

AUDIT COMMITTEE

Tuesday 16 April 2019 at 2.00 p.m.
Wroxham Room, Jubilee House, Falconers Chase,
Wymondham, Norfolk NR18 0WW

A G E N D A

Note for Members of the Public: If you have any specific requirements to enable you to attend the meeting, please contact the OPCCN (details overleaf) prior to the meeting.

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 15 January 2019
4. Internal Audit – Reports from Head of Internal Audit (TIAA)
 - A. 2018/19 Plan Update
 - B. 2018/19 Internal Audit Follow Up Recommendations
 - C. 2019/20 Internal Audit Plan
5. Corporate Governance update and Review of the Effectiveness of the System of Internal Control including the draft Annual Governance Statement 2018/19 – Report from Chief Executive.
6. Forward Work Plan – Report from Chief Finance Officer

Part 2 – Private Agenda

7. Strategic Risk Register Update – Verbal update from Chief Executive and Chief Constable

8. Date of Next Meetings

Tuesday 30 July 2019 at 2pm.

Enquiries to:

OPCCN

Building 8, Jubilee House,

Falconers Chase, Wymondham, Norfolk, NR18 0WW

Direct Dial: 01953 424455 Email: opccn@norfolk.pnn.police.uk

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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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 komisarijų tarnyba Norfolkio 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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**MINUTES OF THE AUDIT COMMITTEE MEETING
HELD ON TUESDAY 15 JANUARY 2019 AT 2.00 PM
JUBILEE HOUSE,
FALCONERS CHASE, WYMONDHAM**

Members in attendance:

Mr R Bennett (Chairman)
Mrs J Hills
Ms A Bennett
Mr A Matthews
Mr P Hargrave

Also in attendance:

Mr L Green	Police and Crime Commissioner (for part of the meeting)
Mr J Hummersone	Chief Finance Officer (CFO)
Mr P Sanford	Deputy Chief Constable
Mr P Jasper	Head of Finance
Mr I Fearn	Head of Financial Accounting and Specialist Functions
Mr Mark Hodgson	Associate Partner, Ernst & Young LLP (EY)
Ms S Powell	Manager, Ernst & Young LLP
Mr C Harris	Head of Internal Audit, TIAA
Ms F Dodimead	Audit Director, TIAA
Mr M Stokes	Chief Executive, OPCC
Mr J Stone	Performance and Scrutiny Manager, OPCC
Ms P McIntosh	Head of Resourcing - Norfolk & Suffolk HR

Part 1 - Public Agenda

1. Welcome and Apologies

- 1.1 The Chairman welcomed members to the meeting and congratulated Mr Jasper on his promotion to the post of Assistant Chief Officer (and CFO) for the Constabulary.

2. Declarations of Personal and/or Prejudicial Interests

- 2.1 No interests relevant to the agenda were noted.

3. To confirm the minutes of the meeting held on 23 October 2018

- 3.1 **The minutes were approved** as a correct record and signed by the Chairman.

4. Audit Committee Terms of Reference

- 4.1 Agreed to amend para 12 to say review **and approve** the internal audit plan. (Note this is CIPFA's latest guidance). It was noted that any changes to the Plan which were agreed by CFOs would routinely be reported back to the Committee.
- 4.2 Agreed that the processes in paras 25 and 26 should be annual. The updated terms of reference are appended to these minutes.
- 4.3 Agreed to look at the Committee's self-assessment at the next members' only morning seminar and also to do a comparison with the latest CIPFA model in the most recent guidance.
- 4.4 The Committee felt that additional reports on VFM and fraud risk should be presented to the Committee. The CFOs agreed to discuss this outside of the meeting.

5. Audit of the 2018/19 Statements of Accounts Action Plan

- 5.1 **The Committee noted the action plan** which had been drawn up following a positive meeting with EY.
- 5.2 The Chairman recommended that a weekly meeting with EY should be in the diary for the duration of the audit.
- 5.3 The Committee sought and received assurances on the completion of the 2018/19 Annual Governance Statement.

6. External Audit Plan 2018/19

- 6.1 The Associate Partner EY introduced the audit plan for the 2018/19 Accounts.
- 6.2 The auditor stated that there had been no change to the risks although the risks related to changes in International Financial Reporting Standards numbers 9 and 15 would be reviewed by EY.
- 6.3 In the context of the discussions recorded in the previous minute, **the Committee noted** the Plan.

7. Internal Audit - 2017/18 Audit Progress Report and Follow Up Report

- 7.1 The Head of Internal Audit introduced the Progress Report. He reported that all the planned audits would be completed and that he would be able to provide the Audit Opinion in the Annual Report to the next meeting of the Committee.
- 7.2 The Director of Audit highlighted 2 changes to the Plan as set out in section 6 of the report and the key financial systems audit was currently underway.
- 7.3 The Committee noted that all draft audit reports were expected to be issued before the end of March.

- 7.4 The Committee focussed its discussions on the limited assurance report for Allowances. The shortcomings related in particular to allowances claimed by dog handlers were there was no clear local policy in place for the claiming of allowances. The Superintendent Specialist Operations would be responsible for ensuring that a new and consistent policy and claims procedures were pulled together.
- 7.5 The Committee also raised questions and received reassurances in relation to the General Data Protection Regulation (GDPR) audit, the Vetting audit, the Transport Procurement audit, the Estates Strategy audit and the Purchase Cards audit (which had now achieved a Reasonable Assurance level having previously been Limited).
- 7.6 It was also agreed that if risks were to be tolerated, i.e. recommendations not actioned or actioned over a longer period needed to come back to the Committee for final sign off. Failure to do this would mean the Follow Up audit work would continue to identify recommendations as outstanding (not completed).
- 7.7 The Director of Audit introduced the Follow Up Report. It was noted that 11 recommendations (Priority 1 and 2) had been implemented since the last meeting and 35 recommendations remained outstanding (of which 2 were priority 1). TIAA's advice to the Committee was that 35 was not an unreasonable number of outstanding recommendations for an organisation of this kind. The Committee noted some gaps in the management updates on implementation progress. The Director of Audit indicated that delays in the completion of recommendations were largely attributable to lack of (staff) resources, available space in the IT programme and managers being over optimistic about timescales. It was agreed that recommendations which could not be completed for the foreseeable future, for example, as a result of the need to select and implement new IT systems, would be included in a subset of outstanding recommendations. Again the Committee indicated that if the risks of not completing were being tolerated then this should be reported back and the suggested actions discontinued.
- 7.8 The Director of Audit also confirmed that the Internal Audit Plan 2019/20 would be presented to the April meeting of the Committee but would be circulated well in advance for members comments.
- 7.9 **The Committee noted the reports.**
- 8. Treasury management – 2018/19 Half Year Update and 2019/20 Strategy**
- 8.1 The Head of Financial Accounting and Specialist Functions (HFA) introduced the 2 reports. The latter would be included in the Commissioner's Budget and Medium Term Financial Plan Report to be presented to the Police and Crime Panel on the 5 February 2019.
- 8.2 The Committee noted that the investment policy continued to be one of liquidity with low risk and reward.

8.3 The Commissioner asked about current interest rates and was advised that some long term borrowing would soon be required. Rates looked favourable at the present time.

9. Forward Work Plan

9.1 **The Committee noted** the Plan and asked for additional items on fraud risk and value for money to be included.

Part 2 - Private Agenda

10. Duties Management System (DMS)

10.1 The DCC introduced the report which had been requested by the Committee as a result of the recent Limited Assurance internal audit report.

10.2 The DCC highlighted good progress with the completion of the recommendations in the audit report.

10.3 The Committee was satisfied with the explanations and the progress. The Director of Audit indicated that a further audit should produce a more positive assurance level.

11. Management of Police Information (MOPI)

11.1 The DCC introduced the report which had been requested by the Committee as a result of the recent Limited Assurance internal audit report and the inclusion of MOPI on the Strategic Risk Register.

11.2 **The Committee** felt that the score of 9 on the risk register was low but **noted the report.**

12. Strategic Risk Register Update

12.1 The CFO introduced the report. There were no particular concerns in respect of the identified risks but the Head of Internal Audit (HIA) addressed the outstanding question raised by the committee about why both likelihood and impact scores were changing for some risks. The HIA stated that in the main likelihood can be influenced by improving preventative controls but impact could also be affected by better recovery controls.

12.2 It was noted that some of the 'risks' identified were really 'issues' and greater attention should be given to describing the risks. It was agreed that Mr A Matthews be invited to become a member of the working group looking at risk management recording processes.

13. Close of Meeting

- 13.1 As this was the last meeting to be attended by the CFO, Mr Hummersone, before his retirement at the end of March, the Chairman expressed his appreciation and that of the Committee for the way Mr Hummersone had conducted himself and for the positive support and assistance he had given to the Committee and individual members over many years.
- 13.2 The next meeting would be held on 16 April 2019 at 2 pm in the Wroxham Room, OCC.

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Mr R Bennett
CHAIRMAN

Norfolk Audit Committee Terms of Reference

Constitution

The Committee will comprise five named members with appropriate ~~public sector~~ experience and who are independent of the PCC and the Constabulary. One of the members will be the Chairman who will be directly appointed by the Police and Crime Commissioner for Norfolk (PCC) and the Chief Constable.

Statement of purpose

1. The Audit Committee is a key component of the corporate governance arrangements of the PCC for Norfolk and the Chief Constable of Norfolk. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
2. The purpose of the Audit Committee is to provide independent advice and recommendation to the PCC and the Chief Constable on the adequacy of the governance and risk management frameworks, the internal control environment, and financial reporting, thereby helping to ensure efficient and effective assurance arrangements are in place. To this end the Committee is enabled and required to have oversight of, and to provide independent review of, the effectiveness of the governance, risk management and control frameworks, financial reporting and annual governance processes, and internal audit and external audit.
3. These terms of reference will summarise the core functions of the committee in relation to the Office of the Police and Crime Commissioner (OPCC) and to the Constabulary and describe the protocols in place to enable it to operate independently, robustly and effectively.

Governance, risk and control

The Committee will, in relation to the PCC and the Chief Constable:

4. Review the corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
5. Review the Annual Governance Statement[s] prior to approval and consider whether [it] [they] properly [reflects] [reflect] the governance, risk and control environment and supporting assurances and identify any actions required for improvement.
6. Consider the arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
7. Consider the framework of assurance and ensure that it adequately addresses the risks and priorities of the OPCC/the Constabulary.
8. Monitor the effective development and operation of risk management, review the risk profile, and monitor progress of the police and crime commissioner/the chief constable in addressing risk-related issues reported to them.

9. Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
10. Review arrangements for the assessment of fraud risks and potential harm from fraud and corruption and monitor the effectiveness of the counter-fraud strategy, actions and resources.

And in relation to the above, to give such advice and make such recommendations on the adequacy of the level of assurance and on improvement as it considers appropriate.

Internal audit

The Committee will:

11. Annually review the internal audit charter and resources.
12. Review **and approve** the internal audit plan and any proposed revisions to the internal audit plan.
13. Oversee the appointment and consider the adequacy of the performance of the internal audit service and its independence.
14. Consider the head of internal audit's annual report and opinion, and a regular summary of the progress of internal audit activity against the audit plan, and the level of assurance it can give over corporate governance arrangements.
15. Consider summaries of internal audit reports and such detailed reports as the committee may request from the PCC/Chief Constable including issues raised or recommendations made by the internal audit service, management responses and progress with agreed actions.
16. Consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations

External audit

The Committee will:

17. Comment on the scope and depth of external audit work, its independence and whether it gives satisfactory value for money.
18. Consider the external auditor's annual management letter, relevant reports, and the report to those charged with governance.
19. Consider specific reports as agreed with the external auditor.
20. Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

And in relation to the above, to give such advice and make such recommendations on the adequacy of the level of assurance and on improvement as it considers appropriate.

Financial reporting

The Committee will:

21. Review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit of the financial statements that need to be brought to the attention of the police and crime commissioner and/or the chief constable.
22. Consider the external auditor's report to those charged with governance on issues arising from the audit of the financial statements.

And in relation to the above, to give such advice and make such recommendations on the adequacy of the level of assurance and on improvement as it considers appropriate.

Other functions

The Committee will:

23. Examine the annual draft Treasury Management Strategy, monitor its application during the year and make any recommendations to the PCC and to the Chief Constable in this respect.

Accountability arrangements

The Committee will:

24. On a timely basis report to the PCC and the Chief Constable with its advice and recommendations in relation to any matters that it considers relevant to governance, risk management and financial management.
25. **Annually report** to the PCC and the Chief Constable on its findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements, and internal and external audit functions.
26. **Annually review** its performance against its terms of reference and objectives on an annual basis and report the results of this review to the PCC and the Chief Constable.

As amended by Audit Committee 15 January 2019
John Hummersone
CFO



Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies
Internal Audit Progress Report

AUDIT COMMITTEE
16 April 2019
AGENDA ITEM: 4A
2018/19



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

Audit Progress Report – Norfolk

2018/19

INTRODUCTION

1. This summary report provides an update on the progress of our work at the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies as at 3rd April 2019. The report is based on internal audit work carried out by TIAA and management representations that have been received during the period since our last progress report.

PROGRESS AGAINST THE 2018/19 ANNUAL PLAN

2. Our progress against the Annual Plan for 2018/19 is set out in Appendix A. The results of these reviews are summarised at Appendix B.

AUDITS COMPLETED SINCE THE LAST REPORT TO COMMITTEE

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

Review	Evaluation	Draft issued	Key Dates			Number of Recommendations			
			Responses Received	Final issued	1	2	3	OE	
Conflicts of Interest and Whistleblowing	Reasonable	10/01/2019	08/03/2019	08/03/2019	0	4	0	3	
Establishment, Capacity, Recruitment & Retention	Reasonable	07/11/2018	27/02/2019	06/03/2019	0	4	5	7	
Ethical Standards (Relationships Conduct)	Reasonable	21/11/2018	08/03/2019	08/03/2019	0	3	0	0	
Purchase Cards	Reasonable	04/01/2019	07/01/2019	08/01/2019	0	0	0	0	

Copies of the finalised reports are available to Audit Committee Members on request. The details for Norfolk only reports will only be included in the Norfolk progress report.

CHANGES TO THE ANNUAL PLAN 2018/19

6. There has been the following changes made to the annual plan since the last meeting:
 - Website Content / CAD Grazing – audit moved to 2019/20 financial year, due to changes with the migration from storm to smart storm command and control (CAD) system, with changes to the sign on process, more value would be obtained from completing the internal audit review once this has been implemented, with timing for the audit being relevant for quarter two.

FRAUDS/IRREGULARITIES

7. We regularly liaise with PSD regarding any work streams that may be relevant for internal audit.

LIAISON

8. Liaison is undertaken with the following:
 - Liaison with the Chief Finance Officers: Regular progress meetings are held with the Chief Finance Officers.
 - Liaison with PSD: Regular meetings are held with PSD during the year.
 - Liaison with Risk Management: Increased liaison has commenced, to directly link internal audit with risk management.
 - Liaison with External Audit: We have liaised with EY during the year and kept them informed of our work and will make available to them all final audit reports.

PROGRESS ACTIONING PRIORITY 1 (URGENT and NOT APPROVED RECOMMENDATIONS)

9. It is noted that there are a number of limited assurance reports issued, where elements of the system have warranted a limited assurance due either to non-compliance with statutory requirements or internal requirements, however it is also noted that progress is being made by management at the time of the audit to address the control weaknesses and this progress is taken into account in the overall annual opinion.
10. We have not made any urgent recommendations (i.e. fundamental control issues) since the previous Progress Report.
11. We have made no recommendations which have not been approved by management since the previous Progress Report.

RESPONSIBILITY/DISCLAIMER

12. 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.

Progress against the Annual Plan for 2018/19

System	Planned Quarter	Planned Days	Actual Days to date	Current Status	Audit Committee Reporting	Assurance	Comments
2018/19 Plan							
Strategic Control, Corporate Governance and Whistleblowing (NSC1901)	2	10	10	Final report issued	March 2019	Reasonable	
GDPR (NSC1907)	1	18	18	Final report issued	January 2019	N/A	
Fixed Assets (NSC1911)	1	10	10	Final report issued	October 2018	Substantial	
Allowances (NSC1912)	1	14	14	Final report issued	January 2019	Limited	
Duty Management System (1916)	1	14	14	Final report issued	October 2018	Limited	
Vetting (NSC1917)	1	10	10	Final report issued	January 2019	Reasonable	
Stations, including building access and vehicle security (NSC1922)	1	14	14	Final Report issued	July 2018	Reasonable	
Proceeds of Crime (NSC1927)	1	10	10	Draft report issued		Reasonable	
Lone Working (NSC1929)	1	10	10	Final report issued	October 2018	Reasonable	
Capital Programme (NSC1910)	2	10	10	Final report issued	January 2019	Reasonable	
Establishment, Capacity, Recruitment and Retention (NSC1915)	2	15	15	Draft report issued	March 2019	Reasonable	
Enact Replacement Project (NSC1906)	2	0	12	Final report issued	January 2019	Reasonable	
Estates Strategy and Policies (NSC1921)	2	6	6	Final report issued	January 2019	Reasonable	
Ethical Standards (Relationships Conduct) (NSC1930)	1-2	10	10	Final report issued	March 2019	Reasonable	

System	Planned Quarter	Planned Days	Actual Days to date	Current Status	Audit Committee Reporting	Assurance	Comments
Risk Management – Embedding/Development (NSC1903)	1-3	10	12	Draft report		Reasonable	Draft report being prepared
Commissioners Grants (NSC1904)	2	18	18	Final report issued	N/A	Reasonable	Suffolk only
ERP Disaster Recovery (NSC1913)	3	0	12	Position Statement		N/A	Draft position statement being prepared
Transport Strategy (NSC1918)	2	6	6	Draft report issued		Reasonable	
Transport Procurement (NSC1919)	2	9	9	Final report issued	January 2019	Reasonable	
Purchase Cards (NMSC1923) Norfolk only	3	6	6	Final report issued	March 2019	Reasonable	
Control Room (NSC1924) Norfolk only	3	14	14	Draft report issued		Reasonable	
Control Room (NSC1925) Suffolk only	3	14	14	Draft report issued		Reasonable	
Key Financial Systems (NSC1909)	4	30	30	Draft report issued		Reasonable	
Telematics and Fuel Usage (NSC1920)	4	12	16	Draft report issued		Reasonable	
Recovered Property (NSC1928)	4	10	10	Draft report		Reasonable	Draft report being prepared
Website Content / CAD Grazing (NSC1908)	2	12	0	Cancelled			Moved to 2019/20
Transformation & Strategic Planning, with Business Cases (NSC1902)	4	12	0	Cancelled			Moved to 2019/20
MoPI Project Implementation (NSC1914)	3	4	0	Cancelled			Moved to 2019/20
Custody Administration	1	14	0	Cancelled			HMIC inspection undertaken
Cyber Security – Maturity Assessment (NSC1905)	2	10	0	Cancelled			Moved to 2019/20
Records Management (NSC1913)	3	12	0	Cancelled			Replaced with ERP Disaster Recovery
Follow up of previous recommendations	1-4	12	12	Ongoing			
Management	1-4	20	20	Ongoing			



System	Planned Quarter	Planned Days	Actual Days to date	Current Status	Audit Committee Reporting	Assurance	Comments
Total Days Planned		388	342				
Annual Plan Days		330	330				
Contingency b/fwd		58	58				
Contingency (c/fwd)		(34)	(46)				


KEY:

	=	To be commenced
	=	Site work commenced
	=	Draft report issued
	=	Final report issued

Summaries of Finalised Audit Reports issued since the last report

Audit Report: Conflicts of Interest & Whistleblowing (NSC1901)

Report: March 2019

<p>SCOPE</p> <p>The review assessed the adequacy and effectiveness of the internal controls in place at the Norfolk and Suffolk Constabularies in relation to conflicts of interest and whistleblowing.</p> <p>MATERIALITY</p> <p>There have been approximately 100 concerns raised using the confidential reporting line.</p>	<p>Key Findings</p> <p>There is a process in place for staff to raise concerns, and to ensure that all concerns raised are reviewed and investigated accordingly.</p> <p>There are areas that would benefit with improvements, these being around:</p> <ul style="list-style-type: none"> Improving processes for managers to formally declare any potential conflicts of interest when assisting with a promotion exercise. The recruiting manager to be required to submit to HR, in advance of the interview commencing, the standard questions to be asked to the applicants. Line Managers to receive copies of conditions that have been imposed on individuals to manage the risk of an inappropriate association. 								
<p>OVERALL ASSURANCE ASSESSMENT</p> 	<p>ACTION POINTS</p> <table border="1"> <thead> <tr> <th>Urgent</th> <th>Important</th> <th>Routine</th> <th>Operational</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>4</td> <td>0</td> <td>3</td> </tr> </tbody> </table>	Urgent	Important	Routine	Operational	0	4	0	3
Urgent	Important	Routine	Operational						
0	4	0	3						

Recommendations – Urgent (Priority 1), Important (Priority 2) and Not Approved

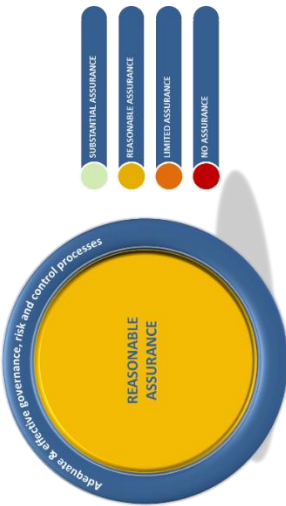
Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	Where associations outside of work (personal associations) are considered to be unacceptable, then the association should cease immediately where possible, but if this is not practical, such as the association being through marriage/civil partnership or a family/close relationship, then proportionate measures are required to manage the risk of an unacceptable association. A formal record is maintained of any restrictions imposed, it is expected that a copy of this is forwarded to the individual's Head of Department or Commander, who will be responsible for ensuring a copy is placed on the individual's personal file. The audit identified that line managers were not being sent copies of conditions imposed, in order for them to manage the association. The Disclosable Association Policy may not be followed in practice.	Working practices and the process stated in the Disclosable Association Policy be standardised.	2	ACU staff have been reminded of the requirement to send a copy of the record to the Line Manager and for the log to be updated to this effect.	05/02/19	DIACU

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Compliance	<p>There is no requirement for recruiting managers to formally declare any potential conflicts of interest, such as a close friendship with the applicant, although the Police Officer Recruitment Policy does state that "interviews involving internal applicants (serving or retired police officers), there must be an independent interviewer, i.e. someone who is not familiar with the applicant, on the panel to ensure fairness and objectivity".</p> <p>To ensure that there is integrity and transparency in the recruitment process and the appropriate personnel is appointed there is a need for potential conflicts of interest to be formally declared, and where possible independent staff and officers are selected for the selection panel.</p>	<p>A form be developed for each member of the selection / promotion panel, requiring them to formally declare whether there are any potential conflicts of interest in relation to the recruitment process.</p>	2	<p>Action will be taken to add this detail to the shortlisting form and interview paperwork which is currently carried out by line managers.</p> <p>Before this is introduced, work will be undertaken to ensure that there is process to follow when a conflict is identified as well as ensuring that there is an available understanding of what is regarded as a conflict of interest for managers.</p>	30/06/19	Head of HR
3	Compliance	<p>HR do not currently maintain a register that records any reported potential conflicts of interest, to provide transparency in the recruitment and promotion process.</p>	<p>HR to develop and maintain a conflicts of interest register in relation to recruitment and promotion exercises.</p>	2	<p>The forms outlined above will be held within HR, so that they can be referred to in case of any investigation into a recruitment process.</p>	30/06/2019	Head of HR

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
4	Compliance	There is no designated police staff bonus and honorarium policy for police staff to refer to when undertaking additional duties and receiving financial recognition for this.	A police bonus and honorarium policy be developed or incorporated into an existing staff policy, and made available to staff to refer to.	2	Work has commenced on the development of an Honorarium and Bonus policy. This will be subject to the normal consultation process.	30/09/2019	Policy, Reward and Employee Relations Manager

Audit Report: Establishment (NSC1901)

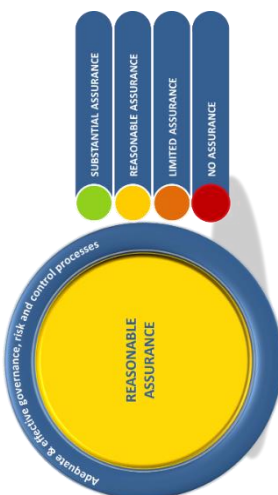
Report: March 2019

<p>SCOPE</p> <p>The review considered decision making regarding the establishment, capacity, and changes to recruitment criteria and the arrangements for advertising, shortlisting, interviewing and appointing staff/officers. The review also considered the retention of officers/staff, the impact of changes to recruitment processes, internal movement, freeze on posts and severance.</p> <p>MATERIALITY</p> <p>The Norfolk establishment was set at 1525 for the year, with the current strength against this being 1532.1 FTE as at 31st August 2018. There has been 64 new joiners up to this year to date. The police staff strength as at 31st August 2018 was 1067.4 FTE against an establishment of 1095.7.</p> <p>The Suffolk establishment was set at 1106 officers for the year, with the strength at 31st August 2018 being 1077.3. A total of 41 new recruits appointed in the financial year to 31st August 2018. The police staff strength as at 31st August 2018 was 761.3 against an establishment of 883.53.</p>	<p>KEY FINDINGS</p> <p>A succession planning pilot has been completed for around 30 senior officers across the Constabularies, following this progress is being made to roll out the succession planning across the remainder of officers and staff the Constabularies</p> <p>There is a workforce plan in place across the Constabularies, it was noted that the plan does not include agency staff, or accurately include the skills of officers and staff.</p> <ul style="list-style-type: none"> Contract lengths are not recorded on ERP, to provide a basis for effective monitoring when the reach termination. The setting up of IT profiles is completed on the first day of employment, rather than prior to employment starting, as such new starters often have to wait several days after starting to gain access to the IT systems. 								
<p>OVERALL ASSURANCE ASSESSMENT</p> 	<p>ACTION POINTS</p> <table border="1"> <thead> <tr> <th>Urgent</th> <th>Important</th> <th>Routine</th> <th>Operational</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>4</td> <td>5</td> <td>7</td> </tr> </tbody> </table>	Urgent	Important	Routine	Operational	0	4	5	7
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0	4	5	7						

Recommendations – Urgent (Priority 1), Important (Priority 2) and Not Approved

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	<p>Amendments to contract lengths are recorded on EBS. The ability to make amendments to contract lengths is available to all HR super users.</p> <p>There are no checks undertaken to ensure that appropriate contract lengths are recorded on ERP.</p> <p>If contracts are to be terminated, unless a leaver form is created on ENACT individuals will continue to be paid.</p> <p>If contract lengths automatically terminate at the end of the contract, extensions not actioned prior to the termination would result in additional work to set up the contract again.</p>	<p>Reports of amendments to contracts length be produced monthly, to verify whether leaving / extended and permission groups checked for appropriateness to amend.</p>	2	<p>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.</p>	30/06/19	Head of Resourcing/Head of HR

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
4	Directed	With IT profiles not being set up until the day the new starter starts, if there is a problem with their IT profile this will prevent the new starter from being able to access necessary IT systems until their profile is operational. Setting up IT profiles well in advance of commencement date would prevent any unnecessary delays, allowing new starters to obtain their password and log on details on the day that they start.	The setting up of IT profiles at least a week in advance of the new starter commencing employment be investigated, so that the profile can be checked to ensure that it works. IT to provide the new starter with their password on the day that they start.	2	This is an issue that the business has highlighted since the launch of the ERP solution. The ERP System Team/ICT have advised that the Sailpoint Solution, which will be implemented as part of the Desktop Modernisation Project will address this issue. An update will be provided in due course.	30/09/19	ERP Systems Team/ICT
6	Compliance	Whilst there is a workforce plan, it does not include agency staff. The Constabularies have a number of agency workers, thus it may appear that a team are either understaffed or at a manageable level, which is distorting the true workforce needs.	The workforce plan be amended so that agency staff are included, to accurately reflect vacant posts and staffing levels.	2	The document will include details related to Agency Staff from the start of the new financial year.	31/05/19	Senior Recruitment and Workforce Planning Manager
9	Compliance	A sample of 10 Suffolk police officers and 10 Norfolk police officers that were or had been acting up or had been awarded temporary promotion were randomly selected for testing. Audit testing found that there were six police officers in Norfolk that were acting up that did not have sufficient evidence of approval for acting up.	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 covered within other HR policies and process.	30/06/19	Head of Resourcing

<p>SCOPE</p> <p>The audit assessed the adequacy and effectiveness of the internal controls in place at the Constabularies for identifying and addressing of relationship conduct. The audit focused on the following areas;</p> <ul style="list-style-type: none"> • Policies and procedures; • Roles and responsibilities; • Training and awareness; and • Systems and processes <p>MATERIALITY</p> <p>Personal relationships at work can cause significant disruption in the workplace, particularly if the relationship breaks up or particular employees are perceived as receiving favourable (or unfavourable) treatment as a result of such a relationship.</p>	<p>KEY FINDINGS</p> <p>The Constabularies do not have a policy or process in place for managing personal relationships at work. This could lead to any potential conflict of interest being challenging to resolve. Management need to consider the implications of personal relationships within teams in relation to other team members.</p> <p>The reasonable assurance opinion is provided due to the low overall impact on the Constabularies, with implementation of the recommendations addressing the risks.</p>								
<p>OVERALL ASSURANCE ASSESSMENT</p> 	<p>ACTION POINTS</p> <table border="1"> <thead> <tr> <th>Urgent</th> <th>Important</th> <th>Routine</th> <th>Operational</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>3</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Urgent	Important	Routine	Operational	0	3	0	0
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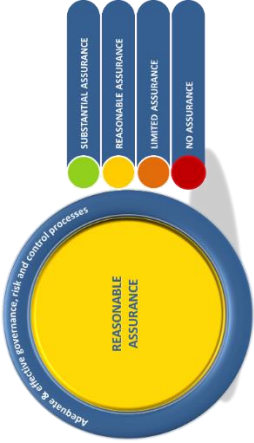
Recommendations – Urgent (Priority 1), Important (Priority 2) and Not Approved

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	There is no policy in place or guidance on personal relationships and how to manage them. Without a policy, there is no formal requirement to disclose a relationship at work. In addition, appropriate action may not be taken to manage a personal relationship at work.	Guidance be developed on personal relationships at work. The guidance should incorporate managing staff within close relationships at work where potential conflicts may arise.	2	The NPCC issued draft guidance for informal feedback in July 2018. Further national consultation then took place before a joint NPCC and College of Policing guidance document was published w/c 18/02/19 and is available on the COP website. Local discussions are now taking place to implement and raise awareness.	01/07/19	Head of ACU
2	Directed	There is no standard form to be completed for disclosing a relationship at work, which could impact on the performance of the individual.	A standard form be developed for police staff and police officers to disclose a personal relationship at work, which is submitted to PSD for review and identification of any conditions to be imposed to manage any identified risk.	2	The NPCC issued draft guidance for informal feedback in July 2018. Further national consultation then took place before a joint NPCC and College of Policing guidance document was published w/c 18/02/19 and is available on the COP website. Local discussions are now taking place to implement and raise awareness.	01/07/19	Head of ACU

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	A standard approach is not adopted for recording any relationships at work that have been disclosed voluntarily to line managers. There are some line managers that maintain records of work relationships that have been disclosed to them.	A register be developed for recording all staff personal relationships at work, which is maintained by the Professional Standards Department (PSD) and updated accordingly.	2	The NPCC issued draft guidance for informal feedback in July 2018. Further national consultation then took place before a joint NPCC and College of Policing guidance document was published w/c 18/02/19 and is available on the COP website. Local discussions are now taking place to implement and raise awareness prior to publication.	01/07/19	Head of ACU

Audit Report: Purchase Cards (NSC1923)

Report: January 2019

<p>SCOPE</p> <p>The audit focused on the use of purchase cards in Norfolk Constabulary, and compliance with policy.</p> <p>MATERIALITY</p> <p>Purchase card expenditure for the period April to November has been approximately £160k for Norfolk Constabulary, which is in line with the expenditure for the same period in 2017/18.</p>	<p>KEY FINDINGS</p> <ul style="list-style-type: none"> Progress has been made in relation to recommendations raised in the previous audit and a reasonable assurance opinion can be given. Substantial assurance is not applicable due to the nature of the system where exceptions do arise, with reasonable prevention and detective Purchase card expenditure is submitted and authorised promptly and is uploaded on to the ledger. Expenditure over the individual transaction limit of £500 was made by splitting transactions on cards, this has previously been raised. Purchase cards are not always used in line with the purchase card manual, the majority of those exceptions identified were for fuel payments, as the fuel card for police vehicles was rejected. Management are considering the individual cases. 								
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Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies
Follow Up Review



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

Follow Up Review

2018/19

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 (P1 - Urgent) and priority 2 (P2 - Important) recommendations implemented since being reported to the January 2019 Audit Committee meeting and those outstanding past their implementation dates. A breakdown of this summary is attached as Figure

Figure 1 - Summary of the action taken on Recommendations made

Evaluation	P1 - Urgent Recommendations	P2 - Important Recommendations	Total	January '19 Position for comparison
	Number	Number	Total	Total
Implemented Since Last Meeting	1	18	19	11
New Recommendations Added Since Last Meeting (without revised dates)	0	0	0	25
Outstanding – Past Original Deadline (incl. Deadlines Extended*)	2*(2)	28*(28)	30	35
Original Deadline Not Yet Reached	0	17	17	20



Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies
 Follow Up Review

Audit Ref	Audit Area	Date Presented to Audit Committee	Assurance Level	Completed since last Audit Committee		New Since last Audit Committee		Outstanding / Overdue		Outstanding with Extended Period Not Reached		Not Yet Due for implementation	
				P1	P2	P1	P2	P1	P2	P1	P2	P1	P2
2016/17 Internal Audit Reviews													
NSC1703	Transport	Sep-16	Reasonable		1								
NSC1707	Duty Management	Dec-16	Limited								3		
NSC1714	Overtime, Expenses	Mar-17	Reasonable								1		
NSC1716	Pensions	Mar-17	Reasonable								1		
2017/18 Internal Audit Reviews													
NSC1804	L&D Skills	Jul-18	Limited		1						1		
NSC1811	Procurement	Sep-17	Reasonable		1								
NSC1812	Business Interests	May-18	Reasonable		1							1	
NSC1814	Risk Management	May-18	Reasonable									1	
NSC1817	Data Quality - Athena	Nov-17	Limited									1	
NSC1823	Overtime, Expenses	May-18	Limited									1	
NSC1825	Corporate Policies	May-18	Limited		3								



NSC1829	Payroll	Mar-18	Limited	1	1								1				
2018/19 Internal Audit Reviews																	
NSC1901	Governance and Whistleblowing	Mar-19	Reasonable														3
NSC1906	Enact Replacement	Nov-18	Reasonable	1	1												1
NSC1907	GDPR	Nov-18	N/A	2	2												
NSC1910	Capital Programme	Nov-18	Reasonable														1
NSC1912	Allowances	Nov-19	Limited					1					2				
NSC1915	Establishment	Mar-19	Reasonable														4
NSC1916	Duty Management	Oct-18	Limited														4
NSC1917	Vetting	Nov-18	Reasonable	1	1												1
NSC1919	Transport - Procurement	Mar-19	Reasonable	1	1												
NSC1921	Estates Strategy	Nov-18	Reasonable	1	1												
NSC1922	Stations, including building access and vehicle security	Jul-18	Reasonable	3	3										1		
NSC1929	Lone Working	Nov-18	Reasonable												1		1
NSC1930	Ethical Standards	Mar-19	Reasonable														3
TOTALS				1	18	0	0	0	0	0	0	0	2	28	0	0	17

KEY FINDINGS

- 3. All recommendations have gone through management review, to assign revised deadlines that are deemed realistic to achieve.
- 4. There are three urgent recommendation outstanding and past the agreed deadlines:
 - 4.1 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. Discussions are being held with the department to identify reasonable timescales for implementation.
 - 4.2 Allowances (NSC1912) – this is regarding the dog handling allowances policy, where there are variances with the interpretation of the policy that require consideration for update.

- 4.3 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, as the risks are still present and require addressing.

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, including those previously reported. 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.
- Total outstanding – includes; extended period agreed, previously reported as outstanding and new outstanding.
- Not yet due for implementation – the agreed implementation deadline has not been reached.

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SCOPE AND LIMITATIONS OF THE REVIEW

5. 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.
6. 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.
7. 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

8. 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:	4 th April 2019

Detailed Report

FOLLOW UP

9. Management representations were obtained on the action taken to address the recommendations. Only limited testing has been carried out to confirm these management representations.

10. Recommendations are split into those past their original / revised deadline and those with a revised deadline that has not been reached.

The following matters were identified as outstanding past their original/revised deadline, with the exception of Duty Management, which are being monitored as part of a separate project:

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1714 Overtime, Expenses and Additional Payments	Joint expenses policies for Norfolk and Suffolk Constabularies for police officers and police staff to be developed. The updated expenses policies to be placed on the intranet.	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.	Head of Transactional Services	2	30/06/17	01/12/19	04/01/19	The alignment of the policy and procedures will require additional time, to agree the interpretation of the requirements and the implications for officers.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1716 Pensions Administration	The payroll system to be investigated to establish if a report can be run to calculate pensionable pay for staff.	The pension contributions are set at system level and the appropriate contribution is deducted from the employee in accordance with their pensionable pay each month. This cannot be checked at a global level, however there is confidence that the deductions made are correct at an employee level and the necessity for a pensionable pay figure is not considered as a significant issue. However when reporting for ERP is reviewed then this will be considered as part of the requirements.	N/A	2	01/03/17	01/06/19	04/01/19	The new payroll reporting tool will need developing to be able to extract pensionable pay but the tool only comes with seeded reports. A request will be passed to Capgemini to request SQL to be written to extract this. The main reason this is required is for year-end reporting for which a solution has been developed.

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1804 HR – Learning and Development	A full review of the skills data recorded on ERP to be undertaken, requesting skills data held and trainers from individual departments, to ensure that ERP has an accurate record and can be used to identify skill requirements and gaps across the forces.	The ERP skills review is well underway. The findings are being fed into the ERP Board for future changes to the ERP system, which will require change requests. The ERP Board has agreed the procurement of new management information software for the ERP system, which will also provide assistance in this area.	Temporary Chief Inspector - Operational Training Manager	1	27/06/18	30/09/19	04/12/18	Work to more fully utilise ERP has been explored. The cost of the RFCs to enable the system to use has been adjudged to be prohibitive. A business case to use the Chronicle for the recording of skills is being progressed and updates will be provided forthwith.
NSC1804 HR – Learning and Development	Training expiry dates be assigned for all courses, to enable reminders to be sent at designated intervals and/or ERP updated with a new expiry date.	Automated ERP reminders are problematic owing quantity. Force Announcements have advised individuals that it is their responsibility to understand their own skill profile.	Temporary Chief Inspector - Operational Training Manager	2	30/06/18	30/09/19	04/12/18	The Chronicle System will address expiry dates. There is an expectation that officers should take personal responsibility for understanding their own training need.
NSC1804 HR – Learning and Development	Succession planning be linked to the workforce plan to ensure that there are appropriately qualified and trained	A framework for succession planning has been established, and a pilot held involving senior leaders within the Constabularies	Director of HR	2	30/09/18	01/09/19	04/12/18	Chief Officer Checkpoint Days will be undertaken in June July 2019, to discuss Chief Inspectors and above



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
	officers.	(Chief Inspector and above). This included career conversations, chief officer meetings in order to draw up short, medium and long term succession plans. The feedback from the pilot will be used to refine and develop the framework in conjunction with workforce planning for the rest of the organisation.						(plus all Inspectors with an Exceptional Rating) and Police Staff Band H and above who are rated Exceptional, Strong or Effective and Seeking Promotion. The Checkpoint Day will provide Chief Officers with an opportunity to review the performance and potential of staff and officers at these levels, as well as understanding the succession plan for senior posts and any associated risks so that these can be addressed. This can then inform future posting decisions and in individual or departmental action plans.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1804 HR – Learning and Development	Evaluation of training be undertaken at the designated intervals at both two weeks after the course is completed and three months after the training course is completed.	The Operational Training Manager is currently writing a new evaluation strategy which will sit across all training. As part of the implementation of PEQF (and the Police Constable Degree Apprenticeship), evaluation will be more rigorous given the Constabularies' relationship with a higher education Institution. The strategy is being written to support this. Currently all students are tracked throughout the two year probation period, and exit interviews and case conferences are monitored to ensure that any lessons learned are captured and incorporated into future training.	Temporary Chief Inspector	2	30/09/18	30/09/19	16/01/19	High level guidance is contained within the Operational Training Plan. The full Evaluation Strategy is currently being drafted by the Operational Training Chief Inspector and will be released in due course.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1804 HR – Learning and Development	ERP be investigated to see if adequate quality control measures can be set up to prevent police staff being assigned courses and skills that only police officers can achieve.	Learning and Development are working with Cap Gemini and have identified a number of change requests to the ERP Board to improve the work flow, and therefore improve the quality of data input into the system.	Temporary Chief Inspector - Operational Training Manager	2	30/09/18	30/09/19	04/12/18	The Chronicle business case is now being progressed.
NSC1804 HR – Learning and Development	ERP be used for recording all scheduling of training courses and expected attendees by the Learning and Development Administrators, and be updated when officers have completed courses. Discontinuing the use of spreadsheets.	Protective Services were required to hold the "Mercury Report" which is a national requirement. Significant sections of this have to be undertaken manually. ERP could be better utilised to complete this. Work contained within the other management responses will enable this to be progressed.	Temporary Chief Inspector - Operational Training Manager	2	30/09/18	30/09/19	04/12/18	The Mercury Report can be more easily produced within the Chronicle System, and this will be prioritised as part of this work stream.

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1804 HR – Learning and Development	Training and user guides be provided to the Learning and Development Administrators so that skills data is accurately and correctly recorded on ERP.	This will be drafted and completed as part of the work listed.	Temporary Chief Inspector - Operational Training Manager	2	30/09/18	30/09/19	04/12/18	Manuals for L&D Administrators have been developed, and are being used.
NSC1804 HR – Learning and Development	Standard titles be assigned for all courses and these to be uploaded on to ERP so that Learning and Development staff select the appropriate course for staff.	The ERP Project has identified naming discrepancies within skills. The project is setting naming conventions when new course details.	Temporary Chief Inspector - Operational Training Manager	2	30/09/18	30/09/19	04/12/18	This has been addressed as far as possible as part of the work done with the creation of manuals. This has been done where possible without the use of RFCs. This will form part of the Chronicle Workstream.

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1812 Business Interests	Employment contracts be reviewed for staff that attend police funded courses to be required to reimburse the Constabularies if they leave within set time periods of attending the course. As well as setting restrictions on working within a set geographical area for a given period.	The policy has been revised to reflect setting restrictions on geographical area for working and on course reimbursement. Consideration is being given to including reimbursements within employment contracts and what would be enforceable.	Senior Complaints, Appeals & Policy Manager	2	30/09/18	01/07/19	04/12/18	Work continues and progress has been made. Engagement has taken place with HR as there are implications regarding employment law. More time is required to see if other similar organisations have taken this approach. Legal advice is required regarding the business interest policy, a revised version has been written and sent out for consultation.
NSC1814 Risk Management – Mitigating Controls	Controls on the strategic risk register be made specific, applying the 'so what' approach, to enable them to address the risk identified.	A pilot of the revised template for the Joint Strategic Risk register will incorporate this recommendation.	Risk & Compliance Manager	2	08/06/18	01/07/19	06/02/19	The March JCOT has been dedicated to key HR issues, relevant to issues raised in the action plan, so this will now be tabled for the April 2019 JCOT.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1817 IM - Data Quality	A resolution be sought on the outstanding and growing duplicate Athena records across each of the categories.	The 500 limited is a technical limitation set by the AMO. A number of issues remain unresolved within Athena which has a direct impact of the level of duplicates in the system, in particular locations. Further training is being rolled out to supervisors on the use of Athena which includes DQ input. The lists are above 500 due to staff overturn in the DQ team. It has been identified that improved training on DQ at the front end of Athena is crucial to success.	Head of Information Management / D/Supt Joint Justice Command - Athena Lead	2	01/04/18	31/12/19	16/01/19	The limit that can be seen has not progressed. Since the introduction of Kent to Athena this has caused other issues with the match rules not running for a number of weeks and is still not fully functioning. This is being addressed as part of a wider system review, as such a revised date is given.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1823 Overtime, Expenses and Additional Payments	Sample testing on 10% of claims to include the validity of the claim and whether they are submitted within the guidelines.	The claims selected for testing are checked that they comply with the policy and rejected if they do not. With regards to the validity it had been agreed that through publication of the appropriate policy along with an understanding of potential disciplinary proceedings for non-compliance that the Constabulary would manage the remaining risk. The remaining risks should have been managed through reporting from iExpenses to identify duplicates and other information with regards to validity. A new reporting solution is now in place and being configured and an early priority is to design reports for	Head of Transactional Services	2	30/09/18	01/07/19	04/01/19	The reporting tool is currently being developed and is anticipated to be complete for the new financial year 2019/20, following which testing will commence.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
		<p>Finance, PSD and Heads of Departments to manage this going forward.</p> <p>This Audit report along with recent PSD issues raised has led to the conclusion the risks are higher than can be tolerated and as a result has been added to the Constabulary risk register.</p>						



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1829 Payroll, including ERP Reporting	The reporting functionality on ERP to be explored so that all necessary reports can be provided to enable line managers to have all necessary information, including a report of new starters, leavers and changes within the monthly payroll.	Heads of Department have regular meetings with their management teams, and with HR and Finance Business Partners to understand their staffing position. However, a business case is in draft in connection to a new reporting solution and funding has been provided within the MTFP. The reporting solution will have much wider benefits than the more narrow issue outlined here.	Head of Transactional Services	2	30/06/18	01/07/19	04/01/19	Work has progressed to the extent that the new reporting tool is anticipated to be implemented by the end of Q1 in 2019/20, with reporting availability following this.

Job	Recommendation	Management Comments	Responsible Officer	Priority	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.	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.	Toni Osborne ERP Systems and Development Manager	2	23/11/18	01/06/19	03/01/19	The installation of APEX has been ongoing since December. Issues have been encountered with it causing large trace files to be produced within the environments it is installed in. This has meant it is not practicable to install it into Production (Live) as we cannot afford for the system to run slowly. This issue has been resolved and once testing is completed, we will look to install APEX into Production which will be followed by iForms being loaded into APEX after confirmation of the successful installation.

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1912 Allowances	The policy and processes for dog handler allowances and associated expenses to be clarified, adopted within the policy, communicated to relevant staff/officers and accurate records maintained.	This will be referred to the Superintendent Specialist Operations, who will form a policy and process.	Supt Specialist Ops	1	31/03/19	31/12/19	03/04/19	The alignment of the policy and procedures will require additional time, to agree the interpretation of the requirements and the implications for officers.
NSC1912 Allowances	A standard approach be adopted regarding the use of forms for claiming allowances. This is to be incorporated within guidance for staff and available on the intranet.	The content of the Payroll and HR Intranet pages are under review as part of the SSTC project. Forms will be loaded onto the intranet for staff to use and the teams will direct them to use the appropriate form. Future developments of forms on line will follow.	Head of Transactional Services	2	31/03/19	30/06/19	03/04/19	The SSTC Project Board have reviewed the content on the HR and Payroll On Line new Intranet pages and this will be live by 30 June 2019. The claim forms referred to are included on these pages.
NSC1912 Allowances	The process and methodology be reviewed for making honorarium payments, to enable transparency and	A Joint Good Work Recognition Policy is being developed. The policy will standardise the process for honorariums.	Policy, Reward and Employee Relations Manager	2	31/03/19	30/09/19	03/04/19	Work has commenced on the development of an Honorarium and Bonus policy. This will be subject to the

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1917 Vetting	compliance with Constabularies' policy. The Vetting Policy be reviewed, approved, and communicated.	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.	Senior Complaints, Appeals and Policy Manager	2	31/03/19	30/06/19	03/04/19	normal consultation process. The policy is being discussed between PSD and HR, regarding the elements of reimbursements within employment contracts and what would be enforceable by law, following which consideration is to be made by Unison and the Federation, along with both Executives. This requires additional time to resolve.



Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1922 Stations, including building access and vehicle security	A review of officers that have access to the Bury St Edmunds armory be undertaken to ensure that only officers that have current in date fire arms training and require access are able to access the armory.	Firearms Officers use the Chronical application to access the armory and the contents contained in it. e-Personnel files need to be updated to reflect the officers' current training status. ERP does not have an accurate record of officers that have undertaken firearms training. Work is underway to address the inaccuracies of records within ERP. Only officers that have undertaken firearms training are granted access to the armory, it is the training records on ERP being incorrect.	The Joint L&D and The Joint Information Security Dept	2	30/11/18	01/10/19	03/04/19	The Chronicle solution is now being re-configured to become a 7Force 'cloud hosted' application that all 7Forces access. This is to be built and hosted by Suffolk and Norfolk ICT in their DC. Therefore the process of integrating ERP records etc. will be included in the development of this new application. This is a new project, which is progressing. A revised date will be applied to assess progress of the application to address the risk of unauthorised officers having access.

Job	Recommendation	Management Comments	Responsible Officer	Priority	Due Date	Revised Due Date	Last Update	Latest Response
NSC1929 Lone Working	A more thorough check of risk assessments be conducted, at least on a sample basis, to ensure that all risks, including those relating to lone workers have been identified and appropriate controls measures have been put in place.	The Joint Constabulary Health and Safety Arrangement makes the requirement to ensure that risk assessments are in place upon the relevant Heads of Department. Line Managers/Commanders are also expected to ensure that risk assessments are in place and this includes identifying and ensuring that persons who are lone workers have specific control measures in place where a hazard and risk to them exists for lone working. The Health and Safety Team undertake periodic reviews of risk assessments and this is recorded via our monitoring spreadsheet.	Health and Safety Manager / Advisors	2	01/11/18	01/07/19	03/04/19	A template form has been produced but due to the reduction of 1 FTE H&S Advisor this has not yet been actively used due to workloads. When a part time admin person starts this should see the remaining H&S Advisors be in a position to use the audit form and where practicable audit lone working arrangements. The Health and Safety Team are actively ensuring that lone working is captured in risk assessments where it is considered to be a significant hazard.



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

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Audit Strategy and Annual Internal Audit Plan

2019/20

March 2019

Overview

Introduction

The Audit Plan for 2019/20 has been informed by a risk assessment carried out across all our clients (with members and senior management) and by an updated audit risk assessment to ensure that planned coverage for the year is focussed on the key audit risks, and that the coverage will enable a robust annual Head of Internal Audit Opinion to be provided.

Key Emerging Themes

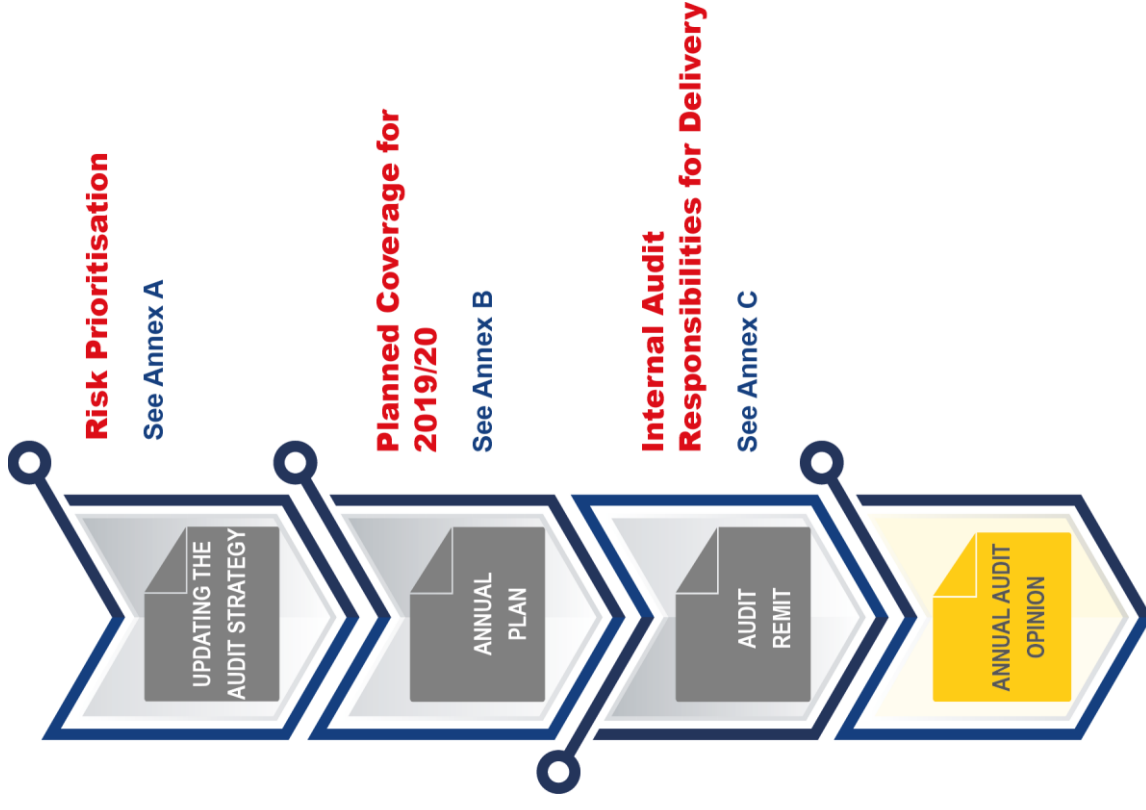
This year will be another challenging year for police organisations in terms of income, regulation and also the pressures on service delivery. We have identified a number of key areas which require consideration when planning internal audit coverage.

- Transformation and Strategic Change – developments within organisational structures and transformation will impact on the decision making impacting on driving change programmes.
- Brexit – Governance and Risk Register need to be stress-tested against continuing uncertainty, which may have knock-on impacts on recruitment and retention of staff and on procurement and suppliers.
- Data Protection Act 2018 – this has a significant impact on how data is held and protected and could lead to an increase in access requests.
- Cybercrime – all the indications are that there will be continued and more sophisticated attempts to disrupt and deny services often for no clear motive. Internal measures are being taken and we will be taking a watching brief on this.

Adequacy of the planned audit coverage

The Fundamental reviews identified in the audit plan for 2019/20 support the Head of Audit’s annual opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control as required by TIAA’s charter. The Organisational reviews have been identified from your assurance framework, risk registers and key emerging themes.

2019/20 Audit planning process



Internal Audit Plan

Audit Strategy Methodology

We adopt a proprietary risk based approach (GUARD) to determining your audit needs each year which includes reviewing your risk register and risk management framework, previous internal audit work for the organisation, the Regulatory Framework and assessment of the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies, external audit recommendations together with key corporate documentation such as your business and corporate plan, standing orders, and financial regulations. For 2019/20 we have conducted an assurance survey of the chair of the Audit Committee and Assistant Chief Officer at our clients using Strategic Risk Insight Tool (SRIT) to inform our annual planning. The Audit Strategy is based predominantly on our understanding of the inherent risks facing the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies and those within the sector and has been developed with senior management and Committee.

Risk Prioritisation

Each year an updated risk assessment is carried out to ensure the Audit Strategy remains fully aligned with the key risks facing the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies. The resultant changes for 2019/20 which underpin your Audit Plan is set out at Annex A.

Audit Strategy and Annual Plan

Following the risk prioritisation review, the Audit Strategy has been updated (Annex B) and the Annual Plan (Annex C) sets out the reviews that will be carried out, the planned times and the scopes for each of these reviews.

The Annual Plan will be subject to ongoing review and could change as the risks change for the organisation and will be formally reviewed with senior management and the Audit Committee mid-way through the financial year or should a significant issue arise.

The overall agreed time for the delivery of the Annual Plan includes: research, preparation and issue of terms of reference, production and review of working

papers and reports and site work. The Annual Plan has been prepared on the assumption that the expected controls will be in place.

The total number of days required to deliver the Audit Plan is as agreed in the contract between TIAA and the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies. Where additional work is required days and the aggregate day rate will be agreed in advance and will be clearly set out in the terms of reference.

Audit Remit

The Audit Remit (Annex D) formally defines internal audit's purpose, authority and responsibility. It establishes internal audit's position within the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies and defines the scope of internal audit activities.

Reporting

Assignment Reports: A separate report will be prepared for each review carried out. Each report will be prepared in accordance with the arrangements contained in the Terms of Reference agreed with TIAA and which accord with the requirements of TIAA's audit charter and the IIA UK & Ireland standards.

Progress Reports: Progress reports will be prepared for each Audit and Risk Committee meeting. Each report will detail progress achieved to date against the agreed annual plan.

Annual Report: An Annual Report will be prepared for each year in accordance with the requirements set out in TIAA's audit charter and the IIA UK & Ireland standards. The Annual Report will include our opinion of the overall adequacy and effectiveness of the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies governance, risk management and operational control processes.

Other Briefings: During the year Client Briefing Notes, Benchmarking and lessons learned digests will be provided. These are designed to keep the organisation abreast of in-year developments which may impact on the governance, risk and control assurance framework.

Assurance Mapping

For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks will be provided. The assurance mapping process is set out in Annex E.

Liaison with the External Auditor

We will liaise with the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies External Auditor. Any matters in the areas included in the Annual Plan that are identified by the external auditor in their audit management letters will be included in the scope of the appropriate review.

Performance

The following Performance Targets will be used to measure the performance of internal audit in delivering the Annual Plan:

Area	Performance Measure	Target
Achievement of the plan	Completion of planned audits.	100%
	Audits completed in time allocation.	100%
Reports Issued	Draft report issued within 10 working days of exit meeting.	95%
	Final report issued within 10 working days of receipt of responses.	95%
Professional Standards	Compliance with TIAA's audit charter and the IIA UK & Ireland Standards.	100%

Conflict of Interest

We are not aware of any conflicts of interest and should any arise we will manage them in line with TIAA's audit charter and the IIA UK & Ireland standards, the the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies requirements and TIAA's internal policies.

Limitations and Responsibility

Substantive testing will only be carried out where a review assesses the internal controls to be providing 'limited' or 'no' assurance with the prior approval of the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies and additional time will be required to carry out

such testing. the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies is responsible for taking appropriate action to establish whether any loss or impropriety has arisen as a result of the control weaknesses.

Internal controls can only provide reasonable and not absolute assurance against misstatement or loss. The limitations on assurance include the possibility of one or more of the following situations, control activities being circumvented by the collusion of two or more persons, human error, or the overriding of controls by management. Additionally, no assurance can be provided that the internal controls will continue to operate effectively in future periods or that the controls will be adequate to mitigate all significant risks that may arise in future.

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.

Reliance will be placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

The matters raised in the audit reports will be only those that come to the attention of the auditor during the course of the internal audit reviews and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. The audit reports are prepared solely for management's use and are not prepared for any other purpose.

Audit Committee Responsibility

It is the responsibility of the Audit Committee to determine that the number of audit days to be provided and the planned audit coverage are sufficient to meet the Committee's requirements and the areas selected for review are appropriate to provide assurance against the key risks within the organisation.

Release of Report

The table below sets out the history of this plan.

Date plan issued:

March 2019

Changes for 2019/20

In addition to the core audit work required to underpin the Head of Audit Annual Opinion (governance, risk management, core financial systems, network controls, follow up etc.) a GUARD assessment of key risks has been completed, to identify those that are most relevant to the organisation and where internal audit assurance would be best focussed. These are summarised below.

LINKED TO RISKS ON PAGE 1

Risk Areas	GUARD Risk Analysis		
	Registered Provider Specific	TIAA National Intelligence Assessment	Cross Ref to Annual & Strategic Plan (Annex B, C)
<p>Strategic Control and Corporate Governance, including Brexit – There is likely to be significant uncertainty and potential fast-emerging risks developing as a result of the UK leaving the EU in March 2019, which will not be fully understood until after the departure date.</p> <p>How we intend to review this risk: We will assess the extent that the Business Plan and Risk Register have been stress-tested against this within our audit areas.</p> <p>Data Protection Act 2018 – This will be an ongoing issue and source of risk for all organisations given the regulatory and public expectation about how data is held and protected, together with a likely increase in access requests.</p> <p>How we intend to review this risk: We will assess the organisation’s arrangements for storing hardcopy and electronic information that is covered under the Act and how it is managed to ensure its accuracy and completeness. We will consider responsibilities for managing data including awareness among the wider staff base on processing and providing data. Our approach also includes the arrangements in place for effectively dealing with access requests within the prescribed timeframe.</p>			Q1 Year 2
<p>Client Specific Risks</p> <p>Telematics Blackbox – The introduction of the telematics blackbox will revolutionise the way data is captured in vehicles and impact on decision making around the use of vehicles.</p> <p>How we intend to review this risk: We will consider the practical and technical measures that the organisation has deployed to provide accurate data recording.</p> <p>Shared Service Transaction Centre – The move to a shared service transaction centre in 2019/20 brings changes to the management of financial services.</p> <p>How we intend to review this risk: We will consider the structure is devised and that there is effective and on-going monitoring and reporting.</p> <p>Workplace Health – This area has not been subject to internal audit previously and builds on previous audits around sickness absence. There is increasing focus and drive on workplace health, which is becoming a more prominent area for review.</p> <p>How we intend to review this risk: We will consider the measures in place for providing a supportive workplace, identifying those in need to additional support and providing solutions to support them.</p> <p>Limited Duties – This area has not been subject to internal audit previously and builds on previous audits around sickness absence</p>			Q1 Year 2
			Q1 Year 3
			Q1 Year 1
			Q3

LINKED TO RISKS ON PAGE 1

Risk Areas	GUARD Risk Analysis		
	Registered Provider Specific	TIAA National Intelligence Assessment	Cross Ref to Annual & Strategic Plan (Annex B, C) Year 1
and return to work. How we intend to review this risk – We will review the policy and practices for managing limited duties both for short term and long term measures.			

Key to Risk Assessment Grades:



RP Specific	The control framework relating to the specific area has been identified as 'High' risk as per Assurance Framework, senior management, internal and external audit. 'Medium' priority determines that the control framework has been identified as reasonably vulnerable to control weaknesses based on discussions with management, internal and external audit. 'Low' priority means that review of the control framework has not revealed any significant issue.
TIAA portfolio	Across our client portfolio of similar types of housing providers, our intelligence has tracked a large or growing ('High' priority); mid-range or flat line ('Medium' priority); or relatively low or decreasing ('Low' priority) number of control issues in this specific area for this type of organisation.
National Policy/Issue	National bodies have identified a growing or high level of control weaknesses ('High' priority); mid-range or flat line ('Medium' priority); or relatively low or decreasing ('Low' priority) in this specific area. There may also be a national policy emphasis on a specific area which will be reflected in this priority rating.

Fundamental Review Areas To support the Head of Internal Audit opinion	BAF / Risk Ref.	Type	Yr1	Yr2	Yr3
Governance					
Key governance areas will be reviewed on a rotational basis each year such as strategic planning, strategic control, regulatory compliance, performance management, board assurance framework, partnership working, management of conflicts, health and safety, subsidiary governance and third party assurances.		Assurance	✓	✓	✓
Risk					
A robust risk management framework is critical to all organisations to ensure risks are effectively managed and emerging risks identified our cyclical annual reviews will cover embedding risk, risk identification, risk mitigation and risk workshops.		Appraisal	✓	✓	✓
Financial systems - Cost Control and Income Maximisation					
Cost control, income maximisation and robust financial systems are essential to financial well-being of any organisation. Our reviews of key financial systems are designed to ensure compliance with IIA standards and help protect against potential frauds. We will carry out a high level review of key financial systems each year supported by a rolling programme of financial system reviews such as payments health check, income, payroll, budgetary control/management reporting, cost improvement planning and nominal ledger.		Assurance	✓	✓	✓
Property Compliance					
ICT					
We will use our GUARD risk assessment to continue to review ICT risks and controls in place within the organisation. The rolling programme of reviews will include data protection, ICT governance, ICT management and business support, application reviews, network security, data quality and cyber security.		Assurance	✓	✓	✓
Follow Up					
We will carry out a continuous follow up of internal audit recommendations utilising TIAA's client portal and recommendation tracker. Updates will be provided to each Committee.		Follow Up	✓	✓	✓

Review Area	Type	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Governance								
Strategic Control and Corporate Governance		12			10	12		12
Corporate Policies				10		6		
Performance Management			15				10	
Transformation and Strategic Planning / Change						12		10
2020 Strategic Change Programme						9		14
2025 Strategic Change Programme						9		
Risk Management								
Strategy / Policy OPCC Suffolk			9					
Strategy / Policy OPCC Norfolk			9					
Mitigating Controls					10		12	
Embedding / Development		12		11		12		12
RAID log		15						
Corporate								
Complaints			10				12	
Communications			18					6
Collaborations / Partnership Working			10			20	10	
Corporate H&S							10	
Emergency Planning & Business Continuity						14		
Commissioners Grants		9	1	13	18			18
ICT								
Areas to be agreed							12	50
Cyber Security		10						
ITIL		10					10	
Network Security						12		
t-Police		12						
ERP / Enact / DMS					12			
GDPR					18	12		

Review Area	Type	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Exchange 2010/Email Archiving			12					
Website Content and CAD grazing						12		
Mobile Device Management (telematics blackbox)		15		10		12		
Firewalls			12					
ICT Governance				12				
Disaster Recovery & Business Continuity			12		12			
ERP Second/third line support			12					
Digital world programme							14	
Software Licensing						12		
Finance								
Key Financials			30	30	30	30	30	30
Shared Service Transaction Centre						8		
Payroll, including ERP Reporting		10	10	10			12	
Accounts Payable		10		10			10	
Accounts Receivable		10					10	
General Ledger		10						
Treasury Management		10						12
Capital Programme		10			10			
Budgetary Control			12			12		
Fixed Assets					10			12
Pensions Administration			10					
Overtime			8			12	14	
Allowances, Expenses and Additional Payments			8	14	14	14		14
Information Management								
Audit Team Assessment				8				
Data Quality				12			12	12
Records Management		4						
Freedom of Information / Data Protection / Document Security Management			15					14
MOPJ Project Implementation				10				12
Human Resources								

Review Area	Type	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
HR Strategy & Workforce Planning			10				14	
Establishment, Capacity, Recruitment and Retention					15			12
Recruitment			12					
Absence Management		10		12				14
Workplace Health						12		
Limited Duties						12		
External Training Budgets						12		
Duty Management System			15		14		12	
Learning and Development				20			16	
Temporary Contracts				9		10		
Sick Health Retirement				8				
Transport								
Strategy and Policies					6			
Procurement					9			
Management - Maintenance, Repair, Disposal			15				14	
Fuel Usage with telematics					16			
Use of Vehicles and telematics				10		12		10
Estates								
Strategy and Policies					6			
Maintenance		8				12		
Health and Safety			12					
Catering (Suffolk) / Facilities			6				14	
Stations incl. Building Access and Vehicle Security		7			14			14
Contract Management			10					
Suffolk & Norfolk PFI			14					
Norfolk OPCC PFI			14					
Procurement								
Purchase Ordering		12		10				10
Purchase Cards (Suffolk)		5	6	5				
Purchase Cards (Norfolk)		5	6	5	6			
Contracts		12				12		

Review Area	Type	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Compliance with contract standing orders in departments				11			14	
Single Tender Actions				6		6		
Operational / Other Areas								
Control Room Norfolk					14			
Control Room Suffolk					14			
Firearms Certificates / Management			12			12		
Proceeds of Crime		15			10			
Recovered Property					10			
Business Interests				8				
Safeguarding and Investigations				10				
Stores and Uniform						14		
Ethical Standards (Relationships Conduct)					10			
Vetting					10		10	
Lone Working					10			
Management and Planning								
Follow-up		8	10	12	12	12	12	12
Management, Planning and Reporting		20	20	20	20	20	20	20
Contingency to use in year							14	10
Total In Year Days		261	337	334	352	376	330	330
Contingency b/fwd		-	(69)	(62)	(58)	(46)	-	-
Contingency c/fwd		69	62	58	46	-	-	-
Totals		330	330	330	330	330	330	330

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
2	Strategic Control and Corporate Governance	Assurance	12	<p><u>Rationale</u> This is a key area of key control for the organisation</p> <p><u>Scope</u> <u>Lead Officers</u> Joint Strategic, Business and Operational Services</p>	NSC2001
2	Corporate Policies	Follow Up	6	<p><u>Rationale</u> The framework for policies has gone through significant change and improvement.</p> <p><u>Scope</u> To undertake an in-depth follow up of the policy framework.</p> <p><u>Lead Officers</u> Joint Strategic, Business and Operational Services</p>	NSC2002
2	Transformation and Strategic Planning / Change, including business case framework	Assurance	12	<p><u>Rationale</u> The department is going through review and change.</p> <p><u>Scope</u> The audit will focus on organisational structures, transformation programmes, strategic planning and change, including business cases.</p> <p><u>Lead Officers</u> Joint Strategic, Business and Operational Services</p>	NSC2003
1	2020 Strategic Change Programme	Assurance	9	<p><u>Rationale</u> The Constabularies are working on two key work streams Norfolk 2020 and Suffolk 2025, designed to realign local policing models as part of the national policing vision for the future.</p> <p><u>Scope</u> To review progress of the local policing models.</p> <p><u>Lead Officers</u> TBA</p>	NSC2004
1	2025 Strategic Change Programme	Assurance	9	<p><u>Rationale</u> The Constabularies are working on two key work streams NSC2006 Norfolk 2020 and Suffolk 2025, designed to realign local policing models as part of the national policing vision for</p>	NSC2005

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
				<p>the future.</p> <p><u>Scope</u></p> <p>To review progress of the local policing models.</p> <p><u>Lead Officers</u></p> <p>TBA</p>	
3	Risk Management Embedding / Development	Assurance	12	<p><u>Rationale</u></p> <p>This is a key area of risk for the organisations.</p> <p><u>Scope</u></p> <p>The audit will focus on how the risk management framework is developing and being embedded across the organisations.</p> <p><u>Lead Officers</u></p> <p>Joint Strategic, Business and Operational Services and Risk Manager</p>	NSC2006
4	Collaborations / Partnership Working	Assurance	20	<p><u>Rationale</u></p> <p>Collaborations and partnerships with local public sector organisations are growing and developing.</p> <p><u>Scope</u></p> <p>The audit will focus on whether collaborations and partnerships are fulfilling their requirements.</p> <p><u>Lead Officers</u></p> <p>TBA</p>	NSC2008
2	Commissioners Grants	Assurance	10	<p><u>Rationale</u></p> <p>An important area requiring high levels of governance and probity.</p> <p><u>Scope</u></p> <p>The review will consider the arrangements for the assessing, awarding and compliance monitoring process for the grants issued by the Commissioners.</p> <p><u>Lead Officers</u></p> <p>OPCCs</p>	NSC2008
2	Website Content / CAD Grazing	Assurance	12	<p><u>Rationale</u></p> <p>There is great risk of inappropriate use of Constabulary IT for website and CAD grazing.</p> <p><u>Scope</u></p> <p>The audit will focus on the controls and systems in place to</p>	

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
1	Network Security	Assurance	12	<p>prevent and detect inappropriate website and CAD use. <u>Lead Officers</u> Director of ICT</p> <p><u>Rationale</u> Network security is a prominent area, which can be vulnerable to external influences.</p> <p><u>Scope</u> The review considers the arrangements for the physical and access security of hardware and software. To include: Domain accounts policies; Audit policy setting; User privileges; Trusted and trusting hosts; User accounts and passwords; Services and drivers; Home directories and logon scripts; Security options settings; Logical drives; Default login accounts; Discretionary access controls.</p> <p>The scope of the review does not include the types of hardware and software used, the access rights to the individual software; or the depreciation policies.</p> <p><u>Lead Officers</u> Director of ICT</p>	NSC2009
2	Data Protection Legislation – GDPR / Data Protection Act	Compliance	12	<p><u>Rationale</u> To help ensure continuing compliance with the requirements of EU GDPR. Breaches associated with non-compliance can be up to 4% of Global Turnover or €15M whichever is greater.</p> <p><u>Scope</u> The review will assess compliance with the key [EU] GDPR elements</p> <p><u>Lead Officers</u> Director of ICT / Information Management</p>	NSC2010
2	Mobile Device Management (telematics blackbox)	Assurance	12	<p><u>Rationale</u> Telematics was introduced into vehicles in 2018/19, with audit work undertaken around the systems and processes for data.</p> <p><u>Scope</u> The audit will focus on telematics black box operation.</p> <p><u>Lead Officers</u> Director of ICT / Head of Joint Transport</p>	NSC2011

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
1	Software Licensing	Assurance	12	<p><u>Rationale</u> Robust software licencing is critical to ensuring that all software procured and deployed is being used legally and securely.</p> <p><u>Scope</u> The audit will focus on management of the licences.</p> <p><u>Lead Officers</u> Director of ICT</p>	NSC2012
3/4	Key Financials	Assurance	30	<p><u>Rationale</u> The full audits for the financial systems will be undertaken on a systematic basis.</p> <p><u>Scope</u> The review considers the arrangements for key controls operating within the systems and Force Management Statements.</p> <p><u>Lead Officers</u> Assistant Chief Officers / Head of Transactional Services</p>	NSC2013
3	Shared Service Transaction Centre	Assurance	8	<p><u>Rationale</u> The new shared service transaction centre is due to be implemented by September 2019.</p> <p><u>Scope</u> The audit will focus on the aims of the service centre and how these are embedded.</p> <p><u>Lead Officers</u> Assistant Chief Officers</p>	NSC2014
2	Budgetary Control	Assurance	12	<p><u>Rationale</u> Robust budgetary control is essential during periods of austerity.</p> <p><u>Scope</u> The review considers the arrangements for: budget setting, budget holder involvement, budget monitoring.</p> <p><u>Lead Officers</u> Assistant Chief Officers / Head of Corporate Accounting and Business Partners</p>	NSC2015
3	Overtime	Assurance	12	<p><u>Rationale</u> A new overtime tool is being developed, which goes live in</p>	NSC2016

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
				<p>April 2019.</p> <p><u>Scope</u> The audit will focus on the management of overtime.</p> <p><u>Lead Officers</u> Assistant Chief Officers / Head of Transactional Services</p>	
4	Allowances, Expenses and Additional Payments	Assurance	14	<p><u>Rationale</u> The nature of the allowances system deems this to be a high risk area that is subject to misuse.</p> <p><u>Scope</u> The review will focus on the validity of allowances claimed. Compliance with policy and clarification of claiming allowances.</p> <p><u>Lead Officers</u> TBA</p>	NSC2017
1	Workplace Health	Assurance	12	<p><u>Rationale</u> Work place health can significantly impact on individual's ability to perform their role.</p> <p><u>Scope</u> The review will focus on the effectiveness of any initiatives on reducing absence and promoting good health.</p> <p><u>Lead Officers</u> Director of Human Resources</p>	NSC2019
3	Limited Duties	Assurance	12	<p><u>Rationale</u> New policies are in place around limited duties.</p> <p><u>Scope</u> The review will focus on compliance with the new policies.</p> <p><u>Lead Officers</u> Director of Human Resources</p>	NSC2020
3	External Training Budget	Assurance	14	<p><u>Rationale</u> The external training budget provides opportunity to improve the skills capability across the organisations.</p> <p><u>Scope</u> The audit will focus on whether the budget is sufficient, it is used effectively, with the appropriate level of governance and scrutiny.</p> <p><u>Lead Officers</u></p>	NSC2021

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
1	Temporary Contracts	Assurance	10	<p>Head of Learning and Development and Director of Human Resources</p> <p><u>Rationale</u> Temporary contracts are entered into for short term staff / consultants.</p> <p><u>Scope</u> The audit will focus on the use of temporary contracts and periods of employment.</p> <p><u>Lead Officers</u> Director of Human Resources</p>	NSC2022
3	Use of Vehicles and telematics	Assurance	12	<p><u>Rationale</u> Telematics is being introduced in 2018/19, with an initial audit being undertaken around fuel usage and telematics. A further audit will be undertaken around the telematics black box.</p> <p><u>Scope</u> This audit will focus on the monitoring and reporting from telematics and the impact on the use of vehicles.</p> <p><u>Lead Officers</u> Head of Joint Transport Services</p>	NSC2023
1	Maintenance	Assurance	12	<p><u>Rationale</u> Maintenance of the estates is essential to ensure it remains operational.</p> <p><u>Scope</u> The audit will focus on the maintenance programmes in place across both Constabulary estates.</p> <p><u>Lead Officers</u> Head of Joint Estate and Facilities</p>	NSC2024
1	Contracts	Assurance	12	<p><u>Rationale</u> A range of small to large value contracts are entered into on behalf of the Constabularies.</p> <p><u>Scope</u> The review considers the identification of: the arrangements for the letting, management and monitoring of contracts entered into by the organisation. The scope of the review does not include consideration of the funding arrangements or the specification of the contracts.</p> <p><u>Lead Officers</u></p>	NSC2025

Quarter	Audit	Type	Days	Rationale and Scope	Prog Ref
1	Single Tender Actions	Assurance	6	<p>Joint Head of Procurement and Supplies</p> <p><u>Rationale</u> Single tender actions can bypass normal tender requirements and should only be used in exceptional circumstances.</p> <p><u>Scope</u> The review will focus on the single tender actions that occurred in the previous 12 months, to ascertain the volume, process, sign off and reasoning.</p> <p><u>Lead Officers</u> Procurement</p>	
1	Firearms Management	Assurance	12	<p><u>Rationale</u> Firearms management is a high risk area for ensuring safety and security of the firearms.</p> <p><u>Scope</u> The review will focus on the security and effectiveness of managing firearms in compliance with policy.</p> <p><u>Lead Officers</u> TBA</p>	NSC2026
1	Stores and Uniform	Assurance	14	<p><u>Rationale</u> The management of uniform and stores requires periodic review of the arrangements in place.</p> <p><u>Scope</u> The audit will focus on ordering, receipt, stock, credit, inventory and management information.</p> <p><u>Lead Officers</u> Head of Joint Transport Services</p>	NSC2027
1-4	Follow-up	Follow up	12		
1-4	Management and Planning	Management	20		
	Contingency b/fwd		(46)		
	Contingency c/fwd		-		
		Total days	330		

Annex D: Audit Coverage 2015/16 – 2021/22

Review Area	2015/16	2016/17	2017/18	2018/19 Assurance	Date Report Issued	O'standing P1 Recs	O'standing P2 Recs	2019/20	2020/21	2021/22
Governance										
Strategic Control, Corporate Governance	Reasonable							Y		Y
Corporate Policies			Limited					Y		
Performance Management		Substantial							Y	
Transformation and Strategic Planning / Change								Y		Y
2020 Strategic Change Programme								Y		
2025 Strategic Change Programme								Y		
Whistleblowing				Reasonable	January '19		3			
Risk Management										
Strategy / Policy OPCC Suffolk		Substantial								
Strategy / Policy OPCC Norfolk		Substantial								
Mitigating Controls				Reasonable	March '19		1		Y	
Embedding / Development	Reasonable		Reasonable					Y		Y
RAID log	Substantial									
Corporate										
Complaints		Substantial							Y	
Communications		Reasonable								

Review Area	2015/16	2016/17	2017/18	2018/19 Assurance	Date Report Issued	O'stding P1 Recs	O'stding P2 Recs	2019/20	2020/21	2021/22
Collaborations		Reasonable						Y	Y	
Corporate H&S									Y	
Emergency Planning & Business Continuity										Y
Commissioners Grants	Substantial		Reasonable	Substantial	February '19					Y
ICT										
Areas to be agreed									Y	Y
Cyber Security	Reasonable									
ITIL	Reasonable								Y	
Network Security								Y		
t-Police	Reasonable									
Enact				Reasonable	November '19		1			
GDPR				N/A	December '19			Y		
Exchange 2010/Email Archiving		Substantial								
Website Content and CAD grazing								Y		
Mobile Device Management (e.g. body worn video)	Substantial		Reasonable					Y	Y	
Firewalls		Substantial								
ICT Governance			Reasonable							
Disaster Recovery & Business Continuity		Reasonable		N/A	April '19					
ERP Second/third line support		Reasonable								

Review Area	2015/16	2016/17	2017/18	2018/19 Assurance	Date Report Issued	O'stding P1 Recs	O'stding P2 Recs	2019/20	2020/21	2021/22
Digital world programme									Y	
Software Licensing								Y		
Finance										
Key Financials		Reasonable	Substantial	Reasonable	March '19			Y	Y	Y
Shared Service Transaction Centre								Y		
Payroll, including ERP Reporting	Limited	Reasonable	Limited				1		Y	
Accounts Payable	Reasonable		Reasonable						Y	
Accounts Receivable	Reasonable		Reasonable						Y	
General Ledger	Substantial									
Treasury Management	Substantial									Y
Capital Programme	Substantial			Reasonable	November '19		1	Y		
Budgetary Control		Substantial						Y		
Fixed Assets				Reasonable	August 19					Y
Pensions Administration		Reasonable					1			
Overtime, Expenses and Additional Payments		Reasonable	Limited				2	Y	Y	
Allowances				Limited	November '19		2	Y		Y
Information Management										
Audit Team Assessment			Substantial							
Data Quality (Athena 2017/18)			Limited				1		Y	Y

Review Area	2015/16	2016/17	2017/18	2018/19 Assurance	Date Report Issued	O'standing P1 Recs	O'standing P2 Recs	2019/20	2020/21	2021/22
Records Management	n/a									
Freedom of Information / Data Protection / Document Security Management		Reasonable								Y
MOPI Project Implementation			Limited							Y
Human Resources										
HR Strategy & Workforce Planning		Limited							Y	
Workforce, Establishment, Capacity, Recruitment and Retention				Reasonable	February '19		4			Y
Recruitment		Limited								
Absence Management	Substantial		Limited							Y
Workplace Health								Y		
Limited Duties								Y		
External Training Budgets								Y		
Duty Management System		Limited		Limited	November '19		12		Y	
Learning and Development - Skills			Limited			1	7		Y	
Learning and Development – Student Officer Training			Reasonable							
Temporary Contracts			Reasonable					Y		
ill Health Retirement			Reasonable							
Transport										
Strategy				Reasonable	February '19		1			
Procurement				Reasonable	January '19		1			

Review Area	2015/16	2016/17	2017/18	2018/19 Assurance	Date Report Issued	O'stding P1 Recs	O'stding P2 Recs	2019/20	2020/21	2021/22
Management - Maintenance, Repair, Disposal and Fuel Usage		Reasonable							Y	
Fuel Usage with Telematics				Reasonable	March '19					
Use of Vehicles			Reasonable					Y		Y
Estates										
Strategy and Policies				Reasonable	November '19		1			
Maintenance	Reasonable							Y		
Health and Safety		Reasonable								
Facilities / Catering (Suffolk)		Limited							Y	
Stations incl. Building Access and Vehicle Security	Reasonable			Reasonable	November '19		2			Y
Contract Management			Substantial						Y	
Suffolk & Norfolk PFI			Substantial							
Norfolk OPCC PFI			Substantial							
Procurement										
Purchase Ordering	Reasonable		Reasonable							Y
Purchase Cards (Suffolk)	Limited	Reasonable	Reasonable							
Purchase Cards (Norfolk)	Limited	Limited	Limited	Reasonable	January '19					
Contracts	Reasonable							Y		
Compliance with contract standing orders in departments and single tender actions			Reasonable				1		Y	
Operational										

Review Area	2015/16	2016/17	2017/18	2018/19 Assurance	Date Report Issued	O'standing P1 Recs	O'standing P2 Recs	2019/20	2020/21	2021/22
Control Room Norfolk				Reasonable	March '19		2			
Control Room Suffolk				Reasonable	March '19		2			
Firearms Certificates / Management		Substantial						Y		
Proceeds of Crime	Limited			Reasonable	February '19		4			
Recovered Property				Reasonable	April '19					
Business Interests			Reasonable				1			
Safeguarding and Investigations			Substantial							
Vetting				Reasonable	November '19		2	Y		
Lone Working				Reasonable	October '19		2			
Stores and Uniform								Y		
Relationships Conduct				Reasonable	February '19		3			
Total Outstanding Recommendations						2	58			

professional standards, Information Security and Information Governance policies.

Annex e: Audit Remit

Role

The main objective of the internal audit activity carried out by TIAA is to provide, in an economical, efficient and timely manner, an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies framework of governance, risk management and control. TIAA is responsible for giving assurance to the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies “Governing Body” (being the body with overall responsibility for the organisation) on the adequacy and effectiveness of the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies risk management, control and governance processes.

Scope

All the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies activities fall within the remit of TIAA. TIAA may consider the adequacy of controls necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies management has taken the necessary steps to achieve these objectives and manage the associated risks. It is not within the remit of TIAA to question the appropriateness of policy decisions. However, TIAA is required to examine the arrangements by which such decisions are made, monitored and reviewed.

TIAA may also conduct any special reviews requested by the board, Audit and Risk committee or the nominated officer (being the post responsible for the day to day liaison with the TIAA), provided such reviews do not compromise the audit service's objectivity or independence, or the achievement of the approved audit plan.

Access

TIAA has unrestricted access to all documents, records, assets, personnel and premises of the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies and is authorised to obtain such information and explanations as they consider necessary to form their opinion. The collection of data for this purpose will be carried out in a manner prescribed by TIAA's

Standards and Approach

TIAA's work will be performed with due professional care, in accordance with the requirements of the Chartered Institute of Internal Auditors – UK & Ireland standards.

Independence

TIAA has no executive role, nor does it have any responsibility for the development, implementation or operation of systems. However, it may provide independent and objective advice on risk management, control, governance processes and related matters, subject to resource constraints. For day to day administrative purposes only, TIAA reports to a nominated officer within the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies and the reporting arrangements must take account of the nature of audit work undertaken. TIAA has a right of direct access to the chair of the board, the chair of the Audit and Risk committee and the responsible accounting officer (being the post charged with financial responsibility).

To preserve the objectivity and impartiality of TIAA's professional judgement, responsibility for implementing audit recommendations rests with the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies management.

Consultancy activities are only undertaken with distinct regard for potential conflict of interest. In this role we will act in an advisory capacity and the nature and scope of the work will be agreed in advance and strictly adhered to.

Irregularities, Including Fraud and Corruption

TIAA will without delay report to the appropriate regulator, serious weaknesses, significant fraud, major accounting and other breakdowns subject to the requirements of the Proceeds of Crime Act 2003.

TIAA will be informed when evidence of potential irregularity, including fraud, corruption or any impropriety, is discovered so that TIAA can consider the adequacy of the relevant controls, evaluate the implication of the fraud on the risk management, control and governance processes and consider making recommendations as appropriate. The role of TIAA is not to investigate the irregularity unless commissioned to do so.

Corporate Assurance Risks

We consider four corporate assurance risks; directed; compliance; operational and reputational, and tailor the type of audit accordingly. For all types of audit we also taken into account value for money considerations and any linkages to the organisational Assurance Framework. The outcomes of our work on these corporate assurance risks informs both the individual assignment assurance assessment and also the annual assurance opinion statement. Detailed explanations of these assurance assessments are set out in full in each audit report.

Assurance Assessment Gradings

We use four levels of assurance assessment: substantial; reasonable; limited and no. Detailed explanations of these assurance assessments are set out in full in each audit report.

LEVELS OF ASSURANCE PROVIDED



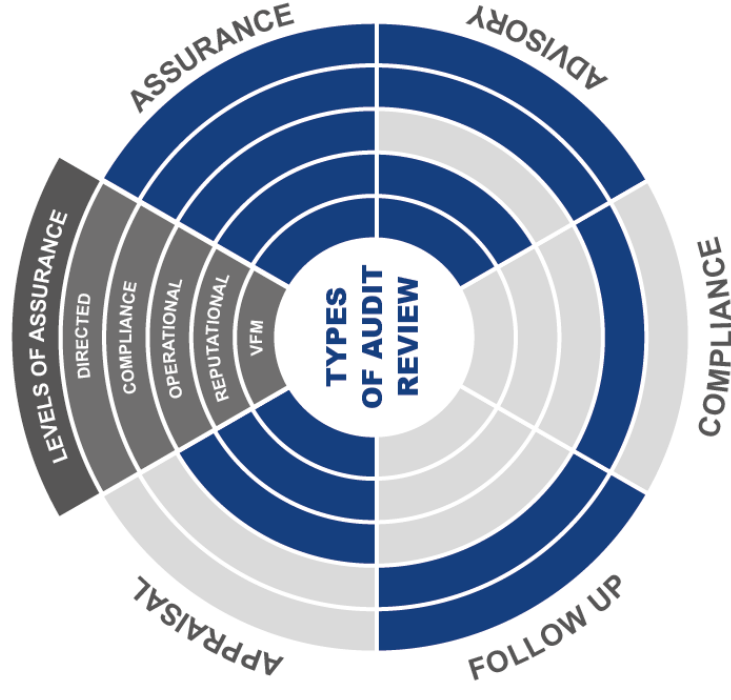
Benchmarking

Where a similar review is carried out at a number of our clients we will subsequent to the completion of the review at each of the clients we will where relevant provide a benchmarking and lessons learned digest. This digest will include Operational Effectiveness Matters for the Police and Crime Commissioners for Norfolk and Suffolk and Chief Constables of Norfolk and Suffolk Constabularies to consider.

Annex E: Assurance Mapping

Types of Audit Review

The Annual Plan includes a range of types of audit review. The different types of review focus on one or more of the corporate assurance risks. This approach enables more in-depth work to be carried out in the individual assignments than would be possible if all four assurance risks were considered in every review. The suite of audit reviews and how they individually and collectively enable us to inform our overall opinion on the adequacy and effectiveness of the governance, risk and control arrangements is set out in the assurance mapping diagram.





ORIGINATOR: Assistant Chief Officer

REASON FOR SUBMISSION: For endorsement

SUBJECT:

Review of the effectiveness of the system of internal control (SIC) and the draft Annual Governance Statement (AGS) 2018/19.

SUMMARY:

The report describes the review of the system of internal control and presents the Annual Governance Statement for endorsement.

RECOMMENDATION:

The Committee is asked to:-

- (i) note the completion of the review of the system of internal control.
- (ii) endorse the draft Annual Governance Statement for 2018/19.

1. Background

- 1.1 The governance arrangements and key documents were updated on the arrival of the new Police and Crime Commissioner (PCC).
- 1.2 The Accounts and Audit Regulations 2015 (Section 6) require the 'relevant authority', in this case both the PCC and the Chief Constable, to
- conduct a review of the system of internal control (the AGS process)
 - prepare an annual governance statement.
- 1.3 The 'relevant authority' must then consider the findings of the review and approve the annual governance statement.

2. Governance

- 2.1 The corporate governance arrangements of the PCC and Chief Constable (CC) are set out in the following documents:-

Corporate Governance Framework	Includes the Joint (PCC and CC) Code of Corporate Governance	The document has been reviewed and some changes made. The updated version is attached at Appendix 1 and will be published on PCC and Constabulary websites in due course.
Scheme of Governance and Consent	Prepared in conjunction with the Suffolk PCC, includes Financial Regulations and Contract Standing Orders	To be updated in quarter 1 of 2019/20.

- 2.2 The Framework and the Code of Corporate Governance are drafted from the latest 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).
- 2.3 The Framework includes the meeting structures for the PCC and the CC, both individually and jointly. Also presented are the meeting structures for Norfolk/Suffolk Constabularies (the Strategic Partnership) and the 7 Force Collaboration.

3. The Review of the Effectiveness of the System of Internal Control and the Annual Governance Statement.

- 3.1 The Corporate Governance Working Group, comprising the Chief Executive and Chief Finance Officer from the Office of the Police and Crime Commissioner; the Assistant Chief Officer / Head of Finance and Head of Strategic Business and Operational Services from the constabulary; and one Audit Committee Member has overseen the review of the Framework and the Code of Corporate Governance and the preparation of the AGS. In the course of this work it has carried out the review. Agendas and Notes of meetings are available on request.
- 3.2 The Working Group concluded that the system of internal control and governance was fit for purpose.
- 3.3 The Audit Committee is also in a position to endorse the arrangements in place through its oversight of both governance and internal audit arrangements. The Head of Internal Audit's Annual Assurance Report 2018/19, elsewhere on the agenda, includes a positive opinion on the adequacy and effectiveness of the risk management, control and governance processes.
- 3.4 The Draft Annual Governance Statement which is, essentially, a commentary on compliance with the Code of Corporate Governance, is attached at **Appendix 2**.

4. Recommendations

- 4.1 The Committee is asked to:-
- (i) note the completion of the review of the system of internal control.
 - (ii) comment on the draft Annual Governance Statement which will be published alongside the draft Statements of Accounts 2018/19 by 31 May 2019.

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OFFICE OF THE POLICE & CRIME
COMMISSIONER FOR NORFOLK

**Corporate Governance Framework
(Including the Code of Corporate Governance)**

Statement of Corporate Governance

Police and Crime Commissioner and the Chief Constable

Introduction

The purpose of this statement is to give clarity to the way the Police and Crime Commissioner (the PCC) and Chief Constable, will govern both jointly and separately, to do business in the right way, for the right reason at the right time.

The principle statutory framework within which the corporations sole will operate is:

- Police Reform and Social Responsibility Act 2011 (the Act),
- Policing Protocol Order 2011 (the Protocol),
- (Home Office) Financial Management Code of Practice,
- Strategic Policing Requirement.
- The Police and Crime Commissioner Elections (Declaration of Acceptance of Office) Order 2012
- Policing and Crime Act 2017

The above legislation creates a public sector relationship, based upon the commissioner provider arrangement but with unique elements such as the single elected PCC and operational independence of the police service. It is therefore not appropriate to import corporate governance arrangements into this new environment and the framework builds upon existing good governance principles and experience.

Principles

The seven core principles to be adopted by both corporations sole will be those highlighted by the good governance standard for local authorities (as applied to the PCC and Chief Constable):

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable economic, social and environmental benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability.

Framework / Instruments of governance

The Corporate Governance Framework within which both corporations sole will govern, both jointly and separately will comprise:

- Statement of Corporate Governance – statutory framework and local policy
- Code of Corporate Governance – setting out how the core principles will be implemented,
- Scheme of Governance and Consent – defining the parameters within which the corporations sole will conduct their business including the consents and delegations (published separately),
- Separate policy and procedures for each corporation sole, with protocols, memoranda of understanding etc., where they operate jointly.

The Framework...

Diagram 1

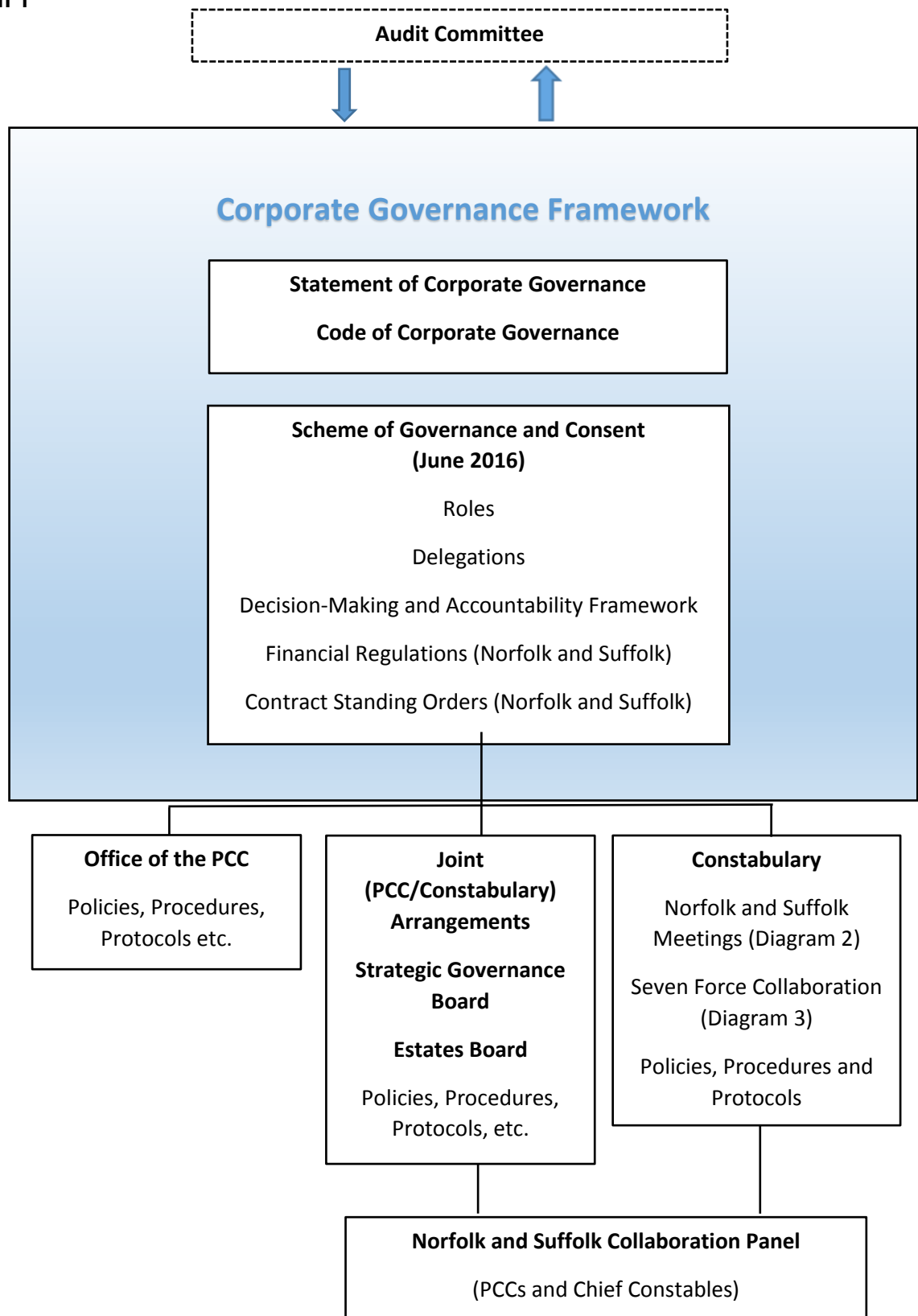


Diagram 2

Norfolk and Suffolk Constabularies Governance Meeting Structure.

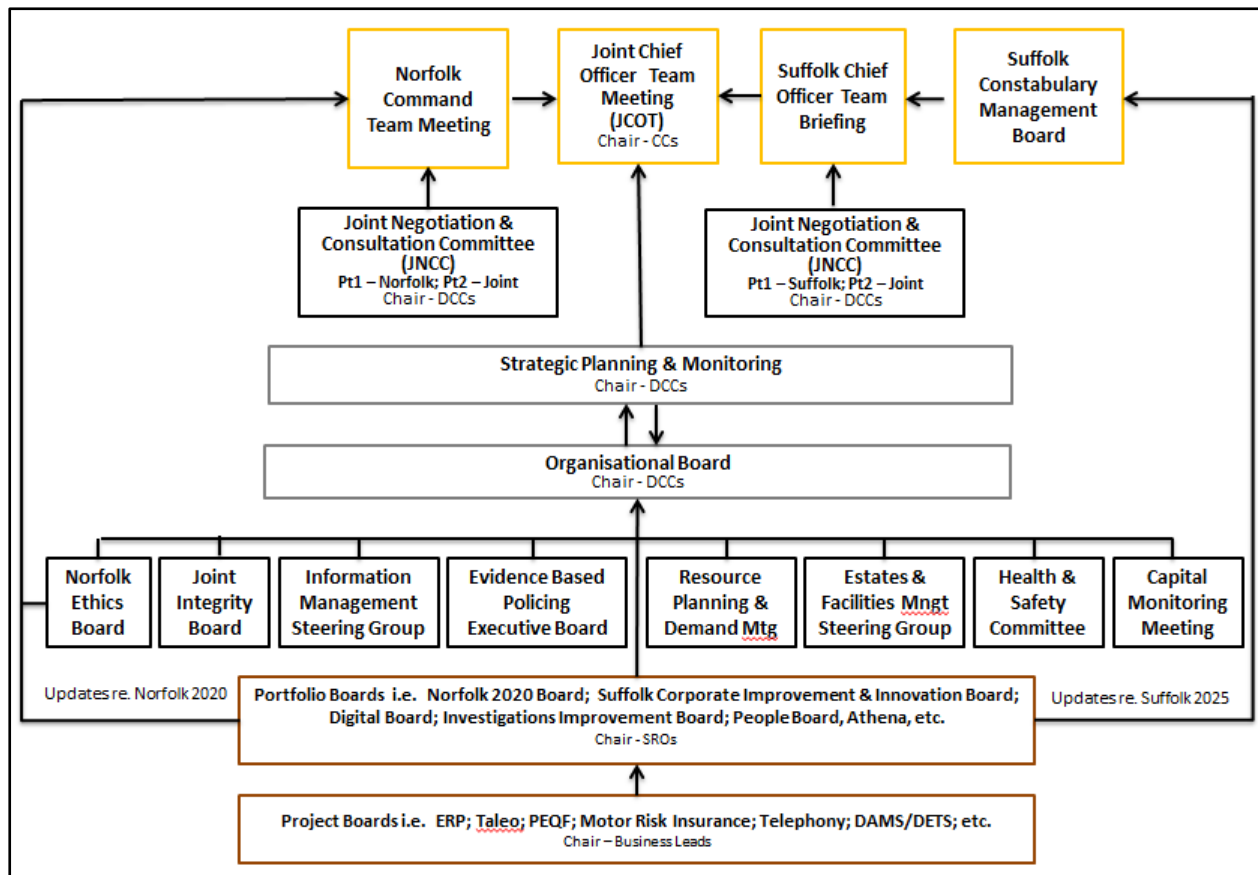
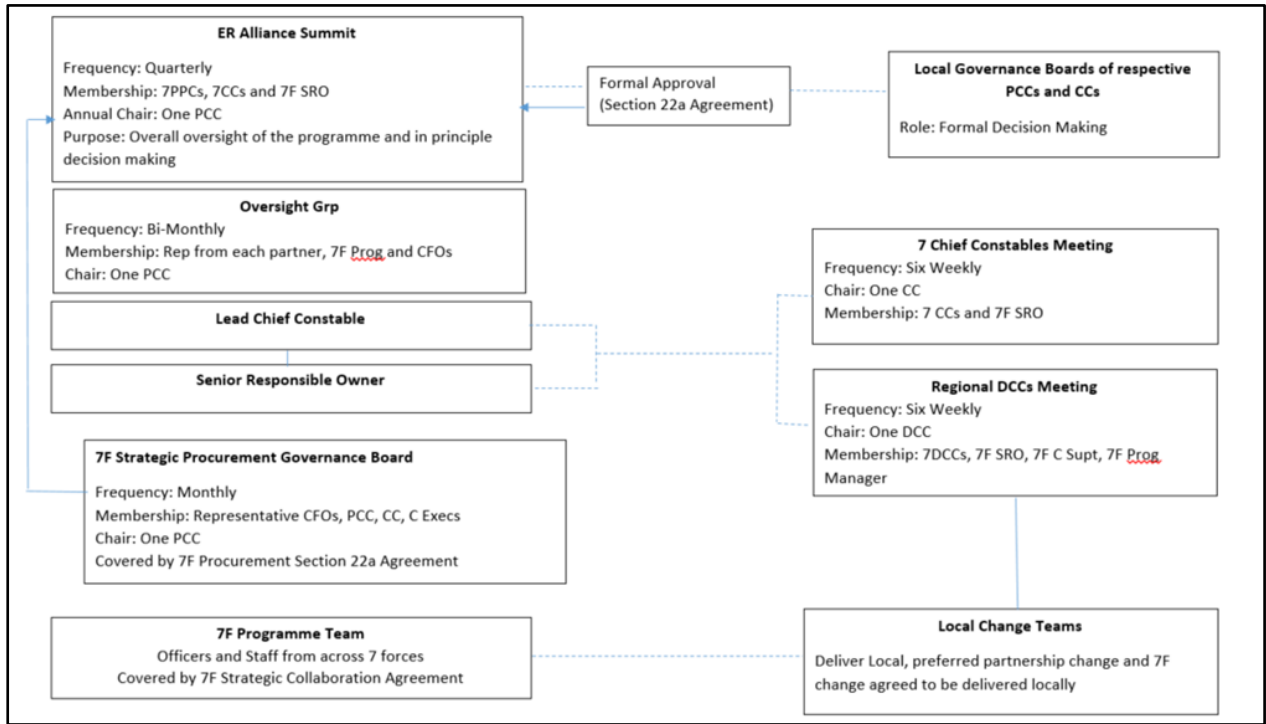


Diagram 3

7F (Seven Force) Strategic Collaboration Programme Governance and Decision Making.



Code of Corporate Governance for the Norfolk Police and Crime Commissioner and the Chief Constable

1. Introduction

- 1.1 Governance is about ensuring that the right things are done in the right way, for the right people, in a timely, inclusive, open and accountable way. It comprises the systems, processes, culture and values by which organisations are directed and controlled, and through which they account to, engage with and, where appropriate, lead their communities.
- 1.2 The standard for good governance arrangements was set out in “The Framework: Delivering Good Governance in Local Government” originally published by CIPFA in conjunction with the Society of Local Authority Chief Executives (SOLACE) in 2007. The Framework was reviewed and an updated edition published in April 2016. A Guidance Note for the Police (2016 Edition) has been published by CIPFA and has been used to develop this Code of Corporate Governance (the Code).
- 1.3 The Code sets out how the Norfolk Police and Crime Commissioner (the PCC) and Chief Constable will govern their organisations both jointly and separately in accordance with the Corporate Governance Framework. It does this by highlighting the key enablers for ensuring good governance and using the seven good governance core principles as the structure for setting out the statutory framework and local arrangements.

2. The Code

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

The PCC and the Chief Constable are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for the outcomes they have achieved. In addition, they have a responsibility to serve the public interest in adhering to the requirements of legislation and government policies. They must demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.

The Policing Protocol 2011 requires all parties to abide by the seven Nolan principles and these will be central to the conduct and behaviour of all. It also highlights the expectation that the relationship between all parties will be based upon the principles of goodwill, professionalism, openness and trust.

The 2014 Code of Ethics sets the standard of behaviour for all members of staff. The Code builds on the 7 Nolan principles with the addition of ‘Fairness’ and ‘Respect’. These principles will underpin every decision and action at whatever level they are taken.

The Financial Manage Code of Practice requires the PCC and Chief Constable to ensure that the good governance principles are embedded within the way the organisations operate.

The PCC and Chief Constable will set out their values in the respective corporate and strategic plans.

Principle B - Ensuring openness and comprehensive stakeholder engagement

Local Government, including the Police, is run for the public good. Organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation will be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

The Protocol highlights that the PCC is accountable to local people and that he draws on this mandate to set and shape the strategic objectives for the force area in consultation with the Chief Constable.

The Police and Crime Plan will clearly set out what the strategic direction and priorities are to be and how they will be delivered.

To complement this the communication and engagement strategies will set out how local people will be involved with the PCC and the Chief Constable to ensure they are part of the decision making, accountability and future direction. This will be a mixture of being part of the yearly planning arrangements and becoming involved in issues of interest to local people as they emerge.

The PCC and Chief Constable will develop arrangements for effective engagement with key stakeholders, ensuring that where appropriate they remain closely involved in decision making, accountability and future direction.

The PCC will maintain a strong working relationship with the Police and Crime Panel, constituent local authorities and other relevant partners.

A preferred partnership collaboration strategy was signed by PCCs of Norfolk and Suffolk in 2013.

A business case for 7 Force collaboration (East of England forces and Kent) and a Section 22A agreement were endorsed in March 2016.

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

The long term nature and impact of many of the PCC and Chief Constable's responsibilities mean that they will seek to define and plan outcomes that are sustainable. Decisions should contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital

to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

The PCC will issue a Police and Crime Plan (the Plan) for one year beyond his term of office. It will outline the police and crime objectives (outcomes) and the strategic direction for policing. Both the PCC and the Chief Constable must have regard to the Plan and the PCC must have regard to the priorities of the responsible authorities (as set out in the Act) during its development.

The OPCC has developed a business plan consistent with the need to support the PCC in the delivery of his priorities. From a Constabulary perspective Organisational Board (Diagram 2) quality assures the production of business cases and all business related matters. HMICFRS requires every force to produce a 'Force Management Statement'. These are business plans by another name.

Collaboration agreements will set out those areas of activity to be undertaken jointly with other forces and local policing bodies. These collaborations may reduce costs or increase capability to protect local people, or both.

A medium term financial strategy will be jointly developed and thereafter regularly reviewed to support delivery of these plans.

A commissioning framework sets out the PCC's commissioning intentions and priorities, and will be kept under review.

A complaints protocol will be jointly agreed to provide clarity over the arrangements to respond to the breadth of concerns raised by local people, whether they be organisational or individual failures. This will complement other statutory arrangements.

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

Local Government, including the Police, achieves its intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.

The PCC and the Chief Constable will maintain a medium term financial strategy which will form the basis of the annual budgets, and provide a framework for evaluating future proposals.

There will be a comprehensive process of analysis and evaluation of plans, which will normally include option appraisal, techniques for assessing the impact of alternative approaches on the service's outcomes, and benefits realisation.

Processes will be in place to monitor efficiency and value for money, including benchmarking of performance and costs.

The PCC and the Chief Constable will maintain effective workforce development and asset management plans (e.g. Estates; Information Technology).

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

The OPCC and the Constabulary need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mind-set, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A public organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Both the individuals involved and the environment in which the Police operates will change over time, and there will be a continuous need to develop its capacity as well as the skills and experience of the leadership and individual staff members. Leadership in the Police service is strengthened by the participation of people with many different types of background, reflecting the structure and diversity of communities.

The Leadership, 'People' and personal development strategies of the Office of the PCC and the Constabulary set the climate for continued development of individuals. The respective performance development review processes will ensure that these strategies are turned into reality for officers and members of staff.

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

Public bodies need to ensure that the organisations and governance structures that they oversee have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management, business continuity and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving outcomes. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.

The Decision-making and Accountability Framework (in the Scheme of Governance and Consent) sets out the principles and processes underlying how decisions will be taken by the PCC and Chief Constable and the standards to be adopted.

It requires a combined forward plan of decisions, which brings together the business planning cycles for the Police and Crime Plan, and the OPCC/Constabulary integrated business management process. This will ensure proper governance by bringing together the right information at the right time e.g. needs assessments, costs, and budgets.

The national decision making model will be applied to spontaneous incidents or planned operations, by officers or staff within the Constabulary as individuals or teams, and to both operational and non-operational situations.

The Scheme of Governance and Consent highlights the parameters for decision making, including the delegations, consents, financial limits for specific matters and standing orders for contracts.

The Risk Management Strategy (one for the PCC and one for the Constabulary) establish how risk is embedded throughout the various elements of corporate governance of the corporations sole, whether operating solely or jointly.

The Communication and Engagement Strategies demonstrate how the PCC and Chief Constable will ensure that local people are involved in decision making.

Furthermore the Publication Scheme (a requirement of the Freedom of Information Act 2000) will ensure that information relating to decisions will be made readily available to local people, with decisions of greater public interest receiving the highest level of transparency, except where operational and legal constraints exist.

The forward plan of decisions combined with an open and transparent Publication Scheme will enable the Police and Crime Panel to be properly sighted on the decisions of the PCC.

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

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.

Legislation sets out the functions of the PCC and the Chief Constable. The Protocol describes how these functions will be undertaken to achieve the outcomes of the Police and Crime Plan.

The legislation also enables the PCC to appoint a deputy, whose role will be prescribed by the PCC and set out in the Schemes of Governance and Consent where appropriate.

The Act requires the PCC to appoint a Chief Executive and a Chief Financial Officer. It prescribes that the Chief Executive will act as Head of Paid Service and undertake the responsibilities of Monitoring Officer.

The Act requires the Chief Constable to appoint a Chief Financial Officer.

The Financial Management Code of Practice sets out the responsibilities of the CFOs for both the PCC and the Chief Constable.

Internal audit, reflecting published guidance on standards

The Scheme of Governance and Consent highlights the parameters for key roles in the OPCC and Constabulary including consents from the PCC or Chief Constable, financial regulations and standing orders.

Officers, Police support staff and staff of the OPCC will operate within:-

- OPCC or Constabulary policies and procedures
- The corporate governance framework
- Disciplinary regulations
- Codes of conduct
- Code of Ethics

A joint independent Audit Committee operates within the CIPFA guidance and in accordance with the Financial Management Code of Practice.

3. Governance Review Arrangements

- 3.1 The PCC has overall responsibility for approving the Code of Corporate Governance and has put in place the following arrangements to review the effectiveness of the Code.

The Office of the PCC for Norfolk

- 3.2 The PCC has set up a Corporate Governance Working Group comprising senior managers from the OPCC and the Constabulary to review the governance arrangements and oversee the production of the Annual Governance Statement. This work is reported through to the Audit Committee.

The Constabulary

- 3.3 The Chief Constable is responsible jointly with the PCC for compliance with the corporate governance arrangements but particularly for ensuring that appropriate reviews are carried out within the Constabulary for key areas including:-

- optimisation of operational delivery, with adequate service, governance and financial controls
- professional standards and performance
- management of information, including security and data protection
- strategic co-ordination of service and financial planning, including risk management
- the process for evaluation and achievement of value for money.

Audit Committee

- 3.4 The terms of reference of the Joint Audit Committee of the PCC and Chief Constable include the following:-

- Review the corporate governance arrangements against the good governance framework and consider annual governance reports and assurances.
- Review the Annual Governance Statement[s] (AGS) prior to approval and consider whether [it] [they] properly [reflects] [reflect] the governance, risk and control environment and supporting assurances and identify any actions required for improvement.

Internal Audit

- 3.5 The role of internal audit is to give assurance to the PCC and the Chief Constable, through the Audit Committee, on the effectiveness of the controls in place to manage risks. To this end, the Head of Internal Audit reports on a quarterly basis, highlighting any major control weaknesses identified.
- 3.6 Corporate Governance and Risk Management arrangements feature in the audit strategy and annual plan both of which are received by the Committee.

External Audit

- 3.7 The External Auditor audits the financial statement of the Chief Constable, the PCC and the Group. The auditor also reviews the Annual Governance Statement and gives an opinion on value for money. The auditor's plans, reports and annual letter are considered by the Committee at appropriate times in the annual cycle of meetings.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services.

- 3.8 Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) independently assesses police forces and policing across the whole range of their activities – in the public interest.
- 3.9 In preparing their reports, they provide authoritative information to allow the public to compare the performance of the local force against others, and their evidence is used to drive improvements in the service to the public.
- 3.10 HMICFRS is independent of Government and the police. HMICFRS decides on the depth, frequency and areas to inspect based on their judgments about what is in the public interest.
- 3.11 Inspection programmes are demanding and, as a minimum, the main outcomes will be reported to the PCC and any improvement actions required will be recorded in the AGS.



NORFOLK
CONSTABULARY
Our Priority is You

**DRAFT ANNUAL GOVERNANCE STATEMENT FOR
THE POLICE AND CRIME COMMISSIONER FOR NORFOLK AND
THE CHIEF CONSTABLE OF NORFOLK 2018/19**

1. Background

- 1.1 This Annual Governance Statement (AGS) covers the financial year 2018/19 [but extends to cover the period to the signing of the Statements of Accounts in July 2019]. 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 8, 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 CIPFA Statement on the Role of Chief Financial Officers in Policing (draft update March 2018). However, please see further commentary at 3.7 below.
- 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 2018/19 (ending 31 March 2019) 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

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Code applies to all those who work for the Constabulary, be they police officers, police staff, contractors or volunteers. Staff has 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 Police Regulations are due to change together with statutory guidance in respect of the handling of complaint and conduct matters. The timing of this is not yet confirmed, however it is expected to happen within the next 12 months. The regulatory change will see PCCs handling appeals in respect of some complaints and 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.
- 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.
- 3.8 Since 1st April 2014 the Norfolk PCC's Chief Financial Officer (CFO) has acted in a dual capacity (as Section 151 officer) for both the Norfolk PCC and the Chief Constable. The CIPFA Code says that some PCCs and Chief Constables have agreed locally to combine the two CFO posts and designate a single officer. It also says that whilst this arrangement may be regarded as a pragmatic and cost saving solution, it is essential that the potential risks are recognised and that the governance framework is structured in a way that accommodates and responds to any compromises which might arise. The guidance confirms that combined CFO arrangements do not contravene the provisions of the Police Reform and Social Responsibility 2011 Act. The local arrangements have been considered by the Audit Committee and appropriate safeguards put into place. The dual role ceased on 31 January 2019 when the Chief Constable appointed a financially qualified Assistant Chief Officer.

Principle B - Ensuring openness and comprehensive stakeholder engagement

- 3.9 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.
- 3.10 The Constabulary offers regular, direct updates via its social and digital channels including Twitter, Facebook, the force website, and indirectly via the local media. In

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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.

- 3.11 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.
- 3.12 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.
- 3.13 The PCC held a countywide budget consultation asking Norfolk people whether they agreed to a precept rise for 2018/19. More than 2000 people took part. Key partners were also consulted. The results of the police budget 2018/19 consultation show that 59% of those who took part said they would be prepared to pay an extra 2% through the policing element of their council tax. Of those who showed a preference for an increase, 20% stated that they would not be willing to pay more than 2%, 14% stated that they would pay up to an extra 19p per week (4.5%), 23% said that they would pay an extra 25p per week (6%) and 43% said they would be prepared to pay an extra 50p per week (12%). See paragraph 3.20 for more information on the 2018/19 budget. 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.
- 3.14 The OPCC manages a key independent advisory panel, the Independent Advisory Group (IAG).
- 3.15 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.
- 3.16 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.

- 3.17 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

- 3.18 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 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.

- 3.19 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>

- 3.20 There is a co-ordinated process for strategic and medium-term financial planning (MTFP) that uses Outcome Based Budgeting (OBB) principles. The budget for 2018/19 proposed by the PCC was based on a 'cash level' government funding settlement and an increase in the council tax (following consultation) of £12 per annum (Band D). The PCC's proposal was unanimously supported by the Police and Crime Panel. Budget reductions were required to balance the budget but it was possible to slightly increase police officer numbers with the additional precept. 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.

- 3.21 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

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performance against objectives. This includes detailed analysis and scrutiny of performance and compares performance against the most similar family of forces. A review of performance reporting is currently underway to ensure it continues to meet all parties needs and requirements and optimises insight and decision making.

- 3.22 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.
- 3.23 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

- 3.24 Norfolk and Suffolk Constabularies gather data and intelligence from a range of sources to produce an annual Strategic Assessment. The Strategic Assessment takes into account 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. The 2018 Strategic Assessment included an organisational threat assessment – using outcome based budgeting, this section looks at how the constabularies could review internal processes and structures, such as overtime and sickness management, to make financial savings and improve efficiencies. All operational issues are risk assessed using the nationally recognised Management of Risk in Law Enforcement (MoRiLE) 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.
- 3.25 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 sickness and absence management and overtime. 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.

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- 3.26 The Joint Performance and Analysis Department (JPAD) undertakes analysis, research, consultation and improvement and evaluation activity across the Constabulary. 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.
- 3.27 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. JPAD 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 and so identify how best to manage and resource. 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.

- 3.28 Norfolk and Suffolk Constabularies have a Leadership Development Programme called Best I Can Be and run a quarterly series of professional development events as part of the work being delivered under the Leadership Strategy. Examples of these sessions include Coaching Conversations and Having Difficult Conversations. 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. Following the annual Performance Development Review a number of succession planning checkpoint events will take place to assess the current leadership capacity and the future talent pipeline, allowing for pro-active development of Officers and staff to meet upcoming demand.
- 3.29 The Leadership Strategy promotes the idea that Leadership is not necessarily about rank. It advocates 'Courageous, Inclusive and Ethical' leadership. It goes further to describe the development of the whole workforce which is engaged not only in day to day activity but also in strategic projects and change programmes. Recently the force commenced Leadership profiling and a full evaluation of this will take place in June when the organisation will consider the use of this for junior ranks and grades.
- 3.30 The Professional Development Review (PDR) process continues to be improved and a series of PDR Quality Assurance processes has begun. 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. This data will be fed into the organisation People Board.

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- 3.31 The new Learning Management System is also being developed for launch in early Spring of 2019. This system 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.

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

- 3.32 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.
- 3.33 The Crime Registry and Audit functions for Suffolk and Norfolk, which are part of the Joint Performance and Analysis Department (JPAD) 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.
- 3.34 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. Bespoke action plans continue to ensure the quality of crime recording is improved; this has included the retraining of all supervisors and Athena champions in understanding of Crime Data Integrity (CDI). Three dedicated data quality staff form part of the Athena business as usual (BAU) structure to manage the data quality issues currently within the Athena system, supported by quality assurance measures within the business as usual Athena processes. Data quality remains a key focus for the organisations with activity coordinated at Athena and Crime Data Integrity meetings.
- 3.35 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

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Management Organisation (hosted by Essex) to PCCs and Chief Constables through Athena Management Boards.

3.36 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.

3.37 As referenced in paragraph 3.33, the Force Crime Registry team conducts regular audits of the Constabulary's Crime Data Integrity (CDI) compliance. These audits have highlighted a risk regarding the grading level the force may receive following its HMICFRS CDI inspection. There are various reasons for this, but primarily a failure to adequately record, or negate, allegations of crime at the first point of contact; often within the Violent Crime classification will impact on the grading. The local situation is being monitored by the CDI Group, chaired by the T/Assistant Chief Constable. Audit has been increased, visits and consultation with forces obtaining 'Good' grades continue to look at best practice, a member of the Norfolk audit team has continued to support HMICFRS in undertaking other inspections and the Norfolk 2020 team is currently reviewing working practices within the Control Room.

3.38 Even with the additional flexibility available to the PCC for precept increases in 2018/19 and 2019/20; over the medium term, efficiencies will continue to be identified so that operational demand and cost pressures can be met. By the 31 March 2019 some £34m of annually recurring savings will have been found. Over the MTFP period to 2022/23 a further £3m has been identified. The financial envelope for 2020/21 and beyond will be determined by the Spending Review 2019. The additional 'flexibility' on precept for 2019/20 (an increase of £24 per annum (at Band D) will enable a significant increase in addition police officers/detectives together with new technology to support investigations. Reserves are forecast to reduce from £16.8m at 31 March 2018 to £11.2m, the minimally acceptable level, by 31 March 2021.

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

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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 received an award (for the third year running) for the quality of its website, which includes the transparency requirements set out by Regulations. [check with OPCC in June when it could be four!!]
- 3.41 The Audit Committee (now meeting in public) has overseen the full programme of internal and external audit activity. See para 4.5 below.

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 was presented to the April 2019 meeting of the Audit Committee and the groups and processes that have been involved in maintaining and reviewing the effectiveness of internal control include the following:

4.4 Corporate Governance Working Group

- 4.4.1 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 have involvement in the oversight of the governance framework and its processes and are in a position to review its effectiveness.

4.5 Internal Audit

- 4.5.1 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.

Appendix 2

- 4.5.2 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.
- 4.5.3 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.
- 4.5.4 The overall opinion for 2018/19 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. Also, there was evidence to support the achievement of value for money with regard to economy, efficiency or effectiveness of the systems reviewed. 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 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.”

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

“Control weaknesses: There were 2 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. It is noted that management directed internal audit to the weak areas, to assess the controls and support the organisations to improve on these areas. Action has already commenced on improvements to the control areas, which reduced the overall number of urgent recommendations and supports a positive overall opinion.”

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

4.6 External Audit and Other External Review Bodies

- 4.6.1 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 2017/18 Statement of Accounts in August 2018 together with an unqualified value for money conclusion. The External Auditor’s Annual Audit Letter was issued in August 2018 and it did not identify any matters to be addressed.
- 4.6.2 The Constabulary is subject to almost continuous review by Her Majesty’s Inspector of Constabulary and Fire & Rescue Services (HMICFRS), 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.justiceinspectors.gov.uk/hmicfrs/?type=publications&force=norfolk&&cat&year>

Appendix 2

In May 2018 the force was subject of an unannounced Custody inspection. This was a joint inspection with Suffolk, and was led by Her Majesty's Inspectorate of Prisons, as part of the rolling Joint Inspection programme with the HMICFRS. The report was positive, and made only two recommendations with nineteen areas for improvement. All have been considered, and progressed where appropriate by the Criminal Justice Command. Further details are contained at Appendix C.

As part of the yearly inspection programme the HMICFRS also undertook a PEEL inspection. There are four key areas known as the pillars of PEEL – Efficiency, Effectiveness, Legitimacy and Leadership. Each pillar has a subset of questions which have previously been assessed through two inspections; one in the spring Efficiency and Legitimacy, and one in the autumn, Effectiveness.

In 2018 the inspectorate changed their approach and now undertakes what is known as an Integrated PEEL Assessment or IPA. The level of inspection is dependent on the HMICFRS using IPA to take a 'Risk Based Approach' in deciding which areas to undertake field work. Norfolk was assessed as being suitable for a reduced fieldwork inspection. In November 2018 due to the changes in the policing model and previous AFIs, the HMICFRS undertook inspection fieldwork on crime prevention (Q1) and crime investigation (Q2), in addition to the four mandatory questions; vulnerability (Q3), strategic threats (Q5), future demand (Q7) and ethics and counter corruption (Q9).

The force has yet to receive a copy of the Inspectorate's report. It is expected early summer 2019, and so will be included in the 2019/20 Annual Governance Statement.

The report will also confirm whether the Force has cleared all the outstanding Areas for Improvement. If any remain, which is not expected, they are likely to be represented as new AFIs.

- 4.6.3 Information Management - Following the audit undertaken by the Information Commissioner's Office (ICO) in April 2016 across Norfolk/Suffolk Constabularies, work has progressed to action the recommendations to help reduce the risk of non-compliance with the Data Protection Act. Resourcing levels were reviewed and three temporary appointments, to end March 2020, are in place, addressing the information sharing, auditing and compliance requirements. The audit findings continue to be progressed and managed through the Information Management Steering Group alongside the full implementation of the Data Protection Act which became law in May 2018.
- 4.6.4 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 6 referrals in 2018. In 3 cases no further action was required by the ICO, one required a policy update and no response has yet been received from the ICO on the remaining two.

4.7 Police and Crime Panel

- 4.7.1 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.

4.8 Audit Committee

- 4.8.1 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.
- 4.8.2 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.
- 4.8.3 Committee members have continued to receive briefings and training through the year.

5. Significant Governance Issues

- 5.1 Those internal control issues identified in the 2016/17 Annual Governance Statement have been subject to follow up by Internal Audit. The reconciliation of tax and national insurance deductions relating to 2015/16 has now been completed and £1,400 overpaid to HMRC will be recovered.
- 5.2 In 2017/18 there were eight areas reviewed by internal audit where it was assessed that the effectiveness of some of the internal control arrangements provided 'limited assurance' (Purchase Cards, Data Quality Arrangements for Athena, Absence Management, Management of Police Information [MOPI], Payroll, Overtime, Expenses and Additional Payments, Corporate Policies and Learning and Development – Skills). The vast majority of the recommendations have been implemented and the current position is set out in Appendix A.
- 5.3 In the current year, only two audits (of the 26 scheduled to be completed for 2018/19) have received 'Limited Assurance'.

Allowances – including one priority 1 recommendation – see Appendix B.

Duty Management System – although there were no priority 1 recommendations there were nine priority 2 and two priority 3 recommendations. The Audit Committee received a full report on the DMS at its January 2019 meeting. The Committee was satisfied with the explanations and the progress. The Director of Audit indicated that a further audit should produce a more positive assurance level.

- 5.4 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)

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.

Appendix 2

- 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.

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

Date: xxxxxxxxxxxx

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.

Appendix A

Extract from 2017/18 AGS	Current position
<p>The Purchase Cards audit has resulted in a 'limited assurance' assessment for 2 years in a row now. The spending on the cards is not material (£93,000 for April to August 2017) and there is no evidence of any inappropriate use of the cards. The 'limited' assessment arises because there were 5 priority 2 and 3 recommendations; all of which are in hand. A full review of the number of cards in use, the spending being charged to the cards and the policy and procedures will be carried out over the next few months.</p>	<p>A further audit of purchase cards was carried out this year. No recommendations were raised and a Reasonable Assurance grading was given.</p>
<p>The Athena Data Quality audit recommendations are complex and Athena is referenced elsewhere in this report. The audit report contained 4 priority 2 and 3 recommendations.</p>	<p>One priority 2 recommendation remains outstanding at the time of writing.</p>
<p>The Absence Management audit identified that the various systems in use record sickness in different ways (not user errors). Further training of managers is needed to ensure that rest days and free days are not included within sickness periods (this does not affect reported sickness figures as 'working days lost' exclude rest and free days). Line managers also need to be reminded of the requirement for Attendance Support Meetings and of the option to refer to occupational health. There were 5 priority 2 and 3 recommendations</p>	<p>All recommendations have been actioned.</p>
<p>The Overtime, Expenses and Additional Payments audit has revealed examples of invalid claims not complying with guidelines and a risk that expenses could be claimed through two separate systems. There were 4 priority 2 and 3 recommendations.</p>	<p>One priority 2 recommendation remains outstanding at the time of writing.</p>
<p>The Review of Policies Management has identified policies that are outside the scope of the Policy Unit, and for which accountability is unclear. 25% of policies are past their review date although this is a big improvement on the 81% when the Unit was formed. There were 7 priority 2 and 3 recommendations.</p>	<p>Two priority 2 recommendation remains outstanding at the time of writing. One priority 2 recommendation has a completion date of 3/1/19.</p>
<p>Compliance with the Management of Police Information (MOPI) requirements is an issue for all police forces. A project has been underway for some time and software developed to interrogate some 35 systems which hold information. Some manual records need to be transferred to electronic format. The matters identified by Internal Audit are known and a Project Board is in place to oversee the activity. The priority 1 recommendation is set out in Appendix A along with</p>	<p>The Audit Committee received a full report on MOPI at its meeting 15 January 2019. The Committee understood that, in time, the new IT systems and more staff resources would address the risks associated with non-compliance. The project would remain on the Constabularies' Strategic Risk Register.</p>

	Current position
<p>Extract from 2017/18 AGS</p> <p>the management response and the timetable for dealing with the issue.</p> <p>The Payroll audit again highlighted the problem described at 5.1 above and also made recommendations about continuing to ensure there is compliance with IR35 (contractors to be paid via payroll) and about self-certification of on-call payments where an immediate system change is being implemented. The priority 1 recommendation is set out in Appendix A along with the management response and the timetable for dealing with the issue.</p> <p>The Learning and Development (L&D) Recording of Police Officer Skills report has identified problems with the recording of skills on the ERP system, especially if the training has not been arranged by L&D. Also the system is not being used effectively to book and fill courses. The priority 1 recommendation is set out in Appendix A along with the management response and the timetable for dealing with the issue.</p>	<p>At the time of writing, one priority 1 recommendation remains outstanding. This will be completed when a replacement system for EnAct goes live later this year.</p> <p>2 priority 2 recommendations also remain outstanding.</p> <p>Work to more fully utilise ERP has been explored. The cost of the RFCs to enable the system to used has been adjudged to be prohibitive. A business case to use the Chronicle for the recording of skills is being progressed and updates will be provided forthwith.</p> <p>Seven priority 2 recommendations remain outstanding although work on many of them is nearing completion.</p> <p>The latest Internal Audit Follow Up Report suggests that the original timescales for completion of the recommendations were over ambitious and that the service manager had left the Constabularies with a successor recently appointed.</p>

APPENDIX B

ALLOWANCES

Report Ref	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Compliance	<p>Testing concluded that rates of pay for each dog handled were calculated correctly, and authorised enact forms were in place to support any changes. Inconsistencies were identified between records held by payroll and the Inspector, Specialist Operations, with payroll holding the correct details; one paid dog handler was not on the records held by the Dog Unit and four police officers were paid for more dogs than recorded by the Dog Unit. It is not clear what expenses dog handlers are entitled to claim in addition to their dog handler allowance and what expenses are expected to be covered as part of the allowance; sample testing identified that two of the dog handlers only claimed the allowance, whilst other dog handlers claimed reimbursement for items such as dog grooming, mileage costs and valet vehicles, whilst the remaining dog handlers claimed additional expenses, which were inconsistently applied.</p>	<p>The policy and processes for dog handler allowances and associated expenses to be clarified, adopted within the policy, communicated to relevant staff/officers and accurate records maintained.</p>	1	<p>This will be referred to the Superintendent Specialist Operations, who will form a policy and process.</p>	31/03/19	Supt Specialist Ops

HMICFRS/HMI Prisons - Inspection of Custody - Recommendations

Recommendation 1

The force must take immediate action to ensure that all custody procedures comply with legislation and guidance, and that officers consistently implement these. Quality assurance should be applied to test compliance with the legislative requirements.

The Custody Command has taken immediate action to remedy the quality of the Inspectors review by producing an Inspectors Briefing called the 7 min guide. This has been provided electronically and also through face to face updates to Norfolk Inspectors Development days (Suffolk does not have these presently). Additionally updates on Bail and RUI have been provided to ensure legislative compliance which is overseen by a Strategic group chaired by the Head of Joint Justice.

An enhanced audit process of reviews has been put in place from the start of 2019 to improve the inspection of custody records in order to pick up on issues which need addressing around PACE compliance. A strong focus on data quality of rationales for authorisations texts.

Recommendation 2

The constabularies should strengthen their governance of use of force by ensuring that all incidents involving force in custody are properly recorded and are in line with recommendations from the National Police Chiefs Council. Incidents should be cross-referenced to CCTV to demonstrate that the force used is proportionate and justified.

There is currently a national issue which is reflected locally which does not show alignment between Use of Force (UoF) reporting and custody systems. Much of this is system lead, with the UoF system not able to fully reference individual cases in Custody. However, a change plan is now in place which will develop that system further to allow for greater cross referencing of cases with the Athena custody module. Dip sampling continues to take place monthly on UoF cases.

A new Coercive Powers Independent Scrutiny Panel commenced in January 2019 with a focus on Sec 54 Strip Search Powers. These boards are made up of Independent Custody Visitors from Norfolk and Suffolk and look at the quality of the authorisations, as well as issues relating to race disproportionality.

A new Custody Development Day will have UoF recording as a mandatory element.

Areas for Improvement

- 1. The forces should ensure that the accuracy, collation and monitoring of data on key areas of custody is sufficient to assess performance, identify trends and drive improvements.**

New Performance Framework linked to the custody Expectations guidelines is in development, and due to be launched in the late spring of 2019. It is linked to national work by the NPCC Custody Forum working group. The framework is currently within a Task and Finish group with wide ranging stakeholder engagement.

- 2. The forces should ensure that custody records are comprehensive and clear and that all decisions are appropriately justified and clearly recorded. Multiple cell checks should not be entered in individual detainee detention logs.**

Appendix 2

The Joint Justice Command does not agree with the area for improvement around multiple cell checks as we have an efficient staffing model which provides for quality checks but based on our ability to use our technology in an efficient way. Data quality dip sampling by PIC Inspectors continues to monitor quality of records, and learning issues are also relayed following cases referred to the PSD.

- 3. All staff should ensure that the individual and diverse needs of detainees are consistently met, particularly those of female and transgender detainees.**

A new Trans toolkit has been launched in Force, and a lead has been appointed in custody to develop a training package for the whole command, using the expertise of the National Trans Police Association as a partner. The forces Independent Advisory Panel includes an action lead for LGBT+ issues and gender issues who will be consulted on the L&D package.

- 4. Female Sanitary Provision is available across all PICS and is offered in a discrete way by all staff**

The action is complete, and new sanitary bins are also appropriately available to staff for disposal.

- 5. Anti-rip clothing should only be used in exceptional circumstances and following an individual risk assessment**

New NPCC Guidelines on "Dignity" are soon to be launched. This will look again at how we assess risk and now provide a "one size fits all" approach to risk. This will also require a cultural shift across policing, as there is currently a disconnect between what the IOPC would say retrospectively following an adverse incident, and what is being promoted by HMICFRS. ACC Kemp is taking forward this piece of work with support from the constabularies.

- 6. The forces should make suitable alternative arrangements for voluntary attendees so they do not have to be brought into custody**

A new Voluntary Attender Policy is in consultation as of March 2019. Improvements are currently being worked through with Athena, and with digital recording equipment in police stations ahead of any authorisation to use Body Worn Video for interviews. It is expected that a voluntary attendance decision mobile app will also be available for front line officers in the course of 2019.

- 7. Delays in progressing investigations while waiting for interpreters and/or AAs should be minimised.**

The CAPITA Contract is under review as there continue to be problems with the provision of the full service particularly for face to face interpretation. Contingency plans being considered for an alternative provider. This is also a national problem particularly in key languages from the Western Balkans (Romanian, Hungarian).

The new AA Contract has a performance monitoring provision around response times which are inspected on a quarterly basis.

- 8. The force should strengthen its approach to PACE reviews by ensuring:**

Appendix 2

- **all PACE reviews include the detainee's care and welfare needs, which are fully and accurately recorded**
- **that acting inspectors are authorised to carry out duties of a higher rank when conducting detention reviews in accordance with section 107 of PACE.**

This links to Recommendation 1, and the 7 Minute Guide alongside the Bail and RUI updates which have been provided to all Inspectors 07-12-18.

- 9. The forces should ensure that responsible individual officers update RUI suspects and that there is effective supervision to ensure investigations are conducted as quickly as possible**

The joint Bail & RUI Strategy Group is Chaired by DCS Wvendth and a new 7 minute guide for Inspectors has been published December 2018 around the authorisation for bail.

The tactical response to Bail and RUI management is under Inspector Beeby, who leads the Bail Management Team (2 Sgts and 1 support staff post). Monthly monitoring of the Bail and RUI cases with front line County Policing Teams, and specialist Investigations leads is in place to get effective oversight of all the cases currently RUI and ensuring expeditious closure.

- 10. Drugs for use in medical emergencies should align with the health care provider's policy, and the range of kit should be reviewed to ensure it is suitable**

A new Healthcare Provider (Castle Rock Group – CRG) commences from April 1st 2019. New policies and procedures are therefore forthcoming and compliance is being monitored by the Custody Healthcare lead, Paul Loveday. All medical dispensing will then only be done by an HCP.

- 11. The forces should offer detainees replacement shoes when their own footwear is removed and access to showers, hand-washing facilities, exercise and a selection of reading materials. Toilet paper should be in their cells except where there are risk assessment indicators.**

This area is currently compliant and is subject to Inspectors and Chief Inspectors monthly and six-monthly checks

- 12. The forces should continue to work with partner agencies to ensure that children charged and refused bail are moved to alternative accommodation.**

The Strategic Children & Young Persons Group under the Local Policing ACCs meet with Custody representation.

A tactical lead for Custody meets with heads of Children Services for Norfolk and Suffolk on a quarterly basis to discuss all cases where children were not transferred into LA care.

PACE beds continue to be a difficulty for both local authorities, but the position is improving. There remains no secure accommodation in either Norfolk or Suffolk.

- 13. All detainees should receive equitable access to primary care services in custody suites**

Appendix 2

This links to the provision of the new embedded custody Healthcare contract from CRG which commences April 1st. There will be a significant uplift in the quality of care and access to primary care services at all PICS.

- 14. Governance arrangements should be improved, including in areas of policy for police custody, leadership, responsiveness, clinical supervision, clinical supply chain reliability, access to online resources and service user consultation. Systems for clinical waste disposal should be suitable and labels completed**

This links to the provision of the new embedded custody Healthcare contract from CRG which commences April 1st. There will be a significant uplift in the quality of care and access to primary care services at all PICS. The response to this action can be reviewed in Quarter 3 2019-2020 once the new provider has embedded their service.

- 15. Medications due for administration while detainees are at court should be sent with them.**

This action can be recorded as complete as this is standard practice, but is a national thematic which does not reflect already good local practice.

- 16. Custody officers should not administer prescription-only medication without a signed medical prescription.**

All medical dispensing will only be done by an HCP in the new contract from April 1st.

- 17. Detainees with substance misuse issues should have access to specialist services**

We will be certain these will be met from April 1st when the new health care contract commences but also Liaison and Diversion Services, which if engaged with, offer the detainee bespoke and specialist services to assist with their addiction in order to reduce the likelihood of return to the criminal justice system.

- 18. Detainees requiring Mental Health Act assessments should be seen promptly, and transfers to hospital facilities should be expeditious**

All Mental Health cases are currently reviewed but there is not currently the strength in our performance framework to do this efficiently - improvements are planned to commence April 2019 in conjunction with a new Safer Detention referral mechanism for Sergeants to notify the Custody Bronze Inspectors who will then ensure they grip this issue when MH assessments are unduly delayed due to staffing problems in the local MH Trust.

- 19. The forces should continue to work with HMCTS to ensure that the time detainees wait for virtual court appearances is minimised, with cases prioritised appropriately. Where detainees are remanded to prison they should be transported there without undue delay.**

Norfolk and Suffolk Constabularies are now engaged with the consortium of South East forces for the new Video Enabled Justice programme. An A/Inspector is currently seconded to that project, and the new system will go live on 27th March across five PICS.

Appendix 2

Additionally, funding for five VCDOs has been obtained and those post holders have been recruited to commence training on the 1st April. This new programme will deliver improved efficiency and timings for remand hearings.



OFFICE OF THE POLICE & CRIME
COMMISSIONER FOR NORFOLK



NORFOLK
CONSTABULARY
Our Priority is You

Audit Committee Forward Work Plan

11 June 2019 Private (informal meeting)

Draft Statements of Accounts 2018/19	Reports from CFO
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30 July 2019

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 16 April 2019	
Internal Audit 2019/20 Progress Report (including outstanding reports from 2018/19)	Report from Head of Internal Audit
Final Accounts 2018/19 Approval including External Auditor's Audit Results Report	Reports from CFO and EY
Forward Work Plan	Report from CFO

22 October 2019

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 30 July 2019	
Annual Audit Letter	Report from EY
Internal Audit 2019/20 Plan update and follow-up Report	Report from Head of Internal Audit
Strategic Risk Register update	Report from Chief Exec and CC
Forward Work Plan	Report from CFO

14 January 2020

Welcome and Apologies	
Declarations of Interest	
Minutes of meeting 22 October 2019	
Audit Committee Terms of Reference	Report from CFO
Internal Audit 2019/20 Plan update 2020/21 Internal Audit Plan (draft)	Reports from Head of Internal Audit
External Audit 2018/19 Accounts Annual Audit Letter 2019/20 Audit Plan	Reports from Director, E&Y
Treasury Management 2019/20 Half Year Update 2020/21 Strategy	Report from CFO
Strategic Risk Register Update	Report from Chief Exec and CC
Forward Work Plan	Report from CFO

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