

## AUDIT COMMITTEE

**Tuesday 22 October 2019 at 2.00 p.m.**  
**Broadland District Council**  
**Thorpe Lodge, 1 Yarmouth Road, Norwich, NR7 0DU**

## 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 30 July 2019 – *to follow*
4. Annual Audit letter for the year ended 31 March 2019
5. Internal Audit – Reports from Head of Internal Audit (TIAA)
  - 2019/20 Plan Update – Audit Progress Report
  - 2019/20 Follow Up Review
6. Draft Annual Audit Committee Report – *to follow*
7. Audit Committee Self Assessment and Action Plan
8. Forward Work Plan – Report from Chief Finance Officer

### **Part 2 – Private Agenda**

8. Strategic Risk Register Update – Report from Chief Executive and Chief Constable – OPCCN and Norfolk Constabulary
9. Response to Local Audit Review Consultation – *draft response to follow*
10. Update on Transport Investigation – verbal

10. Date of Next Meeting

**Tuesday 14 January 2020 at 2pm in the Filby Room.**

**Enquiries to:**

OPCCN

Building 1, Jubilee House,  
Falconers Chase, Wymondham, Norfolk, NR18 0WW  
Direct Dial: 01953 424455 Email: [opccn@norfolk.pnn.police.uk](mailto: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](mailto:opccn@norfolk.pnn.police.uk) 联系诺福克警察和犯罪事务专员办公室。

Если вы хотите получить данный документ на русском языке, пожалуйста, обратитесь в Управление полиции и комиссии по рассмотрению правонарушений в графстве Норфолк по тел. 01953 424455 или по электронной почте: [opccn@norfolk.pnn.police.uk](mailto:opccn@norfolk.pnn.police.uk)

Se desejar obter uma cópia deste documento em português, por favor contacte o Gabinete do Comissário da Polícia e Crimes através do 01953 424455 ou pelo e-mail: [opccn@norfolk.pnn.police.uk](mailto:opccn@norfolk.pnn.police.uk)

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

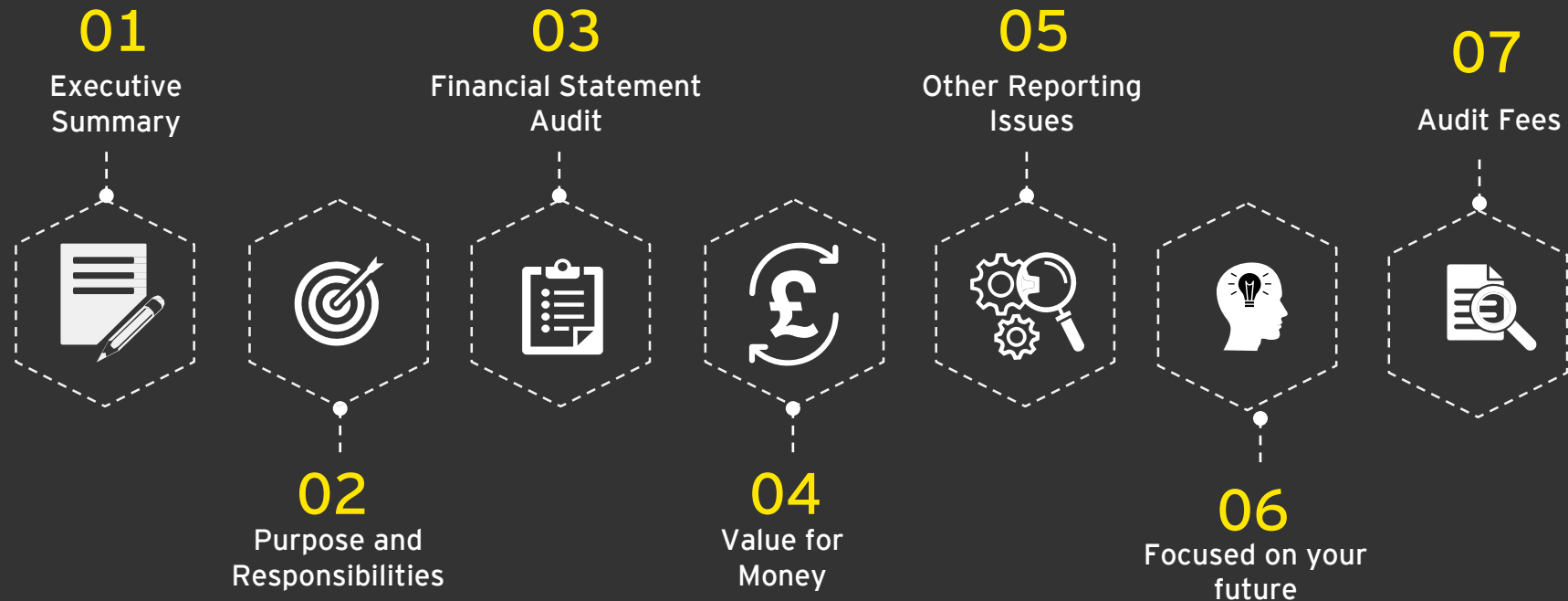
Jeśli chcieliby Państwo otrzymać kopię niniejszego dokumentu w języku polskim, prosimy skontaktować się z władzami policji hrabstwa Norfolk (Office of the Police and Crime Commissioner for Norfolk) pod numerem 01953 424455 lub pisać na: [opccn@norfolk.pnn.police.uk](mailto:opccn@norfolk.pnn.police.uk)

**The Police and Crime  
Commissioner for Norfolk and  
the Chief Constable of Norfolk**

Annual Audit Letter for the year  
ended 31 March 2019

12 August 2019

# Contents



Public Sector Audit Appointments Ltd (PSAA) have issued a 'Statement of responsibilities of auditors and audited bodies'. It is available from the Chief Executive of each audited body and via the PSAA website ([www.psa.co.uk](http://www.psa.co.uk)).

This Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The 'Terms of Appointment (updated April 2018)' issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Audit Letter is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure - If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.



# 01 Executive Summary

## Executive Summary

We are required to issue an Annual Audit Letter to the Police and Crime Commissioner for Norfolk (PCC) and the Chief Constable of Norfolk (CC) following completion of our audit procedures for the year ended 31 March 2019. Below are the results and conclusions on the significant areas of the audit process.

| Area of Work  | Conclusion   |
|---|--|
| <b>Opinion on the Group, PCC and CC's:</b>  | Unqualified - the financial statements give a true and fair view of the financial position of the Group, PCC and CC respectively as at 31 March 2019 and of its expenditure and income for the year then ended |
| ▶ Financial statements  |  |
| ▶ Consistency of other information published with the financial statements                            | Other information published with the financial statements was consistent with the Annual Accounts  |
| <b>Concluding on the PCC and CC's arrangements for securing economy, efficiency and effectiveness</b> | We concluded that you have put in place proper arrangements to secure value for money in your use of resources   |

| Area of Work  | Conclusion  |
|---|---|
| <b>Reports by exception:</b>  |   |
| ▶ Consistency of Annual Governance Statements   | The Annual Governance Statements for both the PCC and the CC were consistent with our understanding of the Group. |
| ▶ Public interest report  | We had no matters to report in the public interest.   |
| ▶ Written recommendations to the Group, which should be copied to the Secretary of State                    | We had no matters to report.  |
| ▶ Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014 | We had no matters to report.  |

| Area of Work  | Conclusion   |
|---|--|
| <b>Reporting to the National Audit Office (NAO) on our review of the Group's Whole of Government Accounts return (WGA).</b> | The Group is below the specified audit threshold of £500 million specified by the National Audit Office. Therefore, we did not perform any audit procedures on the consolidation pack. |

## Executive Summary (cont'd)

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As a result of the above we have also:

| Area of Work  | Conclusion   |
|---|--|
| Issued a report to those charged with governance of the Group, PCC and CC communicating significant findings resulting from our audit.  | Our Audit Results Report was issued on 18 July 2019 for the Police and Crime Commissioner for Norfolk and the Chief Constable of Norfolk (joint report). |
| Issued a certificate that we have completed the audit in accordance with the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office's 2015 Code of Audit Practice. | Our certificate was issued on 31 July 2019.  |

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We would like to take this opportunity to thank the staff at Norfolk Police for their assistance during the course of our work.

*MARK HODGSON*

**Mark Hodgson**

Associate Partner

For and on behalf of Ernst & Young LLP



## 02 Purpose and Responsibilities



# Purpose and Responsibilities

## The Purpose of this Letter

The purpose of this Annual Audit Letter is to communicate to Members and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to the attention of the Group.

We have already reported the detailed findings from our audit work in our 2018/19 Audit Results Report to the 30 July 2019 meeting of the Joint Audit Committee, representing those charged with governance. We do not repeat those detailed findings in this letter. The matters reported here are the most significant for the Group.

## Responsibilities of the Appointed Auditor

Our 2018/19 audit work has been undertaken in accordance with the Audit Plan that we issued on 3 January 2019 and is conducted in accordance with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office.

As auditors we are responsible for:

- ▶ Expressing an opinion:
  - ▶ On the 2018/19 financial statements; and
  - ▶ On the consistency of other information published with the financial statements.
- ▶ Forming a conclusion on the arrangements the Group has to secure economy, efficiency and effectiveness in its use of resources.
- ▶ Reporting by exception:
  - ▶ If the annual governance statements are misleading or not consistent with our understanding of the Group;
  - ▶ Any significant matters that are in the public interest;
  - ▶ Any written recommendations to the Group, which should be copied to the Secretary of State; and
  - ▶ If we have discharged our duties and responsibilities as established by the Local Audit and Accountability Act 2014 and Code of Audit Practice.

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The Group is below the specified audit threshold of £500 million. Therefore, we did not perform any audit procedures on the return.

## Responsibilities of the Police

The Group are responsible for preparing and publishing their respective statements of accounts accompanied by an Annual Governance Statement for each set of accounts for the PCC and the CC. In the Annual Governance Statements, the PCC and the CC reports publicly each year on how far they comply with their own code of governance, including how they have monitored and evaluated the effectiveness of their governance arrangements in year, and any changes planned in the coming period.

The Group is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.



03

## Financial Statement Audit

# Financial Statement Audit

## Key Issues

The Group's Statements of Accounts is an important tool for the Group to show how it has used public money and how it can demonstrate its financial management and financial health.

We audited the Group's Statements of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK and Ireland), and other guidance issued by the National Audit Office and issued an unqualified audit report for the PCC and the CC on 31 July 2019.

Our detailed findings were reported to the 30 July 2019 Joint Audit Committee.

The key issues identified as part of our audit were as follows:

## Significant Risks

### Misstatements due to fraud or error

As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.

Local authorities have a statutory duty to balance their annual budget and are operating in a financially challenged environment with reducing levels of government funding and increasing demand for services. Achievement of budget is critical to minimizing the impact and usage of the Authority's usable reserves and provides a basis for the following year's budget. Any deficit outturn against the budget is therefore not a desirable outcome for the authority and management, and therefore this desire to achieve budget increases the risk that the financial statements may be materially misstated.

Taking these pressures into account we have concluded that there is a risk of management manipulation of revenue expenditure to re-classify it as capital to improve the financial position over the medium term.

## Conclusion

We did not identify any material weaknesses in controls or evidence of material management override. We have not identified any instances of inappropriate judgements being applied or management bias.

We did not identify any other transactions during our audit which appeared unusual or outside the normal course of business.

Our audit work found no evidence of any inappropriate capitalisation of revenue expenditure.



# Financial Statement Audit (cont'd)

The key issues identified as part of our audit were as follows: (cont'd)

| Other Risks   | Conclusion   |
|---|--|
| <p><b>Valuation of Land and Buildings</b></p> <p>Property, Plant and Equipment represent a significant balance in the Group and PCC's accounts and are subject to valuation changes, impairment reviews and depreciation charges.</p> <p>Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the Balance Sheet for land and buildings in particular.</p> <p>The PCC will engage an external expert valuer who will apply a number of complex assumptions to these assets. Annually assets are assessed to identify whether there is any indication of impairment.</p> <p>As the PCC's asset base is significant, and the outputs from the valuer are subject to estimation, there is a risk fixed assets may be under/overstated.</p> | <p>We concluded that the Property, Plant and Equipment valuations are materially correct.</p>  |
| <p><b>Pension asset valuation</b></p> <p>The Group is required to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by Norfolk County Council and the Police Pension Fund.</p> <p>Accounting for these schemes involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. We are required to undertake procedures on the assumptions of the actuary.</p>  | <p>We are satisfied that the required IAS 19 disclosures have been reflected in the financial statements and are based on accurate supporting information.</p> <p><b>McCloud Ruling</b></p> <p>A national issue resulted in a relatively late change to the pension fund accounts and IAS 19 fund liability disclosure. This related to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements, commonly described as the McCloud ruling. Revised actuarial reports provided by the actuaries showed an increase in the liability of £75.6 million to the Chief Constable's Pension Liabilities and £2.3 million to the Police and Crime Commissioner's Pension Liabilities as a result of the adjustments, with further associated disclosure added to recognise this as a source of estimation uncertainty and an adjusted post balance sheet event. The impact of the Guaranteed Minimum Pension ruling was also taken into account in these adjustments.</p> |

# Financial Statement Audit (cont'd)

The key issues identified as part of our audit were as follows: (cont'd)

| Other Risks   | Conclusion  |
|---|---|
| <p><u>Public Finance Initiative (PFI) valuation</u></p> <p>The PCC and CC discloses two PFI contracts within their financial statements for:</p> <ul style="list-style-type: none"> <li>• The use of Jubilee House, Operations and Communications Centre at Wymondham from 2001 until 2037; and</li> <li>• The use of six Police Investigation Centres shared with the Police and Crime Commissioner for Suffolk from 2011 until 2041.</li> </ul> <p>The liability and payments for services are dependent upon assumptions within the accounting models underpinning both PFI schemes. As such Management is required to apply estimation techniques to support the disclosures within the financial statements.</p> | <p>We identified one non material judgemental difference which was not adjusted for within the financial statements on the basis of materiality.</p> <p>The PFI accounting model used by management assumes the minimum lease rentals match an element of the unitary charge. This methodology risks including cash in contingent rentals that do not meet the definition in IAS 17. The impact of this in 2018/19 was £938,000. We concluded that the estimate used by management was within a reasonable tolerance and therefore the PFI has been accounted for appropriately within the accounts although we reported the difference for consideration by management and those charged with governance.</p> <p><b>Recommendation: We would recommend that the PCC considers updating the model in relation to IAS17 definitions.</b></p> |
| <p><u>IFRS 9 financial instruments</u></p> <p>This new accounting standard changes:</p> <ul style="list-style-type: none"> <li>• How financial assets are classified and measured;</li> <li>• How the impairment of financial assets are calculated; and</li> <li>• The disclosure requirements for financial assets.</li> </ul> <p>There are transitional arrangements within the standard; and the 2018/19 CIPFA Code of Practice on local authority accounting provides guidance on the application of IFRS 9.</p>   | <p>We concluded that IFRS 9 financial instruments had been applied correctly.</p>   |
| <p><u>IFRS 15 Revenue from contracts with customers</u></p> <p>This new accounting standard covers the identification of performance obligations under customer contracts and the linking of income to the meeting of those performance obligations.</p> <p>The impact on local authority accounting is likely to be limited as large revenue streams like council tax, non domestic rates and government grants will be outside the scope of IFRS 15. However where that standard is relevant, the recognition of revenue will change and new disclosure requirements introduced.</p>  | <p>We agreed with the PCC and CC's conclusion that IFRS 15 had not had a material impact on the financial statements. This reflects the nature of revenue in effect and the fact that the majority of the revenue does not meet the specific criteria to satisfy applicability under IFRS 15. This is consistent with our findings elsewhere within the sector.</p>   |

## Financial Statement Audit (cont'd)

### Our application of materiality

When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

| Materiality                                 | Planning materiality | Operating expenditure or Assets | Audit differences |
|---|----------------------|---------------------------------|-------------------|
| Group                                       | £5.039 million       | £251.9 million (expenditure)    | £251,000          |
| Chief Constable                             | £4.626 million       | £231.339 million (expenditure)  | £231,000          |
| Office of the Police and Crime Commissioner | £2.213 million       | £110.661 million (assets)       | £110,000          |
| Police Pension statement                    | £931,000             | £46.5 million (expenditure)     | £46,500           |

| Item                | Thresholds applied  |
|---------------------|---|
| Reporting threshold | We agreed with the Joint Audit Committee that we would report to the Committee all audit differences in excess of £110,000. |



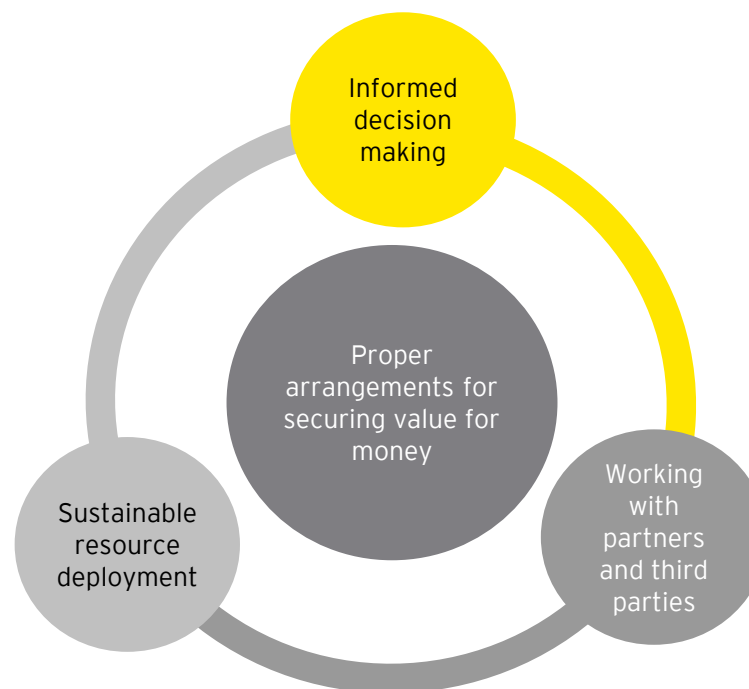
# 04 Value for Money

## £ Value for Money

We are required to consider whether the Group has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. This is known as our value for money conclusion.

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise your arrangements to:

- ▶ Take informed decisions;
- ▶ Deploy resources in a sustainable manner; and
- ▶ Work with partners and other third parties.



We did not identify any significant risks in relation to these criteria.

We did not identify any significant weaknesses in the PCC and CC's arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

We therefore issued an unqualified value for money conclusion on 31 July 2019.





05

## Other Reporting Issues



## Other Reporting Issues

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### Whole of Government Accounts

We performed the procedures required by the National Audit Office on the accuracy of the consolidation pack prepared by the Group for Whole of Government Accounts purposes. We had no issues to report.

The Group is below the specified audit threshold of £500 million. Therefore, we did not perform any audit procedures on the consolidation pack.

### Annual Governance Statement

We are required to consider the completeness of disclosures in the PCC's and the CC's Annual Governance Statements, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading.

We completed this work and did not identify any areas of concern.

### Report in the Public Interest

We have a duty under the Local Audit and Accountability Act 2014 to consider whether, in the public interest, to report on any matter that comes to our attention in the course of the audit in order for it to be considered by the Group or brought to the attention of the public.

We did not identify any issues which required us to issue a report in the public interest.

### Written Recommendations

We have a duty under the Local Audit and Accountability Act 2014 to designate any audit recommendation as one that requires the Group to consider it at a public meeting and to decide what action to take in response.

We did not identify any issues which required us to issue a written recommendation.

## Other Reporting Issues (cont'd)

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### Objections Received

We did not receive any objections to the 2018/19 financial statements from members of the public.

### Other Powers and Duties

We identified no issues during our audit that required us to use our additional powers under the Local Audit and Accountability Act 2014.

### Independence

We communicated our assessment of independence in our Audit Results Report to the Joint Audit Committee on the 30 July 2019. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning regulatory and professional requirements.

### Control Themes and Observations

Under ISA (UK&I) 265 it is mandatory to communicate significant deficiencies in internal control in writing to any audit client. Unless the audit team has used the 'Management Letter template' to communicate significant deficiencies, it is mandatory to use this section if there are any.

It is the responsibility of the Group to develop and implement systems of internal financial control and to put in place proper arrangements to monitor their adequacy and effectiveness in practice. Our responsibility as your auditor is to consider whether the Group has put adequate arrangements in place to satisfy itself that the systems of internal financial control are both adequate and effective in practice.

As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. As we have adopted a fully substantive approach, we have therefore not tested the operation of controls.

Although our audit was not designed to express an opinion on the effectiveness of internal control we are required to communicate to you significant deficiencies in internal control.

We have not identified any significant deficiencies in the design or operation of an internal control that might result in a material misstatement in your financial statements of which you are not aware.



07

Focused on your future



## Focused on your future

The Code of Practice on Local Authority Accounting in the United Kingdom introduces the application of new accounting standards in future years. The impact on the PCC and the CC is summarised in the table below.

| Standard                         | Issue  | Impact  |
|----------------------------------|--|---|
| <b>IFRS 16 Leases</b>            | <p>It is currently proposed that IFRS 16 will be applicable for local authority accounts from the 2020/21 financial year.</p> <p>Whilst the definition of a lease remains similar to the current leasing standard; IAS 17, for local authorities who lease a large number of assets the new standard will have a significant impact, with nearly all current leases being included on the balance sheet.</p> <p>There are transitional arrangements within the standard and although the 2020/21 Accounting Code of Practice for Local Authorities has yet to be issued, CIPFA have issued some limited provisional information which begins to clarify what the impact on local authority accounting will be. Whether any accounting statutory overrides will be introduced to mitigate any impact remains an outstanding issue.</p>  | <p>Until the 2020/21 Accounting Code is issued and any statutory overrides are confirmed there remains some uncertainty in this area.</p> <p>However, what is clear is that the PCC and the CC will need to undertake a detailed exercise to identify all of its leases and capture the relevant information for them. The PCC and the CC must therefore ensure that all lease arrangements are fully documented.</p> |
| <b>IASB Conceptual Framework</b> | <p>The revised IASB Conceptual Framework for Financial Reporting (Conceptual Framework) will be applicable for local authority accounts from the 2019/20 financial year.</p> <p>This introduces;</p> <ul style="list-style-type: none"><li>- new definitions of assets, liabilities, income and expenses</li><li>- updates for the inclusion of the recognition process and criteria and new provisions on derecognition</li><li>- enhanced guidance on accounting measurement bases</li><li>- enhanced objectives for financial reporting and the qualitative aspects of financial information.</li></ul> <p>The conceptual frameworks is not in itself an accounting standard and as such it cannot be used to override or disapply the requirements of any applicable accounting standards.</p> <p>However, an understanding of concepts and principles can be helpful to preparers of local authority financial statements when considering the treatment of transactions or events where standards do not provide specific guidance, or where a choice of accounting policies is available.</p> | <p>It is not anticipated that this change to the Code will have a material impact on Local Authority financial statements.</p> <p>However, the PCC and the CC will need to undertake a review to determine whether current classifications and accounting remains valid under the revised definitions.</p>  |



# 07 Audit Fees



## Audit Fees

Our final fee for 2018/19 as expected, at the scale fee set by the PSAA and reported in our 18 July 2019 Annual Results Report.

|                                 | Final Fee<br>2018/19 | Planned Fee<br>2018/19 | Scale Fee<br>2018/19 | Final Fee<br>2017/18 |
|---------------------------------|----------------------|------------------------|----------------------|----------------------|
|                                 | £'s                  | £'s                    | £'s                  | £'s                  |
| Total Audit Fee - PCC Code work | Note 1               | 26,045                 | 26,045               | 37,898               |
| Total Audit Fee - CC Code work  | Note 1               | 11,550                 | 11,550               | 20,387               |
| Total                           |                      | 37,595                 | 37,595               | 58,285               |

Note 1: As a result of the additional time spent on the audit of the PCC and the CC financial statements in relation to the audit adjustments and McCloud issue, we will need to charge an additional audit fee and so cannot confirm our final fee for 2018/19 at this stage.

We will discuss and agree our proposed additional fee with the Chief Finance Officers before gaining formal approval from Public Sector Audit Appointments Ltd (PSAA) for the scale fee variation. We will report our final fee to you in a separate fee letter.

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

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### **Audit Progress Report – Norfolk**

**2019/20**

## 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 October 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 2019/20 ANNUAL PLAN

2. Our progress against the Annual Plan for 2019/20 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  | Key Dates          |                    |              | Number of Recommendations |   |   |    |
|---------------------------------|-------------|--------------------|--------------------|--------------|---------------------------|---|---|----|
|                                 |             | Draft issued       | Responses Received | Final issued | 1                         | 2 | 3 | OE |
| 2020 Strategic Change Programme | Substantial | 20/09/2019         | 20/09/2019         | 25/09/2019   | 0                         | 0 | 0 | 0  |
| Dog Handling                    | Limited     | 07/08 & 19/09/2019 | 03/10/2019         | 07/10/2019   | 1                         | 6 | 0 | 0  |
| Budgetary Control               | Substantial | 18/09/2019         | 26/09/2019         | 02/10/2019   | 0                         | 0 | 1 | 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 2019/20

6. There has been no changes made to the annual plan since the last meeting.

**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 and ACOs: Regular progress meetings are held with the Chief Finance Officers and ACOs.
  - 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. We have not made any urgent recommendations (i.e. fundamental control issues) since the previous Progress Report.
10. We have made no recommendations which have not been approved by management since the previous Progress Report.

**RESPONSIBILITY/DISCLAIMER**




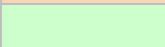
12. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements 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 2019/20

| System                                    | Audit Ref | Planned Quarter | Planned Days | Changes to Days | Current Status | Audit Committee Reporting | Assurance   | Comments            |
|---|-----------|-----------------|--------------|-----------------|----------------|---------------------------|-------------|---------------------|
| <b>2019/20 Plan</b>                       |           |                 |              |                 |                |                           |             |                     |
| 2020 Strategic Change Programme (Norfolk) | NSC2001   | 1               | 9            |                 | Final Report   | October 2019              | Substantial | Norfolk only        |
| 2025 Strategic Change Programme (Suffolk) | NSC2002   | 1               | 9            |                 | Final Report   | October 2019              | Substantial | Suffolk only        |
| Workplace Health                          | NSC2005   | 1               | 12           |                 | Final Report   | July 2019                 | Reasonable  |                     |
| Temporary Contracts                       | NSC2006   | 1               | 10           |                 | Final Report   | July 2019                 | Reasonable  |                     |
| Estates Maintenance                       | NSC2007   | 1               | 12           |                 | Final Report   | July 2019                 | Reasonable  |                     |
| Contracts                                 | NSC2008   | 1               | 12           |                 | Final Report   | July 2019                 | Reasonable  |                     |
| Single Tender Actions                     | NSC2012   | 1               | 6            |                 | Final Report   | July 2019                 | Reasonable  |                     |
| Firearms                                  | NSC2009   | 1               | 12           |                 | Draft report   |                           | Reasonable  |                     |
| Dog Handling                              | NSC2029   | 1               | 0            | +2              | Final report   | October 2019              | Limited     |                     |
| Stores and Uniform                        | NSC2010   | 1               | 14           |                 | Draft report   |                           | Reasonable  |                     |
| Emergency Preparedness                    | NSC2011   | 2               | 14           |                 | Draft Report   |                           | Reasonable  |                     |
| Data Protection – GDPR                    | NSC2016   | 2               | 12           |                 | Draft report   |                           | Limited     |                     |
| Budgetary Control                         | NSC2018   | 2               | 12           |                 | Final Report   | October 2019              | Substantial |                     |
| Complaints                                | NSC2022   | 2               | 0            | +8              | In progress    |                           |             |                     |
| Limited Duties                            | NSC2024   | 2               | 12           |                 | Draft Report   |                           |             |                     |
| Transport Stores Security                 | NSC2030   | 2               | 0            | +2              | Draft Report   |                           |             | Agreed by ACOs/CFOs |
| Allowances and Expenses                   | NSC2027   | 3               | 14           |                 | In progress    |                           |             | Moved to Q3         |

| System   | Audit Ref | Planned Quarter | Planned Days | Changes to Days | Current Status  | Audit Committee Reporting | Assurance | Comments                       |
|--|-----------|-----------------|--------------|-----------------|-----------------|---------------------------|-----------|--------------------------------|
| Network Security                                 | NSC2003   | 3               | 12           |                 | Scheduled       |                           |           | Moved to Q3                    |
| Software Licencing                               | NSC2004   | 3               | 12           |                 | To be scheduled |                           |           | Moved to Q3                    |
| Mobile Device Management                         | NSC2017   | 3               | 12           |                 | To be scheduled |                           |           | Moved to Q3                    |
| Website Content                                  | NSC2019   | 3               | 12           |                 | To be scheduled |                           |           | Moved to Q3                    |
| Telematics / Use of Vehicles                     | NSC2026   | 3               | 12           | -10             | Scheduled       |                           |           | Days reduced                   |
| Key Financials                                   | NSC2021   | 3               | 30           |                 | Scheduled       |                           |           |                                |
| External Training Budget                         | NSC2025   | 4               | 12           |                 | Scheduled       |                           |           | Moved to Q4 – Requested by Mgt |
| Information Management / Security – Norfolk OPCC | NSC2031   | 4               | 0            | +8              | Scheduled       |                           |           | Requested by Mgt               |
| Transformation – Business Cases                  | NSC2015   | 4               | 12           |                 | Scheduled       |                           |           | Moved to Q4 – Requested by Mgt |
| Strategic Control and Governance                 | NSC2013   | 4               | 12           |                 | Scheduled       |                           |           | Moved to Q4 – Requested by Mgt |
| Risk Management                                  | NSC2020   | 4               | 12           | -2              | Scheduled       |                           |           | Days to dog handling           |
| Overtime   | NSC2023   | 4               | 12           |                 | Scheduled       |                           |           |                                |
| Collaborations (incl. Seven Force)               | NSC2028   | 4               | 20           |                 | To be scheduled |                           |           |                                |
| Shared Service Transaction Centre                | NSC2022   | 3               | 8            | -8              |                 |                           |           | Project completion 2020        |
| Follow up of previous recommendations            |           | 1-4             | 12           |                 | Ongoing         |                           |           |                                |
| Management                                       |           | 1-4             | 20           |                 | Ongoing         |                           |           |                                |
| Total Days Planned                               |           |                 | 376          |                 |                 |                           |           |                                |
| Annual Plan Days                                 |           |                 | 330          |                 |                 |                           |           |                                |
| Contingency b/fwd                                |           |                 | 46           |                 |                 |                           |           |                                |
| Contingency (c/fwd)                              |           |                 | (0)          |                 |                 |                           |           |                                |

**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: Norfolk 2020 (NSC2001)

### Report: September 2019

#### SCOPE

The audit focused on the following key areas in relation to the Norfolk 2020 team:

- Governance and strategy
- Approval process for business cases
- Accuracy of records maintained
- Monitoring and reporting arrangements

#### MATERIALITY

Norfolk constabulary are facing increasing demand for services as well as ongoing financial challenges, creating an ongoing need to review services and resources. There are currently 19 projects being undertaken.

#### KEY FINDINGS

The Norfolk 2020 team was established to shape a local policing service, developing improvements in efficiency and effectiveness through new ways of working, including the use of advancements in technology, social media and multi-agency working.

- An implementation board has been established to approve and monitor progress of projects undertaken by Norfolk 2020.
- Project plans are in place for all projects undertaken by the Norfolk 2020 team.
- Regular updates are being provided on the progress of the projects.

#### OVERALL ASSURANCE ASSESSMENT



#### ACTION POINTS

| Urgent | Important | Routine | Operational |
|--------|-----------|---------|-------------|
| 0      | 0         | 0       | 0           |

**Audit Report: Dog Handling (NSC2029)**

**Report: October 2019**

**SCOPE**

The audit considered the adequacy of controls in place in relation to management of police dogs across Norfolk and Suffolk Constabularies.

The audit focused on the training element for police dogs, and covered the following key areas:

- Policies and procedure;
- Systems and processes for recording of firearms training;
- Accuracy of records maintained;
- Monitoring and reporting arrangements.

**MATERIALITY**

The dogs section is a joint team. The dogs section is managed by one Inspector and consists of 24 police constables. At the time of audit, a police dog handler was being trained up. All but three of the police dog handlers have two dogs. At the time of audit there were 45 police dogs.

**KEY FINDINGS**

The Temporary Inspector Armed Policing and Dogs has recently been assigned with responsibility for managing the police dogs function in addition to armed policing.

- The police dogs section no longer has a designated Police Dog Sergeant. The police dog handlers are assigned a sergeants within roads policing. The sergeants are not experienced police dog handlers.
- General police dog and drug police dogs have not received the required level of mandatory training.
- Police dog handlers training is not factored into dog handlers shift patterns. Dog handlers are frequently taken off training on a call out to address operational issues. In addition, training days do not factor in travelling time, reducing the level of training provided.
- An annual risk assessment is not undertaken to establish the number of police dogs and handlers.
- The systems for recording the number, usage, training and deployment of police dogs and handlers is not managing the service effectively.

**OVERALL ASSURANCE ASSESSMENT**



**ACTION POINTS**

| Urgent | Important | Routine | Operational |
|--------|-----------|---------|-------------|
| 1      | 6         | 0       | 0           |



**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) |
|------------|------------|--|---|----------|---|-------------------------------------|---------------------------------|
| 6          | Compliance | <p>General purpose dogs and the five drug dogs selected to test had not received the required amount of training.</p> <p>Only the EXPLO dogs had received the required level of training last year, this could be as the EXPLO dogs have set training days and national exercises that they must attend, which are factored into shift patterns.</p> <p>Whilst the EXPLO dogs currently have received the required amount of training. The constabularies had to cancel the EXPLO handlers' attendance on the first exercise this year due to needing a large amount of EXPLO dogs for RAVIPP duties around the flower show time. The EXPLO handlers have been booked to attend the September course, but if the dogs don't attend the September course then they would not have received sufficient training this year.</p> | <p>A formal action plan be developed, to ensure that dog handlers' training requirements are identified and targets set to ensure that dog handlers receive the required training, with mandatory training to be prioritised and delivered.</p> | 1        | <p><i>Explo training re-scheduled and all handlers booked on. This will ensure they remain legal. This action is complete.</i></p> <p><i>Course requirement has been mapped for next year including GP, specialist and explo, with a training calendar to be produced. Completion by 31/01/20.</i></p> <p><i>A PC was seconded to assist with catching up and co-ordinating training. Due to sickness /operations /abstractions he was required to fill gaps on shift over this period. An audit conducted at the end of the period revealed we were no further forward. All handlers are booked in to attend a 3 day GP catch up after Christmas, to bring them up to date. This is the earliest timing due to minimum numbers on shift, injuries, abstractions and winter court. Completion by 31/03/20.</i></p> <p><i>Handlers have been asked to prioritise training over all non-critical/threat to life CADs and both control rooms are aware. This is ongoing.</i></p> | 31/03/20                            | Insp 3051<br>HAMMERTON          |

| Report Ref | Risk Area | Finding   | Recommendation   | Priority | Management Comments   | Implementation Timetable (dd/mm/yy) | Responsible Officer (Job Title) |
|------------|-----------|---|--|----------|---|-------------------------------------|---------------------------------|
| 1          | Directed  | The police dog handler Sergeant post has been removed from the establishment. Management of the police dogs falls directly to the Inspector Armed Policing and Dogs. There is a risk that the police dog handlers do not receive the required level of support, as they do not have a line manager that is an experienced police dog handler. | A risk assessment on the level of support and management of police dog handlers be undertaken, following the removal of the dog handler sergeant post supporting the Inspector of Armed Policing and Dogs. | 2        | Peer review requested by Essex police to look at the dog section as a whole, including shifts, training regime, supervision and admin. A bid for a dog Sergeant has been submitted as a cost pressure through OBB 2020/21.  | 01/12/19                            | Insp 3051<br>HAMMERTON          |
| 2          | Directed  | An annual risk assessment has not been undertaken to identify the number of police dogs and handlers needed for the constabularies.   | An annual risk assessment be undertaken to identify the optimum number of police dogs and handlers needed.   | 2        | There is no "Dog STRA" and it is understood that none of the forces in the region have such a document. Developing an accurate STRA for N&S would currently be difficult because of the method used to capture data of activity, this is under review and an annual risk assessment will be considered once complete. An initial date of 31/03/20 is provided for review / consideration. | 31/03/20                            | Insp 3051<br>HAMMERTON          |

| Report Ref | Risk Area | Finding  | Recommendation   | Priority | Management Comments   | Implementation Timetable (dd/mm/yy) | Responsible Officer (Job Title) |
|------------|-----------|--|--|----------|---|-------------------------------------|---------------------------------|
| 3          | Directed  | The records currently maintained for dog handling and training are not effectively managing the service. Without an accurate record there is a risk that police dog handlers do not undertake all required training. | The records and systems for managing the police dogs, handler training, the deployment of dogs and monitoring of the service be subject to review, with consideration for using a designated system to effectively manage the service.           | 2        | <i>To be progressed after peer review in November 2019. Chronicle would be the preferred option, however in the interim we will review our training forms to ensure they are fit for purpose.</i>   | 31/12/19                            | Insp 3051<br>HAMMERTON          |
| 4          | Directed  | Police dog handlers training is not factored into shift patterns, as such it is difficult to ensure that appropriate training is undertaken.   | The annual training programme for police dog handlers be produced, incorporating all required training and made available to RMU. The RMU to book officers' duties accordingly to ensure that police dog handlers receive the required training. | 2        | <i>Without dedicated training days factored in, it will be difficult to populate training on set days – RMU have begun attempting to roster training but this isn't always possible. The peer review should highlight this issue and work is being undertaken to look at a better pattern with dedicated training days. The timeline for shift review will be 31/03/20.</i> | 31/03/20                            | Insp 3051<br>HAMMERTON          |

| Report Ref | Risk Area  | Finding   | Recommendation  | Priority | Management Comments  | Implementation on Timetable (dd/mm/yy) | Responsible Officer (Job Title) |
|------------|------------|---|---|----------|--|--|---------------------------------|
| 5          | Directed   | <p>A trainer has been identified and assigned within each team to facilitate training. A training day should consist of eight hours training, but currently travel time is not considered within the training time. Thus, if the trainer and/or the trainee spends two hours travelling to and travelling back from the training, the actual training time will be four hours and not the required eight hours.</p> <p>There is a need to review how training is recorded and delivered as actual training received is not in agreement with what is planned to be delivered.</p> | <p>A review be carried out of police dog handlers training days to ensure that actual training hours received is in agreement with training hours that have been planned for.</p> | 2        | <p><i>Set training days should make this easier, a pattern with a dedicated week for training will ensure handlers are getting what they require. It will also improve team cohesion, as Norfolk and Suffolk handlers will come together to train. Training should be as a team rather than 1:1 as this is good practice, the current system does not support this.</i></p> <p><i>A date of 31/12/19 is provided for peer review results, following which the timeline for shift review, with a view to implementation 31/03/20.</i></p> | 31/03/20                               | Insp 3051<br>HAMMERTON          |
| 7          | Compliance | <p>A report was obtained from payroll of who was receiving a police dog handler's allowance. The report was checked against the records maintained by the police dogs team, to ensure that only current police dog handlers were being paid a dog handlers allowance.</p> <p>Whilst it was confirmed that only those being paid a police dog handlers allowance were current police dog handlers, there was one handler that was being paid the allowance for two police dogs, when they appear to only have one general police dog.</p>  | <p>Reconciliation be undertaken between payroll and the police dogs records to ensure that they are in agreement.</p>   | 2        | <p><i>Checks with payroll confirmed that all handlers are being paid the correct allowance. No handler is claiming/being paid for anything they are not entitled to.</i></p> <p><i>A new policy is ready to be published, however this is on hold for a chief officer decision on dog vans and allowing handlers to take these home.</i></p>   | 01/12/19                               | Insp 3051<br>HAMMERTON          |

**Audit Report: Budgetary Control (NSC2018)**

**Report: September 2019**

**SCOPE**

The audit covered the budgetary control arrangements for each of the PCCs and the Constabularies. The audit focused on the following areas: budget setting, delegations of responsibility, financial Information, variations analysis, and management information and reporting.

**MATERIALITY**

**KEY FINDINGS**

Department heads are heavily involved in setting their own budgets, with detailed submissions on potential savings prepared and reviewed by challenge panels.

Monthly budget reports are produced and discussed between budget holders and Finance Business Partners.

Significant variances within the budget are reported to senior officers and to the Police and Crime Commissioners.

Testing during the audit identified issues with forecasting within the Estates and Facilities budget reports.

**OVERALL ASSURANCE ASSESSMENT**



**ACTION POINTS**

| Urgent | Important | Routine | Operational |
|--------|-----------|---------|-------------|
| 0      | 0         | 1       | 0           |





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

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## **Follow Up Review**

**2019/20**

## Executive Summary

### INTRODUCTION

1. The follow up of internal audit recommendations undertaken by TIAA is undertaken throughout the year and reported to the Audit Committee during the year at each meeting.
2. The summary tables show the number of raised and brought forward priority 1 and priority 2 recommendations implemented since being reported to the July 2019 Audit Committee meeting and those outstanding past their implementation dates.

Figure 1 - Summary of the action taken on Recommendations made

| Evaluation   | P1 - Urgent Recommendations | P2 - Important Recommendations | Total   | July '19 Position for comparison |
|--|-----------------------------|--------------------------------|---------|----------------------------------|
|  | Number                      | Number                         |         | Total                            |
| Implemented Since Last Meeting                                       | 1                           | 11                             | 12      | 4                                |
| New Recommendations Added Since Last Meeting (without revised dates) | 0                           | 11                             | 11      | 16                               |
| All Outstanding – Past Original Deadline (incl. Deadlines Extended*) | 2*(2)                       | 46*(24)                        | 48*(26) | 45                               |
| Original Deadline Not Yet Reached                                    | 0                           | 14                             | 14      | 15                               |



**KEY FINDINGS**

3. A new process was introduced to report outstanding recommendations to Organisational Board and for officers to notify internal audit of updates. This process is not effectively communicating progress and as such internal audit will revert to the previous method of liaising with individual officers.
4. It is noted that the majority of recommendations continuing to remain outstanding are largely due to resource and IT requirements to be sourced. Long standing recommendations have been retained on the report where relevant and risks are still present that require addressing.
5. There is one recommendation to be closed as the risk is accepted by management, for expenses (NSC1823) and 10 requiring a further extension of time to complete.
6. There are three large projects in progress that affect recommendations in relation to L&D Skills (NSC1804), Duty Management System (NSC1707 and NSC1916) and MoPI (NSC1818). The recommendations in relation to the three distinct areas are summarised here instead of reproducing all related recommendations:
  - 6.1 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.
    - A draft evaluation strategy has been developed. Since this time a new Change and Evaluation Manager has been appointed. They have been tasked to develop this strategy further and publish.
    - With regards to Chronicle, the business case continues to be evaluated through the Motor Risk Board. The Driver Management module is being implemented, to go live by Christmas. A business case for the other modules is being developed.
    - A revised date of 31<sup>st</sup> January 2020 has been applied for an update on progress.
  - 6.2 Duty Management System (NSC1707 and NSC1916) – This is regarding several areas of risk within the current system that requires investment to improve.
    - This is being incorporated into a project for DMS. The upgrade is being tested and will go live January 2020.
  - 6.3 MoPI Project (NSC1818) – this is regarding the development of Genie and working towards MoPI compliance. Further update on progress towards MoPI is required.

|                                       |                               |                                   |                 | Completed since last Audit Committee |    | Outstanding / Overdue |    | Outstanding with Extended Period Requested |    | Outstanding with Extended Period Agreed & Not Reached |    | Not Yet Due To Be Implemented |    |
|---------------------------------------|-------------------------------|-----------------------------------|-----------------|--------------------------------------|----|-----------------------|----|--|----|---|----|-------------------------------|----|
|                                       |                               |                                   |                 | P1                                   | P2 | P1                    | P2 | P1   | P2 | P1  | P2 | P1                            | P2 |
| Audit Ref                             | Audit Area                    | Date Presented to Audit Committee | Assurance Level |                                      |    |                       |    |  |    |   |    |                               |    |
| <b>2016/17 Internal Audit Reviews</b> |                               |                                   |                 |                                      |    |                       |    |  |    |   |    |                               |    |
| NSC1714                               | Overtime, Expenses            | Mar-17                            | Reasonable      |                                      |    |                       |    |  |    |   | 1  |                               |    |
| <b>2017/18 Internal Audit Reviews</b> |                               |                                   |                 |                                      |    |                       |    |  |    |   |    |                               |    |
| NSC1814                               | Risk Management               | May-18                            | Reasonable      |                                      | 1  |                       |    |  |    |   |    |                               |    |
| NSC1817                               | Data Quality - Athena         | Nov-17                            | Limited         |                                      |    |                       |    |  |    |   | 1  |                               |    |
| NSC1823                               | Overtime, Expenses            | May-18                            | Limited         |                                      | 1  |                       |    |  |    |   |    |                               |    |
| NSC1829                               | Payroll                       | Mar-18                            | Limited         |                                      |    |                       |    |  |    |   | 1  |                               |    |
| <b>2018/19 Internal Audit Reviews</b> |                               |                                   |                 |                                      |    |                       |    |  |    |   |    |                               |    |
| NSC1901                               | Governance and Whistleblowing | Mar-19                            | Reasonable      |                                      |    |                       |    |  | 3  |   |    |                               |    |
| NSC1906                               | Enact Replacement             | Nov-18                            | Reasonable      |                                      |    |                       | 1  |  |    |   |    |                               |    |
| NSC1909                               | Key Financials                | Mar-19                            | Reasonable      |                                      | 1  |                       | 1  |  |    |   |    |                               | 1  |
| NSC1910                               | Capital Programme             | Nov-18                            | Reasonable      |                                      |    |                       | 1  |  |    |   |    |                               |    |
| NSC1912                               | Allowances                    | Nov-18                            | Limited         | 1                                    |    |                       |    |  | 1  |   | 1  |                               |    |
| NSC1915                               | Establishment                 | Mar-19                            | Reasonable      |                                      |    |                       | 1  |  | 2  |   |    |                               |    |
| NSC1917                               | Vetting                       | Nov-18                            | Reasonable      |                                      |    |                       | 1  |  |    |   |    |                               | 1  |
| NSC1918                               | Transport Services - Strategy | Jul-19                            | Reasonable      |                                      |    |                       |    |  | 2  |   |    |                               |    |
| NSC1920                               | Telematics and Fuel Usage     | Jul-19                            | Reasonable      |                                      |    |                       |    |  |    |   | 1  |                               | 1  |
| NSC1922                               | Stations                      | Nov-18                            | Reasonable      |                                      |    |                       |    |  |    |   | 1  |                               | 1  |
| NSC1925                               | Control Room - Suffolk        | Jul-19                            | Reasonable      |                                      |    |                       | 1  |  |    |   |    |                               |    |

|   |                       |                                   |                 | Completed since last Audit Committee |           | Outstanding / Overdue |          | Outstanding with Extended Period Requested |          | Outstanding with Extended Period Agreed & Not Reached |          | Not Yet Due To Be Implemented |          |           |
|---|-----------------------|-----------------------------------|-----------------|--------------------------------------|-----------|-----------------------|----------|--|----------|---|----------|-------------------------------|----------|-----------|
|   |                       |                                   |                 | P1                                   | P2        | P1                    | P2       | P1   | P2       | P1  | P2       | P1                            | P2       |           |
| Audit Ref                                     | Audit Area            | Date Presented to Audit Committee | Assurance Level |                                      |           |                       |          |  |          |   |          |                               |          |           |
| NSC1927                                       | Proceeds of Crime     | Jul-19                            | Reasonable      |                                      | 1         |                       |          |  |          |   |          |                               | 2        |           |
| NSC1928                                       | Recovered Property    | Jul-19                            | Reasonable      |                                      | 1         |                       |          |  |          |   |          |                               | 1        |           |
| NSC1929                                       | Lone Working          | Nov-18                            | Reasonable      |                                      | 1         |                       |          |  |          |   |          |                               |          |           |
| NSC1930                                       | Ethical Standards     | Mar-19                            | Reasonable      |                                      |           |                       | 3        |  |          |   |          |                               |          |           |
| <b>2019/20 Internal Audit Reviews</b>         |                       |                                   |                 |                                      |           |                       |          |  |          |   |          |                               |          |           |
| NSC2005                                       | Workplace Health      | Jul-19                            | Reasonable      |                                      |           |                       |          |  |          |   |          |                               | 2        |           |
| NSC2006                                       | Temporary Contracts   | Jul-19                            | Reasonable      |                                      | 1         |                       |          |  | 2        |   |          |                               |          |           |
| NSC2007                                       | Estates Maintenance   | Jul-19                            | Reasonable      |                                      | 1         |                       | 1        |  |          |   |          |                               | 1        |           |
| NSC2008                                       | Contracts             | Jul-19                            | Reasonable      |                                      | 2         |                       | 1        |  |          |   |          |                               |          |           |
| NSC2012                                       | Single Tender Actions | Jul-19                            | Reasonable      |                                      |           |                       | 1        |  |          |   |          |                               |          |           |
| <b>TOTALS</b>                                 |                       |                                   |                 | <b>1</b>                             | <b>10</b> | <b>0</b>              | <b>0</b> | <b>12</b>                                  | <b>0</b> | <b>10</b>   | <b>0</b> | <b>6</b>                      | <b>0</b> | <b>10</b> |
| <b>DMS Project and L&amp;D Project</b>        |                       |                                   |                 |                                      |           |                       |          |  |          |   |          |                               |          |           |
| NSC1804                                       | L&D Skills            | Jul-18                            | Limited         |                                      | 1         |                       |          |  |          | 1   | 6        |                               |          |           |
| NSC1818                                       | MOPI Project          | Jul-18                            | Limited         |                                      |           |                       |          |  |          | 1   | 4        |                               |          |           |
| NSC1707                                       | Duty Management       | Dec-16                            | Limited         |                                      |           |                       |          |  |          |   | 3        |                               |          |           |
| NSC1916                                       | Duty Management       | Nov-18                            | Limited         |                                      |           |                       |          |  |          |   | 5        |                               | 4        |           |
| <b>DMS Project and L&amp;D Project Totals</b> |                       |                                   |                 | <b>0</b>                             | <b>1</b>  |                       | <b>0</b> | <b>0</b>                                   | <b>0</b> | <b>0</b>  | <b>2</b> | <b>18</b>                     | <b>0</b> | <b>4</b>  |
| <b>TOTALS</b>                                 |                       |                                   |                 | <b>1</b>                             | <b>11</b> |                       | <b>0</b> | <b>12</b>                                  | <b>0</b> | <b>10</b>   | <b>2</b> | <b>24</b>                     | <b>0</b> | <b>14</b> |

**THE BREAKDOWN OF THE ACTIONS ON RECOMMENDATIONS KEY:**

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

**SCOPE AND LIMITATIONS OF THE REVIEW**

7. 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.
8. 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.
9. 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**

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

|  |              |
|--|--------------|
| <b>Date draft report issued:</b>       | N/A          |
| <b>Date management responses recd:</b> | N/A          |
| <b>Date final report issued:</b>       | October 2019 |

## Detailed Report

### FOLLOW UP

11. Management representations were obtained on the action taken to address the recommendations. Only limited testing has been carried out to confirm these management representations.
12. The following details of recommendations are included in this report: outstanding / overdue, extension of time to be agreed and closed with risk accepted.

### Outstanding / Overdue

| Officers                                  | Audit Area                        | Recommendation  | Priority | Management Comments  | Due Date | Revised Due Date | Last Update | Latest Response   |
|---|-----------------------------------|---|----------|--|----------|------------------|-------------|---|
| ACO / ERP Systems and Development Manager | NSC1906 Enact Replacement Project | Management to ensure that a local installation of the Apex development tool is completed as soon as possible so that the relevant forms and other tools that are to replace the Enact system can be developed and implemented in a timely manner. | 2        | Apex has been installed onto our test database to allow development to begin. Some minor configuration is being finalised this week. Whilst this development is underway, Apex will be installed into our change controlled environment and production environment databases. This will not affect the forms development as these can be extracted from the test database and uploaded into each of the new environments | 23/11/18 | 01/06/19         | 03/01/19    | APEX is installed in the test environment and developed ready to be deployed to the PROD environment once final testing has taken place. The development has been delayed as awaiting a solution to permit Single Sign On to the application. This is currently under investigation with the third party supplier. However the ERP Systems team have now all left the employment of the Constabulary and as this is a crucial |

| Officers                        | Audit Area                     | Recommendation  | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response  |
|---------------------------------|--------------------------------|---|----------|---|----------|------------------|-------------|--|
|                                 |                                |   |          | without the need to recreate the whole form.  |          |                  |             | system the risks of having no support from the ERP Systems team are significant, as such will continue to use EnAct in the short term. |
| ACO / HR Service Centre Manager | NSC1909 Key Financial Controls | A flagging system be developed to identify Iforms that are not being processed promptly by Line Managers, so that these can be escalated accordingly. | 2        | A solution will be implemented upon "Go-Live". The nature of this will develop as the IForms project continues. | 30/09/19 |                  | 08/10/19    | I-Forms remains delayed, and therefore this has not been progressed any further.   |

| Officers                                  | Audit Area                | Recommendation   | Priority | Management Comments  | Due Date | Revised Due Date | Last Update | Latest Response  |
|---|---------------------------|--|----------|--|----------|------------------|-------------|--|
| DCC / Head of Programme Management Office | NSC1910 Capital Programme | Business case template documentation be used consistently across both forces for all capital bids, to ensure consistency of information presented and decisions made and recorded. | 2        | The PMO are currently reviewing the Business Case template for re-design. This review will ensure the use of a consistent template that captures all relevant information in order to prioritise projects and evaluate how they are contributing to strategic priorities, thus enabling a check on benefits realisation, post implementation review etc. As key stakeholders Finance, HR and ICT will be consulted on along with PM and other internal department resources. | 30/04/19 | 30/06/19         | 12/11/18    | The templates are being updated, in line with the end of June deadline. This will be captured in meeting minutes as well, to provide a full audit trail. |

| Officers  | Audit Area   | Recommendation   | Priority | Management Comments  | Due Date | Revised Due Date | Last Update | Latest Response  |
|---|--|--|----------|--|----------|------------------|-------------|--|
| DCC / ERP Systems Team/ICT                          | NSC1915 Establishment, Capacity, Recruitment and Retention | 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 |                  | 12/03/19    | Work is ongoing with CapGemini and looking to resolve.   |
| DCC / Senior Complaints, Appeals and Policy Manager | NSC1917 Vetting  | The Vetting Policy be reviewed, approved, and communicated.  | 2        | The existing policy has been withdrawn as non-compliant. Now working to a seven force policy in line with APP, with local guidance. Once the national guidance is produced in September 2018, the seven force approach will be agreed and local guidance produced on this basis.                     | 31/03/19 |                  | 08/10/19    | 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. |



| Officers          | Audit Area  | Recommendation  | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response                        |
|-------------------|---|---|----------|---|----------|------------------|-------------|--|
| DCC / Head of ACU | NSC1930 Ethical Standards (Relationships Conduct) | 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 |                  | 13/03/19    | Update to be obtained from management. |
| DCC / Head of ACU | NSC1930 Ethical Standards (Relationships Conduct) | 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 |                  | 13/03/19    | Update to be obtained from management. |

| Officers                                    | Audit Area  | Recommendation  | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response                        |
|---|---|---|----------|---|----------|------------------|-------------|--|
| DCC / Head of ACU                           | NSC1930 Ethical Standards (Relationships Conduct) | 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 |                  | 13/03/19    | Update to be obtained from management. |
| ACO / Estates Officer Statutory Maintenance | NSC2007 Maintenance                               | The completion of Landlords' Statutory Building Checklists be incorporated into the quarterly Estates Statutory Compliance Reports. This will help assure the Health and Safety Committee that all landlords are responding and that any issues arising are dealt with. | 2        | The Estates Unit will update the landlords evidence of statutory compliance into a new PFI statutory testing summary sheet will be provided for the next H&S Committee.   | 05/08/19 |                  | 26/06/19    | Update to be obtained from management. |

| Officers         | Audit Area                    | Recommendation   | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response                        |
|------------------|-------------------------------|--|----------|---|----------|------------------|-------------|--|
| ACO / Head of CP | NSC2008 Contracts             | A review of the monitoring processes over contract 2018-005 be undertaken to ensure that the service is being delivered effectively and efficiently, and to ensure that payments are made in line with the agreed contract to deliver value-for-money. | 2        | A review is being undertaken with the stakeholders of this contract to ensure that contract management commensurate with the value, risk and criticality is in place. | 31/07/19 |                  | 16/07/19    | Update to be obtained from management. |
| ACO / Head of CP | NSC2012 Single Tender Actions | A periodic check be undertaken to ensure that all STA details are fully recorded in the STA register.  | 2        | Period checks are undertaken and reminders will be issued to individuals to complete the register.  | 31/07/19 |                  | 16/07/19    | Update to be obtained from management. |

**Extension of Time Requested**

| Officers         | Audit Area   | Recommendation   | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response   |
|------------------|--|--|----------|---|----------|------------------|-------------|---|
| DCC / Head of HR | NSC1901 Strategic Control, Corporate Governance and Whistleblowing | 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. | 2        | Action will be taken to add this detail to the shortlisting form and interview paperwork which is currently carried out by line managers. 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. | 30/06/19 | 31/10/19         | 08/10/19    | Work on this was initially delayed owing to the work of the Taleo project. Given the delay to this, documentation to has now been developed and will be introduced in October 2019 - the results of which will be monitored by the HR Service Centre Manager.<br><br><b>Extension of time to be approved.</b> |
| DCC / Head of HR | NSC1901 Strategic Control, Corporate Governance and Whistleblowing | HR to develop and maintain a conflicts of interest register in relation to recruitment and promotion exercises.  | 2        | 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.   | 30/06/19 | 31/10/19         | 08/10/19    | Documentation will begin to be collated from October 2019.<br><br><b>Extension of time to be approved.</b>  |

| Officers  | Audit Area   | Recommendation  | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response  |
|---|--|---|----------|---|----------|------------------|-------------|--|
| DCC / Policy, Reward and Employee Relations Manager | NSC1901 Strategic Control, Corporate Governance and Whistleblowing | 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. | 30/09/19 | 31/10/19         | 08/10/19    | <p>A dedicated resource is working on the constabularies reward and recognition policies and practices within the Policy, Reward and Employee Relations Team. Accepting the need for consultation, it is expected that these will be ready for publication March 2020.</p> <p><b>Extension of time to be approved.</b></p> |

| Officers   | Audit Area   | Recommendation  | Priority | Management Comments  | Due Date | Revised Due Date | Last Update | Latest Response  |
|--|--|---|----------|--|----------|------------------|-------------|--|
| DCC / Policy ,<br>Reward and<br>Employee<br>Relations<br>Manager | NSC1912<br>Allowances  | The process and methodology be reviewed for making honorarium payments, to enable transparency and compliance with Constabularies' policy.                      | 2        | A Joint Good Work Recognition Policy is being developed. The policy will standardise the process for honorariums.  | 31/03/19 | 31/03/20         | 08/10/19    | <p>A dedicated resource is working on the constabularies reward and recognition policies and practices within the Policy, Reward and Employee Relations Team. Accepting the need for consultation, it is expected that these will be ready for publication March 2020.</p> <p><b>Extension of time to be approved.</b></p> |
| DCC / Head<br>of<br>Resourcing /<br>Head of HR                   | NSC1915<br>Establishment,<br>Capacity,<br>Recruitment<br>and Retention | Reports of amendments to contracts length be produced monthly, to verify whether leaving / extended and permission groups checked for appropriateness to amend. | 2        | The provision of reports will be scoped by the Management Information Team, and if possible, will be reviewed monthly by HR Business Partners/HR Advisors. | 30/06/19 | 31/03/20         | 08/10/19    | <p>This is an area of work being picked up as part of the SSTC work stream. MI have proof of concept of being able to generate reports, which will then need to be proactively managed and reviewed by the SSTC.</p> <p><b>Extension of time to be approved.</b></p>   |

| Officers                             | Audit Area   | Recommendation  | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response   |
|--------------------------------------|--|---|----------|---|----------|------------------|-------------|---|
| DCC / Head of Resourcing             | NSC1915 Establishment, Capacity, Recruitment and Retention | Approval and rationale for why officers and staff are acting up be recorded for all officers/staff.   | 2        | The new Acting and Temporary Promotions Policy will be published in the Spring of 2019. This will standardise the process and this detail will therefore be captured. Staff are already covered within other HR policies and process. | 30/06/19 | 30/11/19         | 08/10/19    | The policy will be published at the conclusion of the current promotion processes. There has been some delay owing to the differences in process within the two constabularies.<br><br><b>Extension of time to be approved.</b> |
| ACO / Head of Transactional Services | NSC1918 Transport Services – Strategy                      | A review be undertaken to identify potential dual workforce workers, with a system to record those identified and verify that tax implications have been addressed. | 2        | A notification will be issued to all Department Heads to ensure that they consider staff travelling between sites comply with the Dual Workplace HMRC guidance and maintain records of those identified.                              | 30/06/19 | 22/10/09         | 08/10/19    | This still has to be agreed and published – expected delivery 30 Sep 19. The guidance will be reissued to department heads to clarify the position, revised date 22/10/19.<br><br><b>Extension of time to be approved.</b>      |
| DCC / Driver Trainer Team Leader     | NSC1918 Transport Services – Strategy                      | Records of drivers cleared to drive Constabulary pool and hire cars be regularly maintained by the  | 2        | There is a requirement that all staff who avail themselves of driving authorisations complete a paper application process, which requires a   | 30/06/19 | 31/01/20         | 08/10/19    | The implementation of Chronicle is now likely to be January 2020. This delay is linked to the seven forces requirement.   |

| Officers | Audit Area | Recommendation   | Priority | Management Comments  | Due Date | Revised Due Date | Last Update | Latest Response                                 |
|----------|------------|--|----------|--|----------|------------------|-------------|---|
|          |            | <p>Driving Training Unit, with proactive checks undertaken, to ensure that there has not been a change in circumstances for cleared drivers.</p> |          | <p>copy of their driving licence and a DVLA print out of their driving licence summary. This is held on the individual's personal driving folder within the driving school. A reminder to all managers that have access to pool cars that their staff require this authorisation prior to the vehicles use, and/or a prompt when staff book pool cars via the intranet that there is a requirement that they need to be authorised by Driving School prior to the vehicles use, can be implemented fairly swiftly. Chronicle (Driver Management Unit) has now been approved for implementation to Norfolk and Suffolk Constabularies and this will ensure the future recording and checking of drivers is more robust.</p> |          |                  |             | <p><b>Extension of time to be approved.</b></p> |



| Officers   | Audit Area                  | Recommendation   | Priority | Management Comments  | Due Date | Revised Due Date | Last Update | Latest Response   |
|--|-----------------------------|--|----------|--|----------|------------------|-------------|---|
| DCC / HR Service Centre Manager                        | NSC2006 Temporary Contracts | The end of contract date field be made mandatory on ERP for staff on fixed term contracts, and In addition, the ability to amend the contract length period to be restricted to authorised personnel.    | 2        | Agreed. Access to alter ERP records will be reviewed on a regular basis to ensure that the list is fit for purpose. Changes to the ERP system will be explored, but may not be feasible due to cost implications. The Service Centre Manager will monitor the end of contract fields on ERP and ensure that end dates are included.                | 31/08/19 | 31/03/20         | 08/10/19    | <p>This is an area of work being picked up as part of the SSTC work stream.</p> <p><b>Extension of time to be approved.</b></p>   |
| DCC / Management Information Team/HR Business Partners | NSC2006 Temporary Contracts | Reports be produced monthly for line managers to review staff on fixed term contracts, to monitor the length of the contract, potential extensions required to be approved or to terminate the contract. | 2        | Agreed. Reports are available and will be run and distributed on a monthly basis to HR Business Partners as they are currently involved in managing the establishment within their individual portfolios. HR Business Partners will then work with commands/departments to ensure that action is taken to resolve issues that arise from this. The | 31/08/19 | 31/03/20         | 08/10/19    | <p>MI have developed a report, which will be available to line managers in line with changes to the SSTC. This will be picked up as part of the SSTC work stream.</p> <p><b>Extension of time to be approved.</b></p> |

| Officers | Audit Area | Recommendation | Priority | Management Comments                          | Due Date | Revised Due Date | Last Update | Latest Response |
|----------|------------|----------------|----------|--|----------|------------------|-------------|-----------------|
|          |            |                |          | report will be implemented from August 2019. |          |                  |             |                 |

**Closed with Risk Accepted**

| Officers                             | Audit Area   | Recommendation   | Priority | Management Comments   | Due Date | Revised Due Date | Last Update | Latest Response  |
|--------------------------------------|--|--|----------|---|----------|------------------|-------------|--|
| ACO / Head of Transactional Services | 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. | 2        | 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 | 30/09/18 |                  | 08/10/19    | This has been considered and the risk is accepted due to the level of resource required to implement without a reporting solution, this will be resurrected with the introduction of SSTC in April 2020. |

|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
|  |  |  | <p>now in place and being configured and an early priority is to design reports for Finance, PSD and Heads of Departments to manage this going forward. 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> |  |  |  |  |
|--|--|--|--|--|--|--|--|



# APPENDIX D

## Self-assessment of good practice

|   |   | Yes   | Partly | No |
|---|---|---|--------|----|
| <b>Audit Committee purpose and governance</b> |   |   |        |    |
| 1   | Does the authority have a dedicated audit committee?  | X   |        |    |
| 2   | Does the audit committee report directly to full council?<br>(applicable to local government only)                    | See 6 below   |        |    |
| 3   | Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement? | X (but would need to check)   |        |    |
| 4   | Is the role and purpose of the audit committee understood and accepted across the authority?                          | X (by PCC and CC. Ask if Police Account ability Forum is aware of the role at meetings under 6) |        |    |
| 5   | Does the audit committee provide support to the authority in meeting the requirements of good governance?             | X   |        |    |
| 6   | Are the arrangements to hold the committee to account for its performance operating satisfactorily?                   | X (annual report to PCC and CC. Meetings to be arranged with both to discuss)                   |        |    |
| <b>Functions of the committee</b>             |   |   |        |    |
| 7   | Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement? |   |        |    |

|                               |   |  |  |  |
|-------------------------------|---|--|--|--|
|                               | <ul style="list-style-type: none"> <li>good governance</li> </ul>   | X  |  |  |
| ??                            | <ul style="list-style-type: none"> <li>assurance framework, including partnerships and collaboration arrangements</li> </ul>  | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>internal audit</li> </ul>  | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>external audit</li> </ul>  | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>financial reporting</li> </ul>   | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>risk management</li> </ul>   | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>value for money or best value</li> </ul>   | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>counter fraud and corruption</li> </ul>  | X<br>(through TIAA)  |  |  |
|                               | <ul style="list-style-type: none"> <li>supporting the ethical framework</li> </ul>  | X (through TIAA. PSD presentation on 30/7/19. Ask CC for view on PSD when meeting. |  |  |
| 8                             | Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas? | X (annual report)  |  |  |
| 9                             | Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?      | Not sure, need to check.   |  |  |
| 10                            | Where coverage of core areas has been found to be limited, are plans in place to address this?  | N/A (limited IA reports are followed up)   |  |  |
| 11                            | Has the committee maintained its advisory role by not taking on any decision-making powers that are not in line with its core purpose?                                    | X  |  |  |
| <b>Membership and support</b> |   |  |  |  |
| 12                            | Has an effective audit committee structure and composition of the committee been selected?<br>This should include:  |  |  |  |
|                               | <ul style="list-style-type: none"> <li>separation from the executive</li> </ul>   | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>an appropriate mix of knowledge and skills among the membership</li> </ul>   | X  |  |  |
|                               | <ul style="list-style-type: none"> <li>a size of committee that is not unwieldy</li> </ul>  | X  |  |  |

|    |  |   |  |  |
|----|--|---|--|--|
|    | <ul style="list-style-type: none"> <li>consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement)</li> </ul>                   | X all independent   |  |  |
| 13 | Have independent members appointed to the committee been recruited in an open and transparent way and approved by the full council or the PCC and chief constable as appropriate for the organisation? | X   |  |  |
| 14 | Does the chair of the committee have appropriate knowledge and skills?   | X   |  |  |
| 15 | Are arrangements in place to support the committee with briefings and training?  | X (morning sessions)  |  |  |
| 16 | Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?  | X (assessment of skills done in 2018 and to be update in 12 months) |  |  |
| 17 | Does the committee have good working relations with key people and organisations, including external audit, internal audit and the CFOs?   | X   |  |  |
| 18 | Is adequate secretariat and administrative support to the committee provided?  | X   |  |  |
|    | <b>Effectiveness of the committee</b>  |   |  |  |
| 19 | Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?   | X (meeting with PCC and CC to be arranged)                          |  |  |
| 20 | Are meetings effective with a good level of discussion and engagement from all the members?  | X   |  |  |
| 21 | Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers?                                     | X   |  |  |
| 22 | Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?  | X   |  |  |
| 23 | Has the committee evaluated whether and how it is adding value to the organisation?  | X (Lean and structured)   |  |  |

|    |  |  |  |  |
|----|--|--|--|--|
|    |  | approached. Attendance as only necessary. Positive view from TIAA. Ask PCC and CC in meetings) |  |  |
| 24 | Does the committee have an action plan to improve any areas of weakness?                         | Action plan to be drafted on conclusion of this exercise                                       |  |  |
| 25 | Does the committee publish an annual report to account for its performance and explain its work? | X  |  |  |



## Norfolk Police

### Action plan to accompany Audit Committee self assessment of effectiveness

| Reference in questionnaire | Action   | By          | When     |
|----------------------------|--|-------------|----------|
| 3.                         | Check that ToR are in accordance with<br>Cipfa's Position Statement                      | Jill Penn   | 31/12/19 |
| 4.                         | Ask PCC and CC if the Police<br>Accountability Forum is aware of the<br>Committee's role | Rob Bennett | 31/12/19 |
| 6.                         | Meet PCC and CC to discuss the<br>Committee's Annual Report                              | Rob Bennett | 31/12/19 |
| 7.                         | Ask CC for view on PSD   | Rob Bennett | 31/12/19 |
| 9.                         | Check that wider areas of Cipfa's<br>Position Statement are covered                      | Jill Penn   | 31/12/19 |
| 16.                        | Update members' skills and experience<br>Assessment                                      | Members     | 31/12/20 |
| 19/23.                     | Discuss Committee's performance<br>With PCC and CC                                       | Rob Bennett | 31/12/19 |
| 24.                        | Draft action plan  | Rob Bennett | 31/10/19 |





## Audit Committee Forward Work Plan

### 14 January 2020

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

### 14 April 2020

|  |                                     |
|--|-------------------------------------|
| Welcome and Apologies  |                                     |
| Declarations of Interest   |                                     |
| Minutes of meeting <b>14 January 2020</b>  |                                     |
| Internal Audit<br>2019/20 Progress Report and Follow Up Review<br>2019/20 Annual Report<br>2020/21 Internal Audit Plan (Final) | Reports from Head of Internal Audit |
| Annual Governance Statement 2018/19  | Report from CFO                     |
| External Audit<br>Plan 2019/20   | Report from Director, E&Y           |
| Strategic Risk Register update   | Report from Chief Exec and CC       |
| Forward Work Plan  | Report from CFO                     |

### 9 June 2020 Private (informal meeting)

|                                      |                  |
|--------------------------------------|------------------|
| Draft Statements of Accounts 2019/20 | Reports from CFO |
|--------------------------------------|------------------|

## 28 July 2020

|  |                                    |
|--|------------------------------------|
| Welcome and Apologies  |                                    |
| Declarations of Interest   |                                    |
| Minutes of meeting <b>14 April 2020</b>  |                                    |
| Internal Audit<br>2020/21 Progress Report (including outstanding reports from 2019/20) | Report from Head of Internal Audit |
| Final Accounts 2019/20 Approval including External Auditor's Audit Results Report      | Reports from CFO and E&Y           |
| Forward Work Plan  | Report from CFO                    |

## 20 October 2020

|  |                                    |
|--|------------------------------------|
| Welcome and Apologies                                      |                                    |
| Declarations of Interest                                   |                                    |
| Minutes of meeting <b>28 July 2020</b>                     |                                    |
| Internal Audit<br>2020/21 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                    |

### Report Author

Jill Penn

Chief Finance Officer - OPCCN