically note reports from specific boards; this will provide information for the governance review and confirm that the "sub-boards" are fulfilling their terms of reference.
Follow Up Part 1 (4.18/19)	Training (9.17/18): Once management have decided upon which improvements to make within SAP and once these improvements have been completed, the Constabulary will issue instructions for all staff to update their skills within SAP to assist with demand management and training needs assessments.
Follow Up Part 1 (4.18/19)	Business Continuity & Disaster Recovery (10.17/18): The Constabulary will implement the four tactical business continuity plans, as planned, to ensure that there is a considered and co-ordinated approach in a disaster situation.
Follow Up Part 1 (4.18/19)	Volunteers (3.17/18): Now that the Constabulary is continuing with SAP, it will ensure that it invests in SAP to enable the Constabulary to record and maintain personal details of volunteers within SAP.

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

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Joint External Audit Plan

Year ending 31 March 2019

Police and Crime Commissioner for Avon and Somerset and Chief Constable for Avon and Somerset
12 March 2019



Contents



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

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Introduction & headlines

Purpose

This document provides an overview of the planned scope and timing of the statutory audits of both the Police and Crime Commissioner for Avon and Somerset ('the PCC') and the Chief Constable for Avon and Somerset ('the Chief Constable') for those charged with governance. Those charged with governance are the PCC and the Chief Constable.

Respective responsibilities

The National Audit Office ('the NAO') has issued a document entitled Code of Audit Practice ('the Code'). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of both the PCC and the Chief Constable. We draw your attention to both of these documents on the [PSAA website](#).

Scope of our audit

The scope of our audits is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the:

- PCC's, Chief Constable's and group's financial statements that have been prepared by management with the oversight of those charged with governance (the PCC and the Chief Constable); and
- Value for Money arrangements in place at each body for securing economy, efficiency and effectiveness in their use of resources.

The audit of the financial statements does not relieve management, the PCC or the Chief Constable of their responsibilities. It is the responsibility of the bodies 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 the Chief Constable are fulfilling these responsibilities.

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

Significant risks	<p>Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:</p> <ul style="list-style-type: none">• Management override of controls (presumed risk under ISA 240)• Valuation of land and buildings• Valuation of the net defined benefit pension liability <p>We will communicate significant findings on these areas as well as any other significant matters arising from the audits to you in our Audit Findings (ISA 260) Report.</p>
Materiality	<p>We have determined planning materiality to be £7.438m (PY £6.887m) for the group, the PCC and the Chief Constable, which equates to 2% of the Chief Constable's prior year gross expenditure. We are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. Clearly trivial has been set at £0.372m (PY £0.344m).</p>
Value for Money arrangements	<p>Our risk assessment across both entities regarding your arrangements to secure value for money has identified the following VFM significant risk:</p> <ul style="list-style-type: none">• Financial planning and the medium term financial position
Audit logistics	<p>Our interim visit will take place in February and March 2019 and our final visit will take place in May and June 2019. Our key deliverables are this Audit Plan and our Audit Findings Report.</p> <p>Our fee for the audit will be £27,992 (PY: £36,353) for the PCC and £14,438 (PY: £18,750) for the Chief Constable, subject to management meeting our requirements set out on page 12.</p>
Independence	<p>We have complied with the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements..</p>

Key matters impacting our audit

Factors

Funding and political uncertainty

The funding settlement announced in December 2018 was better than many in the Police sector anticipated. In particular, it addressed the immediate pressures faced as a result of changes in employer pension contributions and allowed greater flexibility for more funds to be raised locally via precept. This has allowed many areas to look for opportunities to increase both officer numbers and make investments in a number of priority areas which were curtailed due to financial constraints. This represents a paradigm shift for the Police sector in the UK, with many forces taking a more optimistic view about what this means in the short and medium term. Whilst this provides some additional financial resilience in the short term, it does not resolve all of the financial challenges facing forces throughout the country and including Avon and Somerset. Prudent financial planning and the requirements for savings in the medium term remain.

The PCC and Chief Constable set a total revenue expenditure budget of £284.486m for the 2018/19 financial year. At the end of quarter 2, they were reporting a forecast underspend of £4.1m, equating to 1.4% of the total revenue budget. It is anticipated that this underspend will be fully required to fund pledges made to the PCC in respect of burglary and drugs misuse, as well as to support capital funding requirements.

The longer term funding picture remains unclear. The economic impact of the UK's withdrawal from the EU coupled with the Comprehensive Spending Review expected later in 2019 creates uncertainty for all public service providers. This uncertainty is increased for police bodies by the likely reform of the police funding formula during the next spending round.

Changes to the CIPFA 2018/19 Accounting Code

The most significant changes relate to the adoption of:

- IFRS 9 Financial Instruments which impacts on the classification and measurement of financial assets and introduces a new impairment model.
- IFRS 15 Revenue from Contracts with Customers which introduces a five step approach to revenue recognition.

Finance officers do not anticipate any significant changes to accounting treatments or financial statements as a result of the implementation of these accounting standards.

New audit methodology

We will be using our new audit methodology and tool, LEAP, for the 2018/19 audit. It will enable us to be more responsive to changes that may occur in your organisation and more easily incorporate our knowledge of the PCC and the Chief Constable into our risk assessment and testing approach.

Our response

We will consider your arrangements for managing and reporting your financial resources as part of our work in reaching our Value for Money conclusions.

We will consider whether your financial position leads to material uncertainty about the going concern of the group, PCC or the Chief Constable and will review related disclosures in the financial statements.

We will keep you informed of changes to the financial reporting requirements for 2018/19 through on-going discussions and invitations to our technical update workshops.

As part of our opinion on your financial statements, we will consider whether your financial statements reflect the financial reporting changes in the 2018/19 CIPFA Code.

You will see changes in the terminology we use in our reports that will align more closely with the ISAs.

We will ensure that our resources and testing are best directed to address your risks in an effective way.

Group audit scope and risk assessment

In accordance with ISA (UK) 600, as group auditor we are required to 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	Individually Significant?	Audit Scope	Risks identified	Planned audit approach
Police and Crime Commissioner for Avon and Somerset	Yes	Audit of the financial information of the component using component materiality	See risks detailed on pages 7 and 8	Full scope UK statutory audit performed by Grant Thornton UK LLP
Chief Constable for Avon and Somerset	Yes	Audit of the financial information of the component using component materiality	See risks detailed on pages 7 and 8	Full scope UK statutory audit performed by Grant Thornton UK LLP

Significant risks identified

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings Report in July 2019.

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
The revenue cycle includes fraudulent transactions (rebutted)	Group, PCC and Chief Constable (rebutted)	Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.	<p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the PCC, Chief Constable and group, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> • there is little incentive to manipulate revenue recognition; • opportunities to manipulate revenue recognition are very limited; and • the culture and ethical frameworks of police bodies, including the PCC, Chief Constable and group, mean that all forms of fraud are seen as unacceptable. <p>Therefore we do not consider this to be a significant risk for the PCC, Chief Constable or group.</p>
Valuation of land and buildings	Group and PCC	<p>The PCC (and group) revalue land and buildings on an annual basis, either via full valuations or on a desktop basis. In 2018/19, to ensure the carrying value in the PCC and group financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, the PCC has requested a desktop valuation from the valuation expert. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions.</p> <p>We therefore identified valuation of land and buildings as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; • evaluate the competence, capabilities and objectivity of the valuation expert; • discuss with the valuer the basis on which the valuation was carried out to ensure that the requirements of the Code are met; • challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding; and • test revaluations made during the year to see if they had been input correctly into the PCC (and group's) asset register.

Significant risks identified

Risk	Risk relates to	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of net defined benefit pension liability	Group and Chief Constable	<p>The group's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the group's pension fund net liability as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • update our understanding of the processes and controls put in place by management to ensure that the group's pension fund net liability is not materially misstated and evaluate the design of the associated controls; • evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; • assess the competence, capabilities and objectivity of the actuary who carried out the group's pension fund valuation; • assess the accuracy and completeness of the information provided by the group to the actuary to estimate the liability; • test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; • undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as an auditor's expert) and performing any additional procedures suggested within the report; and • obtain assurances from the auditor of Somerset Pension Fund as to the controls surrounding the validity and accuracy of membership data, contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.
Management override of controls	Group, PCC and Chief Constable	<p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk.</p>	<p>We will:</p> <ul style="list-style-type: none"> • evaluate the design effectiveness of management controls over journals; • analyse the journals listing and determine the criteria for selecting high risk unusual journals; • test unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration; • gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence; and • evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.

Other matters

Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Reports and Annual Governance Statements to check that they are consistent with the financial statements on which we give an opinion and our knowledge of the PCC and Chief Constable.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statements are in line with guidance issued by CIPFA.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.
- We consider our other duties under legislation and the Code, as and when required, including:
 - Giving electors the opportunity to raise questions about your 2018/19 financial statements, consider and decide upon any objections received in relation to the 2018/19 financial statements;
 - Issue of a report in the public interest or written recommendations to the PCC or the Chief Constable under section 24 of the Act, copied to the Secretary of State.
 - Application to the court for a declaration that an item of account is contrary to law under Section 28 or for a judicial review under Section 31 of the Act; or
 - Issuing an advisory notice under Section 29 of the Act.
- We certify completion of our audit.

Other material balances and transactions

Under International Standards on Auditing, "irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure". All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

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) 570). We will review management's assessment of the going concern assumption and evaluate the disclosures in the financial statements.

Materiality

The concept of materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. 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.

Materiality for planning purposes

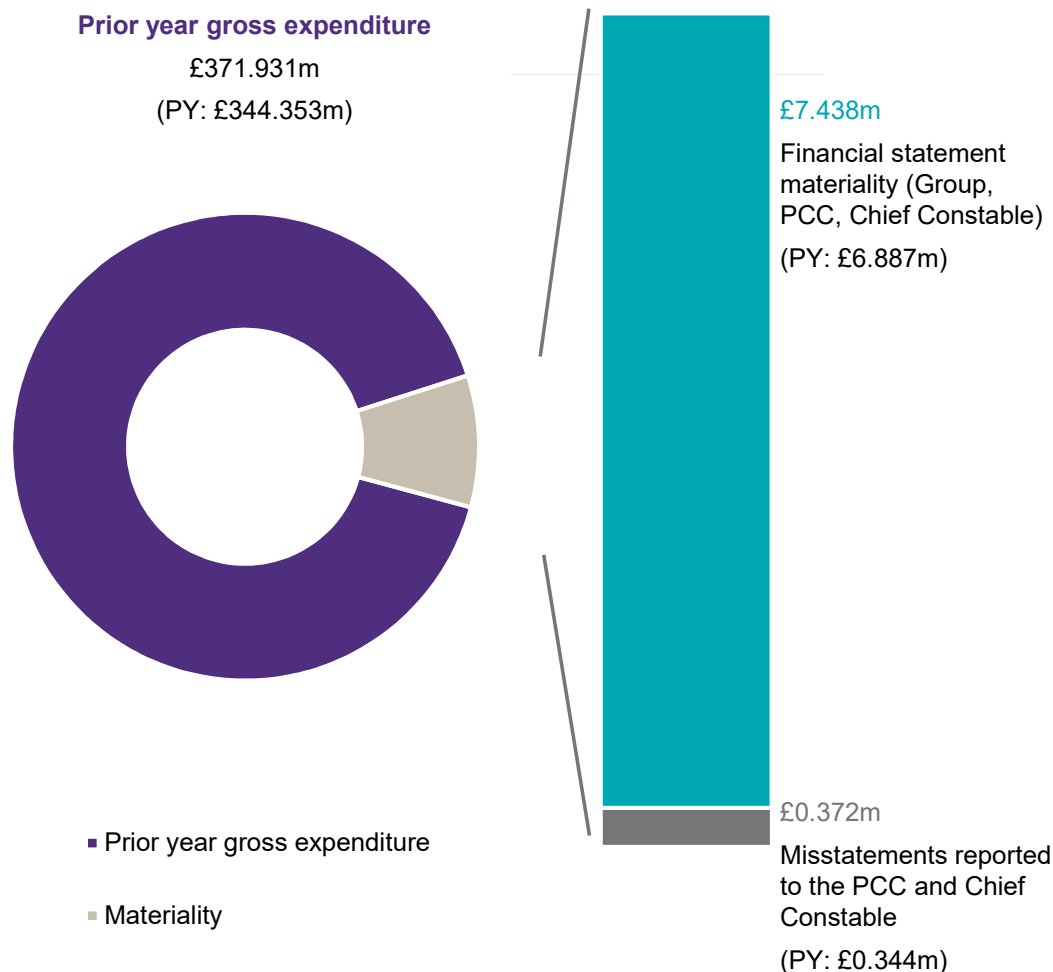
We have determined financial statement materiality's based on a proportion of the gross expenditure of the group, the PCC and the Chief Constable for the financial year. In the prior year we used the same benchmark. For our audit testing purposes we apply the lowest of these materiality figures, which is £7.438m (PY £6.887m), which equates to 2% of the Chief Constable's prior year gross expenditure or the year. We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be £25k for senior officer remuneration.

We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.

Matters we will report to the PCC and Chief Constable

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the PCC and Chief Constable any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the group, the PCC and the Chief Constable, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £0.372m (PY £0.344m).

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the PCC and Chief Constable to assist it in fulfilling its governance responsibilities.



Value for Money arrangements

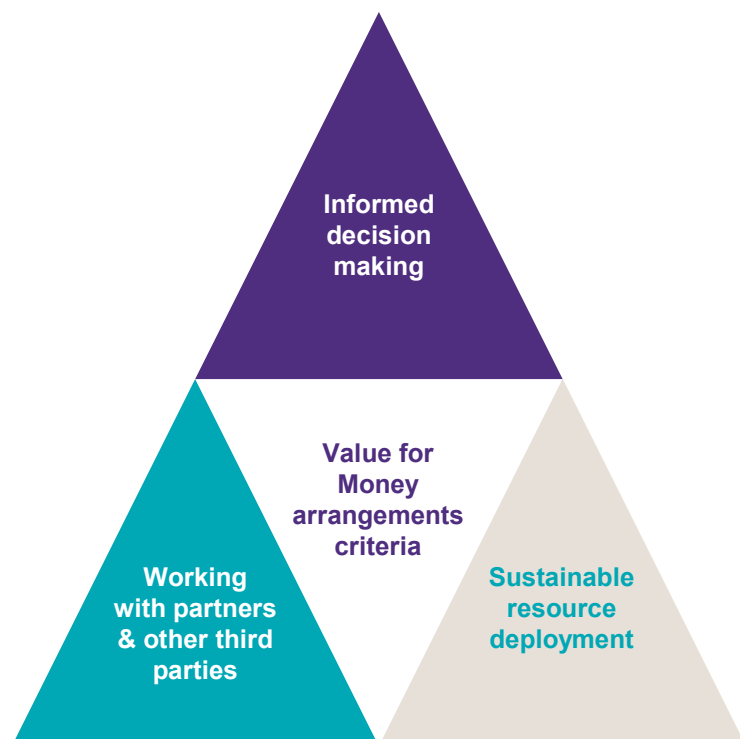
Background to our VFM approach

The NAO issued its guidance for auditors on Value for Money work in November 2017. The guidance states that for Police, auditors are required to give a conclusion on whether the PCC and the Crime Commissioner each have proper arrangements in place to secure value for money.

The guidance 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.”

This is supported by three sub-criteria, as set out below:



Significant VFM risks

Those risks requiring audit consideration and procedures to address the likelihood that proper arrangements are not in place at the PCC or the Chief Constable to deliver value for money.



Medium Term Financial Planning

The latest police finance settlement announced in December 2018 provides PCC's with the option to raise additional funding through an increase in the policing precept and includes an increase to the police grant that Avon and Somerset receive. Whilst this settlement was better than expected by the sector, financial challenges still remain in the medium term due to increasing and more complex demand and other cost pressures such as increases to police pension contributions. The PCC and Chief Constable need to continue to plan prudently for the future to ensure that they can continue to set balanced budgets in line with their statutory responsibilities.

We will:

- review the outturn revenue position and consider the impact on our responsibilities, including the balance between recurrent and non-recurrent steps taken in delivering outturn;
- consider the arrangements for monitoring and managing the delivery of budget and savings plans for 2018/19;
- review the arrangements for developing and agreeing the 2019/20 budgets and updated Medium Term Financial Plan, including the identification of savings plans, and consider the level of risk within these plans; and
- review the Constabulary's plans for recruitment to ensure that these are aligned to the future financial plans.

Audit logistics, team & fees



Iain Murray, Engagement Lead

Iain leads our relationship with you and is a key contact for the PCC, Chief Constable, Chief Finance Officers and the Joint Audit Committee. Iain takes overall responsibility for the delivery of a high quality audit, meeting the highest professional standards and adding value.



Jackson Murray, Audit Manager

Jackson's role involves overseeing the day to day planning and execution of the audit, ensuring the audit requirements are fully complied with and producing reports for the Joint Audit Committee. He will respond to ad-hoc queries whenever raised and meet regularly with the Chief Finance Officers and members of the finance team.

Audit fees

The planned audit fees under the Code are £27,992 (PY: £36,353) for the PCC, and £14,438 (PY: £18,750) for the Chief Constable, which are in line with the scale fee published by PSAA. There is no non-Code (as defined by PSAA) work planned. In setting your fee, we have assumed that the scope of the audit, the PCC and the Chief Constable and its activities, do not significantly change.

Our requirements

To ensure the audits are delivered on time and to avoid any additional fees, we have detailed our expectations and requirements in the following section 'Early Close'. If the requirements detailed overleaf are not met, we reserve the right to postpone our audit visit and charge fees to reimburse us for any additional costs incurred.

Early close

Meeting the 31 July audit timeframe

In the prior year, the statutory date for publication of audited local government and police accounts was brought forward to 31 July, across the whole sector. This was a significant challenge.

We met the advanced accounts deadline in the 2017/18 financial year, with the PCC and Chief Constable submitting a good quality draft set of financial statements to audit in accordance with the new timetable. We gave an unqualified opinion on the PCC, Chief Constable and group 2017/18 financial statements on 23 July 2018.

In conjunction with the finance team, we continue to plan the most efficient partnership working arrangements to facilitate the final accounts period. We have focused on:

- bringing forward as much work as possible to interim audits
- starting work on final accounts audits as early as possible, by agreeing what areas of the accounts (including the annual governance statement) can be prepared before the year end
- seeking further efficiencies in the way we carry out our audits
- working with you to agree detailed plans to make the audits run smoothly, including early agreement of audit dates, working paper and data requirements and early discussions on potentially contentious items.

We are satisfied that, if all these plans are implemented, we will be able to complete your audit and those of our other local government clients in sufficient time to meet the earlier deadline.

Client responsibilities

Where individual clients do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other clients. We will therefore conduct audits in line with the timetable agreed with you. Where the elapsed time to complete an audit exceeds that agreed due to a client not meeting its obligations we may not be able to maintain a team on site or guarantee the delivery of the audit by the statutory deadline. In addition, it is highly likely that these audits will incur additional audit fees. We set out below the core requirements which must be met to enable the delivery of the audit by the statutory deadline.

Our requirements

To minimise the risk of a delayed audit or additional audit fees being incurred, you need to ensure that you:

- produce draft financial statements of good quality by the deadline you have agreed with us, including all notes, the narrative reports and the Annual Governance Statements
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

In return, we will ensure that:

- the audits run smoothly with the minimum disruption to your staff
- you are kept informed of progress through the use of an issues tracker and weekly meetings during the audit
- we are available to discuss issues with you prior to and during your preparation of the financial statements.

Independence & non-audit services

Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

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 Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, 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 Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in December 2017 and PSAA's Terms of Appointment which set out supplementary guidance on ethical requirements for auditors of local public bodies.

Other services provided by Grant Thornton

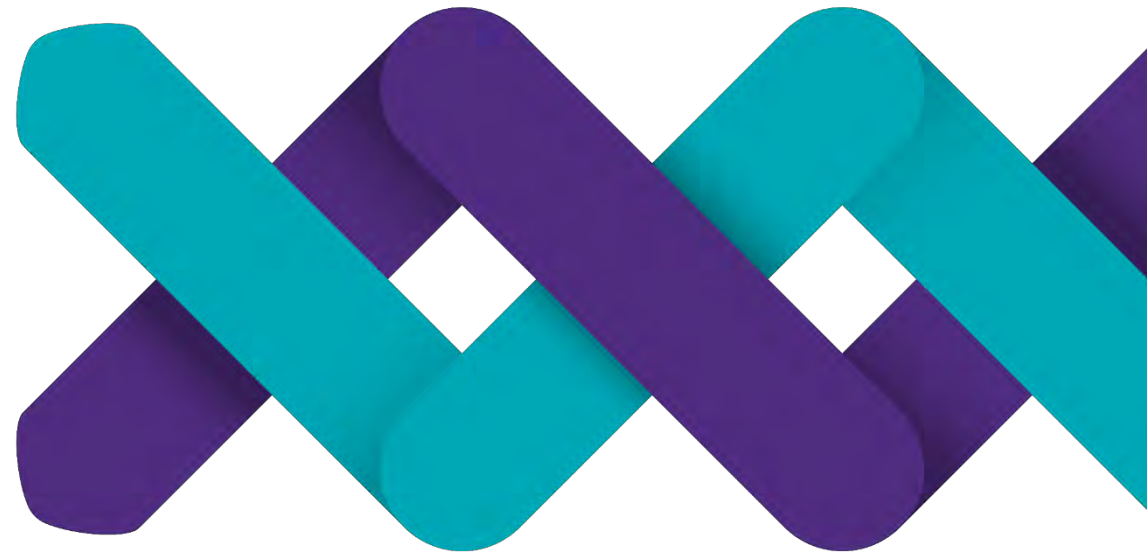
For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the PCC and the Chief Constable. No other services were identified.



Audit Progress Report and Sector Update

Avon and Somerset Police and Crime Commissioner and Chief Constable
Year ending 31 March 2019

March 2019



Contents and Introduction



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

The paper also includes:

- a summary of emerging national issues and developments that may be relevant to you; and
- a number of challenge questions in respect of these emerging issues which the Committee may wish to consider (these are a tool to use, if helpful, rather than formal questions requiring responses for audit purposes)

Members of the Joint Audit Committee can find further useful material on our website where we have a section dedicated to our work in the public sector. Here you can download copies of our publications. Click on the following link to be directed to the website <https://www.grantthornton.co.uk/>.

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

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Progress at March 2019

Financial Statements Audit

We have started planning for the 2018/19 financial statements audit and our detailed Joint Audit Plan, setting out our proposed approach to the audit of the Group, PCC and Chief Constable 2018/19 financial statements, is included as a separate item on the agenda.

We commenced our on-site interim audit in March 2019. Our interim fieldwork visit included:

- Updating our review of the PCC and Chief Constable's control environment
- Updating our understanding of financial systems
- Reviewing Internal Audit reports issued on core financial systems to date
- Early work on emerging accounting issues
- Early substantive testing

We have included a summary of our interim audit progress later in this report.

The statutory deadline for the issue of our 2018/19 audit opinions is 31 July 2019. We have discussed our plan and timetable with officers, and our audit findings will be reported to you in the Joint Audit Findings Report by the deadline of 31 July 2019.

Value for Money

The scope of our work is set out in the guidance issued by the National Audit Office. The Code requires auditors to satisfy themselves that; "the authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources".

The guidance confirmed the overall criterion as: "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".

The three sub criteria for assessment to be able to give a conclusion overall are:

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties.

We have reported the significant risks identified as a result of our initial risk assessment in our Joint Audit Plan which is included as a separate item on the Committee's agenda.

We will report the conclusions from our work in the Joint Audit Findings Report and give our Value For Money Conclusions by the deadline of 31 July 2019.

Other areas

Meetings

We spoke with Finance Officers in early March 2019 as part of our quarterly liaison meetings and continue to be in discussions with finance staff regarding emerging developments and to ensure the audit process is smooth and effective.

Events

Our annual accounts workshop took place on Thursday 7th February in our Bristol office, and key members of your finance team attended this. The workshop provided an update on the changes to accounting standards and allowed finance colleagues to network with their peers.

Audit Deliverables

2018/19 Deliverables	Planned Date	Status
Accounts Joint Audit Plan We are required to issue a detailed accounts joint audit plan to the Joint Audit Committee setting out our proposed approach in order to give an opinion on the Group, Police and Crime Commissioner and Chief Constable 2018-19 financial statements.	March 2019	Separate item on this agenda
Interim Audit Findings We will report to you the findings from our interim audit within our Progress Report.	March 2019	Included within this report
Joint Audit Findings Report The Joint Audit Findings Report will be reported to the July Joint Audit Committee.	July 2019	Not due yet
Auditors Reports These are the opinions on your financial statements, annual governance statements and value for money conclusions.	July 2019	Not due yet
Joint Annual Audit Letter This letter communicates the key issues arising from our work.	August 2019	Not due yet

Results of interim audit work

	Work performed	Conclusions and recommendations
Internal audit	<p>We have completed a high level review of internal audit's overall arrangements. Our work has not identified any issues which we wish to bring to your attention</p> <p>We have also reviewed internal audit's work on the Police and Crime Commissioner's and Chief Constable's key financial systems to date. We have not identified any significant weaknesses impacting on our responsibilities.</p>	<p>Overall, we have concluded that the internal audit service provides an independent service to the Police and Crime Commissioner and Chief Constable, and that internal audit work contributes to an effective internal control environment.</p> <p>Our review of internal audit work has not identified any weaknesses which impact on our audit approach.</p>
Entity level controls	<p>We have obtained an understanding of the overall control environment relevant to the preparation of the financial statements including:</p> <ul style="list-style-type: none">• Communication and enforcement of integrity and ethical values;• Commitment to competence;• Participation by those charged with governance;• Management's philosophy and operating style;• Organisational structure;• Assignment of authority and responsibility; and• Human resource policies and practices.	<p>Our work has identified no material weaknesses which are likely to adversely impact on the Police and Crime Commissioner's or the Chief Constable's financial statements.</p>
Information technology controls	<p>Our IT audit experts are performing a high level review of the general IT control environment as part of the overall review of the internal controls system. They have undertaken on-site interviews with relevant officers and have requested key documentation to assist with their review. Our IT colleagues will report back to us with their findings from this work and we will use this report to assess whether this requires us to alter our planned audit approach in any way.</p>	<p>We will report any recommendations arising from this review in our Joint Audit Findings report.</p>

Results of interim audit work (continued)

	Work performed	Conclusions and recommendations
Walkthrough testing	<p>We have completed walkthrough tests of the Police and Crime Commissioner's and Chief Constable's controls operating in areas where we consider that there is a risk of material misstatement to the financial statements. To date, we have walked through the controls in relation to:</p> <ul style="list-style-type: none">• Employee remuneration;• Operating expenditure;• Property and land revaluations; <p>Our work has not identified any issues which we wish to bring to your attention. Internal controls have been implemented by the Police and Crime Commissioner's and Chief Constable's in accordance with our documented understanding.</p>	<p>To date, our work has not identified any weaknesses which impact on our audit approach.</p>
Early substantive testing	<p>We have performed early substantive testing in the following areas:</p> <ul style="list-style-type: none">• Review of opening ledger balances rolled forward• Substantive testing of a sample of non-payroll expenditure transactions to period 10• Substantive testing of a sample of grant income received to period 10 to third party notifications• Substantive testing of a sample of non-grant income received to period 10 to third party notifications• Substantive testing of a sample of capital additions to period 10• Review of the information provided to the internal valuer for the property and land valuation exercise and discussion with the valuer on the approach and assumptions to be adopted• Review of precept demands <p>We will also be undertaking early substantive testing on payroll transactions, including police officer pension commutations.</p>	<p>Our audit work has not identified any significant issues within the testing undertaken to date.</p>

Sector Update

Policing services are rapidly changing. Increased demand from the public and more complex crimes require a continuing drive to achieve greater efficiency in the delivery of police services. Public expectations of the service continue to rise in the wake of recent high-profile incidents, and there is an increased drive for greater collaboration between Forces and wider blue-light services.

Our sector update provides you with an up to date summary of emerging national issues and developments to support you. We cover areas which may have an impact on your organisation, the wider Police service and the public sector as a whole. Links are provided to the detailed report/briefing to allow you to delve further and find out more.

Our public sector team at Grant Thornton also undertake research on service and technical issues. We will bring you the latest research publications in this update. We also include areas of potential interest to start conversations within the organisation and with audit committee members, as well as any accounting and regulatory updates.

- **Grant Thornton Publications**
- **Insights from sector specialists**
- **Accounting and regulatory updates**

More information can be found on our dedicated public sector and police sections on the Grant Thornton website by clicking on the logos below:

Public Sector

Police

Public Sector Audit Appointments – Report on the results of auditors' work 2017/18

This is the fourth report published by Public Sector Audit Appointments (PSAA) and summarises the results of auditors' work at 495 principal local government and police bodies for 2017/18. This will be the final report under the statutory functions from the Audit Commission Act 1998 that were delegated to PSAA on a transitional basis.

The report covers the timeliness and quality of financial reporting, auditors' local value for money work, and the extent to which auditors used their statutory reporting powers.

For 2017/18, the statutory accounts publication deadline came forward by two months to 31 July 2018. This was challenging for bodies and auditors and it is encouraging that 431 (87 per cent) audited bodies received an audit opinion by the new deadline.

The most common reasons for delays in issuing the opinion on the 2017/18 accounts were:

- technical accounting/audit issues;
- various errors identified during the audit;
- insufficient availability of staff at the audited body to support the audit;
- problems with the quality of supporting working papers; and
- draft accounts submitted late for audit.

All the opinions issued to date in relation to bodies' financial statements are unqualified, as was the case for the 2016/17 accounts. Auditors have made statutory recommendations to three bodies, compared to two such cases in respect of 2016/17, and issued an advisory notice to one body.

The number of qualified conclusions on value for money arrangements looks set to remain relatively constant. It currently stands at 7 per cent (32 councils, 1 fire and rescue authority, 1 police body and 2 other local government bodies) compared to 8 per cent for 2016/17, with a further 30 conclusions for 2017/18 still to be issued.

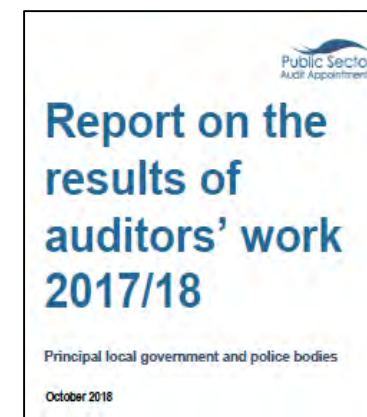
The most common reasons for auditors issuing qualified VFM conclusions for 2017/18 were:

- the impact of issues identified in the reports of statutory inspectorates, for example Ofsted;
- corporate governance issues;
- financial sustainability concerns; and
- procurement/contract management issues.

All the opinions issued to date in relation to bodies' financial statements are unqualified, as was the case for the 2016/17 accounts.

The report is available on the PSAA website:

<https://www.psaa.co.uk/audit-quality/reports-on-the-results-of-auditors-work/>



National Audit Office – Local auditor reporting in England 2018

The report describes the roles and responsibilities of local auditors and relevant national bodies in relation to the local audit framework and summarises the main findings reported by local auditors in 2017-18. It also considers how the quantity and nature of the issues reported have changed since the Comptroller & Auditor General (C&AG) took up his new responsibilities in 2015, and highlights differences between the local government and NHS sectors.

Given increasing financial and demand pressures on local bodies, they need strong arrangements to manage finances and secure value for money. External auditors have a key role in determining whether these arrangements are strong enough. The fact that only three of the bodies (5%) the NAO contacted in connection with this study were able to confirm that they had fully implemented their plans to address the weaknesses reported suggests that while auditors are increasingly raising red flags, some of these are met with inadequate or complacent responses.

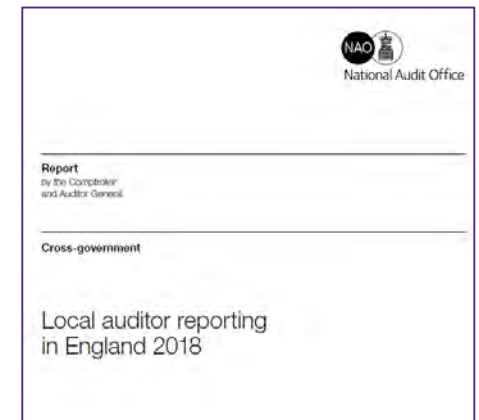
Qualified conclusions on arrangements to secure value for money locally are both unacceptably high and increasing. Auditors qualified their conclusions on arrangements to secure value for money at an increasing number of local public bodies: up from 170 (18%) in 2015-16 to 208 (22%) in 2017-18. As at 17 December 2018, auditors have yet to issue 20 conclusions on arrangements to secure value for money, so this number may increase further for 2017-18.

The proportion of local public bodies whose plans for keeping spending within budget are not fit-for-purpose, or who have significant weaknesses in their governance, is too high. This is a risk to public money and undermines confidence in how well local services are managed. Local bodies need to demonstrate to the wider public that they are managing their organisations effectively, and take local auditor reports seriously. Those charged with governance need to hold their executives to account for taking prompt and effective action. Local public bodies need to do more to strengthen their arrangements and improve their performance.

Local auditors need to exercise the full range of their additional reporting powers, where this is the most effective way of highlighting concerns, especially where they consider that local bodies are not taking sufficient action. Departments need to continue monitoring the level and nature of non-standard reporting, and formalise their processes where informal arrangements are in place. The current situation is serious, with trend lines pointing downwards.

The report is available on the NAO website:

<https://www.nao.org.uk/report/local-auditor-reporting-in-england-2018/>



ICEAW Report: expectations gap

The Institute of Chartered Accountants in England and Wales (ICEAW) has published a paper on the 'expectation gap' in the external audit of public bodies.

Context:

The expectation gap is the difference between what an auditor actually does, and what stakeholders and commentators think the auditors obligations might be and what they might do. Greater debate being whether greater education and communication between auditors and stakeholders should occur rather than substantial changes in role and remit of audit.

What's the problem?

- **Short-term solvency vs. Longer-term value:**
 - LG & NHS: Facing financial pressures, oversight & governance pressures
- **Limited usefulness of auditors reports:** 'The VFM conclusion is helpful, but it is more about the system/arrangements in place rather than the actual effectiveness of value for money'
- **Other powers and duties:** implementing public interest reports in addition to VFM
- **Restricted role of questions and objections:** Misunderstanding over any objections/and or question should be resolved by the local public auditor. Lack of understanding that auditors have discretion in the use of their powers.
- **Audit qualification not always acted on by those charged with governance:** 'if independent public audit is to have the impact that it needs, it has to be taken seriously by those charged with governance'
- **Audit committees not consistently effective:** Local government struggles to recruit external members for their audit committees, they do not always have the required competencies and independence.
- **Decreased audit fees:** firms choose not to participate because considered that the margins were too tight to enable them to carry out a sufficient amount of work within the fee scales.
- **Impact of audit independence rules:** new independence rules don't allow for external auditors to take on additional work that could compromise their external audit role
- **Other stakeholders expectations not aligned with audit standards**

- **Increased auditor liability:** an auditor considering reporting outside of the main audit engagement would need to bill their client separately and expect the client to pay.

Future financial viability of local public bodies

Local public bodies are being asked to deliver more with less and be more innovative and commercial. CFOs are, of course, nervous at taking risks in the current environment and therefore would like more involvement by their auditors. They want auditors to challenge their forward-looking plans and assumptions and comment on the financial resilience of the organisation..

The ICAEW puts forward two solutions:

Solution a) If CFO's want additional advisory work, rather than just the audit, they can separately hire consultants (either accountancy firms not providing the statutory audit or other business advisory organisations with the required competencies) to work alongside them in their financial resilience work and challenging budget assumptions.

Solution b) Wider profession (IFAC, IAASB, accountancy bodies) should consider whether audit, in its current form, is sustainable and fit for purpose. Stakeholders want greater assurance, through greater depth of testing, analysis and more detailed reporting of financial matters. It is perhaps, time to look at the wider scope of audit. For example, could there be more value in auditors providing assurance reports on key risk indicators which have a greater future-looking focus, albeit focused on historic data?

More information can be found in the link below (click on the cover page)



HMICFRS - Public perceptions of policing in England and Wales 2018



Public perceptions of policing in England and Wales 2018

HMICFRS commissioned BMG Research to undertake a large-scale survey of the public to better understand its views about:

- satisfaction with local police force;
- perception of crime and police handling of crime;
- confidence in police;
- police visibility;
- contact with the police;
- legitimacy of the police;
- engagement with the police; and
- police responsibilities and priorities.

Overall, the report found that satisfaction with local police is relatively high. Over three-fifths of respondents (61%) say that they are satisfied, and only 12% are dissatisfied. Confidence in the police to deal effectively with a range of situations is high, with respondents most confident that police would be effective in dealing with an emergency.

When asked to choose from a list of crimes police should prioritise respondents were most likely to select:

- dealing with terrorism / extremism (49%);
- child sexual exploitation / abuse (46%); and
- and violent crime (41%).

The research also found that:

- more respondents would speak highly of the police (40%) than would be critical of them (18%);
- around two-thirds of respondents agree that their local police force would treat them fairly if they needed to contact them; and
- although the majority of respondents have seen a police officer or PCSO on foot at least once in the past year, a sizeable proportion (36%) have not.

While praising the work already done, the report makes recommendations to further improve performance. These include recommendations regarding the identification and investigation of cases involving disability hate crime, and of the coordination of

work between the police and CPS in these matters. It is also recommended that a number of changes are made to better highlight and explain cases to the court and defence where an increase in sentencing is required due to the offence being motivated wholly or in part by hostility towards a disability.

The report can be accessed by [clicking on this link](#).

Home Office – Final 2019-20 funding settlement announced

Home Office - Final 2019-20 funding settlement announced

On 13 December 2018 the Home Office published the final police funding settlement for 2019-20. The funding settlement, first announced in provisional form in December 2018, was better than many in the Police sector had anticipated. In particular, it addressed the immediate pressures to revenue budgets faced as a result to changes in employer pension contributions and also allowed greater flexibility for more funds to be raised locally via precept. Avon and Somerset Police and Crime Commissioner has used this opportunity and will be raising precept income by the maximum allowable amount, being £24 per year for a Band D property. This increase will raise an additional £15m (assuming a 1.5% increase in the Council Tax base) of precept funding for the area in 2019/20.

The better than anticipated settlement has allowed many areas to look for opportunities to increase both officer numbers and make investments in a number of priority areas which were curtailed due to financial constraints. This represents a paradigm shift for the police sector in the UK, with many forces taking a more optimistic view about what this means in the short and medium term. In Avon and Somerset, this is providing an opportunity to increase recruitment of police officers whilst also proving some funding for capital projects.

The longer term funding picture remains unclear. The economic impact of the UK's withdrawal from the EU coupled with the Comprehensive Spending Review expected later in 2019 creates uncertainty for all public service providers, including the police. This uncertainty is increased for police bodies by the likely reform of the police funding formula during the next spending round which means that the medium-term financial future remains uncertain.

The final Police Grants Report for 2019-20 can be accessed by clicking the Home Office logo below.



Policing Vision 2025

It is now over two years ago since police chiefs and police and crime commissioners launched a vision for policing in 2025 that saw a better use of digital technology, better integration with other agencies to prevent crime and effective service delivery to provide best value for money for the public.

Developed by the Association of Police and Crime Commissioners (APCC) and the National Police Chiefs' Council (NPCC) in consultation with the College of Policing, National Crime Agency, staff associations and other policing and community partners, all chief constables and PCCs signed up to the vision. The vision included five priorities for reform:

- **Local policing** will be aligned, and where appropriate integrated, with other public services to improve outcomes for citizens and protect the vulnerable.
- **Specialist capabilities.** To better protect the public, we will enhance our response to new and complex threats, we will develop our network and the way we deliver specialist capabilities by reinforcing and connecting policing locally, nationally and beyond.
- **Workforce.** Policing will be a profession with a more representative workforce that will align the right skills, powers and experience to meet challenging requirements.
- **Digital policing** will make it easier and more consistent for the public to make digital contact, improve our use of digital intelligence and evidence and ensure we can transfer all material in a digital format to the criminal justice system.
- **Enabling business delivery.** Police business support functions will be delivered in a more consistent manner to deliver efficiency and enhance interoperability across the police service.


Two years since its launch, and with the opportunity of the better than expected funding settlement allowing some investment within the sector, PCCs and Chief Constables can again consider the five priorities for reform that are set out within the vision and determine how investment can be made to further these priority areas.


The Policing Vision 2025 can be accessed by [clicking this link](#).



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



RISK			MITIGATION OF RISK	ASSESSMENT		
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk		
				Probability	Impact	Risk Score
SR1 Governance Failure	Ineffective governance, scrutiny, oversight of services and outcomes delivered by the Constabulary including delivery of the Strategic Policing Requirement.	Reduced Public confidence Relationship with Constabulary not optimal Government criticism, penalties Panel criticism	Risk owner: PCC / OPCC CEO PCC Police and Crime Board PCC Chief Constable 1:1s Representation at Constabulary CMB Audit Committee, audit, annual governance statement	4	4	16
	Ineffective arrangements for complaints and serious cases. 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. Failure to hold Chief Constable to account. Failure to address conduct or performance of Chief Constable. Failure to ensure Chief Constable sets appropriate culture, ethics and values. Failure to address complaints against the Chief Constable.	Sub standard performance results and poor inspection outcomes Force not efficient /effective Risks not managed Financial loss Reputational risk	Scrutiny of complaints - IRP Service Delivery assurance OPCC visits Police and Crime Panel meetings DCC attendance at OPCC SLT Force Management Statements	3	4	12
						
				<p>PCC and Chief Executive reviewed governance arrangements and a revised governance structure has been adopted with agreement from the Constabulary.</p> <p>These include a monthly PCC Board, formalising scrutiny, key decisions and performance tracking.</p> <p>Governance arrangements were reviewed by RSM. Positive assurance from RSM audit opinion.</p> <p>The internal audit report on governance concluded that the PCC and CC have an adequate and effective framework for risk management, governance and internal control.</p> <p>The Constabulary are revising governance arrangements, and structures are stabilising. Anticipate a stable and embedded governance by summer 2019.</p> <p>There are operational concerns in respect of capacity (see commentary on SR3 and Constabulary Risk Register).</p>		

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
SR2 Police and Crime Plan: Setting the plan, delivery of the plan	Failure to sufficiently assess needs.	Lack of understanding of policing-related needs of the population	Risk owner: PCC / OPCC CEO	5	4	20	The Police and Crime Plan has been developed collaboratively. Delivery plans underpin the strategy.
	Failure to agree an appropriate Police and Crime Plan with the Chief Constable.	PCC priorities not agreed, set or delivered	PCC/Chief Constable meetings Police and Crime Board Representation at Constabulary CMB Qlik Sense App Staff survey Audit Committee Panel Meetings SDAs				Internal assurance mechanisms are in place to evaluate delivery of the Plan's objectives.
	Failure to deliver the Police & Crime Plan.	Public confidence eroded Panel criticism Increased demand Increased levels of crime Increased perception of being unsafe	Forum analysis General Public Confidence Scrutiny of complaints and conduct Audits and Inspections (HMICFRS; RSM)	4	4	16	Organisational change is embedding (Neighbourhood Policing Model, Lighthouse Safeguarding Unit and redesign of Enabling Services) but remains both a threat and an opportunity in terms of Plan delivery.
							The Strategic Threat Assessment and Strategic Intelligence Requirements documents raise concerns around the Constabulary's ability to deliver against the Plan, but HMICFRS inspections indicate good progress.
							The Annual Report 2017-18 indicated performance improvements in PEEL inspections, Public Confidence and control over Communication Centre abandonment rates, and decline in performance related to criminal justice outcomes and victim satisfaction.


RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
SR3 Financial Incapability & VFM	Failure to agree a balanced Constabulary budget with the Chief Constable. Failure to fund the budget. Running an unsustainable budget deficit running out of funds. Unable to borrow as required Failure to set precept as required. Failure to deliver the budget. Unable to meet financial obligations as they fall due, reserves insufficient to cover deficits. Unable to manage or control budgets. Savings not delivered in sufficient time, sequence or scope.	Run out of money - require intervention Govt. intervention Reputation / public confidence lost Unable to fund adequate or minimum service Unable to fund delivery of PCC priorities Unable to afford change. Inefficiency in use of police funds wastes money and harms reputation	Risk owner: PCC / CFO 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	4	5	20	Outturn for 18/19 is £5-6m core underspend used to fund provisions and capital. New savings agreed with Chief mostly from Enabling services are in process of being delivered. However, a shortfall of £2m is now apparent in these savings due to scope changes and MFSS savings no longer forecast. MTFP - Cost pressure from pay and pension funding means £5m annual savings needed by March 2024 to balance the MTFP and additional savings are required to generate investment funds if funding after 2019/20 does not improve in the CSR.
	Failure to ensure value for money in OPCC and across the delegated budgets to the Chief Constable.			3	4	12	Capital plan being reviewed - funding gap identified by 2023 as capital receipts reduce as less assets to sell. £15m borrowing facility agreed to fund longer term assets over next 3 years. Reserves being consumed - forecast useable non ring fenced reserves to be £12 million by 2022(4% of net PCC annual budget). Police Funding formula review for 2020. Precept agreed £24 rise per annum for band D in 2019-20, then revert to 1.99% capped increase. Thereafter. Pay awards assumed at 2% for staff and officers.

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
SR4 Failure to Engage with the public	Failure to effectively engage with local people, communities and stakeholders.	Reputational damage	Risk owner: PCC / OPCC CEO/Head of Comms	4	3	12	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 understand people's priorities and issues re policing and crime.	Reduction/loss of satisfaction and confidence in OPCC and in Police by local people	Meetings with LA chairs/ CEOs; CSP Chairs; local community group leaders				PCC and COG have developed a joint comms plan (proactive and reactive) to ensure closer working and resource allocation. This is working well.
	Not taking account of local people's views, only "loud voices" and single issue voices heard.	Partnership relationships damaged	Threat to Police legitimacy - withdrawn support	3	3	9	Additional drop-ins and more informal approach seems to be being well-received (Easton Community Centre and Malcolm X Centre).
		Animosity towards police/OPCC	PCC Forums, community days, attendance at events, meeting community groups				Engagement activity re precept proposal has seen a good level of engagement.
		Police and Crime plan and actual delivery not aligned to public concerns and priorities	Web site, twitter & social media				There are concerns over community tensions in Bristol.
		Representation on CSPs, Children's Trusts, LCJB, Health and Wellbeing Boards	3	3	9	Operation Remedy Communications Plan is under development.	
		OCC/OPCC Comms meetings					
		Gold Groups as required					

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
SR5 Commissioning & Services	Failure to: Deliver community safety, victims services and other partnership outcomes effectively.	Delivery failure Reputation / public confidence Relationship with Constabulary and partners Government penalties Poor assessment results	Risk owner: 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	4	4	16	SARC and ASCC service re-commissioning processes are complete and services live. Still some risk to service provision.
				3	4	12	Victim services re-commissioning in mobilisation period - some risk to service provision through this process. Team working through this.
							Successful bids into national funding streams (Early Intervention Youth Programme, Modern Slavery etc) - implementation and mobilisation in progress

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
SR6 Failure to meet OPCC Statutory Requirements	Failure to: Set Policing Plan / Priorities (as above). Set Policing Precept budget (as above). Deliver community safety, victims services and other partnership outcomes effectively. Operate an effective Custody Visiting Scheme. Provide effective oversight of complaints against Chief Constable. Failure to follow legal and other guidance to ensure transparency of OPCC work.	Delivery failure Reputation / public confidence Relationship with Constabulary and partners Government penalties Poor assessment results	Risk owner: PCC / OPCC CEO, CFO, Office/HR Manager and Head of C&P OPCC Business Plan Police and Crime Plan / Annual Report OPCC commissioning team Governance Boards, scheme of governance Annual Assurance Statement Audit Committee / Internal Audit Victims service established by OPCC/OCC Transparency Checklist	4	3	12	OPCC Business and Delivery Plan is developed with workstreams that detail activity covering all statutory requirements. OPCC team appointed owners to statutory duties. OPCC SLT review delivery of OPCC functions at SLT meetings. The GDPR will come into force in May 2018 and as yet we are uncertain of the gap between how data is currently handled and how it will need to be handled under the new Act. Organisations breaching the Act may be financially penalised. Until it is clear what will be required to maintain compliance, the probability of this risk is raised. Guidance may be produced in insufficient time to prepare ahead of the Act's implementation.
				2	3	6	CoPaCC transparency award received.
						◀▶	
SR7	Risk that: i) People in post do not have sufficient knowledge or skills to perform roles to standards of quality and/or to meet deadlines; ii) there is insufficient transfer of knowledge that would provide cover/resilience; iii) there is insufficient capacity in workloads to	Increased likelihood of materialisation of risks through delivery failure (governance, scrutiny, commissioning of services, contribution to collaboration development, engagement with public, delivery of statutory duties):	Risk owner: CEO / OPCC HR Manager OPCC Business Plan and Budget PDR process and regular supervisory sessions SLT Delivery plan meetings	4	4	16	OPCC is in the bottom quartile in respect of OPCC funding across the country.
						12	There has been a period of staff turnover. Vacancies are almost all filled and new roles are being allocated.

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
Capacity/ Capability Failure to have adequate capacity and capability within OPCC to effectively fulfil functions	Failure to perform role to standards of quality and/or to meet deadlines.	Damaged relationship with public, constabulary and/or partners.	OPCC Senior planning meetings and Team meetings (to share knowledge, resolve issues) OPCC HR policies Resource planning	3	4		
SR8 Collaboration - other forces Failure to deliver effective and efficient regional and other collaborative outcomes	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	Inefficient compared to other regions/areas Government scrutiny/intervention Forced to accept others terms from future alliances or mergers Poor VFM assessment results	Risk owner: PCC / OPCC CEO/ OPCC CFO OPCC Business Plan Regional commissioning and programme boards Strategic Collaboration Governance	4	4	16	ERP decision to not join MFSS which is a police collaboration, due to rising costs, lack of stable solution and project delays ERP will continue on ASC own SAP system. Next 3 years SAP support now secured.
				4	4	16	Regional progress being made on Major Crime, ROCU, Forensics, CT, ESMCP, Special Branch.
							Tri Force Firearms work to move to ASC Host Force model has stopped and this collaboration will cease in 2019. joining collaborative internal audit partnership in 2019 SWAP.
SR9 Collaboration - other partners	Failure to: Develop and implement effective regional strategy to make the region more efficient and effective Failure to put in place effective governance and ownership of regional projects and programmes	Inefficient compared to other regions/areas Government scrutiny/intervention Forced to accept others terms from future alliances or mergers Poor VFM assessment results	Risk owner: PCC / OPCC CEO/ OPCC CFO OPCC Business Plan Regional commissioning and programme boards Strategic Collaboration Governance	4	4	16	CJ transformational work with CJ partners has commenced.
						9	ODA project is reaching the end of its term. A review of outcomes is underway to report by the end of April. Data sharing has proved challenging. Fire governance PTF work has completed.

RISK			MITIGATION OF RISK	ASSESSMENT			
Risk/ Objective	Description	Impact	Controls and Assurances	Unmitigated/ Current Risk			Commentary and Review Date
				Probability	Impact	Risk Score	
Failure to deliver effective and efficient regional and other collaborative outcomes	Collaborate with Fire Authorities.			3	3		<p>Dialogue with local partners regarding commissioned services working together, e.g. drug & alcohol, victims etc. is ongoing.</p> <p>Partner funding remains under pressure with financial settlements not keeping pace with inflation and demand. This increases the risk of demand and funding requests moving to the ASC and OPCC.</p>