

AUDIT COMMITTEE

Monday 21st September 2020 at 14.00 hrs
Microsoft Teams

A G E N D A

Note for Members of the Public: Due to the exceptional circumstances this meeting is being held via Microsoft Teams, please contact the OPCCN (details below) prior to the meeting if you wish to submit questions to the Committee on any matter on the public part of the agenda.

Questions should be addressed to the Chair of the Audit Committee.

- The details of the Audit Committee and relevant papers are on the website.
- The deadline for submission of questions is five clear working days before the meeting in order that an appropriate answer to the question can be given.
- Questions should be submitted by email to: - opccn@norfolk.pnn.police.uk or written questions can be sent via post to the Office of the Police & Crime Commissioner. (address below).
- A list of questions will be drawn up in order of receipt and copies of all questions and statements will be circulated to all members of the Committee.
- Each member of the public asking a question must give his or her name and the town that they live within Norfolk. We will publish the question and response on our website but redact individuals' details.

Part 1 – Public Agenda

1. Welcome and Apologies
2. Declarations of Personal and/or Prejudicial Interests
3. To approve the minutes of the meeting held on 21st May 2020page 04
4. Review and update the Action Logpage 13

5. Internal Audit – Reports from Head of Internal Audit (TIAA)
 - 5.a 2020/21 Progress Report page 17
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6. Corporate Governance Framework - Report from Chief Finance Officer..page 64
7. Annual Governance Statement (final draft)page 66
8. Audit Committee Skills review – Report from Chief Finance Officerpage 82
9. Treasury Management briefing note on issues arising from Covid 19
 - Report from Chief Finance Officerpage 85
10. Forward Work Plan – Report from Chief Finance Officerpage 88

Part 2 – Private Agenda

11. Strategic Risk Register Update and Covid 19 response – Report from Chief Executive and Chief Constable – OPCCN and Norfolk Constabulary
12. Date of Next Meeting

Tuesday 20th October 2020 at 1400 hrs - Venue TBC

Enquiries to:

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如果您希望把这份资料翻译为国语，请致电 01953 424455 或发电子邮件至：

opccn@norfolk.pnn.police.uk 联系诺福克警察和犯罪事务专员办公室。

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opccn@norfolk.pnn.police.uk

Se desejar obter uma cópia deste documento em português, por favor contacte o Gabinete do Comissário da Polícia e Crimes através do 01953 424455 ou pelo e-mail:

opccn@norfolk.pnn.police.uk

Jei šio dokumento kopiją norėtumėte gauti lietuvių kalba, prašome susisiekti su Policijos ir nusikalstamumo komisarių tarnyba Norfolk grafystėje (Office of the Police and Crime Commissioner for Norfolk) telefonu 01953 424455 arba elektroninio pašto adresu opccn@norfolk.pnn.police.uk

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opccn@norfolk.pnn.police.uk

Audit Committee Meeting

Thursday 21 May 2020

10:30 hours

Via dial in

MINUTES

Members in attendance:

Mr R Bennett (Chair)
Ms A Bennett
Mr P Hargrave
Ms J Hills

Also, in attendance:

Mr P Jasper	Assistant Chief Officer (ACO), Norfolk Constabulary
Ms J Penn	Chief Finance Officer, OPCC (PCC CFO)
Mr C Harris	Head of Internal Audit, TIAA
Ms F Dodimead	Audit Director, TIAA
Mr M Hodgson	Associate Partner, Ernst & Young LLB
Mrs J Curson	(notes)

Guest: T/DCC S Megicks

Part 1 – Public Agenda

1.0 Welcome and Apologies

1.1 Apologies were received from PCC L Green, Chief Executive M Stokes, DCC P Sanford, and A Matthews

2.0 Declarations of Personal and/or Prejudicial Interest

2.1 None

Gold Response Covid19 – Brief by T/DCC Simon Megicks

T/DCC Simon Megicks attended the meeting as a guest to give a comprehensive update to the Committee as the Constabularies' lead for the Gold Response for Covid19. This outlined the governance arrangements including the links with partner agencies, approach to managing risks, and the key issues encountered.

Overall sickness levels have reduced to normal levels after an initial spike, and reported crime has reduced overall as a result of lockdown arrangements.

T/DCC Megicks also outlined a recent peer review of the arrangements and that this review had been very positive.

Work is underway to plan for the Restore and Reform phases of the response to the pandemic.

ACO P Jasper - Covid19 update

The ACO outlined that in addition to the peer review, internal audit work was planned that will look at our financial controls throughout this period. Coupled with the peer review this will ensure the appropriate assurances can be given to the Committee in terms of our response to the current crisis.

The ACO outlined that governance had been maintained across the constabulary including the back office. In terms of impact on the back office, some areas have been more impacted than others. However, a significant amount of the back office has been able to run close to business as usual and business continuity plans had held up well.

CFO J Penn – OPCC Covid19 update

OPCC governance has worked well during the lockdown period. More funds are being made available through the Ministry of Justice and these are being channelled through to service providers such as domestic abuse support. Currently demand is low but as we come through the recovery period it is anticipated that demand will increase. The Committee will continue to be updated in relation to progress.

A Bennett asked the following question:

What is the financial impact in relation to loss of income from cancelled events, and increased costs due to Covid19? Are there any other big issues around loss of income that will cause financial risk as a result of this?

ACO P Jasper – response

Finances are tracked on a weekly basis through the gold command group, as previously described by T/DCC Megicks. In terms of incremental impact, there is forecast to be around £400,000 costs mainly as a result of purchasing additional personal protective equipment. There has been an acceleration in the purchase of

laptops to increase capacity to work from home but this spend is currently within the current capital programme.

There is a risk of loss of income particularly around the speed awareness courses but this will be kept under review and discussed at the gold group meeting.

In terms of mitigation against those financial risks all the information is being provided to the Home Office on request. There are discussions around potential funding from the Home Office depending on how significant the impact is across the country.

The constabulary will also look to manage other costs to help manage the impact of spending on Covid19 response. The constabulary also has modest contingency budgets available and as a final backstop use of reserves would be requested from the PCC. All financial information is also provided to the PCC and the CFO.

CFO J Penn – response

More funding is being made available for PCCs to help support victims of crime in the county during the crisis. The OPCC is on the local resilience forum and has the community safety lead for Norfolk and so it is making sure funding can be directed where it is needed.

The PCC is aware of the additional costs for the constabulary. He also has a weekly meeting with the Policing Minister to allow PCCs to remain informed and raise issues with the Minister as necessary

Audit Committee – review of conference call arrangements

The Chair asked for all the attendees at the meeting to feedback any comments to himself, the ACO and the PCC CFO about the effectiveness of the technology used for this meeting to enable decisions to be made in relation to arrangements for future meetings.

New Action: 024

3.0 To confirm the minutes of the meeting held on Tuesday 14 January 2020.

3.1 Amendment made to 5.17 – wording collaborated to be changed to collaborating. The minutes of the 14 January have been duly amended to reflect this change.

3.2 Addition to be made to 5.18

A Matthews asked the following two questions:

How does the Committee know when internal auditors are placing reliance on work that has been carried out internally by the constabulary? How does the Committee get to know about these other internal reviews?

The minutes of the 14 January have been duly amended to reflect this change.

Both of these – questions to be added to the action log for further follow up.

New action: 025

3.3 Subject to the two changes 3.1 and 3.2 above, the Committee agreed to accept the minutes of the 14 January as accurate.

3.4 **Action Log**

The following actions were re-opened as live actions:

Actions 006, 008, 012, 016

Please see action log for all other updates for 21 May 2020.

3.5 **Internal Audit Contract**

It was requested by A Bennett that an item that was discussed at the Committee Meeting on 14 January (item 11.1 refers) be added to the action log.

Namely that the Audit Committee members offered to be part of the appointment process, if required. The PCC CFO informed meeting that work is in progress and once the timeline is ready the Committee will be invited to be involved in the process.

New action: 026

4.0 **Internal Audit – Head of Internal Audit (TiAA)**

4.1 **Annual Report**

The Chair informed meeting that there are three sections to the internal audit report; the annual report, the progress report and the plan and they will be considered by the Committee in that order.

4.2 F Dodimead reported that the Annual Report is very high level and so the progress report has been included as well to ensure the right level of detail. The annual report has reasonable assurance again this year.

4.3 There are four limited assurance reports:

- Dog handling
- GDPR
- Limited Duties
- Allowances

4.4 F Dodimead also informed the Committee that limited assurance reports in earlier years for DMS and Learning and Development will be carried forward.

4.5 The Chair asked TiAA to outline the justification for the overall reasonable assurance annual report this year, as last year there were only two limited assurance reports and this year there are four limited assurance reports. TiAA responded by informing the Committee that the overall reasonable assurance rating is not linked to specific numbers of limited assurance but takes into consideration a review of each audit in terms of governance and risk. This will be monitored each year and TiAA assured that the Audit Committee would be informed of any changes.

4.6 **Progress Report**

New action 027: There had been a number of questions raised by the Committee in relation to the reasonable assurance reports but due to time constraints these will be dealt with outside of the meeting via email. J Penn has a log of these and will ensure that they are forwarded to TIAA to be dealt with.

4.7 **Allowances Report – Limited Assurance**

There is an outstanding recommendation in relation to the priority 1 recommendation for the implementation of a new policy on honoraria and good work recognition. The Chair questioned the ACO about the progress with the policy as the deadline is showing as 31 December 2020. The ACO has now discussed this with the lead of the Policy and Reward team and the timeline has now changed to have the policies updated by October 2020. It was noted that the Committee are keen for this recommendation to be resolved as soon as possible and F Dodimead will update the deadline date on the report.

New action 028: A Bennett asked what was going to happen in the meantime until these policies are in operation and the ACO is to ensure that this is covered in the revised response and ensure the timetable for the new policies is amended in line with the discussions that took place.

4.8 The Chair expressed the view that there was a recurring theme with a number of these reports in that policies need to be reviewed or created.

New action 029: F Dodimead to discuss this with the Policy Unit when meeting with them in the next couple of weeks. This will be discussed further by the Committee either as a briefing session or an agenda item.

4.9 **Audit Plan**

The draft plan was considered at the last meeting and the updated plan was presented at the meeting. F Dodimead had received some changes to the plan after it had been submitted to the Suffolk Audit Committee and other comments had been received from the Committee and these will be incorporated within the plan.

4.10 In relation to Health and Safety there has been a question submitted about health and safety for Covid19 and F Dodimead confirmed that this would be covered.

4.11 A further question had been submitted about TIAA's ability to do audits during the current pandemic and their working arrangements in relation to audits. F Dodimead informed meeting that normally audits would be carried out virtually via video enabled technology, however, some site visits would take place and secure email addresses have been set up.

4.12 J Hills had raised a question about the timings of the new PCC elections and F Dodimead confirmed that this would be reflected in an updated plan along with a governance review of arrangements in response to Covid19.

- 4.13 F Dodimead also informed the Committee that they would be changing all of their audit programmes to include a standing item for Covid19 within each audit.
- 4.14 P Hargrave asked a question about collaborations and how we assess whether they are fulfilling the requirements and are we testing for value for money?
- 4.15 F Dodimead confirmed that there is a collaboration audit in the plan as it was moved from last year to this year. This will assess whether the arrangements are fulfilling the requirements, working in the way it was intended, what has been the impact and are there processes in place to assess if it has been successful.

New action 030: F Dodimead confirmed that following P Hargrave's question this would be considered within the review.

- 4.16 The Chair asked the Committee members if they were happy to approve the plan for 2020/2021 and all the members confirmed that they were happy to approve the plan.

5.0 Annual Governance Statement

- 5.1 The PCC CFO confirmed to the Committee that the annual governance statement was being finalised in conjunction with the ACO and that this also needed to factor in details in relation to Covid19. There has been a slight delay due to the response to Covid19. The plan is for this to be circulated to the Committee for their perusal before it is issued with the draft accounts and this will be issued via email. The ACO also confirmed that there would be some improvements incorporated from recommendations received from HMICFRS and internal audits.
- 5.2 J Hills also confirmed that she had sent her comments on the initial draft through to the PCC CFO and these will be incorporated within the next draft. More regular meetings have also been arranged throughout the year to discuss the annual governance statement; this will avoid any last-minute delays.
- 5.3 The document will go on line on 31 May 2020, but the PCC CFO informed the Committee that it will not finally be signed off until September / October 2020 as this is the timeframe for the Auditors to give their opinion on the accounts.

6.0 External Audit Plan

- 6.1 The external audit plan had been circulated and reviewed by the Committee and the Chair noted that he felt it was a very thorough and comprehensive document.
- 6.2 M Hodgson confirmed that two documents had been issued, one originally scheduled for the April meeting that was postponed and also an addendum to deal with Covid19 considerations.
- 6.3 One point to note is that the risk around property, plant and equipment has been re-designated as a significant audit risk for this year on the basis that a new

valuer has been appointed. Clearly, there are some additional procedures needed to ensure that EY are happy with their assumptions and engagement.

- 6.4 The rest of the audit considerations stem from Covid19 and impacts on audit. M Hodgson brought to the Committee's attention two key areas detailed in the report.
- 6.5 Firstly relating to property, plant and equipment as this is one of the key areas of focus. Valuers are being instructed by their governing body to include caveats within their reports that there could be a material uncertainty over valuations. This will cause concern to the auditors and if any better information becomes available during the course of the audit up to the point of signing which would have an impact on carrying values at the 31 March 2020 then the audit will reflect this.
- 6.6 Secondly, there is a similar impact on pensions and the valuation basis at the 31 March 2020.
- 6.7 M Hodgson also raised the issue of what Covid19 has done in terms of future funding, impact on current year budget, impact on medium term financial plans in a year when we only have a one-year home office settlement for 2020/21.
- 6.8 P Hargrave confirmed he was happy with M Hodgson's response in term of his question relating to the Pension valuation.
- 6.9 The Chair had raised a question which related to value for money, the impact of Covid19 on budgets and medium-term financial planning and confirmed he was happy with M Hodgson's response. This had also been covered by the Covid19 brief from the ACO and PCC CFO at the beginning of the meeting. It was also emphasised that it is important that the auditors are being kept up to date in relation to financial concerns caused by Covid19.
- 6.10 The Chair had also raised the question about the completion date for the audit and M Hodgson confirmed that there would be a team dedicated to undertaking the audit from 1 June 2020 and July 2020. Following a meeting which took place M Hodgson confirmed that they were not planning to report on the audit before October 2020 and also the Norfolk Pension Fund would not be concluded in time for the next Committee meeting in September 2020. The Chair asked for the option for the auditors to report at the September 2020 Committee meeting to be kept open. However, the PCC CFO informed meeting that there is also an October date set.
- 6.11 The Chair also raised the question of the fees which are showing at scale. M Hodgson informed meeting that there are areas of risk where additional procedures will be required and also Covid19 will need to be taken into consideration. In view of both of these there will be a fee implication. This has been discussed with the ACO and PCC CFO and there is an overall review in place.

7.0 Forward Work Plan

- 7.1 There were no questions raised by the Committee in relation to the forward plan.
- 7.2 As previously discussed the PCC CFO informed the meeting that the plan would be adjusted in relation to the completion of the external audit and issue of the opinion.
- 7.3 PCC CFO also informed meeting that everyone now should have received meeting requests for 2021. If there are any concerns about these dates please advise the PCC CFO.

Part 2 Private Agenda

8.0 Strategic Risk Register

- 8.1 PCC CFO informed meeting that the OPCC risk register presented is for April 2020 so this does include the Covid19 risks. There is a meeting taking place next week with the OPCC directors where the operational risk registers will also be considered in terms of how they relate to the strategic risk register. It was also noted that as we move through and out of the Covid19 pandemic the risk register will be amended accordingly.
- 8.2 The ACO informed meeting that a risk around business continuity had been included in the constabulary register. T/DCC Megicks had also outlined earlier the more detailed risk register he is maintaining through the gold command structure, which will feed into the departmental tactical risk registers.
- 8.3 Further work is ongoing to ensure that the register is kept under review and up to date.
- 8.4 A Bennett raised issue of date on the risk register showing as being updated December 2019 but clearly it is much later as Covid19 has been mentioned and the PCC CFO will arrange for this to be amended to April 2020.
- 8.5 A Bennett also raised another issue in relation to the risk level for harm to victims as she felt that this should be higher. The PCC CFO confirmed that this would be discussed at the OPCC directors' meeting next week.
- 8.6 **New action 031.** The Chair will contact A Matthews, who was not present at the meeting, to check whether he has any further thoughts or comments in relation to the risk register.

Post Meeting Addendum 17 June 2020 Internal Audit Contract

Initially, Norfolk and Suffolk were looking to go through a new procurement process for a new Internal Audit contract. Following the 7F Procurement team going live in January, the request to re-procure went through a 7F process to see if there were options to align contract dates across the seven. This review did highlight some

opportunities to align dates with Kent and Essex, and in February 2020 the view of the four CFOs / ACOs across Norfolk and Suffolk recommended extending the arrangements with TiAA for an additional period. This recommendation was discussed with Rob Bennett as Chair of the Audit Committee, as well as with the PCC and CC (and this was repeated in Suffolk), and the decision taken to proceed. The extension runs until 30/06/2021 as this will allow for the period where we receive the Internal Audit Opinion.

When the procurement process commences during 2020 for the new contract, the Audit Committee will be asked to take part in the process, and consultation will be undertaken with the Chair and members as to what this oversight role will be. A timeline for the new procurement will be provided ahead of the next audit committee.

The Audit Committee is asked to note and support the above, in terms of the contract extension, and the approach to taking forward the new procurement, with oversight from the Audit Committee.

Action 26 refers – it was agreed by the Committee after the meeting that this action can now be closed.

The meeting closed at 12:05 hours

Audit Committee

Action Log

Action Number	Meeting Date	Actions and update	Owner	Status
New actions: 22 October 2019				
003	22.10.19	<p>The Chair requested that a review of the STA register be included on the forward programme for the informal morning briefing sessions of the Audit Committee. This action is to be carried forward to be considered at the next free morning session.</p> <p>14.1.20 Information on the STAs provided to members in the informal briefing session on 14 January. Members to review outside of the meeting and provide comments to the chair.</p> <p>21.5.20 Further worked is planned by the newly formed 7Force Procurement Team and TIAA will be linked into this work. Results will be available for Norfolk in due course and the ACO will provide an update on the timeline at the June 2020 meeting.</p> <p>21.9.2020 The audit work on 7 Force Procurement will be complete shortly and the results shared with the Committee.</p>	R-Bennett P Jasper	Live
006	22.10.19	<p>ACO to arrange for the Committee to be briefed, at a forthcoming morning session of the Audit Committee, by Ralph Jackman who heads up the 2020 team.</p> <p>14.1.20 This is now on the list that has been circulated and will take place at the April 2020 meeting.</p> <p>21.5.20 The meeting in April was cancelled, so this action remains live.</p>	P Jasper	Live

		21.9.20 This will be covered in a morning briefing session in early 2021.		
008	22.10.19	The ACO will forward any updates received by him to the Audit Director to update the follow up report. 14.1.20 Action complete. 21.5.20 The next follow up report will be reviewed at the September meeting.	P Jasper	Live
012	22.10.19	Self-Assessment Document S Lister to check where the register of skills and experience is kept and then this to be circulated to the Committee for them to update their details. 14.1.20 Action complete. 21.5.20 The PCC CFO is preparing a report following the self-assessment review and will present a paper to the Committee meeting scheduled for September 2020. 21.9.20 Paper on the agenda for September meeting	S Lister J Penn	Live
016	22.10.19	Risk Management Policy and Procedure Monitoring and Review of Risk TIAA to read both documents and feedback any comments/issues with these documents to S Lister. Morning session of future Audit Committee to include brief from C Harris TIAA on risk appetite. 14.1.20 Action complete. 21.5.20 Action remains live. F Dodimead to feedback comments on the Risk Management Policy.	S Lister F Dodimead	Live
New Actions: 14 January 2020				
019	14.01.20	The PCC CFO to arrange for the Terms of References to be amended to reflect the changes recommended by the Committee. 21.5.20 This work is ongoing as the PCC CFO is currently finalising the changes. 21.9.20 Work now complete recommend to close	J Penn	Live
020	14.01.20	In future F Dodimead to inform the Audit Committee of any changes to the Audit Plan in the Progress Report. F Dodimead to add a column to this report to include the reason for any changes to the plan. 21.5.20 F Dodimead has arranged for the changes to be made to the report for the new year. The Committee agreed that this action is completed and can be closed.	F Dodimead	Closed
021	14.01.20	The ACO and F Dodimead to look at those recommendations that are linked to future changes to systems/processes and arrange for a separate report to be available for the Committee. 21.5.20 Revised report will be presented at the meeting in September.	P Jasper/F Dodimead	Live

022	14.01.20	The DCC highlighted the areas of HR/PEQF/Vetting and F Dodimead to ensure that these are brought forward in the plan. 21.5.20 Action complete.	F Dodimead	Closed
023	14.01.20	A Bennett queried the definition of the PCC and Legal Corporate Body and the PCC CFO to ensure that this is clarified in the Policy document. 21.5.20 Work ongoing action remains live 21.9.20 Work now complete recognising the PCC as the elected policing body – recommend to close	J Penn	Live
New Actions: 21 May 2020				
024	21.05.20	The Chair asked for all the attendees at the meeting to feedback any comments to either himself, the ACO or CFO about the effectiveness of the technology used for this meeting to enable decisions to be made in relation to arrangements for future meetings.	All	8.6.20 Action closed
025	21.05.20	14 January Audit Committee meeting - item 5.18 refers. A Matthews asked the following two questions: How does the Committee know when internal audits are placing reliance on work that has been carried out internally? How does the Committee get to know about other internal reviews? Both of these questions to be added to the action log for further follow up. 21.9.20 Suggestion is to have an annual review of HMICFRS reports where Constabulary can present a summary report of recommendations / AFIs	P Jasper	Live
026	21.05.20	Internal Audit Contract It was requested by A Bennett that an item that was discussed at the Committee Meeting on 14 January (item 11.1 refers) be added to the action log. Namely that the Committee members have offered to be part of the appointment process, if required. The PCC CFO informed meeting that work is in progress and once the timeline is ready the Committee will be invited to be involved in the process.	All	Addendum added to the minutes – action now closed – 17.6.20
027	21.05.20	Reasonable Assurance Reports There had been a number of questions raised by the Committee in relation to the reasonable assurance reports but due to time constraints these will be dealt with outside of the meeting via email. J Penn has a log of these and will ensure that	J Penn F Dodimead	Live

		they are forwarded to TIAA to be dealt with.		
028	21.05.20	<p>Allowances – Limited Assurance</p> <p>A Bennett asked what was going to happen in the meantime until these policies are in operation and the ACO is to ensure that this is covered in the revised response and ensure the timetable for the new policies is amended in line with the discussions that took place.</p>	P Jasper	Live
029	21.05.20	<p>Policies</p> <p>The Chair felt that there was a recurring theme with a number of these reports in that policies need to be reviewed or created. F Dodimead to discuss this with the Policy Unit when meeting with them in the next couple of weeks. This would then be further discussed by the Committee either as a briefing session or an agenda item.</p>	F Dodimead	Live
030	21.05.20	<p>Collaborations</p> <p>P Hargrave asked a question about collaborations and how we assess whether they are fulfilling the requirements and are we testing for value for money?</p> <p>F Dodimead confirmed that there is collaboration in the plan as it was moved from last year to this year. This will assess whether it is fulfilling the requirements, is it working in the way it was intended, what has been the impact and are there processes in place to assess if it has been successful.</p> <p>F Dodimead confirmed that following P Hargrave’s question this would be considered within the review.</p>	F Dodimead	
031	21.05.20	The Chair will contact A Matthews, who was not present at the meeting, to check whether he has any further thoughts or comments in relation to the risk register.	R Bennett	Complete

Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies

Summary Internal Controls Assurance (SICA) Report -
Norfolk

2020/21

September 2020

Summary Internal Controls Assurance

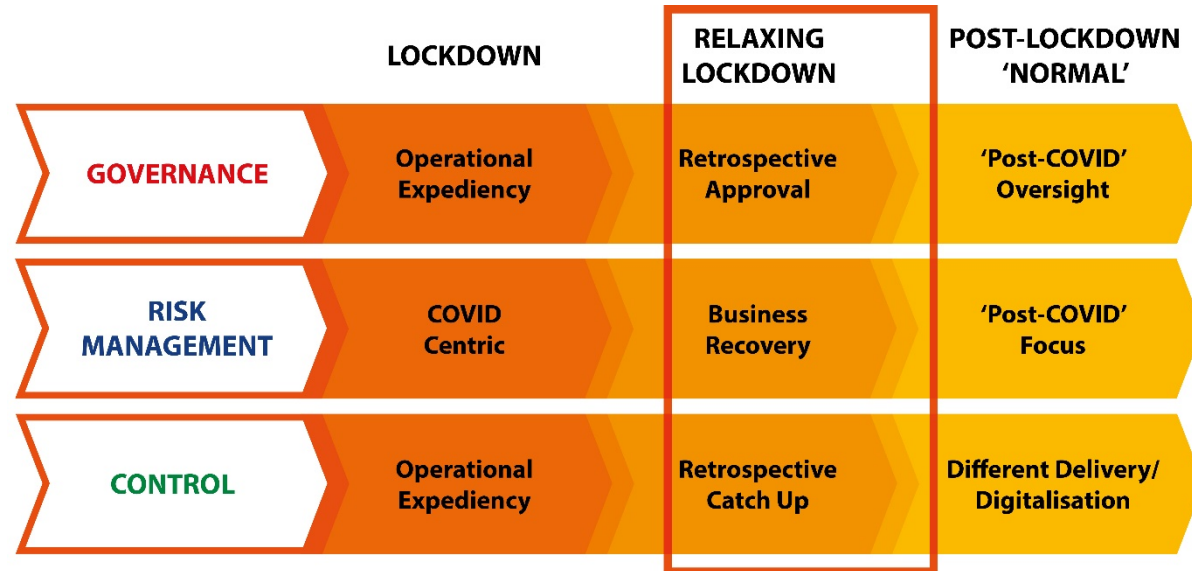
Introduction

1. This summary controls assurance report provides the Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies as of September 2020. The period covered by this summary controls assurance report was significantly impacted by the COVID 19 pandemic.

Emerging Governance, Risk and Internal Control Related Issues

2. COVID 19 is the most significant recent event to impact both strategically and operationally upon modern day Governance, Risk and Internal Control arrangements. There will be a number of phases in relation to the move through the pandemic and each phase has different implications for the Governance, Risk and Internal Control arrangements. Based upon the information garnered from our work at number of clients some of the potential strategic impacts for 2020/21 are summarised below. A key consideration is that there is unlikely to be a precise timeline when the organisation moves from one phase to the next and also there will be a consequential timelag as the organisation adapts and adopts new ways of operating. The box in the table below signifies the assessment of the current stage, which has gradually eased from lockdown to relaxing lockdown during the period covered by this SICA.

Impact on COVID 19 on strategic focus during business interruption



3. There are a range of operational matters arising from the COVID 19 pandemic which impact upon the Governance, Risk and Internal Control arrangements and examples of such have been summarised in Appendix A. During the COVID 19 period it would be prudent for Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies to compare the policies, procedures and internal control processes in effect during the pandemic against the policies, procedures and internal control

processes in effect prior to the onset of the pandemic. The matters identified should be risk assessed so as to gain awareness about where the undetected vulnerabilities that may exist so that an informed decision can be made around acceptance of such risks.

Internal Control Framework

Audits completed since the last SICA report to the Audit Committee

4. The table below sets out details of audits finalised since the previous meeting of the Audit Committee.

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
Covid-19 Controls Resilience	Reasonable	July	September	September		1		
Transformation and Business Case	Reasonable	September	September	September		2		1
Estate Strategy and Policy	Reasonable	September	September	September		1		

5. The Executive Summaries and the Management Action Plans for each of the finalised reviews are included at Appendix B. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress in actioning priority 1 recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA.
7. **COVID 19:** The progress against the planned work for the quarter has been disrupted by the COVID pandemic. In mid-March, when the potential scale and impact of COVID 19 was becoming evident it was agreed with the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies that the delivery of the internal audit service would be carried out remotely thereby minimising the need to physically access the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies offices/premises and to hold face to face meetings.
8. Our progress against the Annual Plan for 2020/21 is set out in Appendix C.

Changes to the Annual Plan 2020/21

9. A Policing Education Qualification Framework internal audit has been requested to replace the Learning and Development internal audit.

Frauds/Irregularities

10. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued. We regularly liaise with Professional Standards Department (PSD) regarding any work streams that may be relevant for internal audit. Our most recent meeting was held with the Detective Inspector of PSD on the 9th July 2020

Other Matters

11. We have issued a number of briefing notes and fraud digests, shown in Appendix D, which was previously held on our website.
12. An Audit Committee Chairs Newsletter was issued which provided guidance on potential COVID 19 related matters for Audit Committees.
13. We have reviewed recent guidance issued by the Internal Audit Standards Advisory Board (IASAB) in relation to internal auditing during the COVID-19 pandemic. The guidance aims to support heads of internal audit and individual internal auditors in continuing to meet their personal and professional responsibilities for conforming the UK Public Sector Internal Audit Standards (PSIAS). We can confirm continued conformance with the professional standards during this period.

Responsibility/Disclaimer

14. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Covid 19 – Governance, Risk and Control considerations during ‘lockdown’ phase

Area	Possible assurance from internal audit
<p>Governance: The speed of the need to respond to COVID 19 has significantly impacted on the strategic governance infrastructure:</p> <ul style="list-style-type: none"> • Urgent decisions taken for urgent operational reasons which would normally have gone through Board review and approval • Extension and rollover of procurement contracts • Disruption to management information received by the Board • Operational necessity for management dispensation to scheme of delegation and financial regulations • Move to remote working for reactive operational expediency reasons, rather than as part of a pre-planned strategy 	<p>Strategic Control and Corporate Governance – COVID-19 Resilience: A review of financial governance and decision making following the business interruption caused by Covid-19.</p>
<p>Risk Management: The markers which differentiate COVID 19 pandemic from most business resilience/recovery plans are:</p> <ul style="list-style-type: none"> • Speed of major disruption to business as usual did not permit normal level of preparation • International as well UK-wide, not local • Level of government intervention • Duration and severity • Move to medium term remote working arrangements by staff and suppliers • Consequential impact upon all the previous strategic risks 	<p>Business as Usual Resumption Arrangements: Targeted post-event risk mitigation assessment to identify any unintentional gaps in the risk management framework</p>
<p>Internal Control: COVID 19 has provided the perfect storm both in a positive as well as negative manner. The positive aspects are the expeditious embracing of digital business delivery. It is recognised that a number of government and/or regulatory guidance requirements were issued at short notice and many of these were without the normal consultation and similar. On a negative basis the following need to be recognised:</p> <ul style="list-style-type: none"> • Suppliers and contractors being unable to deliver contracted services • Increased digitalisation introduced at very short notice increases information governance risks • Temporary compromise of effective segregation of duties due to staff absences and/or remote working etc • Fraudsters seeking to take advantage of COVID disruption • Deferment and/or reprioritisation of services • Sudden and significant change in demand patterns for services 	<p>COVID-19 Controls Resilience: To review the control environment in relation to policy and process design or temporary re-design, taking into account the heightened risk of fraud and changes to ways of working.</p> <p>Accountability for Additional COVID-19 Funding: Revisiting the control framework for when emergency payments shift into longer term services – especially where large sums are invested.</p>


Executive Summaries and Management Action Plans

The following Executive Summaries and Management Action Plans are included in this Appendix. Full copies of the reports are available to the Audit Committee on request. Where a review has a 'Limited' or 'No' Assurance assessment the full report has been presented to the Audit Committee and therefore is not included in this Appendix.

Review	Evaluation
Covid-19 Controls Resilience	Reasonable
Transformation and Business Case	Reasonable
Estate Strategy and Policy	Reasonable

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Whilst payments to suppliers were appropriately approved, and there was evidence to support new starters set up on the payroll. Appropriate procurement rules had not been followed.

SCOPE

The review was a proactive data analytic review to identify payments made which may not have been made in accordance with Financial Regulations and/or provide Value For Money for the organisation.

KEY STRATEGIC FINDINGS

- Procurement has been challenging for the seven forces, sourcing of sufficient PPE has been the priority.
- Appropriate procurement exercises to be undertaken when procuring of goods and services from suppliers.
- Production of the sickness reports require manual intervention, staff had been working seven days a week to enable the sickness reports to be prepared.

GOOD PRACTICE IDENTIFIED

- The Financial Regulations and Scheme of Delegation clearly set out the delegated limits and authorisations required for committing and approving expenditure.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	0	1

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Delivery	<p>Audit testing found that whilst there was evidence to support setting up the new suppliers on ERP there were four instances where the supplier had been set up on ERP after the invoice had been received.</p> <p>It is important that suppliers are set up before services are procured from them, and an accurate spend with supplier is recorded on the new supplier form to ensure that appropriate procurement exercises are undertaken by the Supplies Team.</p> <p>The Supplies Team undertake checks on new suppliers, to help ensure that best value is obtained and the constabularies are able to demonstrate that they have taken all reasonable steps to ensure that they are only procuring goods and services from financially viable suppliers.</p>	<p>The appropriate procurement process to be followed when procuring of goods and services.</p> <p>The Supplies Team to undertake the necessary checks before staff procure goods and services from suppliers.</p>	2	<p><i>Due to the emergency nature of the Constabulary business on occasions it will be required to utilise a supplier and receive an invoice for the good/service before a purchase order can be raised A reminder will be published to remind all staff that requisitions should be made via ERP unless it is deemed an emergency purchase.</i></p>	31/12/20	Head of Transactional Services

Executive Summary

OVERALL ASSESSMENT

The diagram shows a central yellow circle labeled 'REASONABLE ASSURANCE' surrounded by a blue ring with the text 'Adequate & effective governance, risk and control processes'. To the right is a legend with four levels: Substantial Assurance (green), Reasonable Assurance (yellow), Limited Assurance (orange), and No Assurance (red).

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Whilst there is a formalised process to scrutinise and assess business cases, there is not a standard process to be followed for post project evaluation. Monitoring arrangements are in place for projects, but highlight reports are not being submitted timely for all projects to the Programme Management Office.

SCOPE

The objective of the audit was to review the systems and controls in place for transformation. The audit focused on business cases.

KEY STRATEGIC FINDINGS

- Covid-19 has caused a number of projects to be placed on hold to enable assessment of their ongoing viability due to resource and financial pressures.
- A standard has not been set for post project evaluation and the evaluation is not undertaken by project managers' independent to the project.
- Highlight monitoring reports are not being submitted timely to the Programme Management Office for all projects undertaken.

GOOD PRACTICE IDENTIFIED

- There is a standard assessment criteria that is used to assess business cases which helps prioritise business cases and enables business cases to be assessed consistently.

ACTION POINTS

Urgent	Important	Routine	Operational
0	2	0	1

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	<p>End of project reviews are not undertaken consistently, and is no requirement for post project evaluation to be undertaken by a Project Manager that is independent to the project.</p> <p>Without independent post project reviews, as it is hard for Project Managers to be impartial for projects that have a vested interest in.</p>	<p>A standard for post project reviews be developed. Post project reviews be undertaken for all projects against this standard and post project reviews be undertaken by someone who is not the Project Manager.</p>	2	<p><i>Agreed. A standard for post project reviews will be developed.</i></p>	31/12/2020	<p><i>Programme Co-ordinator</i></p>
2	Delivery	<p>Of the ten projects that were selected to test it was found that there were two projects where the most recent highlight report had not been produced.</p> <p>The Programme Management Office had chased for the highlight report.</p>	<p>Highlight reports be produced at the required intervals for each project and submitted to the Programme Management Office for their review.</p>	2	<p><i>Agreed. A reminded will be issued for highlight reports to be prepared and submitted monthly.</i></p>	31/12/2020	<p><i>Programme Co-ordinator</i></p>

Executive Summary

OVERALL ASSESSMENT

The diagram shows a central yellow circle labeled 'REASONABLE ASSURANCE' surrounded by a blue ring with the text 'Adequate & effective governance, risk and control processes'. To the right is a legend with four levels: Substantial Assurance (green), Reasonable Assurance (yellow), Limited Assurance (orange), and No Assurance (red).

ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The Joint Head of Estates is currently developing new estate strategies for Suffolk and Norfolk. Estate strategies are typically developed in conjunction with the Police and Crime Commissioner (PCC) plans. Covid-19 has resulted in the election of PCCs being delayed until May 2021. The new estate strategies will be presented to the Norfolk PCC and the Suffolk PCC for their approval, these will cover the need for there to be extra officers and will reflect Covid-19 estates requirements.

KEY STRATEGIC FINDINGS

- The Norfolk and Suffolk estate strategies are passed their review date. The Joint Head of Estates is currently updating these. The updated estate strategies will be presented to the Police and Crime Commissioners for their approval.
- Review of the home working risk assessment template is required as this has not been reviewed since December 2017, and needs to be reviewed to reflect the requirement of more staff working from home.

GOOD PRACTICE IDENTIFIED

- Covid-19 risk assessments have been undertaken, and additional work spaces have been identified to facilitate social distancing across the estate.

SCOPE

The objective of the audit was to review the systems and controls in place for ensuring appropriate estates strategy, estates policy and the readiness of the estates team to adapt to the current changing working requirements as a result of Covid-19.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	<p>When employees are working from home the employer still has a legal obligation to ensure the safety of their employees.</p> <p>There is a home workers risk assessment in place, this has not been revised since 2017.</p> <p>Staff are having to work from home with their children at home. The home workers risk assessment needs to be reviewed so that it is fit for purpose. There is a need for the home workers risk assessment to cover equipment including headphones.</p>	<p>A review of the home workers risk assessment be undertaken to ensure that it is fit for purpose and covers all necessary equipment to enable staff to work from home for the foreseeable future.</p>	2	<p>Agreed. A review of the home workers risk assessment will be undertaken to ensure that it is fit for purpose.</p>	31/12/20	Head of Estates

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Covid-19 Controls	1	Final report issued	
Transformation and Business Case	2	Final report issued	
Estates Strategy and Policy	2	Final report issued	
Payroll	2	Draft report issued	
Vetting	2	Field work complete	
Performance Management	2	Field work complete	
Data Quality	2	Fieldwork commenced	
Strategic Control and Corporate Governance - Covid-19 Resilience	2	Audit scheduled	
Recovered Property	2	Audit scheduled	Due to social distancing the audit has been scheduled for November at the request of management, as there are restrictions as to the number of individuals that can be in the property stores at any one time.
PEQF	2	Audit to be scheduled upon approval to undertake audit.	This audit has been requested to replace the Learning and Development Audit.
HR Strategy, Workforce, People – Use of Resources	2	To be scheduled	HR have requested that the PEQF audit to be the first audit undertaken.
Strategic Control and Corporate Governance - Organisational Structures	3	Audit scheduled	Audit has been moved to later in the year as the Strategic Control and Corporate Governance – Covid-19 Resilience Audit is being
Procurement Compliance with Departments	3	Audit scheduled	
Risk Maturity Assessment	3	Audit scheduled	
Constabularies Commissioning	3	Being scheduled	

System	Planned Quarter	Current Status	Comments
MOPI	3	Audit scheduled	The audit has been delayed to quarter three due to Covid-19, this was planned to be a quarter two audit.
Succession Planning	3	Being scheduled	The audit has been delayed to quarter three due to Covid-19, this was planned to be a quarter two audit.
OBB	3	Audit scheduled	
Shared Services Transaction Centre	3	Audit scheduled	
Corporate Health and Safety	3	Audit scheduled	
Key Financials	4	Audit scheduled	
Use of Vehicles and Telematics	4	Audit scheduled	The audit has been delayed until quarter four to undertake, so that potential implications in relation to Covid-19 on fleet can be considered.
Recruitment	4	Audit to be scheduled	
OPCC – Commissioning	4	Audit scheduled	
Collaborations	4	Audit to be scheduled	
Risk Management Advisor Embedding/Development	1-4	In progress	The audit will focus on how the risk management framework is developing and being embedded across the organisations. The work will involve review each quarter of the progress.
IT – Cyber Security	2	Audit being scheduled	
IT – Digital World	2	Audit being scheduled	
IT – Device Management and Storage	3	Audit being scheduled	
IT – Chronicle	3	Audit being scheduled	

KEY:

To be commenced

Site work commenced



Draft report issued

Final report issued



Briefings on developments in Governance, Risk and Control



TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those CBNs and Fraud Alerts issued in the last three months which may be of relevance to Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies is given below.

Summary of recent Client Briefing Notes (CBNs)

CBN Ref	Subject	Status	TIAA Comments
CBN - 20004	Tips for Virtual Meetings and Video Conferencing during the COVID-19 Pandemic		No Action Required This briefing note has been provided for information only.
CBN - 20006	Cyber Threats using the COVID-19 Pandemic		Action Required Audit Committees and Boards/Governing Bodies are advised to seek assurance from digital / IT teams that a comprehensive programme of protection measures are in place to protect technology, and to raise user awareness.

Summary of recent Fraud Alerts

Ref	Subject	Status	TIAA Comments
0000	False Invoice Fraud – Increased Exposure		Action Required This alert provides information and advice to staff about fraud and economic crime that may occur during the COVID-19 emergency, and the risks associated with it. If you or your organisation has fallen victim to fraud you should report it to your Local Counter Fraud Specialist.
0000	Mandate Fraud – Increased Exposure		Action Required This alert provides information and advice to staff about fraud and economic crime that may occur during the COVID-19 emergency, and the risks associated with it. If you or your organisation has fallen victim to fraud you should report it to your Local Counter Fraud Specialist.

Ref	Subject	Status	TIAA Comments
0000	Payroll Mandate Fraud – Increased Exposure		<p>Action Required</p> <p>This alert provides information and advice to staff about fraud and economic crime that may occur during the COVID-19 emergency, and the risks associated with it. If you or your organisation has fallen victim to fraud you should report it to your Local Counter Fraud Specialist.</p>
0000	COVID-19 Related Scams		<p>Action Required</p> <p>This alert provides information and advice to staff about fraud and economic crime that may occur during the COVID-19 emergency, and the risks associated with it. If you have been scammed, report it to Action Fraud: www.actionfraud.police.uk or 0300 123 2040. Also, contact your bank if you have lost money. Action Fraud also provide advice on how to shop safely online: https://www.actionfraud. police.uk/shoponlinesafely The NCSC provide advice on how to protect your devices from the latest threats: https://www.ncsc.gov.uk/ guidance/securing-your-devices</p>



Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies

Follow Up Review

2020/21

Executive Summary

INTRODUCTION

1. The follow up of internal audit recommendations undertaken by TIAA is undertaken throughout the year and reported to the Audit Committee during the year at each meeting.
2. The summary tables show the number of raised and brought forward priority 1 and priority 2 recommendations implemented since being reported to the July 2020 Audit Committee meeting and those outstanding past their implementation dates.

Figure 1 - Summary of the action taken on Recommendations made

Evaluation	P1 - Urgent Recommendations	P2 - Important Recommendations	Total	Previous Position for comparison
	Number	Number		Total
Implemented Since Last Meeting	0	12	12	9
New Recommendations Added Since Last Meeting (without revised dates)	1	10	11	3
Outstanding Past Deadline (Original or Revised)	0	2	2	20
Revised Deadline not Reached	2	35	37	24
Original Deadline Not Yet Reached	1	9	10	3

				Completed since last Audit Committee		Outstanding / Overdue		Extended Period - Still Overdue		Outstanding with Extended Period Agreed & Not Reached		Not Yet Due To Be Implemented	
				P1	P2	P1	P2	P1	P2	P1	P2	P1	P2
Audit Ref	Audit Area	Date Presented to Audit Committee	Assurance Level										
2016/17 Internal Audit Reviews													
NSC1714	Overtime, Expenses	Mar-17	Reasonable								1		
2018/19 Internal Audit Reviews													
NSC1906	Enact Replacement	Nov-18	Reasonable								1		
NSC1909	Key Financials	Mar-19	Reasonable								1		
NSC1915	Establishment	Mar-19	Reasonable		1						2		
NSC1917	Vetting	Nov-18	Reasonable		1						1		
NSC1918	Transport Services - Strategy	Jul-19	Reasonable		2								
NSC1922	Stations	Nov-18	Reasonable		1								
NSC1927	Proceeds of Crime	Jul-19	Reasonable		1								
NSC1928	Recovered Property	Jul-19	Reasonable		1								
2019/20 Internal Audit Reviews													
NSC2005	Workplace Health	Jul-19	Reasonable		1						1		
NSC2006	Temporary Contracts	Jul-19	Reasonable								2		
NSC2007	Estates Maintenance	Jul-19	Reasonable		1								
NSC2009	Firearms	Jul-19	Reasonable								1		

				Completed since last Audit Committee		Outstanding / Overdue		Extended Period - Still Overdue		Outstanding with Extended Period Agreed & Not Reached		Not Yet Due To Be Implemented		
				P1	P2	P1	P2	P1	P2	P1	P2	P1	P2	
NSC2010	Stores and uniform	Oct-19	Reasonable								2			
NSC2011	Emergency Preparedness	Oct-19	Reasonable								1			
NSC2014	Policies	Mar-20	Reasonable		1									
NSC2016	Data Protection	Oct-19	Limited										1	
NSC2017	Mobile Device Management	Mar-20	Reasonable								1			
NSC2020	Risk Management	Mar-20	Reasonable										1	
NSC2023	Overtime	May-20	Reasonable										1	
NSC2024	Limited Duties	Mar-20	Limited		1					1	1			
NSC2025	External Training Budget	May-20	Reasonable								1		2	
NSC2027	Allowances and Expenses	May-20	Limited									1	1	
NSC2029	Dog Handling	Oct-19	Limited								3			
NSC2032	ED&I	May-20	Reasonable		1								3	
TOTALS				0	12	0	0	0	0	0	1	19	1	9
DMS Project and L&D Project														
NSC1804	L&D Skills	Jul-18	Limited								1	6		
NSC1707	Duty Management	Dec-16	Limited									2		
NSC1916	Duty Management	Nov-18	Limited									8		
NSC1925	Control Room - Suffolk	Jul-19	Reasonable		0									
DMS Project and L&D Project Totals				0	0	0	0	0	0	0	1	16	0	0
TOTALS				0	0	0	0	0	0	0	2	35	1	10

KEY FINDINGS

3. Outstanding recommendations report to Organisational Board, for officers to notify internal audit of updates.
4. It is noted that the majority of recommendations continuing to remain outstanding are largely due to resource and IT requirements to be sourced. Long standing recommendations have been retained on the report where relevant and risks are still present that require addressing.
5. There are two large projects in progress that affect recommendations in relation to L&D Skills (NSC1804) and Duty Management System (NSC1707 and NSC1916). The recommendations in relation to the three distinct areas are summarised here instead of reproducing all related recommendations:
 - 5.1 L&D Skills (NSC1804) – this issue is around the skills data held by Learning and Development, the timescales were ambitious, following which the service manager has left the Constabularies.
 - 5.2 Duty Management System (NSC1707, NSC1916) – A review of DMS exceptions / training and enhanced functionality has been completed and due to be presented to CO's for decision making. A likely six month lead time on the work is anticipated.

THE BREAKDOWN OF THE ACTIONS ON RECOMMENDATIONS KEY:

- The direction of travel for implementing recommendations is shown from right to left.
- The audit will remain on the table until all P1 and P2 recommendations relating to that audit are complete and reported as such to Audit Committee. Once an audit is reported as complete (highlighted in grey), the audit will be removed from the table.
- Outstanding with extended period agreed – outstanding past original deadline and an extension has been agreed with management.
- Outstanding and previously reported as such to Audit Committee – outstanding past agreed deadline and no extension has been agreed.
- New since the last Audit Committee meeting – deadline has recently passed and the recommendation is outstanding.
- Not yet due for implementation – the agreed implementation deadline has not been reached.

SCOPE AND LIMITATIONS OF THE REVIEW

6. The review considers the progress made in implementing the recommendations made in the previous internal audit reports and to establish the extent to which management has taken the necessary actions to address the control issues that gave rise to the internal audit recommendations. The implementation of these recommendations can only provide reasonable and not absolute assurance against misstatement or loss.
7. The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.
8. For the purposes of this review reliance was placed on management to provide internal audit with full access to staff, accounting records and transactions and to ensure the authenticity of these documents.

RELEASE OF REPORT

9. The table below sets out the history of this report.

Date draft report issued:	N/A
Date management responses recd:	N/A

Date final report issued:

September 2020

Detailed Report

FOLLOW UP

10. Management representations were obtained on the action taken to address the recommendations. Only limited testing has been carried out to confirm these management representations.
11. The following details of recommendations are included in this report: outstanding / overdue, extension of time and closed with risk accepted.
12. The L&D and Duty Management System recommendations are not detailed below, just the overall summary of the current project status above.

Outstanding / Overdue / Deadline Extended

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC1714 Overtime, Expenses and Additional Payments	<p>Joint expenses policies for Norfolk and Suffolk Constabularies for police officers and police staff to be developed.</p> <p>The updated expenses policies to be placed on the intranet.</p>	2	New Conditions of Service for Police Staff are to be introduced from April 2017 (this was expected to be implemented in October 2016 but was delayed nationally). As a result we will take this opportunity to revise once the new Conditions have been agreed and implemented.	ACO / Head of Transactional Services	30/06/17	30/09/20	03/08/20	This is being worked on by the Policy Team in HR.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC1906 Enact Replacement Project	Management to ensure that a local installation of the Apex development tool is completed as soon as possible so that the relevant forms and other tools that are to replace the Enact system can be developed and implemented in a timely manner.	2	Apex has been installed onto our test database to allow development to begin. Some minor configuration is being finalised this week. Whilst this development is underway, Apex will be installed into our change controlled environment and production environment databases. This will not affect the forms development as these can be extracted from the test database and uploaded into each of the new environments without the need to recreate the whole form.	ACO / ERP Systems Team/ICT	23/11/18	31/12/20	03/08/20	Having reviewed the use of APEX within both ICT and SMEs it has been decided to upgrade eNact as the system of choice. ICT are working very closely with both the business and Encircle (eNact's supplier) to provide some immediate upgrades around forms and workflow. The recommendation had been further delayed as hoping to be addressed as part of the Shared Service Transaction Centre. Revised due date has been requested.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC1909 Key Financial Controls	A flagging system be developed to identify /Iforms that are not being processed promptly by Line Managers so that these can be escalated accordingly.	2	A solution will be implemented upon "Go-Live". The nature of this will develop as the IForms project continues.	ACO / HR Service Centre Manager	30/09/19	31/12/20	03/08/20	I-Forms remains delayed, and therefore this has not been progressed any further. Revised due date has been requested due to being reviewed as part of the Shared Service Transaction Centre.
NSC1915 Establishment, Capacity, Recruitment and Retention	Reports of amendments to contracts length be produced monthly, to verify whether leaving / extended and permission groups checked for appropriateness to amend.	2	The provision of reports will be scoped by the Management Information Team, and if possible, will be reviewed monthly by HR Business Partners/HR Advisors.	DCC / Head of Resourcing/ Head of HR	30/06/19	30/09/20	03/08/20	These reports have been scoped, and will be distributed for as part of the month end process for July (first week of August).

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC1915 Establishment, Capacity, Recruitment and Retention	Approval and rationale for why officers and staff are acting up be recorded for all officers/staff.	2	The new Acting and Temporary Promotions Policy will be published in the Spring of 2019. This will standardise the process and this detail will therefore be captured. Staff are already covered within other HR policies and process.	DCC / Head of Resourcing	30/06/19	31/12/20	03/08/20	A new policy has been drafted. It is, however, likely to remain in draft for some time as it has become clear that there are a number of approaches that may need to be taken into account in the final version, and it is expected that this will take further time to work through.
NSC1917 Vetting	The Vetting Policy be reviewed, approved, and communicated.	2	The existing policy has been withdrawn as non-compliant. Now working to a seven force policy in line with APP, with local guidance. Once the national guidance is produced in September 2018, the seven force approach will be agreed and local guidance produced on this basis.	DCC / Senior Complaints, Appeals and Policy Manager	31/03/19	31/12/20	07/09/20	There is a move away from developing a single force vetting policy, and instead a 7Force vetting policy will be developed. The Covid-19 pandemic has caused a delay in

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
								development of the policy. A revised due date has been requested.
NSC2005 Workplace Health	Following consideration of whether to continue with a manual system, action be taken to ensure files are GDPR compliant, including marking files subject to GDPR review.	2	Dependent on the outcome of the above point, this will be considered should the paper based files remain.	DCC / Head of Workplace Health, Safety and Wellbeing	31/12/19	31/10/20	07/09/20	A new occupational health system has been procured, this should enable manual files being discontinued. There has been a delay in implementing the new system. An implementation meeting is planned for Wednesday the 9 th September to agree implementation date. A revised due date of the 31st

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
								<p>October 2020 has been requested, as there has been a delay in implementation of the new occupational health system.</p> <p>A revised go live date of the 1st of September 2020 has been proposed. This is based on the following assumptions:</p> <ul style="list-style-type: none"> • Draft contract to be shared internally – on 31 July • Accreditation received from Information Security - w/c 3 Aug • Contract to be

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
								shared with Civica for signatures – w/c 10 Aug <ul style="list-style-type: none"> • PO to be raised – w/c 17 August • Staff to be trained – w/c 24 August (dependent upon availability)
NSC2006 Temporary Contracts	The end of contract date field be made mandatory on ERP for staff on fixed term contracts, and In addition, the ability to amend the contract length period to be restricted to authorised personnel.	2	Agreed. Access to alter ERP records will be reviewed on a regular basis to ensure that the list is fit for purpose. Changes to the ERP system will be explored, but may not be feasible due to cost implications. The Service Centre Manager will monitor the end of contract fields on ERP and ensure that end dates are included.	DCC / HR Service Centre Manager	31/08/19	30/09/20	03/09/20	A RFC has not at this stage been pursued with Cap Gemini to make changes to EBS to ensure this is mandatory. The reports will be provided to the Service Centre Manager and will therefore be much more easily able to see where dates are missing and ensure these are added.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
								Work is ongoing to develop the appropriate reports.
NSC2006 Temporary Contracts	Reports be produced monthly for line managers to review staff on fixed term contracts, to monitor the length of the contract, potential extensions required to be approved or to terminate the contract.	2	Agreed. Reports are available and will be run and distributed on a monthly basis to HR Business Partners as they are currently involved in managing the establishment within their individual portfolios. HR Business Partners will then work with commands/departments to ensure that action is taken to resolve issues that arise from this. The report will be implemented from August 2019.	DCC / Management Information Team/HR Business Partners	31/08/19	30/09/20	03/09/20	The format of these reports has yet to be agreed.
NSC2009 Firearms Management	It needs to be identified whether there will be a shortage of Chronicle licences and for additional licences to be purchased accordingly to	2	Taser only officers have been removed and are managed by the Taser SPOC. There are not enough licenses for these to be managed on chronicle.	DCC / Insp Hammerton	31/10/19	31/12/20	03/08/20	This action is being considered as part of the skills review work and the Chronicle Business Case Review. Due to be reported on in December 20.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
	ensure that all armed and Taser officers are recorded.							A review of Chronicle is currently being conducted to establish if there is a need to increase its use.
NSC2010- Stores and Uniform	Consideration be given for police officers and police staff that require uniform to have an account set up on ERP, to ensure that there is an accurate record of uniform held by each police officer and police staff member.	2	This has previously been raised at the ERP Programme Board by the Uniform Supplies Supervisor during 2018 and although supported in principle by the Board is not considered a high priority. With the added support of this audit report this will be further investigated.	DCC / Head of Transport and Uniform	31/10/19	30/09/20	03/08/20	SailPoint as a tool to provide new starters with the system access they require from day one has recently been installed. Work is ongoing to enable Sailpoint to be used for uniform orders.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2010- Stores and Uniform	ERP be investigated to establish if returns can be recorded and an item history report can be developed, so that an accurate record of uniform orders are available.	2	History reports that contain all uniform provided to individuals is available. However, this does not reflect uniform returned or uniform that is past anticipated its wear date. If ERP were able to provide this function it would be a welcomed facility. With the added support of this audit report this will be further investigated.	DCC / Head of Transport and Uniform	31/10/19	30/09/20	03/09/20	Work is ongoing to develop a database for recording of uniform returns.
NSC2011 Emergency Planning and Disaster Recovery	Review of the Suffolk CCR back-up arrangements be undertaken, to ensure that it would be suitable if the main Suffolk HQ was not available.	2	This has already been highlighted to the ACC and agreed that scoping can be done to identify and establish a new Suffolk CCR Fallback outside of the PHQ site. Some money set aside for CCR refurbishments may be used to assist in developing this and a business case is to be prepared by the end of the year to allow the Chief Constable to sign off a proposal to progress this.	DCC / CCR Problem Solving Manager	31/01/20	30/09/20	03/09/20	A business case has been prepared to review the Suffolk CCR arrangements. Progress against the business case is being followed up through the constabularies' change management programme.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2016 Data Protection Legislation – GDPR / Data Protection Act	A full review of the information assets be completed, including a purge of any assets which may be on the register but no longer in existence.	2	Recommendation agreed. A full review will be completed by 31/12/2020 and the IAR cleansed of information assets that no longer exist.	DCC / Compliance Officer (DPO)	31/12/20		03/09/20	Work is ongoing a review of information assets is progressing.
NSC2017 Mobile Device Management (telematics black box)	Management to work with relevant external partners to ensure that Airmax password controls are enhanced to comply with the Forces' password policy as a minimum standard.	2	Agree with finding. The Information Security Manager has confirmed the standards required to comply with our policy. This enhanced password control has been discussed with Airmax Remote who are working with the Constabularies to ensure compliance.	Head of Transport Services and Uniform Supplies	31/03/20	30/09/20	06/01/20	Coronavirus impact and slowdown of work with external contractors means the original deadline was not achieved.
NSC2020 Risk Management Embedding / Development	Work to continue to develop the Suffolk Constabulary strategic risk register, to distinguish between future and current controls already implemented so that it is possible to	2	The Suffolk SRR is being worked on with all parties.	Head of PMO	31/12/20		07/09/20	Work is ongoing to develop the Suffolk Constabulary strategic risk register, to distinguish between future and current controls already implemented so

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
	establish the current risk status.							that it is possible to establish the current risk status.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2023 Overtime	Monthly reports be produced for overtime hours worked, identifying individuals working excessive hours and appropriate action taken.	2	All Commanders / Heads of Departments now have access to Business intelligence information from the POCASO system via Power BI. They are able to run such reports to be able to monitor overtime working for their command. This was launched at the recent Overtime, Tasking and Finishing Group chaired by the ACC. This action is for all commanders and Head of Transactional Services to ensure that a reminder is issued at the next meeting and is considered as part of the overall welfare of staff within a Command / Department.	Head of Transactional Services	31/10/20		07/09/20	The Overtime, Task and Finishing Group has not yet met due to Covid-19. The Head of Transactional Services has been assigned with arranging the first Overtime Task and Finishing Group meeting.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2024 Limited Duties	The policy and processes for managing limited duties be reviewed, to ensure that officers and staff on limited duties are formally monitored and assessed, at appropriate intervals, for continuation on limited duties and whether the current role assigned is appropriate on a more permanent basis.	1	A review of Limited Duties processes will take place in the new year. In the meantime an interim process has been initiated to mitigate the risk identified, ensuring that HR Business Partners and HR Advisors have appropriate oversight of all cases, and that these are being progressed appropriately. This is being led by the Interim Senior HR Manager and should be concluded in January.	Interim Senior HR Manager and Policy, Reward and Employee Relations Manager	28/02/20	30/09/20	09/01/20	In advance of a new policy, HRBPs are working more actively with commands to ensure consistency of approach. New policy which incorporates honorariums is being developed, but is part of a wider piece of work about reward.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2024 Limited Duties	A process be agreed for communication with and recording of police staff that are on limited duties.	2	This will be subject to the review of Limited Duties processes will take place in the new year. In the meantime an interim process has been initiated to mitigate the risk identified, ensuring that HR Business Partners and HR Advisors have appropriate oversight of all cases, and that these are being progressed appropriately. This is being led by the Interim Senior HR Manager and should be concluded in January.	Interim Senior HR Manager and Policy, Reward and Employee Relations Manager	28/02/20	31/10/20	09/01/20	<p>It has been agreed that there is a need to have a formal process, and a decision has been taken that the Limited Duties Meetings will be re-introduced in order that there is compliance with the policy. The first of these is due to take place in July.</p> <p>A revised due date of the 31st July 2020 has been requested.</p>

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2025 External Training Budget	Training requirements be recorded within the constabularies' workforce plans, to ensure effective succession planning and an appropriately trained workforce.	2	This work is reliant on a number of other workstreams, such as Succession Planning, E-PDR and the skills database which are ongoing and form key elements of the constabularies' People Strategy. A further update will be provided at the end of the calendar year.	Change and Development Manager – L&D(from an oversight perspective)	31/12/20		10/08/20	Work is ongoing to address this.
NSC2025 External Training Budget	Booking of training and learning and development courses be done in advance, through learning and development to ensure appropriate procurement rules are followed. Centralisation of booking to ensure that training records are updated accordingly after the course has been completed.	2	The new process that has been established by the Change and Development Manager will lead to a significant reduction in purchase orders being raised retrospectively. This will be reviewed in September 2020, with a view to closing this recommendation.	Change and Development Manager – L&D	30/09/20		10/08/20	A new process is being developed, there has been a slight delay because of the Covid-19 pandemic.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2025 External Training Budget	An external training policy be developed and published on the intranet, for all to access. The policy to include a requirement for learning and development to receive formal notification of training received so that accurate training records are held on ERP.	2	An interim procedure focused upon the revised process has been drafted for publication. This will include the oversight for exceptional bids which will be undertaken by the People Board. Once the relevant consultation has been completed this will be published as a resource for line managers.	Change and Development Manager – L&D	30/06/20	31/12/20	07/09/20	The interim Policy / procedure is out for consultation. It is planned for the policy to be presented to the December JNCC.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2027 Allowances , Expenses and Additional Payments	The Good Work Recognition Policy and framework be updated, along with devising formal guidance for agreeing monetary amounts for honorariums, acting up and bonus payments, with processes instigated to ensure workforce planning have an accurate record of what role an individual is performing and payments are in line with the policies.	1	This is under review by the Policy and Reward Team and will be agreed and published in due course.	Head of People	31/12/20		07/09/20	Work is progressing to develop the Good Work Recognition Policy and Framework.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2027 Allowances , Expenses and Additional Payments	A review of pool cars be undertaken, to ensure that there are optimum numbers available/used for the most efficient travel between headquarters and other journeys, compared to paying private mileage. Any changes to the way pool cars are used to be communicated to those travelling between sites and monitored for changes being instigated.	2	All travel is deemed necessary as authorised by managers, however in light of the recent Covid-19 outbreak a review of working practices will take place in both Forces, with a view to reducing travelling and utilising technology as well as increased home working. The review of pool car usage will be considered as part of this review.	ACO	31/03/21		07/09/20	The review has been delayed as the Covid-19 pandemic has resulted in a change to working practices with more staff working from home it would not be appropriate for the review to be undertaken currently.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2029 Dog Handling	An annual risk assessment be undertaken to identify the optimum number of police dogs and handlers needed.	2	There is no "Dog STRA" and it is understood that none of the forces in the region have such a document. Developing an accurate STRA for N&S would currently be difficult because of the method used to capture data of activity, this is under review and an annual risk assessment will be considered once complete. An initial date of 31/03/20 is provided for review / consideration.	DCC / Insp 3051 HAMMERTON	31/03/20	31/10/20	07/09/20	A review of the Dog Unit has been undertaken and a Business Case is now with CO's for decision making. The Covid-19 pandemic has caused a delay. Work is ongoing by Inspector Hammerton to develop a 'Dog STRA'. A revised due date has been requested.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2029 Dog Handling	The annual training programme for police dog handlers be produced, incorporating all required training and made available to RMU. The RMU to book officers' duties accordingly to ensure that police dog handlers receive the required training.	2	Without dedicated training days factored in, it will be difficult to populate training on set days – RMU have begun attempting to roster training but this isn't always possible. The peer review should highlight this issue and work is being undertaken to look at a better pattern with dedicated training days. The timeline for shift review will be 31/03/20.	DCC / Insp 3051 HAMMERTON	31/03/20	31/10/10	03/09/20	<p>A review of the Dog Unit has been undertaken and a Business Case is now with CO's for decision making. The Covid-19 pandemic has caused a delay.</p> <p>The proposed shift pattern is out for consultation and we are finalising role profiles for the trainer and Sgt roles which we will be advertising for towards the end of this year.</p> <p>A revised due date has been requested.</p>

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2029 Dog Handling	A review be carried out of police dog handlers training days to ensure that actual training hours received is in agreement with training hours that have been planned for.	2	Set training days should make this easier, a pattern with a dedicated week for training will ensure handlers are getting what they require. It will also improve team cohesion, as Norfolk and Suffolk handlers will come together to train. Training should be as a team rather than 1:1 as this is good practice, the current system does not support this. A date of 31/12/19 is provided for peer review results, following which the timeline for shift review, with a view to implementation 31/03/20.	DCC / Insp 3051 Hammerton	31/03/20	31/10/20	03/09/20	A review of the Dog Unit has been undertaken and a Business Case is now with CO's for decision making. The Covid-19 pandemic has caused a delay. A revised due date has been requested.
NSC2032 ED&I	A formal means be established to obtain feedback from successful candidates to identify potential areas where the recruitment process could be improved.	2	A review of all recruitment processes is being undertaken by the Recruitment Manager upon responsibility for staff recruitment moving from HR to Resourcing. This will be picked up as part of that work.	Senior HR Manager/Re cruitment Manager	31/12/20		07/09/20	Work is ongoing to enable the recommendation to be implemented by its due date.

Audit	Recommendation	Priority	Management Comments	Responsible Officers	Due Date	Revised Due Date	Last Update	Latest Response
NSC2032 ED&I	Target completion dates be assigned for each action on the ED&I action log so that progress can be monitored accordingly.	2	This work will be assigned to the DE&I Coordinator. This post is currently being recruited to (a process which has been delayed by Covid-19). It is hoped that a successful candidate will be identified by the end of the month, and therefore this action will be completed later this year.	Senior HR Manager	30/09/20		07/09/20	Work is ongoing to enable the recommendation to be implemented by its due date.
NSC2032 ED&I	Include demographics, in the workforce plan, to provide a greater understanding of the demographics of the workforce.	2	The Workforce Plan is being reviewed, and this to be incorporated as part of that review.	Head of Resourcing/ HR Service Improvement Manager	30/09/20		07/09/20	Work is ongoing to enable the recommendation to be implemented by its due date.

ORIGINATOR: Chief Finance Officer

REASON FOR SUBMISSION: To review and note the updated Corporate Governance Framework

SUBMITTED TO: AUDIT COMMITTEE

SUBJECT: Corporate Governance Framework

SUMMARY:

The Corporate Governance Framework were reviewed by the Corporate Governance Working Group and amended where necessary. The updated Framework for 2020 is available to view on the new PCC website.

RECOMMENDATIONS:

To note the new Corporate Governance Framework.

DETAILS OF REPORT

1. INTRODUCTION

The PCC is required to have in place arrangements for proper corporate governance. These arrangements extend to the Chief Constable (CC) as a result of the statutory roles of both corporations' sole.

One element of this governance arrangement are set out in the following document:

- a) The Corporate Governance Framework (including the Code of Corporate Governance)

2. DISCUSSION

The Framework and the Code of Corporate Governance have been drafted from the good governance guidance published by the Chartered Institute of Public Finance and Accountancy and the Society of Local Authority Chief Executives (CIPFA/SOLACE) (2016 Edition) and the accompanying Police Guidance Note (June 2016).

The Framework includes the meeting structures for the PCC and the CC, both individually, jointly and in collaboration.

The Corporate Governance working group which oversees governance has reviewed, monitored and checked the changes.

3. CONCLUSION

The revised Code of Corporate Governance cover the main areas CIPFA mention and have been placed on the website to inform interested parties,

**ANNUAL GOVERNANCE STATEMENT FOR
THE POLICE AND CRIME COMMISSIONER FOR NORFOLK AND
THE CHIEF CONSTABLE OF NORFOLK 2019/20**

1. Background

- 1.1 This Annual Governance Statement (AGS) covers the financial year 2019/20 [but extends to cover the period to the signing of the Statements of Accounts in October 2020. This statement is an opportunity to demonstrate compliance with the Code of Corporate Governance.
- 1.2 The Police and Crime Commissioner (PCC) and the Chief Constable for Norfolk are responsible for ensuring that their business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
- 1.3 In discharging this overall responsibility, the PCC and Chief Constable are also responsible for putting in place proper arrangements for the governance of their affairs and facilitating the exercise of their functions, which includes ensuring a sound system of governance (incorporating the system of internal control) is maintained through the year and that arrangements are in place for the management of risk.
- 1.4 The Corporate Governance Framework, which sets out how governance 'works' for the PCC and Chief Constable, can be found on the PCC's website (www.norfolk-pcc.gov.uk) or may be obtained from the Office of the Police and Crime Commissioner for Norfolk, Building 1, Jubilee House, Falconers Chase, Wymondham, Norfolk, NR18 0WW.
- 1.5 This Framework includes the joint Code of Corporate Governance (the Code) which is consistent with the principles of the CIPFA/SOLACE Framework: Delivering Good Governance in Local Government [April 2016] (as expanded by a Guidance Note for Police [June 2016]).
- 1.6 The PCC's and Chief Constable's financial management arrangements conform to the governance requirements of the current CIPFA Statement on the Role of Chief Financial Officers in Policing. This statement is being revised but has yet to be formally issued at the time of writing.
- 1.7 This AGS also explains how the PCC and Chief Constable have complied with the Code and also meets the requirements of Regulation 6 of the Accounts and Audit (England) Regulations 2015 in relation to the review of the effectiveness of the system of internal control and the publication of an annual governance statement.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes and culture and values by which the PCC and Chief Constable are directed and controlled, and the activities through which they account to and engage with the community. It enables the PCC and Chief Constable to monitor the achievement of their strategic objectives and to consider whether those objectives have led to the timely delivery of appropriate, cost-effective services, including achieving value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the PCC's and Chief Constable's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.
- 2.3 However, good governance is not only about processes, rules and procedures. The governance framework should be applied in a way which also demonstrates the spirit and ethos of good governance. Shared values which are integrated into the culture of an organisation and are reflected in behaviour and policy are essential hallmarks of good governance.

3. The Governance Framework

- 3.1 The Chief Constable is responsible for operational policing matters, the direction and control of police officers and police staff, and for putting in place proper arrangements for the governance of the Constabulary. The PCC is required to hold the Chief Constable to account for the exercise of those functions and those of the persons under the Chief Constable's direction and control. It therefore follows that the Commissioner must satisfy himself that the Constabulary has appropriate mechanisms in place for the maintenance of good governance, and that these operate in practice.
- 3.2 The PCC has adopted a Corporate Governance Framework (including the Code of Corporate Governance) and a Scheme of Governance and Consent which includes Financial Regulations and Contract Standing Orders. These are reviewed periodically in accordance with requirements.
- 3.3 The governance framework has been in place throughout the financial year 2019/20 (ending 31 March 2020) and [up to the date of the approval of the Statements of Accounts].
- 3.4 The key elements of the systems and processes that comprise the PCC's and Chief Constable's governance arrangements and how these adhere to the seven principles in the Code are set out below: -

Principle A – Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

- 3.5 The Police Code of Ethics, produced by the College of Policing, describes the principles that every member of the policing profession in England and Wales is expected to uphold and the standards of behaviour they are expected to meet. This Code applies to all those who work for the Constabulary, be they police officers, police staff, contractors or volunteers. Staff have been made aware of the Code of Ethics and its implications. Policies, procedures and training products are reviewed in line with the Code and it is

central to decision making using the National Decision Making Model. Where there are breaches of the Code of Ethics or the Standards of Professional Behaviour there is a positive duty to report these matters. The Joint Professional Standards Department receives such reports and these are investigated appropriately and in accordance with Police Regulations. A Code of Conduct based on the Code has also been adopted by the PCC and staff of the OPCC.

- 3.6 Following the enactment of the Police and Crime Act 2017 a number of Police Regulations changed on 1st February 2020 and these changes include the Chief Constable no longer being the appeal body for complaints from the public with the PCC now becoming the review body. Appeals are now referred to as a 'right to review'. Other changes include less serious misconduct matters being dealt with as 'Practice Requiring Improvement' which will involve line managers in improving the officer's performance rather than instigating formal misconduct proceedings. The OPCC and the Constabulary have been working together to plan for these changes and have undergone the necessary training in preparation for the new regulation changes. The implementation of the new model has now been in operation since February 2020 and there have been no issues and the process is operating smoothly.
- 3.7 Formal policies also exist in respect of whistle blowing, public complaints, anti-fraud and corruption, declaration of business interests, gifts, loans and hospitality and disclosable associations. An Ethics Committee has been established to enable staff to raise for consideration ethical issues affecting the Constabulary to enable further improvement in the transparency, professionalism and ethical approach of staff, policies and procedures to such issues. A Joint Integrity Board has also been established with the aim of securing the internal confidence of staff and officers in the fair application of policy and process in matters of integrity and ethics and to ensure that the organisations manage risk and learn from cases to improve the service provided.

Principle B - Ensuring openness and comprehensive stakeholder engagement

- 3.8 The OPCCN's website contains details of the meetings the PCC holds with the public, partners, Chief Constable, Audit Committee and Police and Crime Panel. Agendas, reports and minutes are available for public scrutiny where appropriate and social and digital media are frequently used to inform people unable to attend and to summarise meetings and key decisions.
- 3.9 The Constabulary offers regular, direct updates via its social and digital channels including Twitter, Facebook, Instagram, Next Door, LinkedIn, the force website, and indirectly via the local media. In addition, members of the public can sign up to the free Police Connect service to receive details of local crimes, initiatives and engagement opportunities via e-mail, voicemail or text.
- 3.10 The Constabulary Community Engagement Strategy and Business Plan sets out how the Constabulary will effectively engage with the residents of Norfolk in accordance with Section 34 of the Police Reform and Social Responsibility Act 2011. Key aims include actively engaging with the public, using digital technology to reach a wider audience, ensuring officers and staffs have a clear understanding of expectations, working with partners, and acting on feedback to ensure we meet needs and requirements. Seven Community Engagement Officers have been appointed to each of the policing districts within the county and are using social media in a number of different ways to communicate effectively with the public.

- 3.11 Representatives of the PCC attend meetings regularly to ensure that the arrangements the Constabulary has in place are effective. The PCC's Office (OPCC) also has its own Communications and Engagement Strategy setting out how it will obtain the views of the community and victims of crime regarding policing. This was updated for 2016-2020. The OPCCN has a Consultation and Engagement Officer to review, develop and deliver its engagement activities and oversee delivery of the Strategy.
- 3.12 The PCC held a countywide budget consultation asking Norfolk people whether they agreed to a precept rise for 2020/21. Key partners were also consulted. The results of the police budget 2020/21 consultation show that 59.8% of those who took part said they would be prepared to pay extra through the policing element of their council tax. Of those who showed a preference for an increase, 31.8% stated that they would not be willing to pay more than 2%. The PCC holds regular public meetings (Police Accountability Forum) to hold the Chief Constable to account and hosts public Q&A meetings around the county where residents can quiz senior police officers about the policing of their neighbourhoods.
- 3.13 The OPCC manages a key independent advisory panel, the Independent Advisory Group (IAG).
- 3.14 The Constabulary measures the satisfaction of service users through the use of victim surveys and reports to the Office of the PCC on levels of satisfaction as one of the agreed Police and Crime Objectives. It also reviews public confidence through monitoring of results through the Crime Survey of England and Wales.
- 3.15 Norfolk Constabulary collaborates extensively with Suffolk Constabulary as it has done since 2008. This formal collaboration is across a range of services including operational policing and back office functions. The PCC is required to give approval to collaborative opportunities before they can commence. The PCCs of Norfolk and Suffolk meet during the year to discuss and discharge their governance responsibilities. In addition to this there are governance arrangements that cover operational managers and Chief Officers. The main drivers have been to maintain the effectiveness of operational and organisational support and to drive out savings through economies of scale and efficiencies in order to protect front line resources wherever possible.
- 3.16 There are also services that are subject to ongoing regional collaboration. A Seven Force Strategic Collaboration Programme has been established (this is essentially the three strategic collaborations of Norfolk/Suffolk, Kent/Essex and Bedfordshire/Cambridgeshire/Hertfordshire) with a mission to develop options for wider collaboration in order to make efficiencies and drive out further savings. The programme is governed jointly by the seven PCCs and seven Chief Constables.

Principle C - Defining outcomes in terms of sustainable economic, social and environmental benefits

- 3.17 Following his arrival in May 2016, the PCC has consulted widely on his Police and Crime Plan (2016/20) and this was published in March 2017. The Plan sets out seven core priorities for Norfolk and outlines the PCC's vision for tackling and preventing crime, protecting the most vulnerable and supporting victims. The PCC elections in May 2020 were cancelled due to the COVID-19 pandemic and the elections will now take place in 2021. The priorities and plan have continued as below for the extension of the current PCC's term.

The seven priorities are: -

- Increase visible policing
- Support rural communities
- Improve road safety
- Prevent offending
- Support victims and reduce vulnerability
- Deliver a modern, innovative service
- Good stewardship of taxpayers' money.

3.18 The Plan is monitored through two public forums:

- The Police Accountability Forum where the Chief Constable is held to account by the PCC for delivery against the Police and Crime Plan.
- The Norfolk Police and Crime Panel where the PCC is held to account by the Panel for delivery against the Police and Crime Plan.

All of these performance reports are published on the OPCCN website <https://www.norfolk-pcc.gov.uk/police-accountability-forum/>

and the Police and Crime Panel section of the Norfolk County Council website:

<https://www.norfolk.gov.uk/what-we-do-and-how-we-work/policy-performance-and-partnerships/partnerships/crime-and-disorder-partnerships/police-and-crime-panel>

3.19 There is a co-ordinated process for strategic and medium-term financial planning (MTFP) that uses Outcome Based Budgeting (OBB) principles. The budget for 2019/20 proposed by the PCC was based on an increase in the council tax (following consultation) of £10 per annum for a Band D equivalent property. The increase in the precept has been used to invest in and improve services for the communities of Norfolk. The PCC's proposal was unanimously supported by the Police and Crime Panel. Savings were required to balance the budget but through central government funding for Operation Uplift it is possible to increase police officer numbers. The work involved in preparing the budget and the MTFP requires close liaison with operational staff and budget managers followed by a detailed process of scrutiny and challenge by Chief Officers in order to ensure that the MTFP can finance the strategic aims of the Constabulary and the PCC.

3.20 There is a clearly defined corporate performance management framework. Objectives and key performance indicators are established and monitored both at a corporate and local level. Regular reports are made to senior managers, the Command Team, the Commissioner and the Norfolk Police and Crime Panel on performance against objectives. This includes detailed analysis and scrutiny of performance and compares performance against the most similar family of forces.

3.21 Proposals for collaboration go through a detailed process, designed to ensure that all options are considered, outcome and risk assessed and that all parties can sign up to formal agreements in the knowledge that future policy, performance and resource levels are recognised at the offset. Dedicated resources are in place to support those units subject to Norfolk / Suffolk collaboration, including the formulation of detailed business cases. The business cases are subject to review by senior officers and the Joint Chief Officer Teams of the two constabularies. Proposals are further discussed before final sign off by the two PCCs. This is underpinned by formal agreements covering the legal aspects of collaboration. A similar process applies to regional proposals.

- 3.22 A Programme Management Office oversee the planning, implementation and delivery of Norfolk and Suffolk Constabularies' overarching change programme in accordance with the two force's strategic priorities and reports upwards via the Joint Strategic Planning and Monitoring Board meeting into the Joint Norfolk and Suffolk Chief Officer Team.

Principle D - Determining the interventions necessary to optimise the achievement of the intended outcomes

- 3.23 Norfolk and Suffolk Constabularies gather data and intelligence from a range of sources to produce an annual Strategic Assessment. The Strategic Assessment considers all relevant internal and external factors that might impact upon policing, crime and disorder at county and local level, highlighting emerging issues, risks and threats. All operational issues are risk assessed using the nationally recognised Management of Risk in Law Enforcement (Mormile) framework. The Strategic Assessment is then used to inform the development and review of the Police and Crime Plans, and the local policing plans and performance frameworks. It also leads to the setting of the Operational Control Strategy for which there are identified strategic leads for each theme area. Partners are consulted in the development of the Strategic Assessment and the final document is also shared with them to help aid their decision making and planning.
- 3.24 The Constabulary also undertakes strategic analysis in the form of Strategic Profiles. Where relevant, these are produced jointly for Norfolk and Suffolk, highlighting any cross force and single force issues. The profiles cover a range of strategic crime and thematic topics, including some looking at organisational issues such as equality, diversity and inclusivity. They provide a comprehensive account of the topic, taking into consideration any existing research or 'what works' evidence to inform strategic and tactical action plans and decision making. Partnership data is utilised wherever possible and consultation is also undertaken with stakeholders outside of policing as a key part of the process to ensure they are widely informed. These strategic profiles are used to inform the overall Strategic Assessment and help inform operational decision making.
- 3.25 The Strategic Business and Operational Services (SBOS) department undertakes analysis, research, and improvement and evaluation activity across the Constabulary, covering strategic, operational and performance reporting. SBOS also leads on policy, corporate risk management, programme management and corporate project work (including business analysis), along with crime registry and audit functions. The collaboration of these distinct areas of business within one department allows for more informed analysis to take place which could relate to any part of the organisation, whether operational or organisational. This collaboration also results in the greater use of a variety of techniques to aid tactical and strategic decision making and to formulate problem solving approaches. The department seeks to use an evidenced based approach to its work ensuring that the best available evidence regarding 'what works' is considered as part of the Constabulary's problem-solving activity and evaluations are conducted to ensure lessons are learnt and successes identified.
- 3.26 The department produces analytical work to support a number of forums and groups, including the Tasking and Co-ordination Group meetings and Performance and Accountability meetings, delivering strategic and tactical products which facilitate forward resource planning and the identification and management of threat, risk and harm, thereby minimising costs to the organisation. SBOS also produces analysis in collaboration with external organisations and partners (including Ambulance, fire service, county council, youth offending team, trading standards, etc.) in order to better understand performance in the context of shared demand. SBOS is also one of the founding partners of the Norfolk Office of Data Analytics (NODA), which went live at the end of 2019. NODA brings together local authority and police data to help inform 'whole system' analysis on high priority areas. The department supports the Constabulary in

meeting its statutory and legislative requirements regarding information and data provision including the Annual Data Returns as set out by the Home Office and provision of data for a large proportion of Freedom of Information Requests.

Principle E - Developing the entity's capacity, including the capability of its leadership and the individuals within it.

- 3.27 Norfolk and Suffolk Constabularies have Leadership Development Programmes for first line supervisors and managers, both officers and staff. These comprise of operational training sessions and materials mapped to the units required for the sergeants' certificate and inspectors' diploma, Best I Can Be management essentials and personal development skills sessions. Examples of these sessions include: Code of Ethics and Complaint Handling, Performance and Attendance, Wellbeing, Coaching Conversations and Having Difficult Conversations. In addition, the online, College of Policing, leadership development content is signposted. Other development opportunities such as coaching, 360 and assessor training are offered alongside College of Policing options on our intranet pages. The Insights Discovery profiling tool and also Strengths Deployment Inventory tool are used for team development. Over the next year, new mentoring, coaching and reverse mentoring programmes will be delivered to the wider workforce.
- 3.28 In Norfolk, the SPIRIT (Supportive, Professional, Integrity, Respect, Impartial, Transparent) leadership model has been launched and in Suffolk a review of Leadership is underway to create a refreshed leadership model for Suffolk. Both will reflect the Code of Ethics and the Core Values Framework.
- 3.29 The Constabularies have re-designed the Professional Development Review process to include the opportunity for all staff and officers to have career conversation with their manager and build a plan for development and where appropriate progression. The Professional Development Review (PDR) process continues to be improved and a PDR Quality Assurance process operates to monitor practice. This provides one to one support for a selected sample of managers and allows for the gathering of data on the quality of PDRs across the organisation. The data is fed into the organisation's People Board. PDR effectiveness is hampered by the lack of an electronic system meaning that PDRs are recorded using Word documents. Work is underway for an electronic PDR system and an IT specification has been developed. Both the ERP, HR system and the Chronicle skills system are being reviewed for suitability. In terms of Governance, a PDR Board and PDR project group are operating with the aim of developing, standardising and monitoring the effectiveness of PDR. Board representatives also participate in the College of Policing PDR project, this has led to newly published national PDR principles that are aligned to our own forces ambition to improve PDR validity and effectiveness.
- 3.30 The new Learning Management System has been developed and is currently used for student officers across both forces to carry out pre-learn packages and to compliment classroom teaching. The wider workforce will be able to access this system Spring 2020. This will allow for flexible blended learning approaches and aims to reduce classroom time as well as maximising opportunities for our staff and officers to access learning programmes remotely and at the point of need. Leadership Development content is also being designed to support the operational learning required such as briefing guidance, critical incident training, investigations and generic leadership and management. Content will also be added to support the soft management skills such as interviewing and unconscious bias.

Principle F - Managing risks and performance through robust internal control and strong public financial management

- 3.31 The PCC and Chief Constable have Risk Policies in place to ensure that the risks facing the organisation are effectively and appropriately identified, evaluated and reported. The Joint Norfolk and Suffolk (Constabularies) Risk Management Policy includes details of the risk management framework within the governance structure of Norfolk Constabulary. It sets out risk management requirements and practices that should be undertaken; by whom and when, and outlines the consequences of non-adherence. The policy supports a robust risk management approach for ensuring that strategic objectives are achieved and shows how risk is dealt with, by mitigation and/or escalation to the appropriate level in the organisations. A similar policy has been drawn up by the Norfolk Office of the PCC (OPCC). The Audit Committee routinely sees the Strategic Risk Registers.
- 3.32 The Crime Registry and Audit functions for Suffolk and Norfolk, which are part of the SBOS, carries out independent and rigorous audit of crime and incident recording. It provides an objective assessment of how the Constabularies are complying with the National Crime and Incident Recording Standards. The audit reports produced are reviewed by Chief Officers and if areas for improvement are identified, action is allocated and taken accordingly. As necessary, any areas of risk in relation to Crime Data Integrity are also raised at the Force Crime Data Integrity meetings and, where relevant, at Force performance meetings. They are also detailed on the risk register.
- 3.33 As noted in the 2017/18 Annual Governance Statement, Norfolk and Suffolk Constabularies have implemented a single IT system which joins up four key areas of the business; Intelligence, Investigation, Case and Custody as part of a nine force consortium. The Norfolk/Suffolk Athena development plan is nearer completion with the final stage (six) underway focussed on the review and restructure of the organisation to make the most efficient use of the application and then moving to implementation. This will conclude the transition of Norfolk and Suffolk to a business as usual model. Both forces then intend to explore collaborative opportunities with other ATHENA forces to streamline back office functions.
- 3.34 The accuracy of crime recording has recently been identified as requiring improvement by HMICFRS. Whilst the inspectorate identified outstanding leadership in this area of business, they found that staff did not understand the increasingly complex crime recording rules which leads to an estimated underreporting of 8700 crimes a year. Bespoke action plans are in place to ensure the quality of crime recording is improved with work being overseen by a Crime Data Integrity meeting, Chaired by the Assistant Chief Constable. Action has included the retraining of all supervisors and Athena champions in understanding of Crime Data Integrity (CDI) and the use of precept funding to recruit a quality assurance team. Please see Appendix A for a detailed report on progress on these matters.
- 3.35 The Constabulary is recruiting three extra staff to support the existing team of three who are responsible for maintaining Athena data quality standards. These resources seek to ensure compliance with MOPI and other relevant legislation. This task has been assisted by the development of software which automates much of the cleansing process. Beyond Athena, a data quality group has been established, operating across Norfolk and Suffolk, to oversee effort to improve the creation and management of all data.

- 3.36 Project Athena remains on the Constabulary Strategic Risk Register. There are strong governance mechanisms in place locally and regionally to manage and monitor Athena risks, issues, developments and changes. The Norfolk and Suffolk Athena Strategic Board oversees all issues and risks as well as monitoring general performance, development of the systems and the Athena change work. Relevant updates are presented to the Joint Organisational Board chaired by the Deputy Chief Constable and all strategic risks and issues also reported into the Joint Chief Officer Team meeting. Regionally the governance matrix extends through the Athena Management Organisation (hosted by Essex) to PCCs and Chief Constables through the Strategic Athena Management Boards.
- 3.37 Key areas of focus in relation to Athena have included:
- achieving implementation of the application across all nine forces; thereby moving the focus to a service maintenance and development structure.
 - the delivery of refresher training to all supervisors and Athena champions; this including technical use of the system in conjunction with legislative updates and CDI compliance.
 - the management of system performance
 - the agreed plan to move all nine forces onto an automated update between Athena and Police National Computer (manual workarounds have been implemented whilst system developments are being designed and rolled out to permanently resolve the issues);
 - improving data quality (regular monthly audits are undertaken to identify any issues and ensure crime data integrity, reporting into Chief Officers); and
 - the replacement of the current management information system (MI) providing a stable ability to access, query and extract management information
 - establishing a road map of changes and improvements to the Athena application;
 - conclusion of the organisational review leading to a restructure implementation plan
 - transition from the Athena project to a business as usual structure.
- 3.38 Even with the additional flexibility available to the PCC for precept increases in 2019/20 and 2020/21; over the medium term, efficiencies will continue to be identified so that operational demand and cost pressures can be met. By the 31 March 2020 some £35m of annually recurring savings will have been found. Over the MTFP period to 2023/24 a further £1.8m has been identified. The financial envelope for 2021/22 will be affected by the Covid-19 pandemic and beyond will be determined by the Spending Review anticipated to be deferred to 2021. The additional 'flexibility' on precept for 2020/21, an increase of £10 per annum at Band D equivalent, will enable investment in improving key services for the communities of Norfolk. Reserves are forecast to reduce from £17.2m at 31 March 2020 to £14.8m, by 31 March 2024.

Principle G - Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- 3.39 The Commissioner has a statutory duty to produce and publish an Annual Report which details performance for the previous year against the objectives and performance measures set in the Annual Policing Plan. Financial performance against the revenue budget, capital programme and levels of reserves is reported regularly through the Police Accountability Forum. The Annual Report and financial performance papers are published on the OPCC website.
- 3.40 The OPCC has continued to receive an annual award for meeting its statutory requirements on openness and transparency. The OPCC Transparency Quality Mark is issued by CoPaCC.

3.41 The Audit Committee has overseen the full programme of internal and external audit activity. See paras 4.21 to 4.23.

4. Review of Effectiveness

4.1 The PCC and Chief Constable have responsibility for conducting an annual review of the effectiveness of the governance framework, including the system of internal control.

4.2 This review of effectiveness is informed by

- the work of executive managers within the Constabulary and the OPCC who have the responsibility for the development and maintenance of the governance environment,
- the head of internal audit's annual report and
- comments made by the external auditor and other review agencies and inspectorates.

4.3 A full report will be presented to the Audit Committee ahead of the sign off of the accounts. The groups and processes that have been involved in maintaining and reviewing the effectiveness of internal control include the following:

Corporate Governance Working Group

4.4 This Group has been established to review the corporate governance framework and systems of internal control and to oversee the preparation of this Annual Governance Statement. The group comprises the Chief Executive of the PCC, the Director (Performance and Scrutiny) OPCC, the PCC's CFO, the Chief Constable's Assistant Chief Officer, the Head of Strategic Business and Operational Services and one co-opted member of the Audit Committee. These officers are involved in the oversight of the governance framework and its processes and are in a position to review its effectiveness.

Internal Audit

4.5 Internal audit (delivered under contract by TIAA from 1 April 2015) provides independent and objective assurances across the whole range of the PCC's and Constabulary's activities and regularly presents findings to the Audit Committee of the PCC and Chief Constable. TIAA has taken a managed audit approach in conjunction with external audit to ensure that all necessary areas of compliance are covered. The audit programme for the year was prepared and agreed with the PCC and Chief Constable following a risk based assessment. The managed audit approach has been developed successfully over past years, in agreement with external audit to bring further efficiency to audits. At each meeting of the Audit Committee the Head of Internal Audit also presents a 'Follow-Up' Report which sets out the numbers of implemented recommendations and those which remain outstanding. The contract with TIAA has been extended for a further 12 months to ensure stability until a new 7 Force procurement tender exercise can be undertaken.

4.6 The external auditor (Ernst and Young LLP), re-appointed by Public Sector Auditor Appointments in 2017) is able to place reliance on the work of internal audit.

4.7 Internal audit is required to give an overall opinion on the adequacy and effectiveness of the framework of the internal control and risk management environment.

4.8 The overall opinion for 2019/20 from the Head of Internal Audit was:

“TIAA is satisfied that, for the areas reviewed during the year, the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies have reasonable and effective risk management, control and governance processes in place. Not having completed all of the planned work due to the global Covid -19 pandemic has not impacted on our overall assessment. This opinion is based solely on the matters that came to the attention of TIAA during the course of the internal audit reviews carried out during the year and is not an opinion on all elements of the risk management, control and governance processes or the ongoing financial viability or your ability to meet financial obligations which must be obtained by, the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies from its various sources of assurance.”

4.9 The Head of Internal Audit’s Annual Report also includes the following statement:

Control weaknesses: There were three areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided ‘limited’ assurance. Recommendations were made to further strengthen the control environment in these areas and the management responses indicated that the recommendations had been accepted.

4.10 More information on the ‘Limited Assurance’ audits is set out in paragraphs 5.2 and 5.3.

External Audit and Other External Review Bodies

4.11 External Audit provides a further source of assurance by reviewing the annual accounts and value for money assessment and reporting upon internal control processes and any other matters relevant to their statutory functions and codes of practice. An unqualified audit report was issued on the 2018/19 Statement of Accounts in July 2019 together with an unqualified value for money conclusion. The External Auditor’s Annual Audit Letter was issued in August 2019 and it did not identify any matters to be addressed.

4.12 The Constabulary is subject to almost continuous review by Her Majesty’s Inspector of Constabulary and Fire & Rescue Services (HMICFRS) (although these have been currently suspended as a result of Covid-19 from the date lockdown commenced), and there have been a number of thematic inspections carried out over the period. Reports relating to Norfolk can be found on the HMICFRS website: -

<https://www.justiceinspectorates.gov.uk/hmicfrs/?force=norfolk&type=publications>

4.13 As part of the yearly inspection programme the HMICFRS also undertook a PEEL inspection, the inspection framework has now evolved from previous years into an Integrated PEEL Assessment (IPA) which comprises of three elements:

1. PEEL inspections
2. Force Management Statements (FMS)
3. Force Monitoring

4.14 With regard to PEEL inspections these are now amalgamated into one inspection and one report rather than twice per year. The latest PEEL inspection was published in May 2019 and the overarching question sets are set out below:

- Effectiveness – How effectively does the force reduce crime and keep people safe?
 - Efficiency – How efficiently does the force operate and how sustainable are its services to the public?
 - Legitimacy – How legitimately does the force treat the public and its workforce?
- 4.15 The force achieved ‘Good’ for Effectiveness, ‘Outstanding’ for Efficiency and ‘Good’ for Legitimacy. The force was congratulated on how it keeps people safe and reduces crime. HMICFRS also commended Norfolk Constabulary for the progress it has made over the period and was confident it was well-equipped for its strong performance to continue.
- 4.16 Force Management Statements are a self-assessment that Chief Constables prepare and give to HMICFRS each year. It is a statement and explanation of:
- The demand the force expects to face in the next four years
 - How the force will change and improve its workforce and other assets to cope with that demand
 - How the force will improve its efficiency to make sure the gap between future demand and future capability is as small as it can reasonably be; and
 - The money the force expects to have to do all this
- 4.17 HMICFRS are currently planning a pilot for a revised inspection framework and it is not anticipated that the force will be assessed using the current criteria. The force awaits further details on the revised approach to inspection.
- 4.18 Regarding data protection, data breaches continue to be reported to the relevant areas. Each one is investigated and appropriate action is taken to contain and manage the risk. The Deputy Chief Constables (Senior Information Risk Officers (SIRO)) are involved in the high-risk data breaches that are considered for referral to the Information Commissioners Office. Norfolk and Suffolk Constabularies made 5 referrals in 2019 (compared to 6 in 2018). None of these have resulted in formal action from the ICO, however procedure changes were implemented in light of 3 of these instances and the other two required us to ensure we were delivering extra data protection training to those involved in the breaches.
- 4.19 An internal audit has been scheduled in March 2020 for the OPCCN in the areas of Information Management and Information Security, the findings of this audit are expected to be available later in the new financial year as the audit has now been postponed due to the Covid 19 pandemic.

Police and Crime Panel

- 4.20 The Police and Crime Panel provides checks and balances in relation to the performance of the PCC and scrutinises the PCC’s exercise of his statutory functions. The Panel is independent of the PCC and consists of 3 county councillors, 7 district councillors and 2 independent co-opted members.

Audit Committee

- 4.21 The members of the Audit Committee are entirely independent people recruited for their scrutiny skills. They have no conflicts of interest and provide objective advice on audit and wider governance issues. The Committee provides advice, to the PCC and Chief Constable, on audit and governance issues and champions both audit and the embedding of risk management. Specifically, it receives and scrutinises the review of the system of internal control, and agrees and monitors any action plans resulting from those reviews. The Committee regularly reviews its own performance and prepares an annual report for submission to the PCC and Chief Constable.
- 4.22 In addition to this the Committee also examines and considers the draft Annual Governance Statement, and reviews the draft accounts of the PCC and Chief Constable to make recommendations in this respect. Also, it reviews the annual draft Treasury Management Strategy, monitors its application during the year and makes recommendations as appropriate.
- 4.23 Committee members have continued to receive briefings and training through the year.

5. Significant Governance Issues

- 5.1 In 2018/19 there were two areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance' (1. Allowances; 2. Duty Management System). The vast majority of the recommendations have been implemented, or there are mitigations in place, or some are subject to system and process changes in a longer time-frame (e.g. for DMS).
- 5.2 In the current year, three audits (of the 23 providing an overall assurance opinion) have received 'Limited Assurance':
- Dog handling
 - Data protection
 - Allowances and expenses
- 5.3 All recommendations in Internal Audit Reports are subject to follow up with a detailed report being presented to each meeting of the Audit Committee and to the Joint Constabularies Organisational Board (Delivery) that is chaired by the Deputy Chief Constable.

Impact of Covid 19

- 5.4 Covid-19 has had a major impact on everyone's lives within the United Kingdom, as well as on every sector of the economy. In the build up to lockdown on 23 March, significant changes were made to the policing model in Norfolk. These arrangements were brought to an end at the end of July, and policing has reverted to a business as usual model (subject to policing operating with appropriate personal protective equipment (PPE) and social distancing). Clearly, the impact for policing was in the financial year 2020/21 rather than in the reporting period covered by the Statement of Accounts, but it remains appropriate to outline the impact up to the date of the conclusion of the audit and the publishing of the final draft.

- 5.5 The governance model for the initial response to Covid was maintained between March and the end of July, allowing the Chief Constable and his Chief Officers to continue to run the force and hold officers and staff to account through different meeting structures. This was done in conjunction with Suffolk Constabulary to allow appropriate governance arrangements to be delivered as close to normal as possible across the collaborated functions as well as in Norfolk only functions. In short, the Joint Chief Officer Team (JCOT), Joint Organisational Board, Joint Strategic Planning and Monitoring meetings all took place as planned. In addition, Norfolk Command Team met regularly with all meetings mentioned being held virtually via video enabled Skype for Business / Microsoft Teams. Since the end of July there has been a mixed approach with some attendance in physical meeting rooms, with other attendees working from home and attending virtually. This is likely to be a model that continues for an extended period of time to maintain social distancing and also as new ways of working are reviewed.
- 5.6 On top of this, the Constabulary established a specific command model to focus specifically on our response to the Covid 19 disease. This command structure was also set up in collaboration with Suffolk Constabulary and enabled a consistent approach to our activity both in each force and across the extensive collaborated services. This command structure operated a Gold-Silver-Bronze model with Gold Command operating across both forces, and a Silver Command nominated in each force. A Strategic Gold plan was written which was implemented by the Silvers at a tactical level. Each Silver designed a set of Silver principles that formed a plan which then governed the tactical response in each county.
- 5.7 The OPCCN established a strategic model to focus specifically on the response to the disease and ensured that the PCC could continue to maintain effective governance to fulfil the statutory role and support the wider sector through commissioning of services.

The strategy has been revised since March 2020 and confirms how the core functions of the Office of the Police and Crime Commissioner (OPCC) are able to be maintained and, in some cases, developed, to continue to perform effectively in a variety of situations. This has now been adopted as the new workstyle and will be under regular review to help support staff and deliver efficiently and effectively. The senior management team are in regular contact and the Chief Executive and other members of staff have appointments with the PCC by video enabled Skype/MS Teams on a consistent basis. Virtual governance practices have been put in place so that the PCC is still able to hold the Chief Constable to account as normal. The Police and Crime Panel also is able to meet virtually so still able to hold the PCC to account.

During this year and throughout the Coronavirus pandemic, the OPCCN has worked with statutory and non-statutory (third sector/charity) organisations to address the additional needs required for victims of crime and those organisations who are supporting them. It became very clear during this period that the delivery of services, including specialist services have had to be changed to incorporate a whole new operating model. To this end the OPCCN has proactively, sought, bid for and were successful with a variety of national funds to bring financial support to the county. This process is still ongoing with further funds being sought and applied for. In

addition to victim funding, funding from the National Probation Service was secured to enhance our project to support prison leavers.

Fund	District	Value	Service/Status
Safer Streets Fund	Norwich City	£363,000	Secured - To target harden the most vulnerable wards against acquisitive crime
Extraordinary Fund	All	£250,000	Secured - To support those services delivery to victims of domestic abuse and sexual violence
Sexual Violence Fund	All	£178,000	Secured - To support those with protected characteristics who have victim to serious sexual offences/rape
National Probation Service	Great Norwich	£35,000	Secured - To support prison leavers who continually revolve around the Criminal Justice System
Child Sexual Abuse Transformation Fund	All	£136,500	Awaiting decision
Perpetrator Fund	All	£200,000	Submission in process
TOTAL		£1,1625,000	

Incident of Fraud

- 5.8 There was one incident of fraud in respect of monies (less than £3k) seized during the course of an investigation. The monies were due to be returned, but the wrong bank details were provided by another party, and therefore the intended party did not receive the funds. The incident has been crimed and is under investigation.

6. Conclusion and Assurance Summary

- 6.1 This report has highlighted the issues which have been identified during the year and which are being addressed.
- 6.2 The Corporate Governance Working Group has concluded that the governance arrangements are fit for purpose in accordance with the governance framework.
- 6.3 Finally, we are satisfied that this report is an accurate commentary on the governance arrangements in place in the Constabulary and the OPCC and of their effectiveness during this period. However, this report may be adjusted to take account of the further impact of Covid -19.

Signed

Lorne Green
Police and Crime Commissioner for Norfolk

Simon Bailey QPM
Chief Constable of Norfolk

Mark Stokes
Chief Executive
Office of the Police and Crime Commissioner

Jill Penn CPFA
Chief Finance Officer
Office of the Police and Crime Commissioner

Peter Jasper
Assistant Chief Officer
Constabulary Chief Finance Officer

Date: xx/xx/2020

Signed on behalf of the senior staff of the Police and Crime Commissioner for Norfolk and on behalf of the Chief Officers of Norfolk Constabulary.



ORIGINATOR: Chief Finance Officer

REASON FOR SUBMISSION: To update and for Audit Committee to consider recommendations

SUBMITTED TO: AUDIT COMMITTEE

SUBJECT: Audit Committee Skills Review

SUMMARY:

to update the Committee after submission of Skills Audit Questionnaire by Committee Members

RECOMMENDATIONS: To consider the recommendations below and adopt

Details of Report

1. INTRODUCTION

1.1 Audit committee members require training to help them undertake their role effectively. Where committee members have relevant specialist knowledge or experience, the training may need to focus on familiarisation with the organisation and the sector context and keeping up to date with new developments.

1.2 Members of the audit committee regularly undertake completion of a CIPFA based audit skills questionnaire to review if there are areas they wish to focus on.

1.3 The questionnaire highlights what particular briefings and training sessions would help them undertake their role.

1.4 An Audit Committee according to CIPFA is:

“a key component of corporate governance.

They provide a high-level focus on assurance and the organisation’s arrangements for governance, managing risk, maintaining an effective control environment, and reporting on financial and non-financial performance. They play an important role supporting police and crime commissioners, chief constables and local authorities. “

1.5 The Audit Committee skills audit is therefore is an important part in the role of the Joint Audit committee.

2. OUTCOME OF QUESTIONNAIRE

2.1 The overall result of the questionnaire was the visibility of the range of skills, experience and knowledge that the members bring to the Committee which enable them to undertake their role.

2.2 However a number of areas were raised where members felt that either regular updates or briefings on certain topics would be useful for the role.

2.3 The informal briefings regularly given by the organisations have proved popular and beneficial and certain topics raised could come under this umbrella.

2.4 The areas raised were:

- Audit development and good practice
- Financial management and accounting updates each year
- Programme and project management
- Benchmarking against other audit committees
- Risk management
- Fraud
- IT systems and governance

3. ACTION RECOMMENDED

3.1 The suggestion of topics that could be covered on a regular basis in informal briefings are as follows:

- Programme and project management
- Risk management
- Fraud
- IT systems and governance

3.2 The financial management and accounting updates should form part of the presentation regarding the draft annual accounts and this can be a regular feature.

3.3 The development of audit committees and good practice will come to the committee in a variety of forms such as CIPFA webinars and Internal and External audit newsletters.

3.4 Benchmarking could be considered as part of internal audit work in the upcoming audit plan. Otherwise if this is explored externally a further cost will be incurred.

4. CONCLUSION

4.1 There is a good range of skills and experience amongst the committee but regular updates and briefings will only assist in ensuring greater effectiveness.

5. RECOMMENDATION

5.1 That the actions recommended are adopted.

ORIGINATOR: Chief Finance Officer

REASON FOR SUBMISSION: To brief and for Audit Committee to note

SUBMITTED TO: AUDIT COMMITTEE

SUBJECT: Treasury Management briefing note on issues arising from Covid 19

SUMMARY: To update the Committee on the impact of COVID – 19 on treasury management.

RECOMMENDATIONS: To note the report

Details of Report

1. INTRODUCTION

1.1 The PCC operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low risk counterparties, providing adequate liquidity initially before considering maximising investment return.

1.2 The second main function of the treasury management service is the funding of the PCC's capital plans. These capital plans provide a guide to the borrowing need of the PCC, essentially the longer-term cash flow planning to ensure the PCC can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to the PCC's risk or cost objectives.

1.3 As a consequence treasury management is defined as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.4 The PCC has delegated responsibility for treasury management decisions taken within the approved strategy to the PCC's Chief Finance Officer. Day to day execution and administration of investment and borrowing decisions are undertaken by the Constabulary.

1.5 The PCC recognises the importance of monitoring treasury management activities, with regular reports being presented to the Audit Committee throughout the year.

1.6 The current Treasury Management Strategy states that the PCC lends according to the SLY principle, i.e. Security first, then Liquidity and finally Yield. The Counterparty limit is there to reduce overall exposure to Security risk. The limit in the current strategy is £10m.

2. CASHFLOW AND CASH MANAGEMENT

2.1 The PCC's cash balances comprise of revenue and capital resources, such as general balances, provisions and earmarked reserves and the timing differences between the receipt and payment of monies required to meet the cost of PCC services and the capital programme. The average level of cash balances year to date totals £21.926m.

2.2 Cash balances are managed internally and have been invested in accordance with the PCC's approved Authorised Lending List.

2.3 A key objective of cash flow management is to minimise balances held in the PCC's bank accounts in order to ensure that the maximum interest is earned.

2.4 The PCC operates seven bank accounts. Cash balances across all seven accounts are aggregated and surplus cash balances are invested on a daily basis.

2.5 Year to date (excluding investments and repayments), income received amounts to £114.8m, while payments total £105.4m, resulting in an overall increase in cash balances of £9.4m.

3. ACTION TAKEN AS A RESULT OF COVID-19

3.1 Returns are negligible at the moment due to the impact on the economy because of the pandemic so any yield benefit of a varied portfolio would be marginal. However, the danger is that there is occasionally too much money in one organisation. The main reasons for increasing the counterparty limit in the short term is if there is a lack of available borrowers in the market, as there was at the year end and during the recent lockdown, and also if cash balances are unexpectedly high, i.e. short-term planning differences.

3.2 The occurrences of breaching a counterparty limit over the last 12 months for NPCC are as follows;

First day of breach	18.05.2020
Counterparty	Barclays Bank
Maximum breached balance	£12.14m
Period of breach	2 days

First day of breach	20.07.2020
Counterparty	Barclays Bank
Maximum breached balance	£12.63m
Period of breach	2 days

3.3 The control in place over this period ensured that the relevant authorisations were sought and in place before the breach occurred.

4. IMPLICATIONS

4.1 The Treasury Management Strategy will be reviewed to ensure that the policy is appropriate for the new consideration of increased cash balances and limited willing counterparties during emergency situations. This will be included in the next review by Audit Committee later in the year.

5. CONCLUSION

5.1 The counterparty limit was breached but controls were still appropriate and these breaches happened during a national emergency, which will be considered as part of the next strategy.

Audit Committee Forward Work Plan

21 September 2020

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 21 May 2020	
Internal Audit 2020/21 Progress and Follow up Report	Report from Head of Internal Audit
Corporate Governance Framework	Report from CFO
Annual Governance Statement	Report from CFO/ACO
Audit Committee Skills	Report from CFO
Treasury Management Briefing paper	Report from CFO
Strategic Risk Register update– Part 2 private agenda	Report from Chief Exec and CC
Forward Work Plan	Report from CFO

20 October 2020

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 21 September 2020	
Final Accounts 2019/20 Approval including External Auditor's Audit Results Report	Reports from CFO and E&Y
Internal Audit 2020/21 Progress Report	Report from Head of Internal Audit
Forward Work Plan	Report from CFO

19 January 2021

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 20 October 2020	

Audit Committee Terms of Reference	Report from CFO
Internal Audit 2020/21 Progress update and follow up report 2021/22 Internal Audit Plan (draft)	Reports from Head of Internal Audit
External Audit 2019/20 Accounts Annual Audit Letter 2020/21 Audit Plan	Reports from Director, E&Y
Treasury Management 2019/20 Half Year Update 2020/21 Strategy (draft)	Report from CFO
Strategic Risk Register Update – Part 2 private agenda	Report from Chief Exec and CC
Forward Work Plan	Report from CFO

13 April 2021

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 19 January 2021	
Internal Audit 2020/21 Progress Report and Follow Up Review 2020/21 Annual Report 2021/22 Internal Audit Plan (Final)	Reports from Head of Internal Audit
Annual Governance Statement 2020/21	Report from CFO
External Audit Plan 2020/21	Report from Director, E&Y
Strategic Risk Register update – Part 2 private agenda	Report from Chief Exec and CC
Forward Work Plan	Report from CFO

Report Author

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