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Date : 12th October 2021

To: ALL MEMBERS OF THE JOINT AUDIT COMMITTEE

- i. David Daw, Jude Ferguson (Chair), Zoe Rice, Martin Speller
- 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 via Teams (link included in the meeting invite) at **11:00** on **20th October 2021** – **please note that there will be a lunch break between 12:30 and 13:00.**

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

N/A – Virtual meeting

- (ii) Wheelchair Access

N/A – Virtual meeting

- (iii) Emergency Evacuation Procedure

N/A – Virtual meeting

- (iv) 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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- (v) REPORT NUMBERS CORRESPOND TO AGENDA NUMBER

AGENDA

20th October 2021, 11:00 – 14:00

Lunch Break 12:30 – 13:00

To be held via Teams (link included in the meeting invite)

- 1. Apologies for Absence**
- 2. Emergency Evacuation Procedure**
N/A – Virtual meeting
- 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)

Any member of the public wanting to attend a JAC meeting must submit a written application and secure written agreement of the JAC Chair. Statements and/or intentions to attend must be received no later than 12.00 noon on the working day prior to the meeting and should be emailed to

JAC@avonandsomerset.pnn.police.uk

The JAC Chair reserves the right to refuse or suspend access if there is any security risk to the public or a member of the public's behaviour is disruptive in any manner. A member of the public may only address the meeting, for a maximum of five minutes, where a statement has been previously provided to the JAC Chair and prior sanction has been granted.

- 5. Minutes of the Joint Audit Committee Meeting held 14th July 2021 (Report 5)**
- 6. Annual Accounts and Governance Statement – Joint Audit Committee Members Questions and Answers (Report 6)**
- 7. External Audit (Report 7):**
 - a) Reasons for Delaying the Joint Audit Committee Meeting**
 - b) Joint Audit Findings Report**
 - c) Informing Audit Risk Assessment 2020/21**
- 8. Office of the Police and Crime Commissioner Strategic Risk Register (Report 8)**
- 9. Constabulary Strategic Risk Register (Report 9) – report to follow**
- 10. Business from the Chair (Report 10):**
 - a) Police and Crime Board (Verbal Update)**
 - b) Update on IOPC Investigations (Verbal Update)**
 - c) Draft Joint Audit Committee Annual Report**

- 11. Internal Audit (Report 11):**
- a) Quarterly Update**
 - b) Assurance Mapping – Position Statement Quarter 2**
 - c) Governance of Use of Force**
 - d) Remote Working – IT Audit Review**
 - e) Complaints Handling**

Part 2

Items for consideration without the press and public present

- 12. Exempt Minutes of the Joint Audit Committee Meeting held on 14th July 2021 (Report 12)**

**MINUTES OF THE JOINT AUDIT COMMITTEE MEETING HELD ON WEDNESDAY
14TH JULY 2021 AT 11:00. MEETING HELD VIA TEAMS.**

Members in Attendance

Jude Ferguson (Chair)
David Daw
Zoe Rice

Officers of the Constabulary in Attendance

Nick Adams, Constabulary CFO
Dan Wood, Chief Officer – People and Organisational Development
Ben Mosely, Head of Performance and Assurance (part of the meeting)
Nick Lilley, Director of Information Technology (part of the meeting)
T/DCI Gary Stephens, Professional Standards Department (part of the meeting)
Michael Flay, Governance Manager

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

Paul Butler, OPCC Interim CFO
Ben Valentine, OPCC Strategic Planning and Performance Officer
Alaina Davies, OPCC Resources Officer
Soushila Phipps, OPCC Administration Officer (observing)

Also in Attendance

Mark Shelford, Police and Crime Commissioner
Jackson Murray, Grant Thornton
David Hill, SWAP
Laura Wicks, SWAP

14. Apologies for Absence

Sarah Crew, Temporary Chief Constable
Nikki Watson, Temporary Deputy Chief Constable
Joint Audit Committee Member, Martin Speller
Juber Rahman, SWAP
Gail Turner-Radcliff, Grant Thornton
Cllr Jonathan Hucker, Police & Crime Panel Member (observing)

15. Emergency Evacuation Procedure

The emergency evacuation procedure for each call participant was left for them to determine.

16. Declarations of Interest / Gifts / Offers of Hospitality

None.

17. Public Access

There were no requests for public access received before the 12.00 noon deadline the working day prior to the meeting.

18. Minutes of the Joint Audit Committee Meeting held on 27th January 2021 (Report 5)

RESOLVED THAT the minutes of the meeting held on 22nd April 2021 were confirmed as a correct record and will be signed by the Chair when physically possible with the following amendment:

Action update:

Minute 43 The External Auditors are still intending to run a South West JAC event but updated that this would not be happening until at least September due to Covid guidance. It is felt that this would work better as a face to face event rather than virtual as it gives the opportunity for Members to meet with other JACs in the region.

Minute 48e The OPCC CFO discussed with the force Data Protection Officer the possibility of JAC Members having access to parts of Qlik. This can't be done due to confidentiality and not being able to restrict access, however reports can be provided. Members would like a demonstration on Qlik to understand how this technology supports the work of the police – Qlik may be used to present information at future JAC meetings.

Minute 8b Payments to Staff – Absence Management will be included in the Follow Up report.

Minute 8e Improvements will be made clear in the Follow Up report regarding Police Officer and Staff Training.

19. Annual Accounts and Governance Statement (Report 6)

There was a delay in getting the draft Annual Accounts out which was largely due to queries relating to Covid specific funding – this has been a difficult and complicated year. The Audit fieldwork is yet to begin but the final accounts will be submitted to the Joint Audit Committee meeting on 22nd September 2021, with the final accounts being published by the end of September. JAC Members will submit questions in writing on the draft accounts which will be answered in writing and subsequently included in the meeting papers for the JAC on 22nd September and published on the PCC's website.

The Constabulary carried out a full reconciliation from the outturn position, underspend and final position as reported in the annual accounts – this will be incorporated as an annex to this report in future.

The Constabulary CFO highlighted reasons for the underspend which included underspend on officer and staff pay, compensation for lost income due to Covid and a Covid enhancement payment which came in quarter 4 for enforcement activity. The Constabulary are confident that an underspend on this scale will not be repeated due to the strong position on officer and PCSO recruitment.

The Reserve position was discussed. The General Reserve is agreed at the Police and Crime Board on an annual basis – increased from £9m to £12m. Earmarked Reserves were highlighted which includes carry forward of commissioning reserve, £1m to balance the 2021/22 budget and £1m to support the work of the new PCC. Increases to the Capital fund, increases to Provisions and an increase to the Pensions claims were also highlighted – Pensions is based on an estimate of Avon and Somerset claims under the McCloud ruling. Small provisions have also been made regarding ill health retirements and historic overtime liability.

Uncertainties remain around quantifying the cost to the force of the McCloud pensions ruling, Covid and increases to the employer contributions rates for police and local government pensions – increases in these rates pose a significant risk to the Medium Term Financial Plan (MTFP). It was noted that pensions is on the Strategic Risk Register and is a National issue to be addressed.

Members asked for an update on the work to produce a summary version of the Annual Accounts. The External Auditors confirmed that this was one of the recommendations from the Redmond review but that it has not yet been mandated, although it was being trialled with certain bodies this year. The Constabulary CFO will discuss mocking something up with the Finance Team.

Members asked that it be made more clear what the uncertainties and risks in relation to Covid are which are mentioned. This will be looked at but mainly relates to the general increase in risk relating to the economy and austerity and the probability of another 1 year Spending Review which makes planning difficult. It was noted that the next MTFP will be drafted in the Autumn. Members queried if it was necessary to have a 5 year MTFP if the Spending Review only covers 1 year – best practice says you should have a 3 year. The uncertainty around the pay awards was also highlighted, recognising the need to plan for pay awards and make adjustments as necessary.

Members asked how the Reserve position compares to other forces. The Constabulary CFO reported that he has not heard of any force not reporting an increase in underspend – Covid and the uncertainty around the costs of national IT programmes has proved the need for Reserves. In previous years Avon and Somerset have been in the middle regarding the level of Reserves when compared nationally.

Members sought assurance on the supporting infrastructure around the Uplift in officer numbers. Some funding was provided as part of Uplift to support which has been invested in recruitment and also the partnership with UWE has enabled recruitment at volume for Police Constable Degree Apprenticeships (PCDA). Bringing capacity in at pace and ahead of schedule does not equal capability but the Constabulary are working hard to deliver quality of tutorship. The Degree Holder Entry Programme was highlighted as this is a way to fast track. There have been pressures and investment needed in key areas of growth such as IT and Fleet. The effects of Covid on Estates was also discussed and this will have to be monitored going forward with new ways of working.

The Chief Officer – People and Organisational Development, highlighted the increase in occupational Health referrals relating to mental health and as such is going to be proposing a review of the service provided in response to this acute demand. Will propose the review be done end of summer or autumn time.

Members will be interested to see the impact on culture of having brought so many new people into the organisation. The work being done to increase workforce representation was highlighted – outreach, recruitment and attraction, hyper local intense recruitment campaigns and working with the OPCC to discuss all possible ways to maximise opportunities to increase representation.

Members were assured that the Constabulary are monitoring attrition closely and have a good understanding of where this is and the reasons. With a very young in service workforce the Constabulary recognise that it is particularly important to invest in leadership development and supporting staff and officers – investment in the Leadership Academy needs to increase.

The Chair of the JAC thanked everyone involved for their hard work on producing the draft Annual Accounts and recognised that this has been particularly difficult with remote working.

RESOLVED THAT

- i. Members will submit their questions on the accounts to the Joint Audit Committee Chair over the next couple of weeks and copy the OPCC CFO in so that questions can be collated and then answered. These questions and answers will be published with the papers for the next meeting of the Joint Audit Committee on 22nd September 2021;
- ii. The Constabulary CFO to discuss with the Finance Team mocking up a summary version of the Annual Accounts.

20. External Audit: Audit Progress Report and Sector Update (Report 7)

Audit fieldwork will commence week beginning 26th July 2021 with the Joint Audit Findings report being submitted for discussion at the 22nd September 2021 JAC meeting. It is the intention to report on Value for Money at the same time but it was noted that there is a 3 months window following the date of the financial statement opinion in which to report this.

21. Office of the Police and Crime Commissioner Strategic Risk Register (Report 8)

SR1 – Governance Failure

There is a greater level of risk from loss of experience at a senior level in the OPCC in April/May time and additional responsibilities being placed on PCCs through the national review e.g. complying with the Specified Information Order. Additional responsibilities so far are from Phase 1 of the national review and further responsibilities may come with the next Phase of the review.

SR2 – Failure to Deliver the Police and Crime Plan

The existing plan remains in place while the new PCC develops his plan. Consultation on the plan is underway with the first draft of the plan expected to be available on the PCC's website at the end of September 2021. There is then a statutory duty for the Police and Crime Panel to provide feedback before the final draft is ready (potentially November time). The OPCC are collaborating with Constabulary. The Constabulary have been responsive to the draft Police and Crime Plan objectives through their strategic planning and have mapped out where uplift can assist.

The appointment of a Temporary Chief Constable was ratified at a Police and Crime Panel confirmation hearing. Temporary DCC and ACC appointments were agreed internally. Members were informed of the expected timetable for appointment of a permanent Chief Constable.

SR3 – Financial Incapability or Ineffectiveness

Financial risks discussed above.

SR4 – Failure to Engage with the Public and Other Stakeholders

The new PCC has committed to 2 days per week engagement activities which is an increase and provides strong mitigation for the risks. The consultation on the Police and Crime Plan is going to be the biggest and most representative the OPCC has ever done with a targeted approach following the initial stage.

SR5 – Lack of Public Confidence in or Awareness of the OPCC

The election process has raised awareness of the PCC and is a measure of confidence in the new PCC, although the low turnout was noted and the OPCC will be asking people whether they voted as part of the current consultation.

Raising the profile of the work of the OPCC has been built into the draft objectives for the Police and Crime Plan.

The performance information required by the Specified Information Order will be published in a visible place on the website to increase public scrutiny.

SR6 – Lack of Capacity/Capability within the OPCC

The OPCC is a small office and has had a lot of vacancies to fill. The recruitment of a Deputy PCC, OPCC Chief of Staff (previously known at the CEO) and OPCC CFO is a significant amount of work which is in addition to the appointment of a permanent Chief Constable. A Consultant has been appointed to assist in the recruitment of the Chief Constable and OPCC Chief of Staff.

The new PCC is taking on the APCC National Lead role for Economic and Cyber Crime which will increase the work of the OPCC to support. The PCC will be asking the new OPCC Chief of Staff to conduct a review of the OPCC to establish if it is structured in the best way to deliver his priorities. The PCC commented that the OPCC have been agile in responding to new priorities.

SR7 – Failure to Deliver Commissioned Services

The PCC has requested a review of commissioned services – longer term commissioned services will be out of scope but will be looked at in terms of how performance is monitored and value for money. A joint review of the Lighthouse Safeguarding Unit (LSU) has been agreed and is in the early stages. The risk has increased.

SR8 – Failure to Deliver Effective and Efficient Collaboration with Other Forces

Political alignment between the regional PCCs will create more collaboration opportunities but the risk rating has not yet been reduced. The PCC highlighted that the context for collaboration should be that it is effective and efficient for the tax payer and that should be the driving force behind it.

SR9 – Failure to Deliver Effective and Efficient Collaborations or Outcomes with Other Partners

Partners will be included in the consultation process. There are key risks in terms of the backlogs affecting the Criminal Justice system (which is a national issue) and the risk that should funding for partners reduce this would have an impact on engagement. As such the risk in this area has increased.

22. Business from the Chair:

The Chair announced that former JAC Member, Sue Warman, has sadly passed away and the Chair will send condolences to the family.

The Chair congratulated the PCC on his election. The PCC had previously observed a JAC meeting when he was a member of the Police and Crime Panel and has suggested that a member of the panel attend JAC regularly to observe as it provided good insight. The PCC was pleased that there was discussion during the Annual Accounts item about looking after and supporting people and has reinforced the importance of this.

a) Police and Crime Board Update

Members have received the minutes from the 31st March and 2nd June Police and Crime Board (PCB) meetings. Minutes from 7th July 2021 PCB are yet to be agreed. 2nd June 2021 was the first PCB meeting with the new PCC. Key themes from meetings include:

- Data integrity - remains an area of focus;
- Improving workforce representation – building on the work to date;
- Cyber assurance report – looked at the scale of the problem and the work that is under way; and
- The Specified Information Order – brings a greater duty on PCCs to publish performance information. A pilot of what this might look like is being worked on. The PCC commented that the priorities of the local people must come first and there will need to be a conversation if Home Office priorities are not in line with these.

b) Update on Independent Office of Police Complaints (IOPC) Investigations

The Constabulary reported a good working relationship with the IOPC and are meeting with them quarterly which provides a good opportunity for two way conversation. There are 15 current investigations with the IOPC and timeliness is improved with the oldest investigation being less than a year old. Complaint themes were highlighted which includes abuse of position for sexual purpose and discrimination – impact on trust and confidence is a concern.

The Constabulary have been using a Lived Experience approach (someone with relevant experience gives their perspective) and the IOPC have indicated that they would be keen to take this on as national good practice.

23. Internal Audit Reports (Report 10):

a) Internal Audit Annual Opinion and Report 2020/21

A reasonable annual opinion was given by the Internal Auditor and no issues have been raised for the Governance Statement. The Internal Auditors reported having been kept informed of challenges as a result of Covid. One significant corporate risk raised relates to record retention and MoPI compliance. Strong engagement with the force, OPCC and JAC was reported. The effectiveness of JAC was looked at and it was noted that meetings are well prioritised and attended by management with presentation of organisational risks at each meeting (quarterly).

Members reflected on the impressive amount of work over the last year in the circumstances. It was requested that the wording around Leadership and Culture and Diversity and Inclusion be included as this is relevant to all areas of work.

The JAC asked to see the proposed scope of the risk management audit. Members asked how the new more agile audit approach has been for the OPCC and Constabulary.

RESOLVED THAT

- i. the Internal Auditors will look at including wording around Leadership and Culture and Diversity and Inclusion as this is relevant to all areas of business; and
- ii. share the proposed scope of the risk management audit with the JAC.

b) Quarterly Update

Members have received the Assurance Mapping Position Statement for quarter 1 from the Internal Auditors now and Constabulary gave a presentation at the pre-meet on the Corporate Risk Management Framework being developed. This will be a rolling update each quarter.

Members were assured that the Internal Auditors are comfortable with the progress to date, despite the pandemic and moving to different ways of working, although it was noted that some quarter 2 audits are yet to be scoped.

An update on the regional audit work was given. Digital Forensics fieldwork is underway and this will be reported to the next meeting of the JAC. It has been agreed by the regional CFOs that there will be a Regional Pensions Admin Audit. Regional Vetting is also being looked at. A fraud baseline review has been suggested.

c) Data Quality Follow Up 2020/21

Three recommendations have been signed off with the remaining two still in progress which are dependent on the new Data Strategy being developed. Internal Auditors are happy with the progress and recognise the ongoing work on the Data Strategy. Members raised concerns regarding the slipping of timescales but understand the reasons and were assured that the revised dates are being worked to.

d) Fleet Management Follow Up 2020/21

Six recommendations are complete and two have been superseded with the implementation of a new system. Members noted that the new system will not be in place until November 2021 and asked how the risk is being managed until then – Qlik is being used by the Workshop to manage work and being used operationally to manage the distribution of vehicles across sites.

e) IT Business Continuity Follow Up 2020/21

Three recommendations are complete with one in progress which is around business critical systems. The Constabulary reported that the action is 70%

complete but the timescale has been moved to the end of August to accommodate a movement in resources to manage priorities.

f) Organisational Learning from Covid-19 2021/22

A reasonable assurance was given with three recommendations. Specific examples of learning were identified but it was noted that learning could be captured better with a central record of learning. Risk management is in place but needs to be consistent – this will form part of the governance framework work. The good command structure, communication and governance was noted.

g) Assurance Mapping Position Statement Q1 2021/22

The Constabulary gave a presentation to Members at the pre-meeting on the Corporate Risk Management work being done.

h) Remote Working – Cyber/Data Security 2021/22

Work is continuing at pace and the report will be available for the next meeting of the JAC.

24. Summary of Recommendations

HMICFRS

28 open recommendations with a number of these being with the HMICFRS Liaison Officer for sign off – this is done twice a year. Members asked if the number of HMICFRS Liaison Officers Avon and Somerset have had since 2017 is a concern or causes any issues. This turnover is not unusual.

SWAP

2 items overdue as timeframes have been updated.

Members asked if original timescales and revised timescales can both be included in the report in future and the reasons why the timescales have moved, this will help Members identify where slipping of timescales is not within the control of the Constabulary.

Members found the written update in advance of the meeting very helpful and the Constabulary confirmed that they will continue to provide this. Members agreed that this could move to twice a year in line with the reporting to the Finance and Asset Committee.

RESOLVED THAT

- i. The report should include the original timescales, revised timescales (where applicable) and the reasons for changes in timescales; and
- ii. The report will be presented to the Joint Audit Committee twice a year to be in line with reporting to the Finance and Asset Committee.

Part 2

Items for consideration without the press and public present

- 25. Exempt Minutes of the Joint Audit Committee Meeting held on 22nd April 2021 (Report 12)**

SEE EXEMPT MINUTES

- 26. Constabulary Strategic Risk Register (Report 13)**

SEE EXEMPT MINUTES

The meeting concluded at 13:55

CHAIR

ACTION SHEET

| MINUTE NUMBER | ACTION NEEDED | RESPONSIBLE MEMBER/ OFFICER | DATE DUE |
|---|---|------------------------------------|-----------------|
| Minute 43 External Audit Update 16th January 2020 | The External Auditors should work with the OPCC on the arrangements for running a South West JAC event. | Grant Thornton/ OPCC | TBA |

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| Minute 48e Refreshing of the Strategic Framework Follow Up 27th January 2021 | <p>Arrange for JAC Members to have access to parts of Qlik if possible.</p> <p>14th July 2021 Update – as this is not a possibility Members would like a demonstration on Qlik to help them understand how the technology supports the work of the police.</p> | OPCC CFO | TBA |
| Minute 8b Payments to Staff – Absence Management 22nd April 2021 | <p>Plan for Payments to Staff – Absence Management should be included in the Follow Up report.</p> | SWAP | TBC |
| Minute 8e Police Officer and Staff Training 22nd April 2021 | <p>Improvements should be made clear in the Follow Up report regarding Police Officer and Staff Training.</p> | SWAP | TBC |
| Minute 19 (i) Annual Accounts and Governance Statement 14th July 2021 | <p>Members will submit their questions on the accounts to the Joint Audit Committee Chair over the next couple of weeks and copy the OPCC CFO in so that questions can be collated and then answered. These questions and answers will be published with the papers for the next meeting of the Joint Audit Committee on 22nd September 2021.</p> | JAC Members/OPCC CFO/ Constabulary CFO | Immediate |
| Minute 19 (ii) Annual Accounts and Governance Statement 14th July 2021 | <p>The Constabulary CFO discuss with the Finance Team mocking up a summary version of the Annual Accounts.</p> | Constabulary CFO | Update at 22 nd September 2021 JAC |
| Minute 23a(i) Internal Audit Annual Opinion and Report 2020/21 | <p>The Internal Auditors will look at including wording around Leadership and Culture and Diversity and Inclusion as this is relevant to all areas of business.</p> | SWAP | Immediate |

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| 14th July 2021 | | | |
| Minute 23a(ii) Internal Audit Annual Opinion and Report 2020/21 14th July 2021 | Share the proposed scope of the risk management audit with the JAC | SWAP | Immediate |
| Minute 24(i) Summary of Recommendations from HMICFRS and Audit 14th July 2021 | The report should include the original timescales, revised timescales (where applicable) and the reasons for changes in timescales | Supt Ben Moseley | TBC |
| Minute 24(ii) Summary of Recommendations from HMICFRS and Audit 14th July 2021 | The report will be presented to the Joint Audit Committee twice a year to be in line with reporting to the Finance and Asset Committee. | Constabulary Governance Manager to Liaise with the OPCC Resources Officer to advise dates | Immediate |

JAC Questions on Statement of Accounts 2020 2021

| Question/feedback | From | Accounts/JAC Bundle | Page | Response |
|---|-----------|---------------------|------|---|
| I note and support management's intention to develop and publish a simplified and more user friendly version of future financial results which members of the public will find easier to understand. | David Daw | JAC Bundle | | Noted |
| I understand the pandemic has presented numerous challenges for ASP and this is rightly called out in the commentary and treatment of provisions. Wherever possible I think it would be helpful for the commentary to be as specific as possible about which aspects of the pandemic are relevant in each instance. | David Daw | JAC Bundle | | Noted |
| States the general reserve has been increased to reflect uncertainty and risk but not clear what risk and uncertainty is driving this increase and why it results in a £3m increase (rather than say £6m or £1m). | David Daw | JAC Bundle | 18 | <p>A £3m increase in the general fund was recommended by the PCC CFO in January 2021 based on a risk assessment exercise.</p> <p>The increase in reserve was recommended as an appropriate response to the heightened uncertainty around government grant funding of the Force in future years – recognising the economic uncertainty created by the COVID-19 pandemic.</p> <p>Instead of an expected three year spending review, last year the Chancellor announced only a one year review and settlement. As a result, there remains uncertainty and risk around future funding levels.</p> |

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| | | | | The increase in general fund to £12m represents 3.4% of our net revenue budget, reflecting a prudent level of reserves to manage this risk and uncertainty. |
| Other considerations notes contingent liabilities as a result of uncertainty created by the pandemic. The relevant note in the accounts talks to uncertainty in funding beyond 21/22 yet the forecast projects clear increases in funding. So it is unclear to me what the uncertainty is and why it is any more significant than previous years. | David Daw | JAC Bundle | 21 | <p>The uncertainty referenced here is twofold:-</p> <ul style="list-style-type: none"> • The economic uncertainty created by the pandemic, and how this might affect future government spending plans creating significant uncertainty within our future financial planning. It is against this backdrop that our financial sustainability, and therefore questions of going concern basis for the presentation of the financial statements need to be considered; and • The nature of the pandemic, and our organisational responses to this, may bring about future liabilities which at the time at which the financial statements are being prepared we cannot identify or quantify. It is hard to speculate what these might be, but we recognise that the unprecedented nature of the pandemic drives an underlying uncertainty in this regard. |
| Overall reported crime is down 14%. The categories highlighted are down by between 23 and 33% so presumably other categories have increased. It would be good to know which categories of crime have increased and whether they have an implication for future operational planning and funding. | David Daw | JAC Bundle | 27 | <p>The biggest increases in demand relate to COVID-19 enforcement activity, which was entirely new demand resulting from the restrictions and guidance that the government has set and varied throughout the pandemic. This demand has largely receded as restrictions have lifted, and more traditional demand pressures have returned.</p> <p>There were some areas of demand which did see increases, including violence against the person (+2%), Sexual Offences (+10%) and Fraud is up by 72%. We continue to work on our Force Management Statement, which we expect to be published later in the Autumn which will provide further analysis around our demand and our forecasts for this.</p> |
| Revenue expenditure 4 th para - I couldn't see where the £314m comes from in the table? | David Daw | JAC Bundle | 29 | £314m is the Revenue Outturn position prior to final adjustments e.g. reserve movements, provisions and carry forwards. The £314m was identified on Appendix A of the Revenue and Capital Financial Performance report to 31 March 2021, which was reported to Police and Crime Board in June . £328m included in the table for revenue expenditure in the year is the equivalent of this £314m figure plus all of the year-end adjustments. |

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| Capital Expenditure – has been impacted by the pandemic and requires re-profiling. Again I'm sure this is the case but can we be more specific on how and why? | David Daw | JAC Bundle | 30 | Capital expenditure plan is reviewed and forecast updated quarterly, and reported into Police and Crime Board (June PCB our 2020/21 capital outturn was reported). Where projects are paused or significantly delayed, costs are flagged for carry forward and will be built in to the MTFP for the following year. We continue to see delays in capital spend due to suppliers lead times being unusually long (particularly for example in vehicles delivery times), and in some of our estates projects we have paused our plans allowing the new PCC to review and set the forward strategy. We are constantly reviewing and adjusting our plan in line with latest information. |
| I noted the proposal has been reduced by the PCC in response to PCP veto – has the PCP now approved the new proposal? | David Daw | JAC Bundle | 32 | Yes the PCP met on 19th February and reviewed and approved a revised proposal. |
| Any increases in other crimes in addition to those mentioned, e.g. domestic abuse? | Zoe Rice | JAC Bundle | 26 | While it was expected that Domestic Abuse would rise at the start of the pandemic, the force actually experienced a drop in recorded crime initially during the first hard lockdown. As the most severe restrictions eased so the reports of Domestic Abuse crime went up, reaching a peak in July 2020 before dropping again during the autumn and winter lockdowns. December 2020 showed the usual peak seen covering the Christmas period with further drops in January 2021 and February 2021. The figures started to rise in early summer towards the summer peak. The number of calls for service (Domestic Abuse Incidents) reflects the trends seen for recorded crime. We continue to work on our Force Management Statement, which we expect to be published later in the Autumn which will provide further analysis around our demand and our forecasts for this. |
| The % of part time police officers and PCSOs appears very low. Is this an identified issue? I'm thinking in relation to women, other underrepresented groups and being a flexible and attractive employer? Is | Zoe Rice | JAC Bundle | 26 | Whilst the number of part time officers and part time PCSOs appears to be low in proportion to the whole workforce, we do have various flexible working patterns throughout the Force that allow officers and PCSOs to work full-time with the flexibility to cover the necessary hours. We are aiming to improve our data collection in order to capture the number of workers with flexible working patterns which will provide |

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| this being addressed through any existing work plans? | | | | <p>some explanation to this table in future years and allow for an improved interpretation of the figures.</p> <p>In addition, due to the requirements of PCDA, officers in the first 3 years of training are full time. So whilst we may have increased the number of female officers, part-time working may have decreased during this uplift period.</p> |
| 'We were over-established in officer numbers' Please explain what 'over-established' means. | Zoe Rice | JAC Bundle | 29 | <p>We budget for a certain number of posts, which is known as our "establishment". Where there are more actual officers than we budgeted for then we would identify this as being "over-established". As we deliver the uplift in officer numbers the total number of officers is growing across the year. In a period of growth our budgets would be set based on our estimate of the total cost across the year. When this is converted into officer numbers (our establishment) this provides an average number of officers for the year. However, as we continue to deliver growth the actual number of officers is greater than this, reflecting the fact that as we go into a new financial year we have to re-set our establishment to a higher position to both fund the new officers for a full financial year, and provision for the additional officers we expect to be added over the course of the year. Once we achieve uplift (March 2023) we would expect our establishment to stabilise as our recruitment is no longer driving growth, but maintaining our officer establishment.</p> |
| Overspend for the 'central and misc. costs'. What were the factors behind this? | Zoe Rice | JAC Bundle | 30 | <p>There was an increase to the insurance provision to ensure sufficient cover was maintained. Additionally, there was a transfer to the general reserve of £3m funded from underspends, as well as other transfers to reserve in support of the new PCC and our future capital programme.</p> |
| OPCC staff survey. Please include number of people who completed survey. | Zoe Rice | JAC Bundle | 39 | <p>There were 19 responses to the OPCC survey out of a potential 25 staff; a completion rate of 76%.</p> |
| Lammy Review Group: 'A challenge in the coming year will be how, without the presence of that group, | Zoe Rice | JAC Bundle | 43 | <p>Local Lammy recommendations will be overseen by the Avon and Somerset Criminal Justice Board which the PCC will chair.</p> |

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| the recommendations are implemented and overseen across organisations.’ Given the investment to date in this area and its importance, what are the plans to take this work forward? | | | | <p>In addition the OPCC an SLT member has now taken on the lead for Equality, Diversity and Inclusion as a portfolio. The draft priorities for the new Police and Crime Plan include two objectives which relate to the Lammy work:</p> <p>4.1. The workforce will be more representative of the communities we serve. The police and the Office of the Police and Crime Commissioner will achieve this by improving recruitment, retention and progression of those currently under-represented.</p> <p>4.2. Reduce inequality and disproportionality in the Criminal Justice Service.</p> <p>As part of developing the new plan the PCC will be also be developing a more robust scrutiny and performance arrangements which means all plan objectives will receive regular oversight.</p> |
| Deployment and crime allocation. Describes previous issues and new guidance etc developed. Have improvements in practice been observed as a result? | Zoe Rice | JAC Bundle | 130 | <p>At present, it would be difficult to draw any accurate assessment of the extent to which improvements have been noted, following the implementation of the new deployment and crime allocation guidance. There are a couple of reasons for this:-</p> <ul style="list-style-type: none"> • Firstly, it was only implemented in early June 2021. This coincides with a period where we have seen significant demand fluctuations, exacerbated by the relaxation of COVID restrictions. Insufficient time has passed for us to make a reasonable assessment. • Secondly, many elements of the new guidance were not fully effective from June 2021. Due to the steady recruitment of staff through Uplift, particularly into Investigations, it was agreed that certain elements would not become fully effective until much later. <p>Nevertheless, early indications are that we have seen significant improvements in the way resources have been deployed over the last few weeks... possibly indicating the core principles of the guidance are being followed more closely. Further evaluation work will be reported over the next 3 months.</p> |

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| Portfolio Management Office (PMO) – please explain what this is. | Zoe Rice | JAC Bundle | 133 | The Portfolio Management Office manages the structure and reporting for all formal meetings of the Constabulary and OPCC. The team also regularly reports on the status of all projects ongoing throughout the Force, and supports chief officers and senior leaders in co-ordinating the resourcing and prioritisation of our change activity. |
| 'BLM'. Suggest use full version: 'Black Lives Matter' | Zoe Rice | JAC Bundle | 137 | Amendment to be made |
| General observation – the report often uses numerical information to demonstrate impact/effectiveness/improvements, e.g. increase in numbers of job applicants, numbers of recommendations following audits. For future reports, it may be beneficial to consider how this could be supported through greater use of qualitative information, e.g. quotes, case studies. | | | | Noted |
| (Page 23 - 108) [Repeats OCC Accounts Pages 109 - 170] | Martin Speller | OPCC & CC Accounts | Page 23-108 OPCC & Page 109-170 CC | The narratives will be broadly similar due to focusing on the same data and activities that have been carried out during the financial year. Accounting policies will be the same as we do not differentiate treatment between the OPCC and the CC. As with the financial data, this will be very similar due to being from the same data source. |
| Operational Performance I noted the overall reduction in crime of 14.1% and the fact the significant reductions are in theft / burglary / vehicle offences. These figures are as you would expect with more people staying at home. | Martin Speller | OPCC Accounts | Page 27 | While it was expected that Domestic Abuse would rise at the start of the pandemic, the force actually experienced a drop in recorded crime initially during the first hard lockdown. As the most severe restrictions eased so the reports of Domestic Abuse crime went up, reaching a peak in July 2020 before dropping again during the autumn and winter lockdowns. December 2020 showed the usual peak seen covering the Christmas period with further drops in January 2021 and February 2021. The figures started to rise in early summer towards the summer peak. |

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| <p>What has not been stated is whether some of the 'at home' crimes of domestic abuse et al (reported widely in the media) have gone up.</p> <p>Are there figures out there which might give rise to concern?</p> | | | | <p>The number of calls for service (Domestic Abuse Incidents) reflects the trends seen for recorded crime.</p> <p>We continue to work on our Force Management Statement, which we expect to be published later in the Autumn which will provide further analysis around our demand and our forecasts for this.</p> |
| <p>Financial Performance. I am unclear why this section talks of a £6.7M cost pressure and a £14.1M underspend.</p> | Martin Speller | OPCC Accounts | Page 29 | <p>The £6.7m mentioned relates to the budget savings required to produce a balanced budget. This is the net result after matching expected funding against the forecasted increase in inflation and costs.</p> <p>Our actual performance against budget is then monitored, and reported an underspend of £14.1m.</p> <p>Financial performance here can reflect;</p> <ul style="list-style-type: none"> • the identification of further savings (both temporary and recurring); • the introduction of additional funding above that budgeted for- this was the case in 2020/21 as Covid-19 costs were reimbursed through additional grant funding; and • the timing of spend against plan - this was the case in 2020/21 where in particular the challenges introduced by the pandemic impacted on recruitment timescales largely for staff, resulting in an underspend against budget. |
| <p>Capital Expenditure.</p> <p>I am unclear what a 'digital project' is when there is a line entry ICT replacement and renewal; ditto for estates.</p> <p>Also what is a 'Funded / Part Funded Project'?</p> | Martin Speller | OPCC Accounts | Page 30 | <p>The 'replacement and renewal' line entries relate to capital spend on items to update assets we currently own e.g. laptops.</p> <p>The project line entries generally relate to one-off high value, longer term projects and spend types.</p> <p>For example in ICT, new laptops are classified as 'replacement & renewal' whereas the ERP project (through which we will implement new corporate organisational systems for the management of staff and finances) is categorised as a 'Digital project'.</p> <p>Within Estates, a typical 'replacement and renewal' item would be a boiler replacement or the refresh of a meeting room whereas an 'Estate</p> |

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| | | | | <p>project’ would be the provision of a new police station or building or the significant refurbishment of an existing building (e.g. as at Kenneth Steele House).</p> <p>“Funded/Part funded” projects are items of capital spend within the joint arrangements or collaborations. Examples here might include where we are providing assets (e.g. vehicles) for a collaboration where Avon and Somerset is the host force (e.g. the South West Regional Organised Crime Unit), where the funding of the capital cost is provided for through the collaboration, and the Constabulary only funds the project up to the relevant percentage they are committed to in the particular collaboration.</p> |
| <p>Financial Outlook.</p> <p>The table runs for 5 years 2021/22 through to 2025/26.</p> <p>Key assumptions are described. Is it realistic to assume a forecast out to 2025/26 with so many uncertainties, fluctuations and unknowns.</p> <p>Should we not consider current year and next two only?</p> | Martin Speller | OPCC Accounts | Page 31-32 | <p>In line with CIPFA recommendations our Medium Term Financial Plan extends to 5 years so as to provide a view of both short and longer term risks and opportunities which will allow all our plans to be based on both medium and longer-term strategy rather than only immediate requirements. This approach, we believe, is a responsible way of managing our public funding and provides the best basis for the organisation to be fit for the future.</p> |
| <p>Section 14 Joint Arrangements. I just wonder why the nine ‘Joint Operation’ initiatives are not consistently ALL the SW Constabularies. By not following a single corporate approach are there not overlaps arising out of ad hoc arrangements?</p> | Martin Speller | OPCC Accounts | Page 78 | <p>The South West collaborations are arrangements set up over time and are available to all South West Forces. Some Forces choose not to be part of a collaboration because they have alternative arrangements in place.</p> |

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| Whilst I recognise the challenges posed in rape and sexual offences cases it is a concern that we do not do better in this area. Can you be more overt in the reasons behind this. | Jude Ferguson | OPCC Accounts | | We recognise how important being successful in rape and sexual offences is and it is a high priority for the constabulary. Project Bluestone has been set up to focus on improving results and research into these types of crimes. More information around this project will be made available in the near future. |
| Table. Why was there such a significant underspend against Investigations? £4.028m | Jude Ferguson | OPCC Accounts | Section 4.1 | The reported underspend relates to a high level of police officer vacancies in the Investigations department throughout the year. The year started with just over 74 FTE vacancies and increased until the appointment of Detective Now and DHEP (Degree Holder Entry Programme) officers in February 2021. In March 2021 the officer vacancies had reduced to 47.75 FTE and there is an ongoing plan to both fill these posts and begin to grow detective numbers during 2021. In addition to these funded officer posts there are some staff Investigator posts to support the demand created by the vacant officer posts. |
| Do short and long term investment strategies ensure the best returns on reserves/ cash? | Jude Ferguson | OPCC Accounts | Section 4.4 | Yes, both long and short term investments are carefully considered in line with the Treasury Management Strategy and an experienced treasury team at Somerset County Council. |
| Has the projected increase in Council tax been moderated to take into account the economic impact of the pandemic and Brexit. | Jude Ferguson | OPCC Accounts | Section 5.1 | The government are providing additional funding for a percentage of council tax lost as a result of the Covid-19 pandemic. When we prepare our MTFP at the end of 2021 our precept forecast will be carefully reviewed using tax base information from local authorities and an estimate of next year's precept decision will be made. The MTFP will also take into account any implications that have resulted from Brexit. |
| Has the projected revenue budget taken into account sufficiently the above alongside the likely impact of climate change? | Jude Ferguson | OPCC Accounts | Section 5.1 | When we prepare the MTFP at the end of 2021, we will consider any implications of climate change on our figures and ensure our forward projections provide for extra costs accordingly. |

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|---|---------------|---------------|---------|--|
| Bank overdraft? Please explain this line in the accounts. | Jude Ferguson | OPCC Accounts | Page 34 | This value is as a result of the accounting treatment of the bank reconciliation at the year end. Some banking transactions that happen close to 31 March 2021 e.g. Bacs payments, grant receipts do not have sufficient time to clear and so temporarily for accounting purposes we may show that a bank account is overdrawn but in practice this is a timing adjustment and the actual bank account does not go overdrawn. |
| Why are some accounting standards not adopted? | Jude Ferguson | OPCC Accounts | Page 40 | Some accounting standards are not adopted as they do not have material impact on the accounts and/or the accounting standard is not relevant to the transactions that take place in the Statement of Accounts. |
| What is the discount rate referred to in the last table on this page? | Jude Ferguson | OPCC Accounts | Page 59 | This is the rate used to calculate the value of future payments of pensions & lump sums expressed as if in today's value. The rate will be based on market yields at the reporting date of high quality corporate bonds. This figure is calculated and used by the actuaries. |
| Is the system for managing overtime effective? | Jude Ferguson | OPCC Accounts | Page 68 | Overtime hours are pre authorised by managers and then claimed by officers once overtime is completed. The Finance team regularly review overtime spend against budget and seek explanation for variances from departmental heads. Significant variances are highlighted and discussed at quarterly CMB meetings. We know that any process can be improved and recognise that this is an area we would want to review as part of our planned ERP project work. |

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| MEETING: Joint Audit Committee | DATE: 20th October 2021 | AGENDA NO: |
| DEPARTMENT: OPCC | AUTHOR: Paul Butler | 7a |
| NAME OF PAPER: Annual Accounts Audit Timetable | PURPOSE: Information and Discussion | OPEN SESSION |

1. PURPOSE OF BRIEFING NOTE AND BACKGROUND

This briefing note advises members of the Joint Audit Committee (JAC) of the delay to the audit timetable which resulted in the accounts not being signed off by the deadline of 30th September 2021.

2. POINTS OF NOTE

The Local Audit and Accountability Act 2014 and the Accounts and Audit Regulations 2015 require the publication of our Final Audited Statement of Accounts in accordance with the statutory deadline of 30th September 2021.

Due to the ongoing position of the audit by Grant Thornton it was not possible to meet this deadline, and we were therefore required to publish a notice to this effect on the [OPCC](#) and [Constabulary](#) websites. There are no other regulatory consequences arising out of the delay.

GT advised us by email on 3rd September that the deadline of the 30th would be tight for a number of reasons:

- The increased assurance work that auditors are required to carry out nationally;
- The need to increase sample sizes following completion of IT audit work;
- Availability of audit team members for a variety of reasons.

Nevertheless, at this stage we were still anticipating that the statutory deadline would be met. However, on 14th September the OPCC and Constabulary CFOs, the JAC Chair, and GT met virtually. At this meeting it became apparent that it would not be possible to achieve the deadline.

As a consequence, the Joint Audit Committee scheduled for 22nd September 2021 was postponed and the appropriate notices placed on Constabulary and OPCC websites.

Following completion of the audit we intend to fully review the position leading to the delay with the intention of ensuring that we do not experience similar delays in future years and to ensure that we are compliant with statutory requirements.

Item 7b

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

Year ended 31 March 2021

October 2021



Contents



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2. Financial statements
3. Value for money arrangements
4. Independence and ethics

Appendices

- A. Action plan
- B. Follow up of prior year recommendations
- C. Audit adjustments
- D. Fees
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- F. Audit Opinion – Chief Constable
- G. Audit letter in respect of delayed VFM work

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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 and 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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1. Headlines

This table summarises the key findings and other matters arising from the statutory audits of Avon and Somerset Police and Crime Commissioner ('the PCC') and Avon and Somerset Chief Constable and the preparation of the PCC's and Chief Constable's financial statements for the year ended 31 March 2021 for those charged with governance.

Financial Statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion the financial statements:

- give a true and fair view of the financial positions of the PCC and Chief Constable's income and expenditure for the year; and
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with each set of audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report) is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our audit work has been completed remotely, beginning in August. Our findings are summarised on pages 5 to 17.

Adjustments identified in respect of the audit are detailed in Appendix C.

We have also raised recommendations for management as a result of our audit work in Appendix A. Our follow up of recommendations from the prior year's audits are detailed in Appendix B.

Our work is substantially complete, though we continue to conclude our testing and the following outstanding matters;

- finalisation of our procedures on the appropriateness of the Local Government Pension Scheme asset;
- finalisation of our review of sampled land and building valuations, including floor areas for assets subject to Existing Use Valuations and build rates applied to assets valued at Depreciated Replacement Cost;
- completion of our journals testing;
- review of the sample evidence for our non-pay expenditure sample;
- satisfactory conclusion of our final audit queries;
- final quality review checks on our audit work.

Upon satisfactory completion of the above areas, we will then be in a position to issue our audit opinions following;

- receipt and review of the final sets of financial statements; and
- receipt and review of the management representation letters.

We have concluded that the other information to be published with each set of financial statements is consistent with our knowledge of your organisations and the financial statements we have audited.

Our anticipated audit report opinions will be unmodified, with the Group and PCC opinion including an Emphasis of Matter paragraph highlighting the material valuation uncertainty reported by the PCC's property valuer as disclosed in Note 4.4 of the accounts.

1. Headlines

Value for Money (VFM) arrangements

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether in our opinion, both entities have put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are now required to report in more detail on the overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the arrangements under the following specified criteria:

- Improving economy, efficiency and effectiveness;
- Financial sustainability; and
- Governance

We have not yet completed all of our VFM work and so are not in a position to issue our Auditor's Annual Report. An audit letter explaining the reasons for this is attached in the Appendix H to this report. We expect to issue our Auditor's Annual Report at the Joint Audit Committee scheduled for December 2021. This is in line with the National Audit Office's revised deadline, which requires the Auditor's Annual Report to be issued no more than three months after the date of the opinion on the financial statements.

As part of our work, we considered whether there were any risks of significant weakness in the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources. We did not identify any risks in our Joint Audit Plan and we have not identified any from our work to date.

Statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audits.

We have not exercised any of our additional statutory powers or duties.

We expect to certify the completion of the audits upon the completion of our work on the PCC and Chief Constable's VFM arrangements, which we aim to report in our Annual Auditor's report in December 2021, and following the completion of our procedures on the Group's Whole of Government Accounts (WGA) return. The WGA guidance is not expected until December 2021 and we will complete our work following this.

2. Financial Statements

Overview of the scope of our audit

This Joint Audit Findings Report presents the observations arising from the audits that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents have been discussed with management.

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

Audit approach

Our audit approach was based on a thorough understanding of the group's business and is risk based, and in particular included:

- an evaluation of the PCC's and Chief Constable's internal controls environment, including its IT systems and controls; and
- substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

We have not had to alter our Joint Audit Plan, as communicated to you in April 2021.

Conclusion

We have completed significant elements of our audits of your financial statements and, subject to outstanding queries being resolved as set out on page 3, we anticipate issuing unqualified audit opinions on the financial statements of both the Group and PCC and the Chief Constable following the Joint Audit Committee meeting on 20 October 2021, as detailed in Appendix E and F.

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff. The ongoing impact of the pandemic has meant that both your finance team and our audit team faced audit challenges again this year, such as remote access working arrangements including video calling, and increased procedures required to verify the completeness and accuracy of information provided remotely.

Additional audit procedures were required on system reports as a result of IT Audit findings that have caused significant additional work for both parties. The continued focus on key estimates, such as PPE and pension liabilities, has also resulted in additional work. More detail is included throughout this report.

2. Financial Statements



Our approach to 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.

Materiality levels remain the same as reported in our audit plan in April 2021. We detail in the table opposite our determination of materiality.

| | Group (£'000) | PCC (£'000) | Chief Constable Amount (£'000) |
|---|---------------|-------------|--------------------------------|
| Materiality for the financial statements | 6,161 | 106 | 6,055 |
| Performance materiality | 4,621 | 79 | 4,541 |
| Trivial matters | 308 | 5 | 303 |
| Materiality for senior officer remuneration disclosures | 20 | 20 | 20 |

We have determined financial statement materiality based on a proportion of the gross expenditure of the group, the PCC and the Chief Constable for the financial year. For our audit testing purposes we apply the Chief Constable materiality figures, which is £6.055m (PY £7.334m), which equates to 1.5% (PY 2%) of the Chief Constable's prior year gross expenditure or the year.

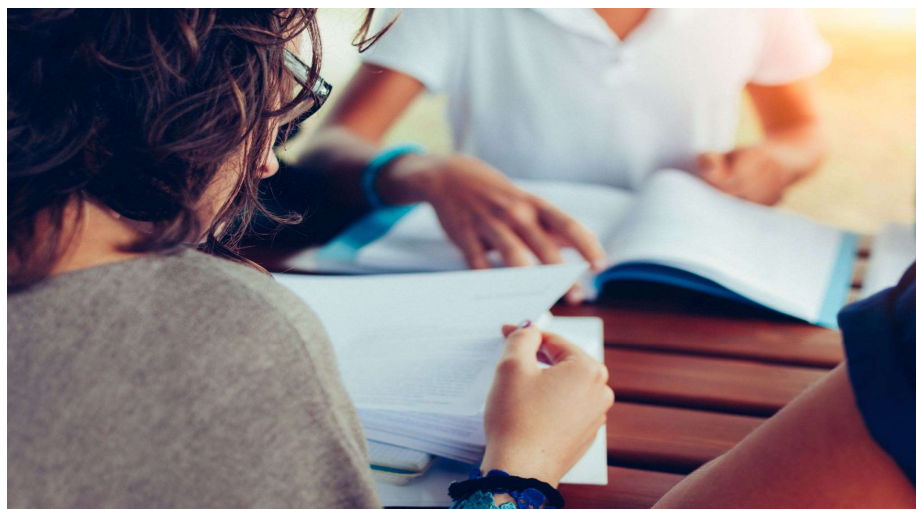


2. Financial Statements - Significant risks

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.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

| Risks identified in our Audit Plan | Relates to | Commentary |
|---|-------------------|---|
| <p>Management override of controls</p> <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, which was one of the most significant assessed risks of material misstatement.</p> | PCC, CC and Group | <p>We have:</p> <ul style="list-style-type: none"> evaluated the design effectiveness of management controls over journals; analysed the journals listing and determined the criteria for selecting high risk unusual journals; considered the impact of IT audit findings on the journals posted, and extended our journal testing to include journals posted by non-finance team employees; identified and tested unusual journals made during the year and the accounts production stage for appropriateness and corroboration; and gained an understanding of the accounting estimates and critical judgements applied by management and considered their reasonableness. <p>Our sample testing of journal entries is still being completed. To date, the testing completed has not identified any significant issues in respect of journals posted in year.</p> <p>More information on key estimates and judgements in respect of PPE and pensions valuations can be found on pages 11 to 14.</p> |



2. Financial Statements - Significant risks

| Risks identified in our Audit Plan | Relates to | Commentary |
|--|-------------------|---|
| <p>The revenue cycle includes fraudulent transactions</p> <p>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> | PCC, CC and Group | <p>In our Joint Audit Plan we concluded that we did not consider this to be a significant risk for the PCC, Chief Constable and/or Group.</p> <p>We have not made any changes to this assessment during the audit and based on our findings. Covid-19 grants were not significant sources of income for the Group or PCC in 2020/21.</p> |
| <p>Valuation of land and buildings</p> <p>The PCC (and group) revalue land and buildings on an annual basis to ensure that the carrying value is not materially different from the current value or the fair value (for surplus assets) at the financial statements date via full valuations or on a desktop basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved (£186 million) and the sensitivity of this estimate to changes in key assumptions. We therefore identified valuation of land and buildings as a significant risk, which was one of the most significant assessed risks of material misstatement.</p> | Group and PCC | <p>We have:</p> <ul style="list-style-type: none"> evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to the valuation experts, and the scope of their work; evaluated the competence, capabilities and objectivity of the valuation expert; discussed with the valuer the basis on which the valuations were carried out to ensure that the requirements of the CIPFA Code are met; challenged the information and assumptions used by the valuer to assess completeness and consistency with our understanding; engaged our own valuer to assess the instructions to the group's valuer, the group's valuer's report and the assumptions that underpin the valuations; tested, on a sample basis, revaluations made during the year to ensure they have been input correctly into the PCC (and group's) asset register; and evaluated the assumptions made by management for any assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value. <p>Our work in this area is currently on-going as we continue to review the methods and assumptions adopted for some of the valuations. We continue to liaise with our valuations expert over the methods and assumptions adopted by the PCC's valuation expert.</p> <p>More information on our review of the valuation of land and buildings can be found on page 11.</p> |

2. Financial Statements - Significant risks

| Risks identified in our Audit Plan | Relates to | Commentary |
|---|----------------------------------|--|
| <p>Valuation of the pension fund net liability</p> <p>The Group and Chief Constable's pension fund net liability, as reflected in the balance sheets as the net defined benefit liability, represent 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 (£4.8bn in the Group and Chief Constable's balance sheets) and the sensitivity of the estimate to changes in key assumptions.</p> <p>The methods applied in the calculation of the IAS 19 estimates are routine and commonly applied by all actuarial firms in line with the requirements set out in the Code of practice for local government accounting (the applicable financial reporting framework). We have therefore concluded that there is not a significant risk of material misstatement in the IAS 19 estimate due to the methods and models used in their calculation.</p> <p>The source data used by the actuaries to produce the IAS 19 estimates is provided by administering authorities and employers. We do not consider this to be a significant risk as this is easily verifiable.</p> <p>The actuarial assumptions used are the responsibility of the entity but should be set on the advice given by the actuary. A small change in the key assumptions (discount rate, inflation rate, salary increase and life expectancy) can have a significant impact on the estimated IAS 19 liability.</p> | <p>Group and Chief Constable</p> | <p>We have:</p> <ul style="list-style-type: none"> • updated 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 evaluated the design of the associated controls; • evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; • assessed the competence, capabilities and objectivity of the actuary who carried out the group's pension fund valuation; • assessed the accuracy and completeness of the information provided by the group to the actuary to estimate the liability; • tested 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; • undertaken procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performed any additional procedures suggested within the report; and • obtained 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. <p>We are finalising the last part of our review of the assumptions. Our comparison of the estimated return on assets used by the actuary to the actual return on assets as notified by the Somerset Pension Fund for the Local Government Pension Scheme (LGPS) post year end has identified that the estimated returns were higher than actual, which when applied to the opening asset position gives a material difference, suggesting the pension asset could be overstated. We continue to liaise with management and the actuary in respect of this variance and hence our work in this area is currently on-going.</p> |

2. Financial Statements – new issues and risks

This section provides commentary on new issues and risks which were identified during the course of the audit that were not previously communicated in the Audit Plan and a summary of any significant deficiencies identified during the year.

| Issue | Commentary |
|--|---|
| <p>IT Control deficiencies</p> <p>Our IT audit colleagues undertook a review of the IT General Control environment. A separate findings report that summarises this work has been shared with management and Those Charged With Governance.</p> | <p>The findings raised recommendations which have been agreed by management as per the IT audit findings report.</p> <p>Given the impact of some of our recommendations, we undertook additional testing on all system reports that were provided to us to ensure that they were consistent with the underlying system data.</p> <p>We also undertook increased testing of journal entries to ensure that the findings were taken into account when considering those journals posted by users with increased system access.</p> <p>We have included the key recommendation arising from our IT audit work in Appendix A.</p> |

2. Financial Statements – key judgements and estimates

This section provides commentary on key estimates and judgements inline with the enhanced requirements for auditors.

| Significant judgement or estimate | Relates to | Summary of management's approach | Audit Comments | Assessment |
|--------------------------------------|---------------|---|---|-------------|
| Land and Building valuations – £191m | Group and PCC | <p>Land and buildings comprises of specialised assets such as the Constabulary's main regional police centres, which are required to be valued at depreciated replacement cost (DRC) at year end, reflecting the cost of a modern equivalent asset necessary to deliver the same service provision. The remainder of other land and buildings are not specialised in nature and are required to be valued at existing use in value (EUV) at year end.</p> <p>The PCC engaged Jones Land LaSalle Limited (JLL) to complete a full valuation of land and buildings as at 31 March 2020 as part of the cyclical valuation programme. As at 31 March 2021, a desk top exercise was conducted by the internal valuer.</p> <p>The total year end valuation of land and buildings was £191m, a net increase of £5m from 2019/20 (£186m).</p> <p>The Group/PCC's valuer disclosed a material uncertainty in the valuation of the Group/PCC's land and buildings as at 31 March 2021 as a result of Covid-19. The Group/PCC have included disclosures on this issue in note 4.4.</p> | <p>We have reviewed the detail of your assessment of the estimate, considering the revised requirements of ISA 540. Our work included:</p> <ul style="list-style-type: none"> an assessment of management's expert, who we found to have relevant experience and professional qualifications; review of the completeness and accuracy of the underlying information used to determine the estimate, including the re-calculation of valuation figures using national indices to determine specific asset valuations that warrant further review; consultation of an auditor's expert – we have discussed the methods that the valuer has used to determine build rates with our expert and have determined that they do not reflect current good practice – see recommendation 7 in Appendix A; consideration of the appropriateness of any alternative site assumptions; assessing the impact of any changes to valuation method, which we considered to be immaterial; and an assessment of the adequacy of disclosure of estimate in the financial statements. <p>The financial statements include disclosure of material uncertainty relating to land and buildings. We will highlight this disclosure within an "emphasis of matter" paragraph in our opinion. This is not a modification of qualification of the opinion and is consistent with other audited bodies where the valuer has highlighted a material valuation uncertainty.</p> <p>Our review of the valuation of land and buildings is on going as we continue to discuss specific asset valuations with management's valuer, in consultation with our auditor's expert.</p> | In progress |

2. Financial Statements - key judgements and estimates

| Significant judgement or estimate | Relates to | Summary of management's approach | Audit Comments | Assessment | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------------------|--|---|-------------|------------------|---------------|-----------|------------|---------------|-------|----------------|---|-----------------------|-------|----------------|---|---------------|-------|--------------------------------------|---|--|-------------|-----------------------------|---|--|-------------|-----------------------------|---|
| Net pension liability – £4.8bn | Group and the Chief Constable | <p>The Group and Chief Constable's total net pension liability at 31 March 2021 is £4.8bn (PY £3.5bn).</p> <p>£0.9bn (PY £0.6bn) of the liability is in respect of police staff in the LGPS, administered by Somerset Pension Fund. The Group uses Barnett Waddingham to provide actuarial valuations of the assets and liabilities derived from this scheme.</p> <p>A full actuarial valuation is required every three years, with the last taking place in 2019. A roll forward approach is used in the intervening periods, which utilises key assumptions such as life expectancy, discount rates and salary growth.</p> <p>Given the significant value of the net pension fund liability, small changes in assumptions can result in significant valuation movements.</p> | <p>In assessing the estimate, we have considered the following:</p> <ul style="list-style-type: none">the actuary's experience, competence and professional qualifications;the actuary's approach, through the use of PwC as an auditors expert, used to assess the methods and assumptions used (see below table for consideration of the assumptions adopted);the completeness and accuracy of the underlying information used to determine the estimate by comparing it to source records and other data provided through the audit;the impact of any changes to valuation method – none were noted;the assurances provided by the auditor of Somerset Pension Fund over the process and controls in place at the Fund over the information provided to the actuary;the adequacy of disclosures of estimate in the financial statements; andthe reasonableness of the PCC and Chief Constable's share of LGPS pension assets. <p>The actuary used an estimated return on the scheme assets for March 2021, as they have in prior years. However, from the information received to date, the estimated return seems to be significantly different to the actual, which when taken into account with the other estimates related to the pension asset, suggest it could be materially overstated. We continue to liaise with management and the actuary over this issue.</p> | In progress | | | | | | | | | | | | | | | | | | | | | | | | |
| Comprising: | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Police Officer Pension Schemes: £3.9bn | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Local Government Pension Scheme (LGPS): £0.9bn | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table><tr><th>LGPS Assumptions</th><th>Actuary Value</th><th>PwC range</th><th>Assessment</th></tr><tr><td>Discount rate</td><td>2.05%</td><td>1.95% to 2.05%</td><td>●</td></tr><tr><td>Pension increase rate</td><td>2.85%</td><td>2.80% to 2.85%</td><td>●</td></tr><tr><td>Salary growth</td><td>3.85%</td><td>1% above CPI which is equal to 3.85%</td><td>●</td></tr><tr><td>Life expectancy – Males currently aged 45 / 65</td><td>23.1 / 24.4</td><td>20.5 to 23.1 / 21.9 to 24.4</td><td>●</td></tr><tr><td>Life expectancy – Females currently aged 45 / 65</td><td>24.6 / 26.0</td><td>23.3 to 25.0 / 24.8 to 26.4</td><td>●</td></tr></table> | | | | | LGPS Assumptions | Actuary Value | PwC range | Assessment | Discount rate | 2.05% | 1.95% to 2.05% | ● | Pension increase rate | 2.85% | 2.80% to 2.85% | ● | Salary growth | 3.85% | 1% above CPI which is equal to 3.85% | ● | Life expectancy – Males currently aged 45 / 65 | 23.1 / 24.4 | 20.5 to 23.1 / 21.9 to 24.4 | ● | Life expectancy – Females currently aged 45 / 65 | 24.6 / 26.0 | 23.3 to 25.0 / 24.8 to 26.4 | ● |
| LGPS Assumptions | Actuary Value | PwC range | Assessment | | | | | | | | | | | | | | | | | | | | | | | | | |
| Discount rate | 2.05% | 1.95% to 2.05% | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pension increase rate | 2.85% | 2.80% to 2.85% | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Salary growth | 3.85% | 1% above CPI which is equal to 3.85% | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Life expectancy – Males currently aged 45 / 65 | 23.1 / 24.4 | 20.5 to 23.1 / 21.9 to 24.4 | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Life expectancy – Females currently aged 45 / 65 | 24.6 / 26.0 | 23.3 to 25.0 / 24.8 to 26.4 | ● | | | | | | | | | | | | | | | | | | | | | | | | | |

2. Financial Statements - key judgements and estimates

| Significant judgement or estimate | Relates to | Summary of management's approach | Audit Comments | Assessment | | | | | | | | | | | | | | | | | | | | | | | | |
|--|-------------------------------|---|---|-----------------------------------|---------------|-----------|------------|---------------|----|----------------|---|-----------------------|-------|----------------|---|---------------|-------|--------------------------------------|---|--|-------------|-----------------------------|---|--|-------------|-----------------------------|---|-------|
| Net pension liability – £4.8bn Comprising: Police Officer Pension Schemes: £3.9bn Local Government Pension Scheme (LGPS): £0.9bn | Group and the Chief Constable | <p>The remaining £3.9bn (PY £3.2bn) of the net defined benefit pension liability is in respect of the Police Pension Schemes. The group uses Barnett Waddingham to provide actuarial valuations of the assets and liabilities derived from these schemes.</p> <p>Given the significant value of the net pension fund liability, small changes in assumptions can result in significant valuation movements.</p> <p>As unfunded schemes, the Police Pension Schemes do not have any assets, and in-year, and shortfall in the Police Officer Pension Fund is balanced by a grant from the Home Office.</p> | <p>In assessing the estimate, we have considered the following:</p> <ul style="list-style-type: none">the actuary's experience, competence and professional qualifications;the actuary's approach, through the use of PwC as an auditors expert, used to assess the methods and assumptions used (see below table for consideration of the assumptions adopted);the completeness and accuracy of the underlying information used to determine the estimate by comparing it to source records and other data provided through the audit;the impact of any changes to valuation method – none were noted;the assurances provided by the auditor of Somerset Pension Fund over the process and controls in place at the Fund over the information provided to the actuary; andthe adequacy of disclosures of estimate in the financial statements. <table><tr><th>Police Pension Scheme Assumptions</th><th>Actuary Value</th><th>PwC range</th><th>Assessment</th></tr><tr><td>Discount rate</td><td>2%</td><td>1.95% to 2.05%</td><td>●</td></tr><tr><td>Pension increase rate</td><td>2.85%</td><td>2.80% to 2.85%</td><td>●</td></tr><tr><td>Salary growth</td><td>3.85%</td><td>1% above CPI which is equal to 3.85%</td><td>●</td></tr><tr><td>Life expectancy – Males currently aged 45 / 65</td><td>21.1 / 22.3</td><td>20.5 to 23.1 / 21.9 to 24.4</td><td>●</td></tr><tr><td>Life expectancy – Females currently aged 45 / 65</td><td>23.3 / 24.8</td><td>23.3 to 25.0 / 24.8 to 26.4</td><td>●</td></tr></table> | Police Pension Scheme Assumptions | Actuary Value | PwC range | Assessment | Discount rate | 2% | 1.95% to 2.05% | ● | Pension increase rate | 2.85% | 2.80% to 2.85% | ● | Salary growth | 3.85% | 1% above CPI which is equal to 3.85% | ● | Life expectancy – Males currently aged 45 / 65 | 21.1 / 22.3 | 20.5 to 23.1 / 21.9 to 24.4 | ● | Life expectancy – Females currently aged 45 / 65 | 23.3 / 24.8 | 23.3 to 25.0 / 24.8 to 26.4 | ● | Green |
| Police Pension Scheme Assumptions | Actuary Value | PwC range | Assessment | | | | | | | | | | | | | | | | | | | | | | | | | |
| Discount rate | 2% | 1.95% to 2.05% | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pension increase rate | 2.85% | 2.80% to 2.85% | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Salary growth | 3.85% | 1% above CPI which is equal to 3.85% | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Life expectancy – Males currently aged 45 / 65 | 21.1 / 22.3 | 20.5 to 23.1 / 21.9 to 24.4 | ● | | | | | | | | | | | | | | | | | | | | | | | | | |
| Life expectancy – Females currently aged 45 / 65 | 23.3 / 24.8 | 23.3 to 25.0 / 24.8 to 26.4 | ● | | | | | | | | | | | | | | | | | | | | | | | | | |

2. Financial Statements - key judgements and estimates

| Significant judgement or estimate | Relates to | Summary of management's approach | Audit Comments | Assessment |
|---|---------------|--|--|------------|
| Minimum Revenue Provision (MRP) - £3.4m | Group and PCC | <p>The PCC and Chief Constable is responsible on an annual basis for determining the amount charged for the repayment of debt known as its Minimum Revenue Provision (MRP). The basis for the charge is set out in regulations and statutory guidance.</p> <p>We consider that management's MRP Policy is in line with statutory guidance. MRP on non-PFI assets is charged based upon the life of the asset and the respective unfinanced element of that asset. We confirmed that none of the assets had a life higher than 50 years, which is the top end of useful life as set out in the statutory guidance.</p> <p>MRP is also required to be charged for the PFI assets, and this charge is equal to the write down of the liability.</p> | <p>We considered that the MRP charge and policy has been calculated in line with the statutory guidance.</p> <p>We undertook benchmarking of the Group and PCC's MRP charge as a percentage of the Capital Financing Requirement, and also the level of borrowings as a percentage of the Capital Financing Requirement. In both cases, and for both 2019/20 and 2020/21, the indicators were rated as green, providing us with further assurance that a prudent charge appears to have been made.</p> | Green |

2. Financial Statements - other communication requirements

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

| Issue | Commentary |
|---|--|
| Matters in relation to fraud | We have previously discussed the risk of fraud with the Joint Audit Committee. We have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures. |
| Matters in relation to related parties | We are not aware of any related parties or related party transactions which have not been disclosed from our work to date. |
| Matters in relation to laws and regulations | You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work. |
| Written representations | Letters of representation have been requested from both the PCC and the Chief Constable which are included in the Joint Audit Committee papers. |
| Confirmation requests from third parties | We requested from management permission to send confirmation requests to the PCC's bank and related investment entities. This permission was granted and the requests were sent. All of these requests were returned with positive confirmation. |
| Accounting practices | We have evaluated the appropriateness of the PCC's and Chief Constable's accounting policies, accounting estimates and financial statement disclosures. Our review found that there was no accounting policy for joint arrangement, which management agreed to add. We have also raised a recommendation in Appendix A in respect of accounting policies, which in our view could be expanded to aid the reader's understanding of the accounts. |
| Audit evidence and explanations/ significant difficulties | The majority of information and explanations requested from management have been provided, noting that our work continues in certain areas. |

2. Financial Statements - other communication requirements



Our responsibility

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).

| Issue | Commentary |
|---------------|--|
| Going concern | <p data-bbox="871 464 2051 603">In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2020). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies.</p> <p data-bbox="871 619 2013 671">Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities:</p> <ul data-bbox="871 687 2074 986" style="list-style-type: none"> • the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities; and • for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of the PCC's and Chief Constable's financial sustainability is addressed by our value for money work, which is covered elsewhere in this report. <p data-bbox="871 1002 2047 1141">Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the PCC and Chief Constable meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated:</p> <ul data-bbox="871 1157 2022 1329" style="list-style-type: none"> • the nature of the PCC and Chief Constable and the environment in which they operate; • the PCC's and Chief Constable's financial reporting framework; • the PCC's and Chief Constable's system of internal control for identifying events or conditions relevant to going concern; and • management's going concern assessment. <p data-bbox="871 1345 2051 1369">On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that:</p> <ul data-bbox="871 1385 1995 1503" style="list-style-type: none"> • a material uncertainty related to going concern has not been identified for either the PCC or the Chief Constable; and • management's use of the going concern basis of accounting in the preparation of both sets of financial statements is appropriate. |

2. Financial Statements - other responsibilities under the Code

| Issue | Commentary |
|---|---|
| Other information | <p>We are required to give an opinion on whether the other information published together with each set of audited financial statements (including the Annual Governance Statement and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>No inconsistencies have been identified. We plan to issue an unmodified opinion in this respect – refer to appendix E and F</p> |
| Matters on which we report by exception | <p>We are required to report on a number of matters by exception in a number of areas:</p> <ul style="list-style-type: none"> • if the Annual Governance Statements do not comply with disclosure requirements set out in CIPFA/SOLACE guidance or are misleading or inconsistent with the information of which we are aware from our audits; • if we have applied any of our statutory powers or duties; and/or • where we are not satisfied in respect of arrangements to secure value for money and have reported [a] significant weakness/es. <p>We have nothing to report on these matters.</p> |
| Specified procedures for Whole of Government Accounts | <p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA audit instructions. Note that work is not yet completed as we are awaiting the audit instructions from the NAO and management are yet to receive the centrally provided data collection tool. We understand that the WGA consolidation pack is not expected to be provided to audited bodies for completion prior to audit review until December 2021 at the earliest.</p> |
| Certification of the closure of the audit | <p>We intend to delay the certification of the closure of the 2020/21 audits of Avon and Somerset PCC and Chief Constable in the audit reports, due to VFM work being ongoing and WGA consolidation procedures remaining outstanding as outlined above.</p> |



3. Value for Money arrangements

Revised approach to Value for Money work for 2020/21

On 1 April 2020, the National Audit Office introduced a new Code of Audit Practice which comes into effect from audit year 2020/21. The Code introduced a revised approach to the audit of Value for Money. (VFM)

There are three main changes arising from the NAO's new approach:

- A new set of key criteria, covering financial sustainability, governance and improvements in economy, efficiency and effectiveness
- More extensive reporting, with a requirement on the auditor to produce a commentary on arrangements across all of the key criteria.
- Auditors undertaking sufficient analysis on the PCC's and Chief Constable's VFM arrangements to arrive at far more sophisticated judgements on performance, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

The Code require auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under the three specified reporting criteria.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years)



Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information

Potential types of recommendations

A range of different recommendations could be made following the completion of work on the body's arrangements to secure economy, efficiency and effectiveness in its use of resources, which are as follows:



Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

3. VFM - our procedures and conclusions

We have not yet completed all of our VFM work and so are not in a position to issue our Auditor's Annual Report. An audit letter explaining the reasons for the delay is attached in the Appendix H to this report. We expect to issue our final Auditor's Annual Report by the end of December 2021. This is in line with the National Audit Office's revised deadline, which requires the Auditor's Annual Report to be issued no more than three months after the date of the opinion on the financial statements.

As part of our work, we considered whether there were any risks of significant weakness in the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in their use of resources. We have not identified any significant weaknesses from our initial planning work.

4. Independence and ethics

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 confirm that we, as a firm, and each covered person, 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 May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

Details of fees charged are detailed in Appendix D.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [Transparency report 2020 \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/transparency-report-2020)

Appendices

A. Action plan – Audit of Financial Statements

We have identified seven recommendations for the group/PCC and Chief Constable as a result of issues identified during the course of our audits. We have agreed our recommendations with management and we will report on progress on these recommendations during the course of the 2021/22 audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

| Assessment | Issue and risk | Recommendations |
|------------|---|--|
| High | <p>1. Excessive access to critical T-Codes in SAP</p> <p>Our audit identified:</p> <ul style="list-style-type: none"> four users (out of approximately 7,000 active users) from the SAP Support Team with access to the SM49 and SM69 T-Codes on unlocked 'A Dialog' accounts (user accounts that can be logged in to). Access to these T-Codes allows a user to run commands which can execute changes in the operating system that supports SAP and log directly into the SAP database with a privileged account; four users from the SAP Support Team with DEBUG access on unlocked dialog accounts. DEBUG access allows users to alter system source code and logic directly in the production environment; three users (out of approximately 7,000 active users) from the SAP Support Team who have access to the critical administrative T-Codes on their SAP support account and on their end user account (end user IDs 529445, 528844 and 529447); eighteen end users (out of approximately 7,000 active users) with access to schedule, modify or delete batch jobs in the SM37 job scheduler. During the period of audit, it was identified that 11 end users had made changes to batch processes in SAP; and three end users (out of approximately 7,000 active users) have access to the SE16 T-Code which can allow customised or standard data tables to be edited directly in the database. <p>Bypass of system-enforced internal control mechanisms through inappropriate use of administrative access rights increase the risk of financial misstatement through fraud or error, as a result of users making unauthorised changes to transactions and system configuration parameters.</p> | <p>We recommend that:</p> <ul style="list-style-type: none"> undertake a full review of all users who have been assigned access to critical T-Codes and revoke access to those T-Codes which do not align with the user's roles and responsibilities; ensure roles that allow system configurations to be altered are restricted on a need-to-use basis and are not assigned to users in the normal course of business; and revoke access to the critical administrative T-Codes for the three SAP support users end and their user accounts immediately. <p>Management response</p> <p>The SAP Support team will remove the Debug access from accounts in production.</p> <p>The SAP Support team will look to remove as many roles as possible from end user IDs 529445, 528844 and 529447 by the end of September.</p> <p>The Support team will investigate the end user with access to SM37 and SE16 with a view to removing the access to those T-Codes where is not an operational need for those transactions. We will look to complete the investigation by the end of September 2021.</p> |

A. Action plan – Audit of Financial Statements - continued

| Assessment | Issue and risk | Recommendations |
|------------|---|---|
| Low | <p>2. Cybersecurity training</p> <p>Our audit identified that cybersecurity training is not provided to all employees but only to IT staff. We are aware that this is currently being developed but was not in place during the 2020/21 financial year.</p> <p>There is a risk that cyber threats could impact the organisations if not all members of staff are sighted on the threats and what to do in relation to them.</p> | <p>We recommend that cybersecurity training is provided to all employee to protect the IT infrastructure of the Force.</p> <p>Management response</p> <p>The recommendation of cybersecurity training to all employees in order to protect the IT infrastructure will be added to the agenda of the next Finance & Assets committee meeting.</p> |
| Medium | <p>3. Journals review</p> <p>The finance team performs a quarterly review on all standard journals (SA and SP SAP transaction types). In addition, monthly accrual journals go through a two stage review where such journals are first prepared by finance officers, emailed to a communal email inbox and reviewed by a senior financial accountant before being posted by another finance officer (on a rota basis).</p> <p>However, during our walkthrough of the journal process we identified that a senior financial accountant could post an accrual journal without this being reviewed.</p> <p>The accrual journals are not part of the quarterly review. However, as this was identified during our audit planning, a senior financial accountant performed an extra review on accrual journals before the year end to provide authorisation of the journals subsequent to them being posted.</p> <p>There is therefore a risk that a journal can be posted without being reviewed.</p> | <p>We recommend that management evaluates the review processes in place and considers if these are appropriate.</p> <p>Management response</p> <p>The processes in place for reviewing journals will be reviewed and amended where appropriate.</p> |

A. Action plan – Audit of Financial Statements - continued

| Assessment | Issue and risk | Recommendations |
|------------|---|--|
| Low | <p>4. Accounting Policies</p> <p>During our review of the accounting policies we noted a number of policies where enhanced disclosures could be made for the benefit of the reader of the financial statements. These policies include:</p> <ul style="list-style-type: none"> - Employee benefits - Pension benefits - Financial instruments - Pension Assets - Short and Long Term Provisions - Valuation of Assets | <p>We recommend that management undertake a review of accounting policies and consider including standard wording from the CIPFA Code guidance notes and consider whether any other disclosure such as a sensitivity analysis would be appropriate.</p> <p>Management response</p> <p>All accounting policies will be reviewed and compared to the standard wording in the CIPFA Code guidance and consideration given regarding disclosing sensitivity analysis if it is believed this would assist someone reading the Statement of Accounts.</p> |
| Low | <p>5. Capitalisation Accounting Policy</p> <p>During our audit we noted that the capitalisation policy listed in the financial statement is not consistent with the working policy of the Force. The policy shown in the financial statements is not to capitalise expenditure on individual items with a cost of less than £12,000, however in practice this is not seen as a hard and fast rule and assets below this level may be capitalised.</p> | <p>We recommend that management review the accounting policy and the working practice and update the policy to more accurately reflect the practice.</p> <p>Management response</p> <p>The accounting policy will be reviewed and the policy amended to reflect current working practice.</p> |
| Low | <p>6. Useful Lives of Nil Net Book Value assets</p> <p>A review of all fully depreciated assets was carried out before year end by the relevant department leads. However the current gross cost and gross depreciation of assets with a net nil book value equals £50,863k.</p> <p>There is a risk that fully depreciated assets are not still in use by the organisation, or that useful lives are not appropriate and that the annual depreciation charge is therefore not appropriate.</p> | <p>We recommend that management undertake a further review of the useful lives of the nil net book value assets and considers whether this is appropriate.</p> <p>Management response</p> <p>During the year there has been an ongoing exercise to review fully depreciated assets following an audit finding. The value of these assets has reduced significantly compared with prior years and any assets still kept on the asset register have been confirmed as still in existence. This review will continue in 2021/22 in order to ensure useful lives and the depreciation charge continues to be accurately stated.</p> |

A. Action plan – Audit of Financial Statements - continued

| Assessment | Issue and risk | Recommendations |
|------------|--|--|
| High | <p>7. Valuation of land and buildings</p> <p>During the audit we noted that the valuer had used a combination of methods to determine a build rate to use in calculations for assets valued at Depreciated Replacement Cost. We discussed the methods used with our external expert who confirmed that the approach undertaken was not in-line with best practice as this was based on historic data, or data relating to only one building. The usual process is to use national tables (for example those provided by BCIS) as these tables are based on national data, which have been based on a number of items and smoothed out to avoid an element of bias, rebased to the relevant local area.</p> <p>Given the sensitivity of valuations to small changes in assumptions, there is a risk that asset valuations are materially misstated if historic data continues to be used.</p> | <p>We recommend that the valuation is updated for future years, with up-to-date data used to form estimates of build rates.</p> <p>Management response</p> <p>Our internal valuer (RICS qualified) believes that by using a variety of different valuation methods and his own internal knowledge of various sites he has arrived at the most accurate property valuations possible. All previous years valuations have been carried out in this way and these methods have been discussed with Grant Thornton during various meetings over recent weeks. If a more standardised approach is now deemed suitable in order that figures can be cross-checked to national tables during the year end audit, then future valuations will be carried out in this way.</p> |

B. Follow up of prior year recommendations

We identified the following issues in the audits of Avon and Somerset PCC and Chief Constable's 2019/20 financial statements, which resulted in ten recommendations being reported in our 2019/20 Audit Findings report. We have followed up on the implementation of our recommendations and note five are still to be completed.

| Assessment | Issue and risk previously communicated | Update on actions taken to address the issue |
|------------|---|--|
| ✓ | <p>Suspense Accounts</p> <p>Prior year testing identified that there are a significant number of suspense accounts in the ledger that are used on a daily basis. In particular, suspense code 99016 has a high absolute value and high volume of transactions, although these do have a nil effect on the total financial balance.</p> <p>We recommended that management review the usage of suspense accounts to reduce the risk of transactions being left in these accounts.</p> | <p>A new code has been created for Section 27 Misuse of Drugs Act (94140). Code 99016 still contains some historic transactions, however there is evidence that this has been cleared since the prior year.</p> |
| X | <p>Journals Description</p> <p>We reported in previous years that it was possible to amend the description of journal entries after they had been posted to the ledger. There is a risk that descriptions for journal entries could be amended and that this could result in fraud or error in the financial statements.</p> <p>Management have not addressed this recommendation from prior year. We recommended that Management should review the system and identify if it is possible to remove the ability to change journal descriptions on the general ledger once they have been posted.</p> | <p>The ability to alter journal descriptions after posting still exists, however the audit trail can be followed to track changes.</p> <p>We would still recommend that management review the system and identify if it is possible to remove the ability to change journal descriptions after these have been posted.</p> <p>Management response</p> <p>Once a journal is posted, changes cannot be made to the substance of a journal e.g. coding or values. As part of our quarterly review of journals we ran an audit trail report to check any changes that may have been made to ensure that the changes only increase the clarity of descriptions. A copy of this review report was discussed and supplied at the time of the interim audit. As far as we are aware it is not possible to lock this description field within SAP.</p> |

Assessment

- ✓ Action completed
- X Not yet addressed

B. Follow up of prior year recommendations - continued

| Assessment | Issue and risk previously communicated | Update on actions taken to address the issue |
|------------|---|--|
| X | <p>Creditors raised on purchase orders</p> <p>Testing has identified that creditors have been raised on Purchase Order accruals that have not been cleared down. Three items in our sample were deemed to be errors due to their historic nature as these were over two years old.</p> <p>We recommended that management should therefore review the creditors balances to ensure that these remain accurate.</p> | <p>There has been a similar issue identified in creditors testing this year, with a historic purchase order being selected as a sample item for which the invoice received was of a different value, meaning the original creditor (which had been paid) was still present in the year end balance, with no debit entry to match this item off. We recommend that purchase orders that are not matched to an invoice are manually reversed so long as the item it relates to is accounted for correctly with the actual invoice values.</p> <p>Management response</p> <p>Quarterly reviews of open orders and GRNI (Goods Received not invoiced) are being carried out and the value of older outstanding PO creditor accruals has reduced significantly compared with 2019/20. These reviews continue regularly so as to reduce the possibility of this being an issue in the future.</p> |
| X | <p>IT</p> <p>Our testing around ITGC performed by TRS identified one significant deficiency in the IT system. It was observed that the system administrator has development keys in the production and development environments, the former giving them the ability to make changes directly in the production environment. The risk of maintaining active users in the production environment with development access keys is very high since it allows system functionality to be changed potentially leading to inappropriate financial postings. Our recommendation is that no user (except for the emergency user in exceptional circumstances by an emergency change management process) should have any direct editing ability via a development key in production. All development and editing should be confined to development. We recommended that management should consider removing the user's development key in the development and production environments.</p> | <p>Further ITGC findings have suggested that the editing access is still in place. We understand this will be resolved during the 2021/22 financial year.</p> |

Assessment

- ✓ Action completed
- X Not yet addressed

B. Follow up of prior year recommendations - continued

| Assessment | Issue and risk previously communicated | Update on actions taken to address the issue |
|------------|--|--|
| ✓ | <p>Holding accounts</p> <p>As reported in the prior year, we reported a mismatch between the total comprehensive income and expenditure statement and the movement in reserves per the balance sheet. We identified this mismatch related to the way that certain holding accounts relating to collaborations were reflected in the financial statements.</p> <p>We would not normally expect a difference to arise and recommend that management review the accounting treatment in order to confirm that this was appropriate.</p> <p>Although trivial at £154k, we would recommend that management review the accounting treatment applied to ensure that it is in line with the CIPFA code and International Financial Reporting Standards.</p> <p>We would recommend that management review the accounting treatment applied to ensure that it is in line with the CIPFA code and International Financial Reporting Standards.</p> | <p>No such mismatch was discovered this year through consistency checks over the Movement in Reserves Statement.</p> |
| X | <p>Debtors balance</p> <p>Testing identified that historic balances remain with the debtors balance. One item in our sample related to a payroll overpayment from 2007/08, which is still included in the debtors balance. We understand that actions are in place to address this, however we would recommend that Management review the debtors balances to ensure that these are accurate and collectable.</p> | <p>Aged debtors still exist in the year end Debtors population for 2020/21. We continue to encourage review and write off of historic debtors.</p> <p>Management response</p> <p>Regular monthly reviews are carried out with the Head of Finance to review outstanding balances and action is taken to write off irrecoverable amounts. The value of old aged debt has decreased significantly through the year and at 31 March 2021 was significantly lower than prior years. Where there is a possibility of recovery of an old debt, the item remains as a balance until all options are exhausted and writing off the debt is our only option.</p> |

Assessment

- ✓ Action completed
- X Not yet addressed

B. Follow up of prior year recommendations - continued

| Assessment | Issue and risk previously communicated | Update on actions taken to address the issue |
|------------|--|--|
| ✓ | <p>Parked Transactions</p> <p>Our review of the trial balance noted that there were three transactions posted during the year that had become ‘parked’ within the system and therefore had not made it through to the trial balance.</p> <p>We would therefore recommend that management review the posting process to ensure that transactions are recorded accurately.</p> | <p>Parked transactions were successfully reviewed and cleared down before the year end accounts were prepared and therefore did not appear in the year end trial balance or GL report.</p> |
| ✓ | <p>Mapped Trial Balance</p> <p>We received the draft accounts on 19 June and the mapping document which agrees to the Trial Balance on 3 July. This means that there has been a delay in selecting our samples.</p> <p>We would therefore recommend that Management review the accounting closedown process and ensure that a mapping document is prepared alongside the financial statements.</p> | <p>Mapping document was provided with audit working papers.</p> |
| X | <p>Payroll Reconciliation</p> <p>During the audit we review the reconciliation prepared by management agreeing the payroll system to the general ledger. We requested this reconciliation on 6 July but did not receive this until 12 August as it appears that this document had not been previously prepared.</p> <p>We recommended that Management prepare this reconciliation as part of the accounts close down process to ensure that transactions are recorded accurately.</p> | <p>A working paper was provided by the finance team but did not include the level of detail required. The working paper showed that the payroll transactions in the general ledger agreed to the accounts. The detail we required was to reconcile the ‘Gross to Net’ payroll report (i.e. the payroll report) to the accounts. We again recommend that this reconciliation is prepared as part of the year end close-down procedures for future years.</p> <p>Management response</p> <p>Following last years audit finding, regular monthly payroll reconciliations have been carried out and during the interim audit, files were sent to Grant Thornton through Inflo for ten months of the year showing how the payroll reports tied back to the finance postings in the SAP. These files included a column showing where the gross pay on payroll report linked to finance postings in SAP. The payroll reconciliation filed on Inflo for year-end reconciled net pay to SAP but following a discussion with Grant Thornton, a full Gross to Net report was required back to the statement of accounts. This information was compiled and supplied within a few days of the request from Grant Thornton. We have amended our records so that this information will be compiled as part of the standard audit pack for future years.</p> |

Assessment

✓ Action completed

X Not yet addressed

B. Follow up of prior year recommendations - continued

| Assessment | Issue and risk previously communicated | Update on actions taken to address the issue |
|------------|--|---|
| TBC | <p>Value for Money - savings plans</p> <p>The MTFP identifies a £6.5m budget deficit by the end of 2024/25. The MTFP also includes £41.880 of savings to be delivered. The savings for 2019/20 were not fully achieved, however the MTFP shows high level of savings needed to balance in future years. The group should therefore consider whether the level of savings proposed in the MTFP are achievable and have the detailed business cases fully developed such that the savings can be identified and realised.</p> | Progress will be reported through the separate Auditor's Annual Report. |

Assessment

- ✓ Action completed
- X Not yet addressed

C. Audit Adjustments - PCC

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.



Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2021.

| Detail | Comprehensive Income and Expenditure Statement | Statement of Financial Position |
|--|---|---|
| The draft accounts provided for audit included a percentage split of the PFI liabilities across the three bodies (Avon and Somerset, Gloucestershire and Wiltshire). During the audit, management made a change to the percentage split to revert back to the allocations included within the original PFI agreement. | Dr Police Service OCC gross expenditure £16k Dr Police Services OCC gross income £217k Cr External interest payable £146k Cr Interest and Investment income £1k Dr Gain/loss on revaluation £897k | Cr Land and buildings £2,780k Dr Short term PFI lease liability £60k Dr Long term PFI Liability £1,737k |
| The Chief Constable's Movement in Reserves Statement shows the accounting entries in respect of pension accounting, with a resultant transfer of funds from the PCC. The Chief Constable also accounts for the accumulated absences staff leave accrual in their balance sheet, however the movement is shown in the PCC movement in reserves statement. We would expect that the movement should be shown in the Chief Constable's accounts, with a further funding transfer from the PCC. The value was £2,553k for 2020/21. | N/A | N/A |
| Overall impact | £983k | -£983k |

C. Audit Adjustments – Chief Constable

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2021.

| Detail | Comprehensive Income and Expenditure Statement £'000 | Statement of Financial Position £' 000 | Impact on total net expenditure £'000 |
|--------------------|---|---|--|
| None noted to date | | | |

C. Audit Adjustments - PCC

Impact of unadjusted misstatements / other findings

The table below provides details of adjustments identified during the 2020/21 audit which have not been made within the final set of financial statements. The PCC is required to approve management's proposed treatment of all items recorded within the table below.

| Detail | Comprehensive Income and Expenditure Statement | Statement of Financial Position | Reason for not adjusting |
|---|--|---------------------------------|---|
| Debtors: During our audit testing we identified a late invoice relating to 19/20 dated 13 May 2021 which should have been accrued in 2020/21 but was not. This income has been recorded in 2021/22. The total error identified was £50,242.54 and this was extrapolated across our testing population with a resulting projected error of £618,020. | Cr Income £618k | Dr Debtors £618k | As an extrapolated error, we would not expect this to be adjusted |
| Creditors: During our audit testing of the completeness of the year end creditors balance, we identified two invoices, totalling £52,160, that were not correctly accrued for in 2020/21. When extrapolated across the population tested, this resulted in a potential understatement of creditors of £3,790,788. | Dr Expenditure £3,791k | Cr Creditors £3,791k | As an extrapolated error, we would not expect this to be adjusted |
| Creditors: During the same testing of the completeness of the year end creditors balance noted above, we identified one invoice which was posted as an accrual in 2020/21, but actually related to 2021/22 costs. This invoice totalled £9,279, which when extrapolated across the population could represent a total overstatement of creditors of £674,404. We have reported these two projected errors separately for transparency. | Cr Expenditure £674k | Dr Creditors £674k | As an extrapolated error, we would not expect this to be adjusted |
| Total net unadjusted misstatements | £2,499k | -£2,499k | |

Impact of prior year unadjusted misstatements

The table below provides details of adjustments identified during the prior year audit which had not been made within the final set of 2019/20 financial statements.

| Detail | Comprehensive Income and Expenditure Statement | Statement of Financial Position | Reason for not adjusting |
|--|--|---------------------------------|--------------------------|
| Creditors: Three errors in creditors testing were identified. These relates to goods receipt non-invoice PO accruals that the auditor deemed to be errors due to their historic nature. The three errors totalled an overstatement of £524, which produced an extrapolated error of £882,297. | Cr Operating Expenditure £882k | Dr Creditors £882k | Not material |

C. Audit Adjustments – Chief Constable

Impact of unadjusted misstatements

The table below provides details of adjustments identified during the 2020/21 audit which have not been made within the final set of financial statements. The Chief Constable is required to approve management's proposed treatment of all items recorded within the table below.



| Detail | Comprehensive Income and Expenditure Statement £'000 | Statement of Financial Position £' 000 | Reason for not adjusting |
|--|--|---|-----------------------------|
| There were no unadjusted misstatements noted | | | |

Impact of prior year unadjusted misstatements

The table below provides details of adjustments identified during the prior year audit which had not been made within the final set of 2019/20 financial statements

| Detail | Comprehensive Income and Expenditure Statement £'000 | Statement of Financial Position £' 000 | Reason for not adjusting |
|--|--|---|-----------------------------|
| There were no prior year unadjusted misstatements. | | | |

C. Audit Adjustments

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.



Misclassification and disclosure changes

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

| Disclosure omission | Relates to | Adjusted? |
|--|--------------------------------|-----------|
| During the audit we noted that there was a difference between the Debtors note (note 20) and the financial instruments notes (note 28.1 and note 28.3). Debtors valued at amortised cost need to decrease by £937k and payments in advance need to increase by £937k within the financial instruments note. | PCC and Group | ✓ |
| During the audit we noted that the life expectancy comparative figures were not included in the draft financial statements. | Group and Chief Constable | ✓ |
| During the audit we noted that there was no disclosure regarding the future lease payments for the leases held by the Force in accordance with the CIPFA Code. In addition, no accounting policy was included. | PCC and Group | ✓ |
| As a material disclosure, an accounting policy was added in respect of Joint Arrangements. | PCC, Group and Chief Constable | ✓ |
| We noted that the PCC and Group accounts included a prior year restatement relating to the classification of a pension grant. As an immaterial amount, we would not normally expect the prior year to have been restated. | PCC and Group | N/A |
| During the audit we noted that the £6.5m Barclays loan is no longer a LOBO and therefore classification changes to financial instruments (note 28.2) were made to show these loans as other borrowings. This will also be changed in the prior year column. | PCC and Group | ✓ |
| Various other minor disclosure updates were made to the financial statements to improve readability or correct more trivial findings. | PCC, Group and Chief Constable | ✓ |

D. Fees

We confirm below our fees for the audit and confirm there were no fees for the provision of non audit services.

| Audit fees | Proposed fee | Final fee |
|----------------------------------|--------------|-----------|
| PCC Audit | £46,392 | TBC* |
| Chief Constable Audit | £19,538 | TBC* |
| Total audit fees (excluding VAT) | £65,930 | TBC |

*Our final fee will be confirmed once all of our audit responsibilities have been completed, including Value for Money.

The 2020/21 audit fees included in note 11 of the financial statements do not agree to the figures in the table above. These are reconciled below:

| Detail | PCC | Chief Constable |
|---|------|-----------------|
| Fees per financial statements | £44k | £14k |
| Proposed fees at planning per our Joint Audit Plan and as above | £46k | £20k |
| Fee variation not yet accrued in 2020/21 accounts** | £2k | £6k |

**Fee variations remain subject to PSAA approval.

The final audit fees payable for the 2019/20 audits following PSAA review and approval were as follows:

PCC - £38,920

Chief Constable - £19,652

E. Audit opinion – Group and PCC

Our draft audit opinion wording is included below.

We anticipate we will provide the Group and PCC with an unmodified audit report including an Emphasis of Matter paragraph.

DRAFT Independent auditor's report to the Police and Crime Commissioner for Avon and Somerset

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of the Police and Crime Commissioner for Avon and Somerset (the 'Police and Crime Commissioner') and its subsidiary the Avon and Somerset Chief Constable (the 'group') for the year ended 31 March 2021 which comprise the Group Comprehensive Income and Expenditure Statement, the PCC Comprehensive Income and Expenditure Statement, the Group Movement in Reserves Statement, the PCC Movement in Reserves Statement, the Group Balance Sheet, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Avon & Somerset Police Officers Pension Fund Account Statements. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Police and Crime Commissioner as at 31 March 2021 and of the group and Police and Crime Commissioner's expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report.

We are independent of the group and Police and Crime Commissioner in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and Police and Crime Commissioner's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group and Police and Crime Commissioner to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21 that the group and Police and Crime Commissioner's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the group and Police and Crime Commissioner. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the group and Police and Crime Commissioner and the group and Police and Crime Commissioner's disclosures over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and Police and Crime Commissioner's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

E. Audit opinion – Group and PCC

Our draft audit opinion wording is included below.

We anticipate we will provide the Group and PCC with an unmodified audit report including an Emphasis of Matter paragraph.

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the Chief Finance Officer with respect to going concern are described in the 'Responsibilities of the Police and Crime Commissioner and the Chief Finance Officer for the financial statements' section of this report.

Emphasis of Matter – effects of Covid-19 on the valuation of land and buildings

We draw attention to Note 4.4 of the financial statements, which describes the effects of the Covid-19 pandemic on the valuation of the Group's land and buildings as at 31 March 2021. As, disclosed in Note 4.4 to the financial statements, the valuation was reported on the basis of material valuation / market uncertainty as per VPS3 VPGA of the RICS Red Book. Consequently, less certainty can be attached to the valuation of land and buildings than would normally be the case.

Our opinion is not modified in respect of this matter.

Other information

The Chief Financial Officer is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the group and Police and Crime Commissioner financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of the group and Police and Crime Commissioner obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the 'delivering good governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matter required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements and our knowledge of the group and Police and Crime Commissioner, the other information published together with the financial statements in the Statement of Accounts, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Police and Crime Commissioner under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or

E. Audit opinion – Group and PCC

Our draft audit opinion wording is included below.

We anticipate we will provide the Group and PCC with an unmodified audit report including an Emphasis of Matter paragraph.

- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

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

Responsibilities of the Police and Crime Commissioner and the Chief Finance Officer for the financial statements

As explained more fully in the Statement of Responsibilities, the Police and Crime Commissioner is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the group and Police and Crime Commissioner's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention by government that the services provided by the group and Police and Crime Commissioner will no longer be provided.

The Police and Crime Commissioner is Those Charged with Governance. Those charged with governance are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and Police and Crime Commissioner and determined that the most significant, which are directly relevant to specific assertions in the financial statements, are those related to the reporting frameworks (international accounting standards as interpreted and adapted by the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21, The Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015, the Local Government Act 2003 and the Police Reform and Social Responsibility Act 2011). We also identified the following additional regulatory frameworks in respect of the police pension fund; Public Service Pensions Act 2013, the Police Pension Fund Regulations 2007, the Police Pensions Regulations 2015 and the Police Pensions Regulations 2006.
- We enquired of senior officers and the Police and Crime Commissioner concerning the group and Police and Crime Commissioner's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and

E. Audit opinion – Group and PCC

Our draft audit opinion wording is included below.

We anticipate we will provide the Group and PCC with an unmodified audit report including an Emphasis of Matter paragraph.

- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of senior officers, internal audit and the Police and Crime Commissioner, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group and Police and Crime Commissioner's financial statements to material misstatement, including how fraud might occur, by evaluating officers' incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and revenue and expenditure recognition. We determined that the principal risks were in relation to:
 - journal entries posted by senior officers; and
 - the significant accounting estimates in the financial statements, including those related to the valuation of property, plant and equipment, the net pensions liability and significant year-end accruals.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that the Chief Finance Officer has in place to prevent and detect fraud;
 - journal entry testing, with a focus on large and unusual journals;
 - challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of property, plant and equipment, the net pension liability and significant year-end accruals; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to the valuation of property, plant and equipment, the net pension liability and significant year-end accruals.
- Assessment of the appropriateness of the collective competence and capabilities of the group and Police and Crime Commissioner's engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the police sector
 - understanding of the legal and regulatory requirements specific to the Group and Police and Crime Commissioner including:
 - the provisions of the applicable legislation
 - guidance issued by CIPFA, LASAAC and SOLACE
 - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the group and Police and Crime Commissioner's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the group and Police and Crime Commissioner's control environment, including the policies and procedures implemented by the group and Police and Crime Commissioner to ensure compliance with the requirements of the financial reporting framework.

E. Audit opinion – Group and PCC

Our draft audit opinion wording is included below.

We anticipate we will provide the Group and PCC with an unmodified audit report including an Emphasis of Matter paragraph.

Report on other legal and regulatory requirements - the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

Our work on the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Police and Crime Commissioner's arrangements in our Auditor's Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in a further auditor's report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2021.

Responsibilities of the Police and Crime Commissioner

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

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

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Police and Crime Commissioner plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Police and Crime Commissioner ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Police and Crime Commissioner uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Police and Crime Commissioner has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements - Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the group and Police and Crime Commissioner for Avon and Somerset for the year ended 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed:

- our work on the Police and Crime Commissioner's arrangements for securing economy, efficiency and effectiveness in its use of resources and issued our Auditor's Annual Report; and
- the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Police and Crime Commissioner for the year ended 31 March 2021.

E. Audit opinion – Group and PCC

Our draft audit opinion wording is included below.

We anticipate we will provide the Group and PCC with an unmodified audit report including an Emphasis of Matter paragraph.

We are satisfied that this work does not have a material effect on the financial statements.

Use of our report

This report is made solely to the group and Police and Crime Commissioner, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Police and Crime Commissioner those matters we are required to state to the Police and Crime Commissioner in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

F. Audit opinion – Chief Constable

Our draft audit opinion wording is included below.

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

DRAFT Independent auditor's report to the Chief Constable for Avon and Somerset Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of the Avon and Somerset Chief Constable (the 'Chief Constable') for the year ended 31 March 2021 which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies and include the police pension fund financial statements comprising the Avon & Somerset Police Officers Pension Fund Account Statements. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Chief Constable as at 31 March 2021 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chief Constable's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Chief Constable to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21 that the Chief Constable's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Chief Constable. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Chief Constable and the Chief Constable's disclosures over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Chief Constable's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the Chief Finance Officer with respect to going concern are described in the 'Responsibilities of the Chief Constable and the Chief Finance Officer for the financial statements' section of this report.

F. Audit opinion – Chief Constable

Our draft audit opinion wording is included below.

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

Other information

The Chief Finance Officer is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of the Chief Constable obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the 'delivering good governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matter required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Chief Constable, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Chief Constable under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

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

Responsibilities of the Chief Constable and the Chief Finance Officer for the financial statements

As explained more fully in the Statement of Responsibilities, the Chief Constable is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention by government that the services provided by the Chief Constable will no longer be provided.

F. Audit opinion – Chief Constable

Our draft audit opinion wording is included below.

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

The Chief Constable is Those Charged with Governance. Those charged with governance are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Chief Constable and determined that the most significant, which are directly relevant to specific assertions in the financial statements, are those related to the reporting frameworks (international accounting standards as interpreted and adapted by the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom 2020/21, The Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015, the Local Government Act 2003 and the Police Reform and Social Responsibility Act 2011). We also identified the following additional regulatory frameworks in respect of the police pension fund; Public Service Pensions Act 2013, the

Police Pension Fund Regulations 2007, the Police Pensions Regulations 2015 and the Police Pensions Regulations 2006.

- We enquired of senior officers and the Chief Constable concerning the Chief Constable's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of senior officers, internal audit and the Chief Constable, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating officers' incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and revenue and expenditure recognition. We determined that the principal risks were in relation to:
 - journal entries posted by senior officers; and
 - the significant accounting estimates in the financial statements, including those related to the valuation of the net pension liability and significant year and accruals.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that the Chief Finance Officer has in place to prevent and detect fraud;
 - journal entry testing, with a focus on large and unusual journals;
 - challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of the net pension liability.
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from

F. Audit opinion – Chief Constable

Our draft audit opinion wording is included below.

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

error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to the net pension liability.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the police sector
 - understanding of the legal and regulatory requirements specific to the Chief Constable including:
 - the provisions of the applicable legislation
 - guidance issued by CIPFA, LASAAC and SOLACE
 - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Chief Constable's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the Chief Constable's control environment, including the policies and procedures implemented by the Chief Constable to ensure compliance with the requirements of the financial reporting framework.

Report on other legal and regulatory requirements - the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

Our work on the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Chief Constable's arrangements in our Auditor's Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in a further auditor's report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2021.

Responsibilities of the Chief Constable

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

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

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

F. Audit opinion – Chief Constable

Our draft audit opinion wording is included below.

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

- Financial sustainability: how the Chief Constable plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Chief Constable ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Chief Constable uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Chief Constable has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements - Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for Avon and Somerset for the year ended 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed:

- our work on the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources and issued our Auditor's Annual Report; and
- the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Chief Constable for the year ended 31 March 2021.

We are satisfied that this work does not have a material effect on the financial statements.

Use of our report

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 [and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited]. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the

Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

H. Audit letter in respect of delayed VFM work

Under the 2020 Code of Audit Practice, for relevant authorities other than local NHS bodies we are required to issue our Auditor's Annual Report no later than 30 September or, where this is not possible, issue an audit letter setting out the reasons for delay.

As a result of the ongoing pandemic, and the impact it has had on both preparers and auditors of accounts to complete their work as quickly as would normally be expected, the National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible could be issued in line with national timetables and legislation.

As a result, we have therefore not yet issued our Auditor's Annual Report, including our commentary on arrangements to secure value for money. We now expect to publish our report no later than 24 December 2021.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

| | | |
|--|---|------------------------|
| MEETING: Joint Audit Committee | DATE: 20th October 2021 | AGENDA NO: 8 |
| DEPARTMENT: OPCC | AUTHOR: Ben Valentine | |
| NAME OF PAPER: OPCC Summary of Strategic Risk Management | PURPOSE: Information and Discussion | OPEN SESSION |

1. PURPOSE OF REPORT AND BACKGROUND

This report provides members of the Joint Audit Committee (JAC) with an overview of any significant changes to the Office of the Police and Crime Commissioner (OPCC) Strategic Risk Register (SRR), and other points related to the management of risk, in the period of time since the last JAC meeting held on 14th July 2021.

2. POINTS OF NOTE

SR2 – Failure to deliver the Police and Crime Plan

The recruitment of the permanent Chief Constable is progressing as planned. The selection days are taking place on 3rd and 4th November with the Police and Crime Panel confirmatory hearing on 25th November.

Development of the new Police and Crime Plan is also on track. There has been really positive and productive engagement from the Constabulary throughout the process.

The draft plan will be published on 15th October and available until 8th November for any feedback. During this period the draft plan will be scrutinised by the Police and Crime Panel with the PCC and team attending a meeting on 26th October to discuss this with them.

There was limited engagement from strategic partners when given the opportunity to feedback on the draft priorities and areas of focus so we will again seek to promote this widely during the above mentioned period.

SR4 – Failure to engage with the public and other stakeholders

The consultation on the proposed priorities in the Police and Crime Plan saw over 4100 responses. There have been some improvements from previous surveys and also some areas to reflect on how we improve future engagement, particularly surveys.

The Deputy PCC role will have a focus on supporting and diversifying engagement.

SR6 – Lack of capacity/capability within the OPCC

The Chief of Staff (CEO) has been confirmed and will start their role in January 2022. The current Interim CEO will stay in post until that time.

The Deputy PCC will have their Police and Crime Panel confirmatory hearing on 26th October and will start in their role that same week.

SR7 – Failure to deliver commissioned services

The OPCC Commissioning Review has been completed with a series of recommendations. These were RAG rated and the Red recommendations have been discussed with the PCC and decisions made on each.

As the principal commissioned victim support service the review of the Lighthouse Safeguarding Unit is progressing with a target of presenting findings to December PCB.

SR9 – Failure to deliver effective and efficient collaborations or outcomes with other partners

We are trying to mitigate this risk by ensuring partners are engaged with the drafting of the Police and Crime Plan with the expectation this engagement continues through to delivery. In addition to engaging on the central A&S plan the OPCC will be leading the development of local plans to align with Community Safety Partnerships.



Office of the Police and Crime Commissioner for Avon and Somerset

Strategic Risk Register

October 2021

A Strategic Risk is anything that might impede the delivery of the organisational objectives. Risk management is the process by which these risks are identified, assessed and controlled. This risk register is the document which records these risks and related information.

Risk is assessed by considering the causes of the risk and the consequences if that risk were to happen. The scoring is therefore based on the likelihood multiplied by the impact. The below grids explain the scoring in more detail. Risk is about planning for the future so when considering the assessment it goes beyond current performance.

| | | | | | | |
|---------------|-----------------|--------------------|---------------|---------------|-------------|---------------------|
| Impact | 5 Extreme | 5 | 10 | 15 | 20 | 25 |
| | 4 High | 4 | 8 | 12 | 16 | 20 |
| | 3 Moderate | 3 | 6 | 9 | 12 | 15 |
| | 2 Low | 2 | 4 | 6 | 8 | 10 |
| | 1 Negligible | 1 | 2 | 3 | 4 | 5 |
| | | 1 Rare | 2 Unlikely | 3 Possible | 4 Likely | 5 Almost Certain |
| | | Probability | | | | |

| Probability | |
|---------------------|---|
| 5 Almost Certain | Likely to occur within a twelve-month time period, or about a 75% probability of occurrence |
| 4 Likely | Likely to occur within a two-year time period, or about a 50% probability of occurrence |
| 3 Possible | Likely to occur within a three-year time period, or about a 25% probability of occurrence |
| 2 Unlikely | Likely to occur within a five-year time period, or about a 15% probability of occurrence |
| 1 Rare | Likely to occur in a ten year period, or about a 5% probability of occurrence |

| Impact | |
|-----------------|--|
| 5 Extreme | <ul style="list-style-type: none"> • Fatality of any individual • Financial impact greater than £1/2 m • Vote of no confidence from Local Authorities - failed • National media attention • Government/ HO intervention • Total disruption to service • Exceptional/long term reputational damage |
| 4 High | <ul style="list-style-type: none"> • Serious life-threatening injury of any individual • Financial impact greater than £1/4 m • Vote of no confidence from Local Authorities - failed • Regional media attention • Adverse comment by Minister / auditor • Major service disruption/reputational damage |
| 3 Moderate | <ul style="list-style-type: none"> • Serious non-life-threatening injury of any individual • Financial impact greater than £100k • Criticism from the Police and Crime Panel • Local media attention • Significant service disruption • Significant reputational damage |
| 2 Low | <ul style="list-style-type: none"> • Minor injury of any individual • Financial impact up to around £100k • Multiple thematic complaints • Some service disruption • Some negative consequences relating to reputation |
| 1 Negligible | <ul style="list-style-type: none"> • Slight injury of any individual • Low level financial loss • Isolated complaints • Minor service disruption • Minor/contained negative consequences |

The unmitigated scores are the assessment based on the current position with no action taken or controls in place. The mitigated scores are based on the success of the controls (anticipated or actual) in reducing the risk.

It should be noted that the OPCC and the Constabulary are separate organisations and therefore each may assess the same risk as being at a different level. This is most evident in the risk of failure to deliver the police and crime plan. This exists on both Strategic Risk Registers but may score differently. One of the main reasons for this is that the OPCC assess delivery of the plan as a whole which relies on agencies, other than the Constabulary to fully deliver e.g. the CPS and Courts. Whereas when the Constabulary assess this risk they need only consider the parts of the plan they are expected to deliver. A difference may also be caused whether considering the risk in the short, medium or long term.

| RISK | | | ASSESSMENT | | |
|---|-------------|--|---|--------------------|------------------|
| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
| Governance Failure | SR1 | CEO | 5 | 4 | 20 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 4 | 4 | 16 |
| | | | Mitigated Risk change: | | ↑ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">● Loss of experience at the most senior level of the OPCC● New duties and expectations of PCCs arising from the national review. Taking on any new responsibilities means there are more likely to be governance failures whilst the team learn.● Failure to deliver OPCC statutory requirements:<ul style="list-style-type: none">- Police & Crime Plan and priorities- Policing Precept budget- Community safety, victims services and other partnership outcomes effectively (SR9)- Hold the Chief Constable to account- Address conduct or performance of Chief Constable- Oversight of complaints against Chief Constable- Custody Visiting Scheme● Ineffective scrutiny and oversight of services and outcomes delivered by the Constabulary including delivery of the Strategic Policing Requirement● Failure to ensure adequate transparency of the OPCC and/or the Constabulary● Failure to ensure effective risk management and support the delivery of service● Failure to ensure Chief Constable sets appropriate culture, ethics and values● Lack of control/influence over other Criminal Justice agencies | | <ul style="list-style-type: none">● Failure to deliver the Police & Crime Plan (SR2)● Financial loss (SR3)● Damaged reputation and reduced public confidence (SR5)● Damaged relationship with Constabulary, commissioned services or partners● Government criticism or penalties● Panel criticism● Sub-standard performance results and poor inspection outcomes● Force not efficient/effective● Risks not managed● Failure to improve the delivery of the broader Criminal Justice Service | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">● OPCC Management Board (OMB) - allows greater oversight of performance, risks and issues and provides a formal decision making mechanism for non-Constabulary business.● Permanent Chief of Staff, CFO and DPCC being recruited● Police and Crime Board (PCB)● PCC and Chief Constable 1:1s● OPCC attend Constabulary Management Board and other strategic meetings (open invitation from the CC).● Audit Committee, audit, annual governance statement● Police and Crime Panel meetings● COG attendance at weekly OPCC SLT● Force Management Statements● Police and Crime Plan Annual Report● Victim Services appointed and managed by the OPCC Commissioning Team● Scheme of governance and Governance Boards● Scrutiny of complaints through the Independent Residents Panel● SLT lead and increased dedicated capacity to deal with complaints and conduct and appeals● Transparency Checklist● Constabulary governance redesigned through 2020; this will allow greater oversight of risk and assurance by the OPCC.● Working with Joint DPO to ensure good information governance and compliance with GDPR and DPA 2018. | Oct 2021 | CEO PCC/Office Manager CEO PCC CEO CFO PCC CEO SPPO SPPO Head of C&P CFO Volunteer Manager Head of C&C | <ul style="list-style-type: none">● OMB established Feb 2020 and will be a bi-monthly meeting.● Chief of Staff confirmed; DPCC offered; CFO recruitment postponed until 2022.● PCB is monthly following CMB and continues to be the principal joint decision making forum and provides the PCC formal oversight of the Constabulary.● 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.● CoPaCC transparency award received.● OPCC Plans developed with work streams that detail activity covering all statutory requirements and OPCC team appointed owners to statutory duties. | | |
| | Oct 2021 | Office Manager SPPO Office Manager/ SPPO | <ul style="list-style-type: none">● New constabulary governance framework including new PQF in transition phase. New risk records under development. | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk | |
|---|-------------|--|---|---|------------------|--|
| Failure to deliver the Police and Crime Plan | SR2 | CEO | 5 | 4 | 20 | |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk | |
| | | | 4 | 4 | 16 | |
| | | | Mitigated Risk change: | | ↔ | |
| Cause | | Impact | | | | |
| <ul style="list-style-type: none">• Current plan belongs to previous PCC; new PCC's plan under development• Permanent Chief Constable needs to be appointed• Underpinning the delivery risk of all of this is the financial uncertainty and the increased public expectation from the additional funding that policing has received both through central government grant and local taxpayers' increase in precept funding• Prevention is hard to measure/evidence and needs more than the police to deliver• Crime recording/CDI compliance needs improvement• Workforce not representative of the communities of A&S; insufficient progress has been made• Police response to 'neighbourhood crimes' does not meet public expectations• Positive Outcomes - not seeing the improvements hoped for - particularly of Op Remedy crimes.• Lack of capacity/capability within the Constabulary (see Constabulary SRR commentary)• Disproportionate outcomes for minority groups, particularly people that are from an ethnic minority• Court backlogs means justice is not being delivered effectively or efficiently• National rape crisis reduces confidence in the entire criminal justice system• Lack of control/influence over other criminal justice agencies• Increased numbers of officers will result in more people going through an already overstretched criminal justice system. | | <ul style="list-style-type: none">• Loss of legitimacy in the OPCC and Constabulary• Loss of public confidence/trust in the OPCC (SR4) and Constabulary• Failure to keep people safe• Failure to protect and support vulnerable people• Failure to bring offenders to justice• People will feel unsafe• Police and Crime Panel criticism and/or fail to agree precept increase | | | | |
| MITIGATION | | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | | |
| <ul style="list-style-type: none">• Police and Crime Plan development being overseen by joint Programme Board with first draft expected by October 21• Draft priorities and objectives developed early to allow Constabulary forward planning• Chief Constable recruitment supported by independent consultant.• Governance and scrutiny arrangements will be reviewed during 2021• Police and Crime Board (PCB) discusses performance, assurance and risk• PCC and Chief Constable 1:1s• OPCC attend Constabulary Management Board and other strategic meetings (open invitation from the CC).• Audits and Inspections (HMICFRS & SWAP) overseen by Joint Audit Committee• Internal assurance mechanisms are in place to evaluate delivery of the Plan's objectives• Oversight of all strategic constabulary data through Qlik• Panel Meetings• Contacts analysis | Oct 2021 | CEO | • All three workstreams commenced | | | |
| | Nov 2021 | SPPO | • CC selection days 3 & 4 November. | | | |
| | Dec 2021 | PCC SPPO CEO PCC CEO | • OPCC attendance at CMB and the PCB which follows this continues to work well in terms of assurance and open dialogue about areas of concern where the plan may not be delivered. This includes regular sessions on Op Uplift and the Futures Programme. | | | |
| | | | CFO SPPO | • 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. | | |
| | | | SPPO CEO Head of Contacts | | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|---|-------------|---|--|--------------------|------------------|
| Financial incapability or ineffectiveness | SR3 | CFO | 4 | 5 | 20 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 4 | 4 | 16 |
| | | | Mitigated Risk change: | | ↔ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">• Time required for the new PCC to establish budget and estates strategies• Single year settlement for 2021/22 with additional central funding for Op Uplift only.• The 2021/22 precept was set at £13.39 per year for the average Band D household (less than the maximum £15).• Austerity and uncertainty caused by COVID-19 and Brexit: both for policing and the wider economy• Risks around pension funds due to wider economic impact.• Op Uplift – central funding effectively ring-fenced to deliver the additional officers. In ASC this does not cover full costs.• Required precept increase may not be supported by Police and Crime Panel.• Capital budget not fully funded from 2023/24 – borrowing already at prudent levels and diminishing potential for capital receipts.• Pay awards may be agreed nationally but not funded through central grants (every 1% pay rise is approx. £2.2 million).• Increasing pension costs for officers and staff schemes.• National work will require local funding with no control over decision making e.g. ESMCP, NPAS, national IT.• Uncertainty of local costs in high value areas: IT and replacement of SAP.• Comprehensive Spending Review due summer 2021• Failure to agree, fund or deliver a balanced and sustainable budget. | | <ul style="list-style-type: none">• As officer numbers are protected it may mean using officers in roles currently undertaken by civilians if other savings do not materialise.• Failure to set a sustainable revenue budget or capital plan across the medium term.• The need for further savings after 10 years of austerity presents further challenges.• Failure to meet heightened expectations of stakeholders• Loss of public confidence (SR5)• Unable to fund adequate or minimum service• Unable to fund delivery of PCC priorities (SR2)• Unable to afford change• Revenue budget underspends may undermine support from PCP for sustainable increases to the precept.• Failure to ensure value for money. | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">• Medium and long term financial planning• Regular oversight of revenue & capital budget• Maintain adequate risk-assessed reserves• Subject to external and internal audit both overseen by the Joint Audit Committee• Treasury Management strategy in place outcomes reviewed by CFOs and Finance meeting• HMICFRS inspection regime | | CFO CFO CFO CFO CFO CFO | <ul style="list-style-type: none">• MTFP deficit after savings:<ul style="list-style-type: none">- 21/22 £0- 22/23 1,221,000- 23/24 2,862,000- 24/25 4,362,000- 25/26 £8,497,000• For the current financial year the underspend has been used to 'accelerate' a number of Constabulary plans, used on reducing re-offending work and remainder will be put into reserves to manage future risk (particularly relevant because of COVID-19). | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|---|---------------|--|---|--------------------|------------------|
| Failure to engage with the public and other stakeholders | SR4 | CEO | 4 | 3 | 12 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 3 | 3 | 9 |
| | | | Mitigated Risk change: | | ↔ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">Limited resources to support this within the OPCCEngagement methods do not always reach a wide audience or different communities or groupsLack of awareness from the publicStatutory responsibilities to engage with the Chief Constable, Police and Crime Panel, the public and victims prior to publishing a new Police and Crime Plan | | <ul style="list-style-type: none">Reputational damage to both the OPCC and ConstabularyLoss of legitimacy in both the OPCC and ConstabularyLack of public confidence in or awareness of OPCC (SR5)Partnership relationships damagedFailure to understand people's priorities and issues re policing and crime and which could be biased by only hearing those individuals already proactive/engaged.Police and Crime Plan and delivery not aligned to public concerns and priorities (SR10 & SR2) | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">PCC engagement two days a weekPolice and Crime Plan Consultation (12 weeks)Creation of an overarching strategic approach to communications to work in a more focused way on strategic priorities and objectivesCreation of tactical communications plans for particular workstreams (including public engagement/events) with ownership and delivery allocated to one person who is accountableOCC/OPCC Corp Comms joint meetingsCalendar of regular media appearances / communications activities which will also link to national days or weeks where relevantOversight of Operation Remedy Communications Plan through ongoing meeting structureJoint working on communications plans for the Five Big Ideas being implemented by the Constabulary including three tier approach to cultural sensitivity training, workforce mobilisation, creation of a new cultural intelligence hub to enhance the representative workforce programme, engagement and support of communications activity in relation to Commission of Racial Equality (CORE) in BristolRevised stakeholder mapping and management | Oct 2021 | Head of Comms Head of Comms Head of Comms Head of Comms Head of Comms Head of Comms Head of Comms | <ul style="list-style-type: none">Survey complete analysis being undertaken in Oct 2021. Consultation on draft plan 15 October – 8 NovemberStrategy has been developed for new PCC with overarching theme focusing on vulnerable and under-represented communities to build trust and confidence | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Dec 2021 | Head of Comms | <ul style="list-style-type: none">Mapping complete - moving to develop proof of concept for user platform | | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|--|-------------|---|---|--------------------|------------------|
| Lack of public confidence in or awareness of OPCC | SR5 | CEO | 4 | 3 | 12 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 3 | 3 | 9 |
| | | | Mitigated Risk change: | | ↔ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">● Risk that the new PCC fails to deliver on manifesto pledges.● The increased visibility of performance presents both an opportunity and risk to confidence depending on that performance.● Policing failures/adverse incidents (even at an operational level e.g. policing of protests/riots) can impact on the perception of the OPCC also - inequality/disproportionality and public order policing particularly relevant at this time● Failure to engage with the public and other stakeholders (SR4)● Failure to discharge statutory duties (SR1)● Failure to deliver the Police and Crime Plan (SR2)● Public expectation of the role of the PCC may not be matched by available funding or powers of the PCC● Precept funding fails to deliver expected outcomes (e.g. Op Remedy or PSIs)● Failure of the Constabulary to deliver Op Uplift (Force Futures) or if delivered failure to improve outcomes would likely impact confidence in the OPCC due to public expectations● Court backlogs and national rape crisis reduces confidence in the entire criminal justice system● Government may want a more centralised/national approach to policing which may undermine the legitimacy of the role of PCCs | | <ul style="list-style-type: none">● Loss of legitimacy in the OPCC● Failure to demonstrate value for money● Could undermine the working relationship between the Constabulary and OPCC● Police and Crime Panel failure to support precept increases● Low voter turnout in PCC elections● Loss of political support for the need for PCCs | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">● Police and Crime Plan seeks to raise the profile of the OPCC and contribution to delivering the plan● Gold Groups manage critical issues of public confidence.● Engagement activity recorded against SR4 is the primary direct mitigation against this risk.● Fulfilling statutory duties (SR1) and delivery of the Police and Crime Plan (SR2) are critical to ensuring confidence in the PCC. | Nov 2021 | PCC CEO / Head of Comms CEO / Head of Comms PCC / CEO | <ul style="list-style-type: none">● The OPCC has a standing invite to all Gold Groups | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|--|-------------|---|--|--------------------|------------------|
| Lack of capacity/capability within the OPCC | SR6 | Office Manager | 5 | 4 | 20 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 4 | 4 | 16 |
| | | | Mitigated Risk change: | | ↔ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">Office is not currently resourced/structured to be able to fully realise the new PCC's ambitionsSignificant turnover in a short period (March - May 2021) - loss of skills and experience including DPCC, CEO (former CFO) and PCC.COVID-19 lockdown has a detrimental effect on the current ways of working on all members of the team. The continued risk posed by the virus and potential need to self-isolate.Small size of the organisation and varied specialisms also makes building resilience challenging.A number of single points of failure within the OPCC (can cause risk to materialise temporarily during periods of prolonged absence).Insufficient sharing of knowledge or work among the team reduces resilience.ASC OPCC has a relatively small budget (bottom quartile) compared to other OPCCs.Demand too high for current resource levels. | | <ul style="list-style-type: none">Increased likelihood of materialisation of all other strategic risks through delivery failureDelivery of work is late or not to standards of quality desired | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">DPCC, Chief of Staff and CFO will be recruited throughout 21/22Office will be subject of review by new Chief of Staff in Q4 21/22Resource planning is part of OMB and informal SLT - all vacancies are being filled.Regular team meetings to share knowledge and resolve issuesPDR process and regular supervisory sessionsAnnual staff survey which forms the basis of a delivery planTraining and development budget maintainedSkills matrix maintainedSalary levels set at a reasonable market rate and in line with other OPCCsValues and teamwork embedded and recruited to improving retention | | Office Manager Chief of Staff Office Manager Office Manager Office Manager Office Manager CFO Office Manager CEO/CFO Head of Comms | <ul style="list-style-type: none">Need to refresh the matrix and better embed its use in the process of assigning new work | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|---|----------------------|---|---|--------------------|------------------|
| Failure to deliver commissioned services | SR7 | Head of C&P | 4 | 4 | 16 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 3 | 4 | 12 |
| | | | Mitigated Risk change: | | ↑ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">● Backlogs in Lighthouse (the primary commissioned service)● Lack of robust performance framework around commissioned services● Additional demand on victim support services; particularly DA and SV | | <ul style="list-style-type: none">● Failure to support victims particularly vulnerable victims - PCP Priority 1 (SR2)● Loss of public confidence in or awareness of OPCC (SR5)● Relationship with Constabulary and partners● Reduction or withdrawal of victims grant from Government● Failure to devolve further funding/commissioning | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">● Commissioning review being undertaken following PCC direction.● Lighthouse victims' service jointly established with the Constabulary: service under joint review.● Maintain a sufficiently resourced and prioritised commissioning team within the OPCC.● Victim Services Provider forum and AWP Partnership Board are regular joint strategic meetings with commissioned services.● Scan and apply for additional funding as available. | Nov 2021 Dec 2021 | Head of C&P | ● Red recommendations discussed with PCC and direction given | | |
| | | Head of C&P | | | |
| | | Head of C&P | ● C&P team at full establishment. | | |
| | | Head of C&P | | | |
| | | | ● Additional funding for DA and SV services awarded; as well as micro grants. Additional DA and SV funding has been applied for but grants not yet agreed by MoJ; 'bridging' funding agreed by OPCC so as not to help prevent redundancies. | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|---|-------------|---|---|--------------------|------------------|
| Failure to deliver effective and efficient collaborations with other forces | SR8 | CEO | 4 | 3 | 12 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 4 | 3 | 12 |
| | | | Mitigated Risk change: | | ↔ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">• Reduced appetite for regional collaborations due to past failings• Failure to agree effective models for collaboration• Increased funding for police means the imperative to collaborate is not so pressing• Ineffective governance and scrutiny over existing collaborations - lack of accountability• Ineffective governance and ownership of regional projects and programmes• Tension between local forces and collaborations in terms of competing interests and lack of uniformity of people and processes• Lack of direct influence/control in order to make changes i.e. everything must be done by (multi-force) committee | | <ul style="list-style-type: none">• Governance failure as a duty of the PCC (SR1)• Failure to deliver value for money• Failure to deliver specific services provided by existing collaborations• Inefficient compared to other regions/areas• Criticism from HMICFRS• Government scrutiny/intervention• Lack of resilience otherwise provided by a collaboration• Forced to accept others terms from future alliances or mergers | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">• South West Regional PCCs are politically aligned and will start working together• Strategic Collaboration Governance• Regional commissioning and programme boards and policy officer• SWAP appointed as Internal Auditor (from April 2019) - working in partnership with other regional forces• Regional ACC has been in place (in line with HMICFRS recommendations) | | SPPO CFO CFO | <ul style="list-style-type: none">• Given the reduced strategic oversight of the Collaboration Boards need to increase scrutiny within OPCC. New Constabulary IPQR will include aspects of collaboration performance in Key Performance Questions. Full assurance ratings still not in place.• Remaining collaborations are largely mandated:<ul style="list-style-type: none">- Regional Organised Crime Unit- Counter Terrorism Police- Forensics- Special Branch- NPAS- Tri Force Firearms Training- Major Crime Investigations | | |

| Risk | URN | Owner | Unmitigated Probability | Unmitigated Impact | Unmitigated Risk |
|---|-------------|---|--|--------------------|------------------|
| Failure to deliver effective and efficient collaborations or outcomes with other partners | SR9 | CEO | 4 | 4 | 16 |
| | | | Mitigated Probability | Mitigated Impact | Mitigated Risk |
| | | | 4 | 3 | 12 |
| | | | Mitigated Risk change: | | ↑ |
| Cause | | Impact | | | |
| <ul style="list-style-type: none">● Home Office review of PCCs is resulting in changes to the roles and responsibilities (including direction to extend portfolio to Fire & Rescue Services); increased expectations.● 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● Macro-economic factors could have a detrimental effect on partners, particularly Local Authorities. This financial position could cause partners to withdraw or reduce levels of service to partnerships● Failure to put in place effective governance and ownership of partnership working● Differing priorities and leadership of agencies● Lack of accountability● Lack of meaningful 'live' information sharing | | <ul style="list-style-type: none">● Governance failure as a duty of the PCC (SR1)● Failure to deliver the Police and Crime Plan (SR2)● Failure to deliver a whole systems approach to crime and continue the 'revolving door' of offending and victimisation● Failure to deliver value for money | | | |
| MITIGATION | | | | | |
| Controls | Review date | Owner | Commentary / Controls updates | | |
| <ul style="list-style-type: none">● PCC chairs LCJB and OPCC continue to be represented at CSPs, Children's Trusts, Health and Wellbeing Boards● Meetings (outside of Boards) with LA chairs/CEOs; CSP Chairs● Criminal Justice Transformation● Resolve Programme (reducing re-offending) now operating at force and regional level● Violence Reduction Units● Safer Streets Funding● PCC applying to sit on Fire Authorities● Information sharing relevant to all partnership working; particularly CJ, reducing reoffending and VRUs | Dec 2021 | <div>CEO</div> <div>CEO Senior C&P Officer Senior C&P Officer</div> <div>Senior C&P Officer</div> <div>C&P Team CEO Respective Strategic Groups</div> | <ul style="list-style-type: none">● CJ work now led by a Senior C&P Officer in the OPCC● Reducing re-offending work now led by a Senior C&P Officer in the OPCC and a Regional SRO● HO confirmed A&S funding for 2021/22. Planning to maintain the current model with the same level of devolved funding.● Successful bids: SSF2 (21-22) Bristol and SSF3 (VAWG) North Somerset● | | |

ANNUAL REPORT 1 APRIL 2020 – 31 MARCH 2021**AVON AND SOMERSET JOINT AUDIT COMMITTEE****INTRODUCTION**

The principles of good governance as set out by the Chartered Institute of Public Finance and Accountancy (CIPFA), and the Financial Management Code of Practice for the Police Service of England and Wales, mandate the need for a Joint Audit Committee (JAC) as an independent body to serve and oversee the Police and Crime Commissioner (PCC) and the Chief Constable (CC).

The purpose of the JAC is to provide independent oversight and advice on governance and risk management. This will help ensure public trust and assure confidence in the governance of the PCC and CC. The JAC also helps the PCC discharge their statutory duties in holding the force to account, managing risk and in approving annual accounts and audit opinions.

This is the annual report of the independent JAC for the PCC and CC of Avon and Somerset.

CIPFA suggests that the annual report is a helpful way to hold the committee to account and sets out a number of aspects that should be considered:

- whether the committee has fulfilled its agreed terms of reference
- whether the committee has adopted recommended practice
- whether the development needs of committee members have been assessed and whether committee members are accessing briefing and training opportunities
- whether the committee has assessed its own effectiveness or been the subject of a review and the conclusions and actions from that review
- what impact the committee has on the improvement of governance, risk and control within the authority.

This annual report will be structured around these five criteria.

HAS THE COMMITTEE FULFILLED ITS AGREED TERMS OF REFERENCE

In accordance with the terms of reference the JAC has met four times in the financial year on the following dates:

8th July 2020

23rd September 2020

27th November 2020

27th January 2021

It should be noted that the November meeting was an exceptional meeting for the purpose of reviewing the External Audit Annual Report. The meeting that would have taken place in March 2021 was deferred to 22nd April 2021 due to attendance issues.

In accordance with the terms of reference all meetings were quorate; January had three members in attendance but the other meetings had all four members present.

The meetings were also attended by relevant parties from the Office of the PCC, the Constabulary, Internal Audit and External Audit. Papers and minutes have been published.

Commissioned Internal Audit 2020/21

Audits

During the year under review, South West Audit partnership (SWAP) completed ten substantive audits in accordance with the 2020/21 plan.

The audit opinions were as follows:

- High Limited – 3
- Low Reasonable – 1
- Mid Reasonable – 4
- High Reasonable – 2

There were 15 Priority 2 recommendations and 12 Priority 3 recommendations.

From the previous year's commissioned internal audits there were 2 recommendations outstanding due for completion in October and December 2021.

An internal audit plan for 2021/22 was agreed at the April 2021 meeting of the JAC.

Annual report of the Internal Auditor

SWAP – acting as the joint head of Internal Audit – have given an annual opinion of reasonable assurance on the overall adequacy and effectiveness of the PCC's and CC's frameworks of governance, risk management and internal control.

At first look it may seem contradictory that the annual opinion is one of reasonable assurance where the majority of audits completed in that year came back as partial assurance. It has been discussed, and accepted by the JAC, that the legitimate reason for this is that both organisations have a sound understanding of their risks and many of these audits have been intentionally targeted where there are recognised control weaknesses.

The report also highlights the coverage of the year's audits and that most of the activity relates to enabling functions rather than operational policing. As an audit committee we are comfortable with this approach because operational policing is subject of statutory inspection by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) and assurance can be gained from this.

Part of the remit of the JAC is to ensure value for money. One element where this directly relates to the work of the JAC is the appointment of the Internal Auditor and ensuring they are working effectively. At the start of their tenure SWAP set out how they measure their performance and this is reported on in their annual report. There are three areas of performance: completion of audit plan, quality of audit work and value. The audit plan was almost entirely complete except for one aspect of regional work. All of their recommendations were accepted and they reported 100% client satisfaction. In addition all of the SWAP team are qualified or working towards a qualification.

External Audit

Grant Thornton continued as external auditor appointed through the Public Sector Audit Appointments process.

2019/20 annual accounts

The external auditor issued unqualified audit reports for the 2019/20 PCC and OCC accounts and their detailed reports and audit letter are published on the PCC's website. In addition, no issues arose from their assessment of the PCC's and Chief Constable's arrangements to secure value for money.

2020/21 annual accounts

The draft accounts of the PCC and CC have been reviewed by the JAC.

HAS THE COMMITTEE ADOPTED RECOMMENDED PRACTICE

The committee has used the CIPFA good practice framework to review itself as part of the Annual Report process (Appendix 1).

HAVE THE DEVELOPMENT NEEDS OF COMMITTEE MEMBERS HAVE BEEN ASSESSED AND WHETHER COMMITTEE MEMBERS ARE ACCESSING BRIEFING AND TRAINING OPPORTUNITIES

Over the last year the JAC has briefings and training on the following topics:

To be confirmed

HAS THE COMMITTEE ASSESSED ITS OWN EFFECTIVENESS OR BEEN THE SUBJECT OF A REVIEW AND THE CONCLUSIONS AND ACTIONS FROM THAT REVIEW

The Committee has assessed its own effectiveness based on CIPFA guidance as part of the Annual Report process (Appendix 2).

WHAT IMPACT HAS THE COMMITTEE HAD ON THE IMPROVEMENT OF GOVERNANCE, RISK AND CONTROL WITHIN THE AUTHORITY

The most significant areas where the JAC adds value is in the oversight of the external audit, commissioned internal audit and the scrutiny of the organisations' Strategic Risk Registers.

JUDE FERGUSON

CHAIR AVON AND SOMERSET JOINT AUDIT COMMITTEE

Contact Officers: Paul Butler, PCC CFO

Appendix 1 – Self-assessment of good practice
(CIPFA – Audit Committees Practical Guidance for Local Authorities and Police 2018 Edition)

| Audit Committee Purpose and Governance | Yes | Partly | No |
|--|------------|---------------|-----------|
| 1. Do the organisations have a dedicated audit committee? | ✓ | | |
| 2. Does the audit committee report directly to full council? (Applicable to local government only). | - | - | - |
| 3. Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement? | ✓ | | |
| 4. Is the role and purpose of the audit committee understood and accepted across the organisations? | | ✓ | |
| 5. Does the audit committee provide support to both organisations in meeting the requirements of good governance? | | ✓ | |
| 6. Are the arrangements to hold the committee to account for its performance operating satisfactorily? | | ✓ | |
| Functions of the Committee | Yes | Partly | No |
| 7. Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement? | | ✓ | |
| • Good Governance | ✓ | | |
| • Assurance Framework, including partnership and collaboration arrangements | | ✓ | |
| • Internal Audit | ✓ | | |
| • External Audit | ✓ | | |
| • Financial Reporting | ✓ | | |
| • Risk Management | ✓ | | |
| • Value for Money (VfM) or Best Value | | ✓ | |
| • Counter-fraud and corruption | ✓ | | |
| • Supporting the ethical framework | | ✓ | |
| 8. Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas? | ✓ | | |
| 9. Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them? | | | ✓ |
| 10. Where coverage of core areas has been found to be limited, are plans in place to address this? | | | ✓ |
| 11. Has the committee maintained its advisory role by not taking on any decision-making powers that are not in line with its core purpose? | ✓ | | |

| Membership and Support | Yes | Partly | No |
|---|-----|--------|----|
| 12. Has an effective audit committee structure and composition of the committee been selected? This should include: <ul style="list-style-type: none"> • separation from the executive • an appropriate mix of knowledge and skills among the membership • a size of committee that is not unwieldy • consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement) | ✓ | | |
| 13. Have independent members appointed to the committee been recruited in an open and transparent way and approved by the PCC and Chief Constable as appropriate for the organisation. | ✓ | | |
| 14. Does the chair of the committee have appropriate knowledge and skills? | ✓ | | |
| 15. Are arrangements in place to support the committee with briefings and training? | ✓ | | |
| 16. Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory? | | | ✓ |
| 17. Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer (CFO)? | ✓ | | |
| 18. Is adequate secretariat and administrative support to the committee provided? | ✓ | | |
| Effectiveness of the Committee | Yes | Partly | No |
| 19. Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work? | | | ✓ |
| 20. Are meetings effective with a good level of discussion and engagement from all members? | ✓ | | |
| 21. Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with responsible officers? | | ✓ | |
| 22. Does the committee make recommendations for the improvement of governance, risk and control and are these acted on? | | ✓ | |
| 23. Has the committee evaluated whether and how it is adding value to the organisation? | | | ✓ |
| 24. Does the committee have an action plan to improve any areas of weakness? | | | ✓ |
| 25. Does the committee publish an annual report to account for its performance and explain its work? | ✓ | | |

Appendix 2 – Evaluating the effectiveness of the audit committee
(CIPFA – Audit Committees Practical Guidance for Local Authorities and Police 2018
Edition)

| Assessment key | |
|----------------|--|
| 5 | Clear evidence is available from a number of sources that the committee is actively supporting improvements across all aspects of this area. The improvements made are clearly identifiable. |
| 4 | Clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area. |
| 3 | The committee has had mixed experience in supporting improvement in this area. There is some evidence that demonstrates their impact but there are also significant gaps. |
| 2 | There is some evidence that the committee has supported improvements, but the impact of this support is limited. |
| 1 | No evidence can be found that the audit committee has supported improvements in this area. |

| Areas where the audit committee can add value by supporting improvement | Overall assessment: 5 – 1 (see key above) |
|--|--|
| Promoting the principles of good governance and their application to decision making | 2 |
| Contributing to the development of an effective control environment | 2 |
| Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks | 3 |
| Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively | 2 |
| Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence | 4 |
| Aiding the achievement of the organisations' goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements | 2 |
| Supporting the development of robust arrangements for ensuring value for money | 2 |
| Helping the organisations' to implement the values of good governance, including effective arrangements for countering fraud and corruption risks | 2 |
| Promoting effective public reporting to the organisations' stakeholders and local community and measures to improve transparency and accountability | 2 |



11a

Avon & Somerset Constabulary and Office of the Police and Crime Commissioner Joint Audit Committee (JAC)

Report of Internal Audit Activity- October 2021

Internal Audit ■ Risk ■ Special Investigations ■ Consultancy

Executive Summary

The Assistant Director is required to provide an annual opinion to support the Annual Governance Statement.

As part of our plan progress reports, we will look to provide an ongoing opinion to support the end of year annual opinion.

We will also provide details of any significant risks that we have identified in our work.

We have sought to make our Committee Papers more concise and as such, we will formally report on our performance once a year. To support this, we have included a reminder of our assurance opinions and risk assessment in Appendix B, to avoid duplication in each report presented.

The Chief Executive for SWAP reports company performance on a regular basis to the SWAP Directors and Owners Boards.



Audit Opinion and Summary of Significant Risks

Progress of the 2021/22 Internal Audit Plan

Work is underway to complete the 2021/22 audit plan and copies of the following reports which have been finalised since our last update in July 2021 are submitted with this Quarterly Update:

- Assurance Mapping (Q2) Position Statement;
- Use of Force;
- Remote Working/ Cyber Security; and
- Complaints Handling.

The Criminal Justice audit report was originally intended to be presented at this Committee. However, as the scope of this work was agreed in the latter half of September 2021 and fieldwork began at the start of October, this has not been possible. We intend to have a report ready for the next Committee.

Further detail is provided on the stage of each audit in Appendix A and is summarised in the table below:

| Performance Measure | Performance |
|---|-------------|
| <u>Delivery of Annual Audit Plan</u> | |
| Completed | 31% |
| Work at Draft Report Stage | 0% |
| Fieldwork In Progress | 46% |
| Fieldwork Ready to Start | 23% |
| Scoping | 0% |
| Not Yet Started | 0% |

Audit Opinion:

We are able to provide **Reasonable** assurance based on work completed to date.

Significant Risks:

We have not identified any significant risks in our work since the previous update to this Committee.

Follow Ups:

We have just commenced our programme of Follow Up work for the year and anticipate providing an update to the December JAC meeting.

Executive Summary

Changes to the 2021/22 Audit Plan

Since the previous meeting of the Committee, a number of minor changes have been agreed to the Internal Audit Plan for 2021/22:

- Due to delays in scoping the Complaints Handling audit and additional areas required to the scope, two days have been transferred from the Contingency allocation. This was agreed with Senior Management and the Chair of the Joint Audit Committee.
- The Criminal Justice audit has been deferred to Q3. This has been reported to the JAC prior to publication of these papers.

Regional Audit Work


At the time of writing, fieldwork is ongoing on the Digital Forensics regional work with a view to reporting shortly. Following the last meeting of the Committee, two further pieces of work have been agreed by the Regional Directors of Finance: Pensions Administration and a Fraud Baseline Review (this is being 'funded' by the unused days from the regional pot for 2020/21). The Pensions Administration audit will provide assurance on processes by the two external pensions administrators for the five Forces and is due to start in Q3. The Fraud Baseline Review is a product developed by the SWAP Fraud Team, amended for the Police, which will provide an assessment of the Forces' position in relation to fraud activity. This is currently in progress.

Completion of the 2020/21 Internal Audit Plan

As reported previously, the Regional Vetting work has reached Draft report stage, whereupon we were asked to provide some further information and as such this remains ongoing, although the majority of work is completed. The deadline for this information from the Forces was 10th September 2021, however this will not be finalised in time for these Papers.

Internal Audit Plan Progress 2021/22

Appendix A

| Link(s) to FMS | Audit Area | Period | Audit Days | Status | Opinion | No of Recs | 1 = Major |  | 3 = Minor |
|--|---|--------|------------|-----------------------------|------------|------------|-----------------|---|-----------|
| | | | | | | | Recommendations | | |
| | | | | | | | 1 | 2 | 3 |
| Force Functions, Major Events, Wellbeing | Organisational Learning from Covid-19 | Q1 | 15 | Completed | Reasonable | 3 | - | 1 | 2 |
| Knowledge Management & ICT | Remote Working – Cyber / Data Security | Q1 | 12 | Completed | Limited | 4 | - | 3 | 1 |
| Governance, Fraud & Risk Mgt. | Assurance Mapping | Q1-4 | 10 | In Progress (2/4 Completed) | N/A | - | - | - | - |
| Managing Offenders, Protecting Vulnerable People | Use of Force | Q2 | 12 | Completed | Reasonable | 3 | - | 2 | 1 |
| Force-wide Functions, Responding to the Public | Complaints Handling | Q2 | 12 | Completed | Limited | 7 | - | 6 | 1 |
| Force-wide Functions, Knowledge Management & ICT | Criminal Justice | Q3 | 12 | In Progress | - | - | - | - | - |
| Force-wide Functions, Finance | Environmental Sustainability | Q3 | 15 | In Progress | - | - | - | - | - |
| Finance | Key Financial Controls: Accounts Payable, General Ledger & Fixed Assets | Q3 | 20 | In Progress | - | - | - | - | - |
| Force-wide Functions, Managing Offenders, Protecting Vulnerable People | Clinical Governance within Custody | Q4 | 10 | Fieldwork Ready to Start | - | - | - | - | - |
| Force-wide Functions, Protecting Vulnerable People | Victim Support Services | Q4 | 10 | Fieldwork Ready to Start | - | - | - | - | - |
| Governance, Fraud & Risk Mgt. | Risk Management | Q4 | 12 | Fieldwork Ready to Start | - | - | - | - | - |
| Collaborations | Contribution to Regional Police Audits | Q1-4 | 5 | In Progress | - | - | - | - | - |
| Governance, Fraud & Risk Mgt. | Follow Up | Q1-4 | 5 | In Progress | - | - | - | - | - |
| Governance, Fraud & Risk Mgt. | Contingency | Q1-4 | 10 | Not Yet Allocated | - | - | - | - | - |

11b

Audit Objective

To provide an independent update to the Joint Audit Committee and Senior Management on the progress of Avon and Somerset Police's assurance mapping activity.

Audit Background & Scope

SWAP have agreed to provide an advisory review of Avon and Somerset Police's position / progress with regards to their assurance mapping work each quarter. We will also provide those in charge of delivering this work with input, insight, expertise, and best practice where appropriate throughout this review. This Position Statement follows our report to the Joint Audit Committee in July 2021 and details the progress made since that update. Our findings have been informed by interviews held with the Performance and Assurance (P&A) Department in charge of delivering this work and a review of evidence provided to support the progress made.

Key Findings



In July 2021, Avon and Somerset Police's Strategic Planning Meeting (SPM) approved P&A's assurance mapping proposals. Following approval, P&A begun to collate and catalogue key assurance information that they themselves are aware of into an Excel spreadsheet. This currently includes the type of assurance activity being undertaken, key contacts in charge of delivering the work, the status of the work and its start and planned completion date. P&A are still in the process of collating this information and will look to engage more widely with other departments and directorates to ensure the assurance activity being captured is accurate and complete. In addition to initial gathering and input of assurance information, P&A also acknowledge the need to clearly define what the organisation considers to be assurance activity and set standards and metrics for how it will assess and rate the effectiveness of assurance to help ensure consistency in the assurance mapping process. This procedure should be completed by P&A by the end of September 2021.



The assurance activity captured by P&A is currently only being linked to one of the six Assurance Frameworks at Avon and Somerset Police. These are the National Outcomes, Police and Crime Plan Priorities, Integrated Performance and Quality Framework, National Vulnerability Action Plan, PEEL and HMIC Building Blocks. P&A are currently in the process of establishing how best to record where assurance activity can be applied to more than one of these Assurance Frameworks. Avon and Somerset Police's new Corporate Risk Framework which will sit alongside the assurance map is planned to go live in September 2021. Once this is in place, the intention is to also link assurance activity to one (or more) of the organisation's strategic risks. Avon and Somerset Police can then begin to use this information to help identify gaps in assurance, any duplication or over assurance. In addition, the organisation should also have a clearer understanding on whether assurance activity is helping to mitigate its key strategic risks or if it forms part of its overall improvement activity (or both).



The organisation's assurance map is currently being captured within an Excel spreadsheet. However, the intention is to utilise other software solutions such as Qlik to present and analyse the information. P&A are still in the process of gathering the information that will be used to inform the assurance map and will look to explore solutions at a later stage of the project. P&A are confident that they will have a clearer idea of what a final product may look like and how it will work by the end of the calendar year.

Conclusion

Avon and Somerset Police have begun to collate and record their assurance activity and will continue to progress this over the coming months. The work is being monitored internally by the Constabulary Management Board through reports provided by the P&A Department each month and will also be reported into the Strategic Planning Meeting each quarter. We have no concerns at this stage with regards to the progress made to date and will continue to help support its delivery through regular engagement with the business throughout the financial year.

Governance of Use of Force – September 2021 – Final Report

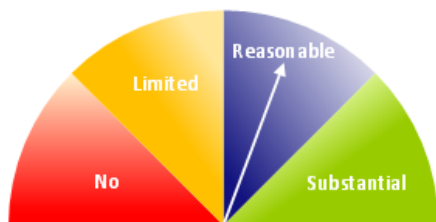
Audit Objective

To provide assurance on the effectiveness of the governance arrangements regarding the use of force at Avon and Somerset Police.




Link to SRR

SRR1 - The loss of legitimacy and public confidence.

| Assurance Opinion | Number of Actions | | Audit Assessment of Agreed | |
|-------------------|-------------------|--------|---|--|
| | Priority | Number | Theme | |
| | Priority 1 | 0 | Leadership & Culture | |
| | Priority 2 | 2 | Learning | |
| | Priority 3 | 1 | Diversity & Inclusion | |
| | Total | 3 | Please see Appendix 1 for more details. | |



| Risks Reviewed | Assessment |
|---|--------------|
| Unlawful injury or death of an offender or suspected offender through disproportionate or unnecessary use of force by an officer, resulting in criminal sanctions, reputational damage and a loss of public confidence in policing. | Low |
| Risk Management Awareness | Satisfactory |

| Key Findings | Audit Scope |
|---|--|
|  <p>Personal Safety Training (PST) is delivered to all police officers, Special Constables and PCSOs whose roles require it. PST is designed to equip police officers and staff with the necessary skills to conduct their daily business safely and professionally, including the necessity to use force. It is provided as part of an initial training package and refresher training is required annually. When PST training lapses, the individual becomes non-deployable in a public facing role. The roll-out of Chronicle in September 2020 has improved controls to help manage and monitor delivery of PST by providing a single central record of training information and greater performance reporting capabilities. In July 2021, approximately 23% of police officers (714 out of around 3,100) had expired PST training, however 300 of the 714 officers were either sick or absent from posts and therefore could not complete the training. We have noted further improvements to oversight and reporting which could be implemented to further improve scrutiny and compliance over PST.</p> | <p>The audit considered the following:</p> <ul style="list-style-type: none"> The governance, oversight and scrutiny arrangements in place surrounding the use of force at Avon and Somerset and whether these are operating effectively, including a review of improvements that have been made following circumstances where the use of force has been deemed disproportionate and unlawful. Training for Police Officers, PCSOs and Special Constables and for those in charge of scrutinising this area. The quality of data surrounding the use of force to help inform decision making. |
|  <p>The Stop and Search and Use of Force Internal Scrutiny Panel (SSISP) provides scrutiny and assurance over the use of force and stop and search at the Force. An independent Scrutiny of Police Powers Panel (SPPP) reviews and provides feedback on the use of police powers to both the PCC and Force including where use of force has been deployed. The work of the SPPP can be informed by the SSISP; for example, where the SSISP finds disproportionate use of force in a specific area (e.g., by region, ethnicity etc.) through scrutiny activity, they may request a review by the SPPP over this area. We are satisfied with the level of scrutiny and assurance over use of force at meetings. However, we noted that SPPP minutes have not been published on the OPCC's website since December 2020.</p> | |
|  <p>Changes to the way in which information was being captured and reported to the SSISP were introduced in Autumn 2020 following the roll out of a new use of force form. The form helps to capture use of force data more accurately and consistently which enables improved reporting and in turn, more effective scrutiny over this area. We were able to evidence more detailed and granular reporting to the SSISP following the roll out of the form which made it easier to identify common themes, issues and concerns compared to previously. In addition, Qlik has been utilised to provide line management with information in relation to use of force specific to their team and the individuals they manage.</p> | |

Summary

Governance, oversight, and scrutiny arrangements in place surrounding the use of force were found to be operating well. Improvements to data reporting and quality have been implemented over the last year to help enable more effective scrutiny over this area. An action has been raised to report training information to the SSISP which we believe may be useful to its members in the context of their role and to help enable them to discharge their duties more effectively. Further detail is provided within Appendix 1 below.

Appendix 1

Findings & Action Plan

| 1.1 | Finding | 1.1a | Recommendation |
|-----|--|------|--|
| | <p>Personal Safety Training (PST) is delivered to all police officers, Special Constables and PCSOs whose roles require it. PST is designed to equip police officers and staff with the necessary skills to conduct their daily business safely and professionally when faced with situations of conflict, necessity to use force or to administer emergency first aid. It is provided as part of an initial training package for police officers and refresher training is required annually. Chronicle (the Force's Learning and Skills System) is used to help manage PST and has the capability to report completion rates for police officers. PST completion was planned to be reviewed as part of our Health and Safety Management of Front-line Staff and Officers last year. However, at the time, Chronicle had not yet been rolled out and as such, we were unable to provide assurance over the delivery of this training due to decentralised record keeping of PST information at the time. Chronicle, which provides a central training database has now been in place for PST for almost 12 months. Completion rates for PST were therefore revisited as part of our work.</p> <p>As of July 2021, there are 714 police officers with expired PST (c.23% of all police officer employed by Avon and Somerset Police). Some of these police officers (confirmed by Learning and Development to be around 300) are sick or absent and therefore, cannot complete the training. Where PST lapses, police officers are considered non-deployable to public facing roles and do not have the authority to carry a Taser, PAVA, batons, handcuffs etc. Learning and Development will notify the line manager of an individual whose PST has expired, and it is then the responsibility of the line manager to manage this on an individual basis and to ensure that their officers refresh their PST. There is a risk that these police officers may still be deployed into public facing roles. Where a police officer, with expired PST, deploys use of force tactics that subsequently injures or kills a suspect, this could result in severe legal, financial and reputational harm for the Force. Therefore, it is our view that the Force may</p> | | <p>We recommend that the Head of Learning investigates whether performances over the completion of PST to date is satisfactory to manage the associated risk and also ensures police officers and staff with expired PST who can attend training refresh their qualification as soon as possible.</p> <p>Agreed Action</p> <p>It has been widely recognised in force that our systems and processes for ensuring both accreditations and compliance related to PST are both accurate and creditable. The implementation of Chronicle has brought greater data accuracy and a better governance of our current position/challenge. The movement our data onto Chronicle has allowed the training team and those who resource officers onto training an ability to prioritise those who are most at risk, for example those in a front line role. Over the past 8 months we have reduced the number of officers requiring refreshment in the PST skill from 1200 down to 600. This is far too many and attendance remains a challenge. Covid19 has definitely had an impact on attendance and social distancing fears has seen a high drop out rate.</p> <p>Until failure to comply becomes a penalty, then those who avoid attendance will continue to be a feature. The future for PST and the link to use of force is positive. As a force we are the pilot for a new training programme aimed at making skills more relevant and also to bring more thought into the why? Use or force, assaults on officers and de-escalation is a national issue. Whilst PST training has always been a 12 hour package (over 2 days) designed and governed by the College of Policing, very few forces deliver more than one full day (6 hours) and some forces are doing it over half a day. The new 2 day package will move from process and use of equipment training to a scenario based package. It is aimed to deal with decision making, reflection and de-escalation. Between September 21 and March 22 we will put on 135 sessions.</p> <p>We also recognise that some officers, although have a requirement to refresh their PST skills, are not frontline on a daily basis. Some of these, that will include Investigators, will receive a one day package. This is in order to manage demand, but will be subject of review as we progress through the early periods of the new training. An additional 105 training events are scheduled for the one day package, that will also be delivered to PCSO's.</p> <p>In preparing for the new two day format, ASC moved back to two days a year ago. This was to address some of our challenges, but also to add in a yearly de-escalation part of the course. This has set us in good place for the year ahead.</p> |



benefit from greater oversight and scrutiny over PST completion as part of their existing governance arrangements surrounding the use of force.

I have already spoken about compliance and penalties that come with this. The aim of the organisation is to get to a place where no Emergency Response Driver, Taser Carrier, CMS or Method of Entry trained person will be allowed to perform the skill if their PST, JRFT or First Aid is expired. It is envisaged this will act as a motivator for both the officer and their team leaders to ensure they have the right accreditations to fulfil the role. In turn this will improve attendance.

We strongly believe that by the end of this financial year the numbers of expired PST officers will be reduced to numbers where risk management decisions can be made to withdraw an officers ability to fulfil one of those key roles. It should not be the case that a response or taser officer, who are often the first on the scene of a road collision, violent person, an injured victim do not have the requisite skills to perform use of force, de-escalation or where necessary first aid. By 31/3/22 we will have a better grip on it and will be in a position to start enforcing compliance through the removal of skills, at least until the skills training is completed again.

| | | | |
|----------------------------|--|------------------|-------|
| Priority | 2 | SWAP Ref. | 45879 |
| Responsible Officer | Operational Delivery Manager on behalf of Head of Learning | | |
| Timescales | 31/03/2022 | | |

1.1b Recommendation

We recommend that the Lead for Use of Force ensures personal safety training (PST) is considered as part of the quarterly reports provided to the Stop and Search and Use of Force Internal Scrutiny Panel. Where possible, this should include information in relation to all officers and staff who are active in their role (i.e., not on sick leave, absent etc.) and the duration that their PST has lapsed for review. These reports should also identify any individuals with expired PST that are still submitting use of force reports for further investigation. Qlik could also be utilised to provide line management with this information for review.

Agreed Action

The Lead for Use of Force will review the information / data available and look to include this within the next report to the SSISP.

| | | | |
|----------------------------|-----------------------|------------------|-------|
| Priority | 2 | SWAP Ref. | 45857 |
| Responsible Officer | Lead for Use of Force | | |
| Timescale | 31/12/2021 | | |

1.2 Finding

The Force recognised data over the use of force to be lacking in detail around Spring 2020. As part of our audit, we reviewed data reporting to the Stop and Search and Use of Force Internal Scrutiny Panel (SSISP) that provides scrutiny and assurance over the use of force and stop and search at the Force between May 2020 – May 2021 and agreed this to be the case. For example, the Force found that they may be under reporting disproportionality in terms of use of force because of gaps within data held on Niche. The Chief Inspector - Patrol Directorate identified high incidences of police officers recording 'unknown' against the ethnicity of an offender or suspected offender within Niche that was used to record a use of force incident. This meant that ethnicity and disproportionality information reported to the SSISP would be skewed given that the true ethnicity of the individual had not been recorded / captured. Therefore, the Force could not accurately determine which areas were of concern when reviewing this information. The key reasons for this were noted as officers not understanding the use of force form; the accessibility of the form; and the lack of mandatory fields within Niche to ensure important fields (such as ethnicity) were not missed. The Force began working to improve its data quality and reporting over this period.

A web-based solution (Formations) was developed with the intention of improving reporting. The web-based form would be used to input use of force incidents that is accessible on mobile devices which hoped to improve front end data capture and recording. Formation would also include mandatory fields (such as ethnicity) to resolve issues surrounding missing or incomplete data which would enable more accurate reporting over this area by breaking up ethnicity into more categories than what is currently required by the Home Office. Data from Formation would also be fed into Qlik for supervisors and lines managers to review. Formation went live in October 2020, and we were able to see its benefits through our review of information being reported to the SSISP over use of force after its go live date. Benefits include an increase in use of force reports being submitted as well as improved reporting around disproportionality. For example, in August 2020, the SSISP were informed that over a 12-month period, around 26,000 arrests had been made with 11,000 use of force reports being submitted. A use of force report should usually be completed in almost all arrests however, there are some circumstances where force may not be used during an arrest and therefore, one may not be required. Where two officers are present during an arrest, at least two use of force reports should be completed. As such, it would be expected that use of force reports should match or surpass the number of arrests made. Therefore, based on the arrest and use of force data above, it is likely that use of force reports were not being completed where they should have been over that period. In February 2021, use of force reports were found to match the number of arrests made for the first time which could be attributed to increased and improved reporting through the new form.

The SSISP were also informed in August 2020 that 9,500 use of force reports had been submitted for a separate 12-month period to that above and in 3,000 of those cases (31%) no ethnicity had been stated on the report. In Q1 of 2021/22, 0.9% of all use of force reports had no ethnicity recorded. This demonstrates improvements made to data quality in terms of ethnicity reporting over the last year. We are therefore satisfied with the improvements made over this area between May 2020 – May 2021 and the findings have been included for information.

1.3 Finding

In addition to the SSISP which provides scrutiny and assurance over the use of force and stop and search at the Force, an external Scrutiny of Police Powers Panel (SPPP) is also in place which reviews and provides feedback on the use of police powers to both the PCC and Force including where use of force has been deployed. The SPPP is made up of lay members appointed by the PCC and meets 'no less than four times a year' whereas the SSISP is made up mainly internal stakeholders. The work of the SPPP is informed by the SSISP to an extent. For example, where the SSISP find disproportionate use of force in a specific area (e.g., by region, ethnicity etc.) they may request an independent review by the SPPP over this. We reviewed minutes and reports for the SPPP between May 2020 - December 2020 and were satisfied with the level of scrutiny and assurance over use of force at these meetings. The findings of the SPPP are published online on the OPCC's website; however, the latest minutes and reports are from December 2020 despite the SPPP having met since. We would recommend that these are published for transparency as soon as possible.

1.3a Recommendation

We recommend that ensures Chief Inspector – Patrol Directorate ensures the Scrutiny of Police Powers Panel reports are published on the OPCC's website.

Agreed Action

The Lead for Use of Force will discuss this with the Liaison Officer for the SPPP to ensure these reports are published online and kept up to date.

| | | | |
|---------------------|-----------------------|-----------|-------|
| Priority | 3 | SWAP Ref. | 45878 |
| Responsible Officer | Lead for Use of Force | | |
| Timescale | 31/10/2021 | | |

Use of Force – September 2021 – Appendix 1



The SSISP also meets on a quarterly basis. We reviewed the agendas and minutes for the meetings held between May 2020 and May 2021 and have no issues to report.

To support the work of the SSISP and SPPP, a Peer Review Group for Use of Force has recently been established. The Peer Review Group will review specific cases related to areas highlighted to them by the SSISP that may, for instance be of concern to the Force. For example, where the SSISP identifies disproportionality over the use of force in a certain area, they may ask the Peer Review Group to review cases related to this and report any findings back to them for consideration each quarter. This differs from the SPPP in that the Peer Review Group is made up of other police officers and staff as opposed to lay members. The work of The Peer Review Group was launched at the beginning of the financial year (2021/22) and its first report is not due until the end of August 2021. As such, we were unable to review an example of their work as part of our audit but are satisfied that the introduction a Peer Review Group will provide greater opportunity for both learning and recognition of appropriate use of force.

Audit Assessment of Agreed Themes

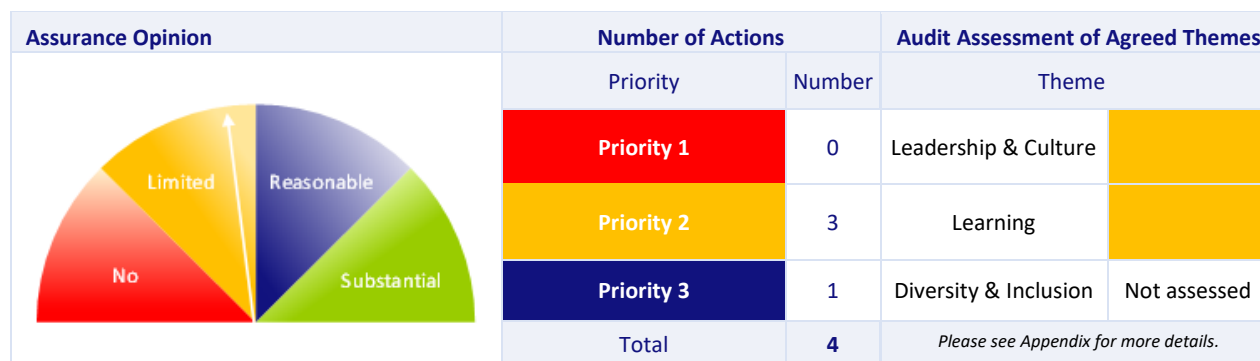
| Theme | RAG Rating | Rationale |
|-----------------------|------------|--|
| Leadership & Culture | | The Force has introduced a number of changes to help improve their governance, oversight and scrutiny over the use of force. These changes have been implemented from the top and have impacted positively on the culture of the organisation, particularly in terms of improved data quality, capture and reporting surrounding the use of force that has been evident in our testing. |
| Learning | | The Force recognised weaknesses that impacted on its ability to deliver effective scrutiny over the use of force. Particularly at the beginning of 2020, the Force has identified issues with data quality and under reporting in this area and has implemented changes to improve this through the introduction of a new use of force form that came into effect in October 2020. The new form helps address weaknesses with Niche that was used previously to record use of force incidents. The new use of force form has resulted in increased reporting and improved data quality over this area. Mechanisms are also in place to help implement learning where it is identified through scrutiny activity such as the review of specific cases by the SPPP and newly formed Peer Review Groups that will be fed to the SSISP and directly to line management if necessary. |
| Diversity & Inclusion | | The Force has improved its data quality with regards to use of force. In particular, addressing gaps in ethnicity / disproportionality information it previously held in Niche. Through the introduction of a new use of force form that is more accessible to police officers and staff, the Force now has mandatory perceived ethnicity fields (previously not included within Niche) to help ensure this information is captured enabling more accurate reporting over ethnicity and disproportionality. We have noted fewer cases where police officers and staff are not providing ethnicity information when reporting a use of force incident. |

Audit Objective

To provide assurance regarding the adequacy and effectiveness of the Constabulary's remote working arrangements with due regard to safeguarding its information assets.

Link to SRR

CC SRR1 - The loss of legitimacy and public confidence. **CC SRR3** - Lack of robust Information Governance arrangements compromise our compliance with legislation (including General Data Protection Regulations / Data Protection Act 2018 and others). **OPCC SR5** - Lack of public confidence in or awareness of OPCC.

**Risks Reviewed**

Insecure or inadequate remote working arrangements may result in a breach of Official and Official-Sensitive data, poor work performance, an unsafe work environment, reduced productivity and higher employee turnover which could result in a loss of confidence in the policing service, reputational damage, and financial loss.

Assessment

Medium

Risk Management Awareness

Improvement Needed

Key Findings

Managed laptops are fundamental to remote working capability. However, the current laptop operating system (O/S) build was unsupported by Microsoft and hence not fully secure. An NEP aligned O/S build was under development and testing was underway, but a proportion of older devices will not support the new build. A tender has gone out to replace this equipment, but this process will take several months to resolve.



Oversight groups were assessing the changes arising from remote working including health and safety, staff wellbeing, contractual change, performance management, technology as well as information security. The 'Fit for Futures – Resetting' Project has also been set up. The challenges of safeguarding information assets in a domestic working environment were highlighted, as were those concerning the access of National Systems data. National guidance was also being monitored. However, the process to manage this activity and the risks arising were still maturing and as such has not been fully embedded at the time of this review.



The current remote working supporting policies and procedures need to be updated and authorised before these can be shared with staff. The Information Security (IS) Manual was 77 pages long and targeted all responsible for enforcing good IS practices (both technical and non-technical staff). Consequently, the detail could be quite complex in parts and staff may find a large policy difficult to follow and/or absorb those areas specifically for them. Guidance on cyber security was also available via the intranet, but some of this was also lengthy.



Staff have three options for raising service desk tickets, but email was not working for this group and was not effective in terms of required data. Email was successfully used for auto raising tickets from external bodies.

Audit Scope

We focussed on consideration of the following as part of the audit:

- Reviewed the adequacy of the Force's Information Security (IS) policies and procedures that support remote working.
- Identified what IT equipment was provided to facilitate remote working and what IS baseline/standard has been applied to the underlying technology to ensure an adequate and consistent level of security.
- Determined the Force's arrangements to maintain effective IS remote working arrangements going forward post Pandemic.
- Established the IT service support mechanisms and explored whether this had changed during the pandemic.

*Please note: It was intended to support this audit with a Staff Homeworking survey, which would be performed during Q3 as part two of this audit. This will **not now** take place or form part of this audit as further discussion concluded that such an assessment should not be a one off; this function is to be undertaken annually by ASC to ensure staff continue to recognise their own obligations to maintain effective information security around the force's information assets when working from home.

Summary

The detailed findings from this audit are documented within Appendix below together with actions agreed to improve controls that will help ensure good remote working practice and provision is confirmed and strengthened for future benefit.

Appendix

Findings & Action Plan

| 1.1 | Finding | 1.1 | Action |
|-----|---|--|-----------------------------|
| | <p>Remote access privileges to the Force’s systems were formally managed and controlled via initial basic setup and additional role related processes. In addition, new starter, collar number change and leaver access were effectively managed with clear processes in place, though these were subject to change (via OLEEO system) at the time of this review. Furthermore, access by staff from other police forces as well as approved third parties was enabled via applicable verification stages.</p> <p>Remote access to applications hosted by Avon & Somerset Constabulary (ASC) in their data centres was via a Virtual Private Network (VPN) on the Cisco Any Connect Service. We were informed that this would only accept connections from those devices owned and managed by ASC and the VPN provided restricted connections directly to the Force’s services only. Laptops had been provided to all staff, but the current default operating system build was out of support and could be vulnerable to cyber-attacks. An active programme was underway to develop and test a new operating system build for ASC, aligned with the National Enabling Programme (NEP) DR3 specification. We were informed that 4000 laptops were being sourced to replace those in service which did not support the new build, and that this was to be implemented within a six-month time frame. The new build and deployment model would facilitate automated updating and patching which would better safeguard the Force’s infrastructure against identified cyber threats. For this purpose, Microsoft Endpoint Manager would also be used for the configuration management of updates and patching of those devices with the new build.</p> <p>We were also informed that the present timelines to replace Sophos Anti-Virus with Microsoft security product Windows Defender anti-malware tools may result in a requirement for an extension to the ASC Sophos licence. This was being monitored by the Force.</p> <p>Secure networking connections for remote working were in place before the Pandemic, and these had been scaled up to accommodate the increased demand arising from the greater number of staff working from home. Formal change management was in place to support modifications to the ICT estate. Finally, network monitoring for threats was undertaken by the centralised police Network Monitoring Centre, which would pass alerts through to ASC Service Desk for review and action as necessary.</p> | <p>The deployment of the NEP DR3 operating system build should be expedited to the laptop estate as soon as possible. This will enable the Force to establish a secure and easily updatable standard build.</p> <p>Agreed Action</p> <p>We are in the process of testing the new build and will roll this out force wide as soon as possible.</p> | |
| | | Priority | 2 |
| | | SWAP Ref. | 45894 |
| | | Responsible Officer | Director of IT |
| | | Timescale | 31 st March 2022 |

| 1.2 | Finding | 1.2 | Action |
|-----|---|--|-------------------------------|
| | <p>The Force had been supportive of the requirement for staff to work from home where possible during the Covid-19 Pandemic. Pulse Surveys conducted in 2020 provided evidence that staff had adapted well to home working with 63% wanting to see increased working from home and a further 27% asserting that they were more effective when doing so. Consequently, the Force determined that home working should become a permanent part of people’s roles where practical.</p> <p>We have been provided with evidence of the significant analysis and planning that had gone into the work of Covid Gold and Silver Groups, as well as the Resetting the Workforce – Ways of Working Group. Furthermore, the 'Fit for Futures - Resetting' Project Terms of Reference, formally ratified in May 2021, documented the technical interdependencies that impacted this that included: Laptop refresh programme, Mobile phone refresh programme and the O365 rollout.</p> <p>We also noted that forward planning in support of the remote working landscape included reference to health and safety, staff wellbeing, contractual change, and performance management. Furthermore, the challenges of safeguarding the Force's information assets from a domestic working environment have also been highlighted during our discussions with those involved.</p> <p>SWAP had been asked by management to incorporate a survey into this audit to help the force determine cyber-security awareness amongst its staff. However, further discussions have now concluded that such an assessment should not be a one off. Instead it could be performed annually to ensure that ASC staff do continue to recognise their own obligations to maintain effective information security (IS) around the force's information assets. Consequently, at the time of this review, the Force was reviewing their survey to ensure it provided an effective means to assess the adequacy of ASC remote working staff domestic arrangements as far as IS was concerned and how this could be evidenced for example, manager assessment, photographs of an individual's immediate home work area, key equipment they used etc. This could also be accompanied by a formal declaration by such staff that they continue to adhere to the ASC’s IS policies and guidance when accessing the organisation’s information and systems from their private homes. However, as the discussions surrounding this were on-going at the time of our reporting, we have been unable to completely evidence all this activity.</p> <p>The following were also highlighted as being impacted by remote working:</p> <ul style="list-style-type: none">• ASC staff access whilst remote working for centrally supplied national police IT services such as PNC and ANPR• Third party partner staff access to ASC services whilst remote working <p>However, since the above do impact other organisations, we were assured that the Force would continue to look to national guidance on these matters.</p> | <p>a) The Force should:</p> <ul style="list-style-type: none">• Capture sufficient information to enable the assessment of the security implications of ASC staff home working environment. This could be achieved by a survey, home visits, photographs, etc.• Such assessments should be undertaken annually with re-design where necessary to ensure any new IS risks concerning remote working are assessed.• Captures ASC staff acknowledgement of their individual IS responsibility to secure the Force’s information and systems, preferably annually. <p>b) To continue to monitor:</p> <ul style="list-style-type: none">• The risks to the secure methods by which remote working ASC staff access national police systems.• Security impacts and requirements around remote access to ASC systems by third parties. | |
| | <p>Agreed Action</p> <p>The Constabulary need to identify an individual to review accreditation requirements to National Systems to ensure they are compliant.</p> <p>The security impact and requirements around remote partner working will be looked into by the Force Information Security Officer (ISO) and Digital Security Officer (DSO).</p> | | |
| | <p>Priority</p> | <p>2</p> | <p>SWAP Ref. 45913</p> |
| | <p>Responsible Officer Force ISO, DSO & TBC</p> | | |
| | <p>Timescale 31st March 2022</p> | | |

| 1.3 | Finding | 1.3 | Action | | |
|-----|--|-----------------------------------|---|-------------------------|--------------|
| | <p>Key policy documentation to support Remote Working was in draft (for example, Information Security (IS) Manual, Remote Working Policy, Acceptable Use Policy etc) and these were in the process of being completed and reviewed ahead of their authorisation and distribution to staff. The IS Manual is 77 pages long, and whilst it contained a great deal of useful information, it may be easier to manage the content going forward (and to communicate the important messages it delivered) if it was broken down into succinct topic areas (or policies) that could be targeted at specific groups with the appropriate role and responsibilities.</p> <p>Remote working guidance was available to staff via the Intranet, but the quality varied from good, succinct do's and don'ts (e.g. Make your Home a Cyber Safe Stronghold) to some lengthy guidance (Covid 19 Presentation & Guidance Document) that at 17 pages may be too long to be easily absorbed and understood by staff.</p> <p>We were informed that policy and guidance was receiving attention through the Covid Gold, Silver and Resetting the Workforce groups.</p> <p>Existing policies and procedures were acknowledged by new starters primarily through e-learning programmes, and that system usage was monitored for compliance with procedures through the Internal Affairs Department. We note that the new starter induction checklist indicated introduction of e-learning programmes within 2 months of joining the Force. However, since ASC facilities such as equipment and services such as email are provided on joining the Force, this delay in training for safe practices is a concern. The delay may stem in part from the large number of policies that the Force has and whilst this is understood, these may benefit from reorganisation, so that key mandatory policies are highlighted for acknowledgement.</p> | | <p>Draft policies concerning remote working should be completed, reviewed, authorised, and approved for distribution to staff. Training to support these policies should be considered and given where necessary to ensure that staff do understand their IS responsibilities to safeguard the Force's information assets.</p> <p>Furthermore, consideration should be given to the reorganisation of the current (draft) IS Manual into separate policy areas to better deliver key IS messages to targeted staff / partner groups.</p> <p>The current remote working guidance offered to staff on the Intranet should be reviewed to ensure that it effectively highlights the Force's cyber security values and those behaviours expected of staff working remotely.</p> | | |
| | | | <p>Agreed Action</p> <p>The above actions are agreed.</p> <p>The Data Protection Officer (DPO) confirmed that she has recently received new and or updated policies that she is currently reviewing for adequacy. Training to support policy revision will be considered in due course.</p> | | |
| | | <p>Priority</p> | <p>2</p> | <p>SWAP Ref.</p> | <p>45883</p> |
| | | <p>Responsible Officer</p> | <p>Director of IT / DPO</p> | | |
| | | <p>Timescale</p> | <p>31st March 2022</p> | | |

1.4 Finding

There were two primary routes to creating a service request or an incident on the Service Desk tool, both of which were available to remote workers. A further route requiring email was not operative at the time of the review due to configuration issues with the mailbox migration. This third route may be discontinued in the future (to internal staff) to ensure that they used the preferred portal instead, however, the Force needed to retain this method for communication with outside bodies (e.g., CPS, National Monitoring Centre).

Service delivery was organised into two teams, Service Desk; request fulfilment and issue raising is the first layer, and Service Management including problem management and change management is the second. Incidents that evolved into problems would be tracked through the Service Desk tool 'Assyst', where resolutions and process changes were recorded. We were provided with management reports that indicated the Service Desk performance had been effectively maintained during the Pandemic period and that Service Request resolution itself had improved.

Finally, Service Level Agreements (SLA) targets were formal and built into Assyst. We were informed that these were being revised with a view to possibly utilising these as KPI's for the Service Desk team.

Please note, a priority 3 (lower level) recommendation to disable the email option to internal staff to raise a Service Desk ticket was raised to management.

Management Response to 1.4: 'The email option for raising a service desk ticket has been rejected by the IT Director who wishes to keep options open in terms of how end users report faults.'

Risk Management Awareness

Improvement Needed

Lack of oversight of remote working (domestic home) environment. A secure connection is required by remote workers for access to force hosted services, and a defined set of connections for Office 365 services are in place. However, the domestic internet connection contract is not with ASC but with the staff member, who can set the router security for domestic requirements without ASC oversight. Likewise the Force has no control over the remote worker's domestic environment and whether it is secure. It is unclear where responsibility for any future issues or liability may lie were a cyber security incident to occur in a domestic setting.

Audit Assessment of Agreed Themes


| Theme | RAG Rating | Reason for RAG Rating |
|-----------------------|--------------|---|
| Leadership & Culture | | The Force set up a covid working group at the early stages of the pandemic to address issues raised by government instructions for people to work from home where possible. The resulting Resetting the Workplace project has led on key themes particularly around staff wellbeing and safety as well as operational, contractual issues and the technical interdependencies have been identified. Necessary policy and procedure changes are acknowledged but at the time of our review this work was ongoing, with processes to manage risks around home working still maturing. |
| Learning | | Cyber security guidance for remote working has been provided through the staff intranet and communication channels, but this is not customised for policing, compulsory or monitored. Some policies and guidance were also quite lengthy and complex, but these were being revised. E-learning packages including technology and cyber awareness for new starters to embed good practice were not introduced at the earliest point in the induction process. |
| Diversity & Inclusion | Not Assessed | We have been unable to provide an opinion on diversity and inclusion specific to the process reviewed |

Audit Objective

To provide assurance that there is a sound framework in place at the Force and OPCC when handling complaints and that the new national guidance is adhered to.

Link to SRR

SRR1 - The loss of legitimacy and public confidence. OPCC SR5 - Lack of public confidence in or awareness of OPCC.

| Assurance Opinion | Number of Actions | | Audit Assessment of Agreed Themes | | Risks Reviewed | Assessment |
|---|-------------------|--------|---|--------------|--|--------------|
|  | Priority | Number | Theme | | The Force and OPCC do not have robust controls in place for complaint handling and review, leading to missed opportunities to learn from complaints made and resulting in reputational damage by failing to respond to complaints fully or at all. | Medium |
| | Priority 1 | 0 | Leadership & Culture | | | |
| | Priority 2 | 6 | Learning | | | |
| | Priority 3 | 1 | Diversity & Inclusion | Not assessed | | |
| | Total | 7 | Please see Appendix 1 for more details. | | Risk Management Awareness | Satisfactory |

Key Findings

| | |
|--|---|
| | A sample of 10 resolved complaints and 10 conduct and performance matters were reviewed against the requirements set out under the regulatory framework including the Police Reform Act 2002, Police (Conduct) Regulations 2020, Police (Complaints and Misconduct) Regulations 2020 and Police (Performance) Regulations 2020 as well as the IOPC and Home Office guidance over this area. A variety of compliance and data capture / recording issues were highlighted as part of this testing which have been detailed within sections 1.1 and 1.2 of Appendix 1. |
| | A sample of 10 cases subject to Reflective Practice Review Processes (RPRP) as set out under the Police (Conduct) Regulations 2020 were selected for testing against the regulatory framework. We identified some compliance issues with regards to RPRP including cases where an account by the participating officer which sets out their views on the matter to help in the reflective process were not provided. In addition, cases where the details of the case were not captured within an 'Appointment of Investigator' form which provides a summary of the matter to the individual in charge of carrying out the RPRP. We were also unable to confirm whether the appropriate authority was required to be informed of the outcome from RPRP in cases where they had directly referred the matter to be resolved through RPRP. Learning identified through RPRP was found not to have been captured within Centurion (the Force's complaints recording system) in most cases reviewed. |
| | Performance information related to complaints, conduct and performance matters is being captured within Qlik. This includes reporting on (but not limited to) the total number of complaints over the last 12 months; number of live cases; cases subject to RPRP; and average time to record and finalise cases. The information is reported to management for review, scrutiny and to assist with decision making. However, we have highlighted some issues which may impact on the integrity and quality of this data through our testing. |

Audit Scope

The audit considered the following:

- A review of complaints handling policies and procedures in place to help direct officers and staff in handling complaints appropriately and in accordance with statutory and regulatory requirements.
- Sample testing of resolved cases from February 2020 to ensure that they are compliant with the regulatory framework. This included complaints that have been reviewed by / referred to the OPCC (but not cases being investigated by the IOPC) as well as those that have been addressed under the Reflective Practice Review Process (RPRP).
- Any learning identified through the complaints handling process is being identified, captured, implemented.
- Any performance management information available over this area.

Summary

Given the range of issues highlighted through testing of complaint, conduct, performance and RPRP cases, a number of recommendations have been raised to help strengthen the controls in this area and to improve compliance with the regulatory framework and the data quality and integrity of complaints information that is reported to management for key decision making. The detailed findings from this review have been documented at Appendix 1 below.

Appendix 1

Findings & Action Plan

1.1 Finding

A sample 10 complaints were reviewed against the requirements set out under the regulatory framework including the Police Reform Act 2002, Police (Conduct) Regulations 2020, Police (Complaints and Misconduct) Regulations 2020 and Police (Performance) Regulations 2020 (collectively referred to hereafter as the 'regulatory framework') as well as IOPC and Home Office guidance over this area. The key findings from our review have been detailed below:

- 1/10 complaints were incorrectly assessed as requiring handling under Schedule 3 of the Police Reform Act 2002. In this case, the assessor originally determined that the complaint should be addressed under Sch. 3 but on review by an Inspector it was found not to require an investigation under Sch. 3. However, in this instance, Centurion (the system used to record the Force's complaints information) was not updated to reflect this change. Therefore, it appears to be an investigation under Sch. 3 which will have an impact on the integrity of data that is being reported over this area. A recommendation has been raised to help address this (1.1b).
- In 1/10 cases the views of the complainant were not sought nor was there any indication that attempts were made to seek their views on how to handle the investigation or their desired outcome. The Initial Assessment Form used to capture this information includes a specific field titled 'Views of Complainant'. In 4/10 cases reviewed, this field was left blank, and the views of the complainant were instead included within the main body of the form. This is captured under recommendation 1.1a.
- In 2/10 cases a Record of Complaint (ROC) was not generated as required. We were informed that at one stage in March 2020, an issue with Centurion meant that ROCs could not be generated for about a week. These two cases were received around this period. In 1/10 of these cases, a ROC was not provided to the complainant as required. This is captured under recommendation 1.1a.
- In 5/10 cases the complainant was not provided the contact details of the person handling their complaint. Instead, a generic email stating that this would be investigated was sent to them. This is captured under recommendation 1.1a.
- In 1/2 cases that needed to be referred to the IOPC, we could not evidence whether the complainant was notified that their complaint had been referred as required under the regulatory framework. This is captured under recommendation 1.1a.
- In 8/10 complaints reviewed, we were unable to evidence that the handler assigned to investigate the matter had made a written note to declare whether or not there was anything that could reasonably give rise to a concern about whether they or any member of the investigation team could act impartially (a declaration of interest). This used to be captured within an Investigation Workbook that

1.1a Recommendation

We recommend that the Head of Professional Standards ensures that the complainant, person under investigation and any interested party is kept informed of the progress of their case. This should include processes to ensure that a Terms of Reference is produced and shared with the complainant and person under investigation to seek their agreements to the scope of the investigation, comments, or concerns. Evidence to support correspondents with the above individuals should be retained centrally.

Agreed Action

We have reviewed the recommendation and recognise some of the issues cross over into each area. These issues can be considered themes and are valuable insight which will be captured on the department's Single Delivery Plan for onward scrutiny.

Beyond the key themes, the audit has identified multiple administration and recording issues in particular these include updates to Centurion and saving of documents, and some non-regulatory compliance including contact, updates and communication. The department will reflect and embed appropriate changes to improve in these areas recognising the importance for legitimacy.

However, it is also relevant to provide some context which has likely impacted on compliance by PSD. PSD agreed to handle all complaint investigations between March – November 2020 to release front line capacity to respond to policing the public health crisis. Both national and regional PSD meetings indicate ASC was one of only a small number of forces to have allocated all complaints to its PSD to protect front line resources. We have not identified another force that undertook this exceptional position. This was on the backdrop of a change in Regulations and a significant increase in complaints. In only the last 12 months, complaints have increased by over 68%. The additional pressure in PSD has impacted on timeliness, effective supervisor reviews and administrative inconsistencies.

| | | | |
|---------------------|-------------|-----------|-------|
| Priority | 2 | SWAP Ref. | 46102 |
| Responsible Officer | Head of PSD | | |
| Timescales | 31/01/2022 | | |

is no longer in use but should now be captured elsewhere (e.g., Centurion). This is captured under recommendation 1.1c.

- In 1/8 cases requiring a Terms of Reference (ToR), no ToR was found on file. In 7/8 of the cases, there was no evidence to support that the ToR had been sent to the complainant prior to the commencement of the investigation. However, in 6/8 of these cases, a ToR was detailed within the final Investigation Report, but this will have only been shared until after the investigation had been concluded. Therefore, this would not have allowed the complainant to comment on the scope of the investigation prior its commencement. It should be noted that the regulatory framework only mandates a ToR for investigations that are subject to special procedures. However, the IOPC expects all investigations to have a ToR. Avon and Somerset Police have taken the approach to complete a ToR in all cases subject to a formal investigation as recommend by the IOPC. This is captured under recommendation 1.1a.
- No Investigation Report was produced for 1/8 cases reviewed that required one. Upon further Investigation, the Investigating Officer in charge of handling the complaint was found to have left the Force and was known by the Professional Standards Department (PSD) not to follow processes properly. In this case, a letter to the complainant was sent instead which detailed the findings of the investigation which was not reviewed or approved by the Appropriate Authority. This appears to be an isolated incident and therefore, no formal recommendation will be raised.
- In 2/10 cases where a copy of the Investigation Report should have been sent to the complainant, Centurion was updated to state that a copy had been sent out, but this had not been attached within the files reviewed. Therefore, we were unable to confirm whether this had actually occurred. This is captured under recommendation 1.1a.
- In 3/8 cases where the person under investigation should have been given a copy of the Investigation Report, there was no evidence to support that they had been provided with a copy. In 2/3 of these cases, there was no evidence within the files reviewed that the person under investigation had been notified of the outcome of the investigation either. This is captured under recommendation 1.1a.
- In 5/10 cases the complainant was not notified of the outcome of the complaint within 5 working days of it being determined. The longest was 14 working days. This is captured under recommendation 1.1a.
- In 2/3 cases where learning had been identified following an investigation, Centurion had not been updated to reflect what the learning was despite it being included within the report. This is captured under recommendation 1.1b. and at 1.3b.

Given the variety of issues highlighted from our testing, the Force may benefit from undertaking regular dip sampling of resolved complaints, conduct and performance matters to ensure that they are compliant with statutory requirements and agreed procedure and to provide assurance over this area.

1.1b Recommendation

We recommend that the Head of Professional Standards ensures all officers and staff in charge of investigating a complaint, conduct or performance matter ensure:

- Cases that are reassessed on review as either requiring an investigation under Sch. 3 of the Police Reform Act (or not) or those that require no further action to be taken are updated on Centurion accordingly.
- Centurion is updated with any learning identified from an investigation.

Agreed Action

Agreed to communicate these requirements to all Investigators as part of our monthly CPD training.

| | | | |
|---------------------|-------------|-----------|-------|
| Priority | 2 | SWAP Ref. | 45977 |
| Responsible Officer | Head of PSD | | |
| Timescale | 31/01/2022 | | |

1.1c Recommendation

We recommend that the Head of Professional Standards ensures all Investigating Officers record a written declaration confirming whether or not there is anything that could reasonably give rise to a concern about whether they or any member of the investigation team could act impartially at the earliest opportunity.

Agreed Action

Agreed to ensure this is introduced into our processes and that Investigators are reminded of this requirement under the legislation as part of our monthly CPD training.

| | | | |
|---------------------|-------------|-----------|-------|
| Priority | 2 | SWAP Ref. | 45978 |
| Responsible Officer | Head of PSD | | |
| Timescale | 15/12/2021 | | |

1.1d Recommendation

We recommend that the Head of Professional Standards implements regular dip checking of resolved complaints, conduct and performance matters to ensure that they are compliant with statutory requirements and agreed processes.

Agreed Action

This will be built into the Sergeant Review Process which was introduced at the end of 2020 and is scrutinised at our monthly SLT meetings.

| | | | |
|---------------------|-------------|-----------|-------|
| Priority | 2 | SWAP Ref. | 45979 |
| Responsible Officer | Head of PSD | | |
| Timescale | 31/01/2022 | | |



| 1.2 | Finding | 1.2a | Recommendation | | | | | | | | | | | |
|----------------------------|---|---|-----------------|----------|------------------|-------|----------------------------|-------------|--|--|------------------|------------|--|--|
| | <p>A sample 10 conduct and performance matters were reviewed against the requirements set out under the regulatory framework. The key findings from our review have been set detailed below:</p> <ul style="list-style-type: none">▪ We selected a random sample of 10 conduct and performance matters that were resolved by investigation. However, on reviewing our sample, we found two instances where the matter was actually resolved before a formal investigation took place and no further action was taken in these cases. However, this was not updated in Centurion and therefore, was included in our sample. Where Centurion is not updated to reflect the accurate status of a case, this will have an adverse impact on data quality that is being reported to senior management and through Qlik. This is captured within recommendation 1.1b above to help address this going forward.▪ In 1/2 cases where the IOPC had to be notified of the matter, there was no evidence to confirm that an interested party in the case had been informed of the referral. A recommendation has been raised within 1.1a above to help address this.▪ In 1/5 cases requiring a declaration of interest to be made by the Investigating Officer, we were unable to evidence that the handler assigned to investigate the matter had made a written note to declare whether or not there was anything that could reasonably give rise to a concern about whether they or any member of the investigation team could act impartially. A recommendation has been raised within 1.1c above to help address this.▪ In 3/5 cases requiring a Terms of Reference (ToR), no ToR was found on file. In two of these cases, there was no evidence to support that the ToR was provided to the person under investigation for comment. A recommendation has been raised within 1.1a above to help address this.▪ In 1/1 cases where there was an interested party who had a right under the regulatory framework to be kept informed, there was no evidence on file to support that they had been or whether they were informed of the outcome of the investigation. A recommendation has been raised within 1.1a above to help address this.▪ In one case we reviewed, following an investigation it was determined that the issue would be resolved under RPRP. However, a copy of the Investigation Report was not provided to the individual under investigation, and it was not clear whether they should have been provided this. We have raised a recommendation within 1.2a for management to clarify whether this should occur and introduce it into the process where it is determined that it should.▪ In 5/7 cases where learning was identified, Centurion had not been updated to reflect what the learning was despite it being included within the report. A recommendation has been raised within 1.1b above and 1.3b below to help address this. | <p>We recommend that the Head of Professional Standards clarifies whether or not a person under investigation is entitled to receive a copy of an Investigation Report where RPRP is determined as the outcome and ensures that this is implemented into the current process where it is determined that it should occur.</p> <p>Agreed Action</p> <p>A copy of the Investigation Report should be shared with the person under investigation where appropriate and in line with the regulatory framework. This will be communicated to all Investigators as part of our monthly training.</p> <table><tr><td>Priority</td><td>3</td><td>SWAP Ref.</td><td>45980</td></tr><tr><td>Responsible Officer</td><td colspan="3">Head of PSD</td></tr><tr><td>Timescale</td><td colspan="3">15/12/2021</td></tr></table> | Priority | 3 | SWAP Ref. | 45980 | Responsible Officer | Head of PSD | | | Timescale | 15/12/2021 | | |
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| Responsible Officer | Head of PSD | | | | | | | | | | | | | |
| Timescale | 15/12/2021 | | | | | | | | | | | | | |

1.3 Finding

A sample of 10 cases subject to Reflective Practice Review Processes (RPRP) as set out under the Police (Conduct) Regulations 2020 were selected for review. These are matters that would not justify the bringing of disciplinary proceedings and relates to behaviours and actions that have often previously been captured and handled within formal investigations and disciplinary proceedings as allegations of misconduct that resulted in lower-level actions and outcomes including, Management Advice, or no further action in some instances. The intention is that disciplinary proceedings are focused and applied to serious breaches of the Standards of Professional Behaviour where it is clear that a formal disciplinary sanction (at a minimum a written warning) is justified. The key findings have been discussed below:

- In 2/10 cases no account was provided from the participating officer subject to RPRP. The purpose of this account is for the participating officer to provide their views on the matters that will be discussed during the process and to begin reflecting on the circumstances, actions and behaviours that contributed to the matters that are under discussion. The account is captured within the RPRP Report completed by both the participating officer and reviewer. A recommendation has been raised within 1.3a to help ensure this is provided and appropriately captured as part of this process.
- In 1/10 cases no Appointment of Investigator Form had been completed. The Appointment of Investigator form sets out the details of the participating officer subject to RPRP, the reviewer, the practice requiring improvement and the complainants' details (if applicable) to help assist the process. A recommendation has been raised within 1.3a to help ensure this is provided as part of the RPRP process.
- We were unable to evidence whether the Appropriate Authority who had requested the matter to be resolved under RPRP had been informed or cited of the findings following its conclusion. It is not clear whether this ought to be done and therefore, a recommendation has been raised within 1.3a clarify whether this ought to occur and to implement it where it is determined that the Appropriate Authority should be informed of the outcome of RPRP.
- In 8/10 cases where learning had been identified through RPRP, Centurion had not been updated to reflect what the learning was despite it being included within the RPRP report produced by the reviewer. A recommendation has been raised within 1.3a and 1.3b to help address this.
- We substituted two 'RPRP' cases from our original sample for two other cases because we found that the original two were only subject to Reflective Practice which applies only to conduct that does not amount to a breach of the Standards of Professional Conduct. These were included in our report because the individual who updated Centurion incorrectly categorised this as RPRP and not RP which will have an impact on the integrity and quality of the data that is being captured and reported.

Given the importance of individual and organisational learning enshrined within RPRP and the gaps we have identified in our testing with regards to capturing this information appropriately, the Force should consider implementing regular dip sampling of learning specifically to ensure that it is being recorded in line with agreed procedure.

1.3a Recommendation

We recommend that the Head of Professional Standards ensures all officers and staff in charge of completing RPRP ensure:

- An account from the participating officer is obtained.
- The Appointment of Investigator Form is completed.
- Learning identified through RPRP is captured within Centurion.
- Cases are correctly categorised as RPRP and not Reflective Practice in Centurion.

In addition, the Head of Professional Standards clarifies whether the Appropriate Authority ought to be informed of the outcome of RPRP in cases.

Agreed Action

Agreed to discuss and communicate this as part of our monthly CPD Training.

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| Priority | 2 | SWAP Ref. | 45981 |
| Responsible Officer | Head of PSD | | |
| Timescales | 15/12/2021 | | |

1.3b Recommendation

We recommend that the Head of Professional Standards implements regular dip sampling to ensure learning is being captured and recorded properly within Centurion and that there is evidence to support that any learning identified has been implemented (e.g. through confirmation from line managers etc.). For example, this could include running regular reports from Centurion on resolved conduct, complaints, performance and RPRP cases with no learning recorded and checking whether or not this is accurate by reviewing source data (e.g., an Investigation Report, RPRP Report etc.). Appropriate action should be taken where poor or unsatisfactory performance is identified.

Agreed Action

PSD will conduct a regular review to ensure learning is being captured and recorded appropriately.

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|---------------------|-------------|-----------|-------|
| Priority | 2 | SWAP Ref. | 45982 |
| Responsible Officer | Head of PSD | | |
| Timescale | 31/01/2022 | | |

1.4 Finding

We tested a sample of 10 cases where the outcome of an investigation had been appealed by the complainant and reviewed by the OPCC. No issues were identified in any of the 10 cases we looked at and we were satisfied that the process for reviewing appeals had been followed. However, we were unable to independently verify whether the person complained about was notified of the outcome following a review. Upon completion of a review, the reviewer will update Centurion with the outcome which will then be work flowed back to the Appropriate Authority (the Force). It is then for the Force's responsibility to notify the person complained about of the outcome. Whilst we were unable to confirm whether this actually occurred in the reviews we tested, we did note that in all cases Centurion had been updated and this information had been work flowed to the Appropriate Authority. The findings have been included for management consideration.

Audit Assessment of Agreed Themes

| Theme | RAG | Rationale |
|-----------------------|--------------|---|
| Leadership & Culture | | The leaders / senior management of the organisation understand the importance of having an effective complaints system in place. However, work is required to improve the application of procedures and processes that govern the way in which complaints should be recorded and handled which has been highlighted by our findings. This may be attributed to a culture issue / concern of individuals in charge of investigating and resolving complaints, conduct and performance matters. |
| Learning | | A number of specific findings relating to the way in which the Force records and actions learning on an individual and organisational basis have been highlighted within our report. This has impacted on the RAG rating we have been able to provide over this area. |
| Diversity & Inclusion | Not assessed | We have been unable to provide an opinion on diversity and inclusion specific to the complaints handling processes reviewed. |