

**OFFICE OF THE NORTHAMPTONSHIRE POLICE AND CRIME COMMISSIONER  
&  
NORTHAMPTONSHIRE POLICE**

**JOINT INDEPENDENT AUDIT COMMITTEE**

**9<sup>th</sup> September 2015 at 10.00am to 13.30pm**

**Board Room, Wootton Hall, Northampton, NN4 0JQ**

**If you should have any queries in respect of this agenda, please contact Steve Dainty on 03000 111 222 Ext 347953**

Members of the public, with the permission of the Chair of the Committee, may ask questions of members of the Committee, or may address the Committee, on an item on the public part of the agenda.

***Further details regarding the process for asking questions or making an address to the Committee are set out at the end of this agenda notice***

\* \* \* \* \*

## AGENDA

1	Apologies for non- attendance	JB	10:00
2	Declarations of Interests	Members	10:00
3	Announcements from the Chair	JB	10:05
4	Minutes and Matters Arising from the previous meeting	JB	10:05
5	Matters Arising Action Log	JB	10:10
6	Collaboration – Governance Arrangements (Verbal)	JN	10:15
7	Final Accounts/AGS/ISA 260	GJ/NA/ KPMG	10:30
8	Internal Audit Progress Report	Mazars	11:00
9	Implementation of Audit recommendations a. Force b. OPCC	GJ/NA JN	11:10
10	External Audit Progress Report (included with item 7)	KPMG	
11	Progress with Annual Governance Statement actions a. Force (Verbal) b. OPCC	GJ/NA JN	11:30
12	Finance Dashboard	GJ/NA	11:50
13	Performance Dashboard	AF	12:05
14	Force Strategic Risk Register (inc Risk Management & Procedures)	AF/RB	12:20
15	OPCC Risk Register and Assurance Map	JN	12:30
16	HMIC Reports – <i>see www.hmic.gov.uk</i>	AF	12:40
17	Items for escalation to the Commissioner and / or the Chief Constable	JB	12:50
18	Strategic Alliance	IB/AF	12:55
19	Agenda Plan for the next four meetings	SD	13:05
20	Date and venue of next meeting 2 <sup>nd</sup> December 2015 - 10:00am – Greenwell Room	SD	13:10

**Continued overleaf ...**

**AGENDA (continued)**

21	<p>Such other business by reason of the special circumstances to be specified, the Chair is of the opinion is of sufficient urgency to warrant consideration.</p> <p><b><i>(Members who wish to raise urgent business are requested to inform the Chairman beforehand).</i></b></p>	JB	13:15
----	---	----	-------

22	<p>Resolution to exclude the public</p> <p>Items for which the public be excluded from the meeting:</p> <p>In respect of the following items the Chair may move the resolution set out below on the grounds that if the public were present it would be likely that exempt information (information regarded as private for the purposes of the Local Government Act 1972) would be disclosed to them:</p> <p><i>“That under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that if the public were present it would be likely that exempt information under Part 1 of Schedule 12A of the Act of the descriptions against each item would be disclosed to them”.</i></p>	JB	13:15
----	--	----	-------

23	Minutes of the previous private meeting	JB	13:20

	Private Meeting of Committee Members with the Auditors (if required)	JB	13:30
--	--	----	-------

**Continued overleaf ...**

***Further details regarding the process for asking questions or making an address to the Committee***

**i. General**

Members of the public, with the permission of the Chair of the Committee, may ask questions of members of the Committee, or may address the Committee, on an item on the public part of the agenda.

**ii. Notice of questions and addresses**

A question may only be asked or an address given if notice has been given by delivering it in writing or by electronic mail to the Monitoring Officer no later than noon two working days before the meeting.

**Notice of questions or an address to the Committee should be sent to:**

Steve Dainty  
Office of the Police and Crime Commissioner  
West Wing  
Police HQ  
Wootton Hall  
NORTHAMPTON  
NN4 0JQ

*or by email to:*

*stephen.dainty@northantspcc.pnn.police.uk*

***by 12 noon 4th September 2015***

Each notice of a question must give the name and address of the questioner and must name the person to whom it is to be put, and the nature of the question to be asked. Each notice of an address must give the name and address of the persons who will address the meeting and the purpose of the address.

**iii. Scope of questions and addresses**

The Chair of the Committee may reject a question or address if it:

- Is not about a matter for which the Committee has a responsibility or which affects Northamptonshire;
- is defamatory, frivolous, offensive or vexatious;
- is substantially the same as a question which has been put or an address made by some other person at the same meeting of the Committee or at another meeting of the Committee in the past six months; or
- requires the disclosure of confidential or exempt information.

***Continued overleaf ...***

***Further details regarding the process for asking questions or making an address to the Committee (continued)***

- iv. Asking the question or making the address at the meeting**  
The Chair of the Committee will invite the questioner to put the question to the person named in the notice. Alternatively, the Chair of the Committee will invite an address to the Committee for a period not exceeding three minutes. Every question must be put and answered without discussion but the person to whom the question has been put may decline to answer it or deal with it by a written answer. Every address must be made without discussion.

- v. The Members of the Committee are:**

Mr J Beckerleg (Chair of the Committee)

Ms G Scoular

Mr M Pettitt

Mr A Knivett

**IAIN BRITTON**

**CHIEF EXECUTIVE & MONITORING OFFICER**

\* \* \* \* \*

**NORTHAMPTONSHIRE POLICE AND CRIME COMMISSION and  
NORTHAMPTONSHIRE CONSTABULARY**

**JOINT INDEPENDENT AUDIT COMMITTEE**

**MINUTES OF MEETING HELD ON**

**24<sup>th</sup> June 2015**

**(Excluding Exempt Items)**

**PRESENT**

Audit Committee Members

J Beckerleg (in the Chair)  
G Scoular  
M Pettitt  
T Knivett

Northamptonshire Police and Crime Commission

A Simmonds Police and Crime Commissioner  
I Britton Chief Executive  
J Neilson Director for Resources, Governance and Transformation  
S Dainty Strategic Resources Officer and Deputy Chief Finance Officer  
J Motte Accounting Technician

Northamptonshire Police

A Frost Acting Deputy Chief Constable  
N Alexander Chief Accountant Corporate Services  
R Baldwin Force Risk and Continuity Advisor  
D Clark Strategic Exchequer and Corporate Accountant

Auditors

S Lane Baker Tilly  
M Clarkson Mazar  
B Welch Mazar  
A Cardoza KPMG

[Type text]

## 1. APOLOGIES FOR NON-ATTENDANCE

None

## 2. DECLARATIONS OF INTERESTS

Members made the following declarations of interest:

M Pettitt daughter currently works in the HR department of Northamptonshire Police

T Knivett member of the Police Disciplinary Panel.

J Beckerleg i) works for the Chief Fire Officers Association  
ii) member of House of Lords Audit Committee

## 3. ANNOUNCEMENTS BY THE CHAIR OF THE COMMITTEE

The Chair stated that no requests had been received from members of the public either to address the Committee or to put a question to the Committee.

The Chair informed the committee that he had attended a CIPFA conference on Developments in Police Audit Committees on 4 June 2015. A briefing note was circulated.

The Chair drew the committee's attention to the forthcoming National Audit Office report on Financial Sustainability of Police given the ongoing austerity measures.

## 4. MINUTES OF THE MEETING HELD ON 3 March 2015

Subject to below the Committee **agreed** the Minutes of the meeting held on 3 March 2015.

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>Circulate the Treasury Management Policy to the members of the committee</b>

## 5. MATTERS ARISING ACTION LOG

The Committee noted that Minute Item 9 (including good practice from other Forces/OPCCs within future internal audit reports) would now be taken forward by Mazars.

[Type text]

Subject to below the Committee **noted** the report.

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>Item 7 – change status to open. Need for further information to allow for further discussion. Item 12 – change status to open. Need for further information</b>

## **6. DRAFT GOVERNANCE STATEMENTS**

### **a) Force**

Nick Alexander introduced the report and explained that the statement is part of a suite of statutorily required documents.

The document was welcomed by the Committee and the following comments were made:

- work on collaboration should be included recognising that the work is still ongoing.
- Within the timetable for the closing the accounts for 2015-16 could a time slot be included for consultation with members on both the Force and PCC Governance Statements.
- Statement of Accounts and Governance Statements would be included as part of future workshop agenda.

The Chair drew attention to the problems he had encountered whilst trying to find these documents on the Force web site.

<b>ACTION POINTS</b>	
<b>Nick Alexander</b>	<b>1. To include a statement on collaboration within the Governance Statement 2. To consult with members on the Governance Statement during the closure of accounts for future years, commencing with 2015-16.</b>
<b>John Neilson</b>	<b>Statement of Accounts and Governance Statements be included as part of future workshop agenda.</b>

### **b) OPCC**

John Neilson introduced the report drawing the Committee's attention to the document being drafted following the CIPFA guidelines and that it was still work in progress. The final document would be presented to the Committee at the September meeting.

In response to a question concerning the effectiveness of the anti-fraud and corruption policy (page 10 item c), it was suggested the "three levels of assurance" approach would be key. The Chair requested that a copy of the policy be distributed to the members of the Committee.



[Type text]

In a response to a question on presentation the Commissioner explained that he wanted to bring the document to life, and encourage as many people as possible to read and understand it.

The Chair requested an explanation as to the position of the People Strategy and asked if it was an important item for last year why was it not included in the 2015-16 work schedules. In response the Committee was informed that the People Strategy was originally programmed for the last quarter 2014-15 and first quarter 2015-16. However due to other pressures it has been deferred and it was now programmed to commence in September 2015. It was agreed that this would be included in Section 5 of the Statement.

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>To circulate copies of the PCC Anti-fraud and Corruption Policy to the members of the Committee.</b>
<b>John Neilson</b>	<b>To include an item on the People Strategy for the 2015-16 work schedule.</b>

## **7. DRAFT STATEMENT OF ACCOUNTS**

The report was tabled.

The Chair informed the Committee that Martin Pettitt was the lead member for this topic. It was reported that Martin Pettitt had already had a useful meeting with officers from Force Finance on the Statement.

It was agreed that the report would not be discussed at this meeting but members were asked to read the report and feedback any comments to Martin Pettitt.

Discussions were held as to the feasibility of producing a simplified version of the Statement that the public could understand, perhaps in a pictorial framework. Although innovation and easier understanding was always welcomed resources may be an issue.

<b>ACTION POINTS</b>	
<b>All</b>	<b>Feedback any comments or issues to Martin Pettitt</b>
<b>Nick Alexander</b>	<b>Consider the feasibility of producing a simplified version of the Statement that the public could understand, without consuming significant resources</b>

## **8. COMMITTEE ANNUAL REPORT**

[Type text]

The Chair introduced the report stating that this was a joint effort with all members.

The Committee **agreed** the report including the Aims and Objectives for 2015/16.

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>To supply the report to the Chief Constable and Police and Crime Commissioner</b>
<b>John Beckerleg</b>	<b>Gill Scoular qualification CIPFA to be added.</b>

## **9. COMMITTEE SELF ASSESSMENT**

The Chair introduced the report drawing particular attention to Section 2 and the three possible topics to consider in relation to the terms of reference as detailed on page 2 of the report.

Subject to the points below, the Committee **agreed** the report.

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>To supply the report to the Chief Constable and Police and Crime Commissioner</b>
<b>John Neilson</b>	<b>a) to consider the approach to Ethics b)to include regional activities in the Committee's terms of reference c) to consider, when appropriate, the role of the Audit Committee in the arrangements for replacing the external auditor</b>

## **10. INTERNAL AUDIT ANNUAL REPORT AND PROGRESS REPORT**

Suzanne Lane introduced the report and the following points were discussed:

### **Progress Report**

- **Collaboration – Innovation Fund**  
This is a joint report with the other regional Forces and the responses from management were currently being collated.
- The question as to whether the risk around the establishment of performance reporting should be high rather than medium was

[Type text]

discussed. Implementation date for the new process is September 2015.

- Gill Scoular raised the issue as to where the committee obtains the assurance around other reports such as HMIC. Andy Frost informed the committee that any recommendations arising from such reports were full programmed and progress was reported to a quarterly meeting which he chaired. These reports could be shared with the committee.

#### Annual Report

- Attention was drawn to the statements on page 3 that in Baker Tilly's view both the Police and Crime Commissioner and the Chief Constable have adequate and effective risk management, control and governance processes to manage the achievement of the organisation's objectives.

Subject to the action below, the Committee **noted** the report.

<b>ACTION POINTS</b>	
<b>Andy Frost</b>	<b>To share the quarterly progress reports related to HMIC and other reports with the Committee.</b>

## 11. IMPLEMENTATION OF AUDIT RECOMMENDATIONS

### a) Force

Richard Baldwin introduced the report and drew attention to two updates.

The Chair requested information as to what the colour coding meant as he felt it was confusing. It was agreed that in future definitions would be included on the report. It was also agreed that changes to the implementation date would be recorded but the original date must remain on the report.

Discussion on the implementation of the reconciliation between the IT Fixed Asset register and the local inventory resulted in the implementation date being left as reported.

<b>ACTION POINTS</b>	
<b>Richard Baldwin</b>	<b>To include definitions of colour coding and revised implementation dates in future reports.</b>

### b) OPCC

Discussion on the position as to the award of extension of contract to Pick Everard took place and the Committee were informed that it had now been agreed between the procurement and estates officers that all proper procedures had been followed and no Single Tender Approval was required.

[Type text]

No formal discussion of this position has been held with Baker Tilly to confirm that this internal view addressed the internal auditor's concerns.

<b>ACTION POINTS</b>	
<b>John Neilson</b>	<b>To discuss the approach with Baker Tilly to confirm that this internal view addressed the internal auditor's concerns.</b>

The Committee **noted** the reports.

## **12. INTERNAL AUDIT – INTRODUCTION OF NEW AUDITORS**

Mike Clarkson of Mazars introduced the report bringing the committee's attention to the 2015-16 Plan, 2015-16 to 2018-19 Strategy and the Audit Charter and Performance measures.

It was noted that the report stated that it was confidential, but as this was on the public part of the Agenda, this was not possible, and in any event there was no reason why this should be confidential. The report would also be published on the PCC web site.

Performance against the measures set out in the Charter attached to the report would be reported annually to the Committee. Value for money would also be included in the Charter.

The Committee **noted** the report.

## **13. EXTERNAL AUDIT PROGRESS REPORT**

Andy Cardoza introduced the report.

It was requested that the external auditors allow sufficient time in their timetable for the Committee to consider their report and provide feedback

<b>ACTION POINTS</b>	
<b>Andy Cardoza</b>	<b>To include sufficient time within the audit timetable for the Committee to consider the report and provide feedback.</b>

The Committee **noted** the report.

## **14. EXTERNAL AUDIT FEE LETTER**

The Committee **noted** the letters

[Type text]

## **15. PROGRESS WITH ANNUAL GOVERNANCE STATEMENT ACTIONS**

### **a) Force**

Covered in item 6 on the Agenda.

### **b) OPCC**

John Neilson introduced the report. The Committee was informed that the implementation date for PBS was January 2016 with it becoming fully operational in April 2016.

The Committee **noted** the progress being made with the Governance Statement actions.

## **16. FINANCE DASHBOARD**

Nick Alexander introduced the report stating that the refreshed spending review was still awaited and is expected on the 8<sup>th</sup> July. The information emanating from government at this stage indicates further substantial spending cuts will be required.

The committee, in response to a question regarding the Capital Programme, were informed that no change had been made since it was last reported. However changes were expected to be made within the next 6-8 weeks and once these were actioned the committee would receive a report.

The Committee **noted** the report.

## **17. PERFORMANCE DASHBOARD**

Andy Frost introduced the report and gave a comprehensive briefing on key issues within it.

Andy Frost suggested that it may be beneficial if this report was circulated in advance of the Agenda to give the members more time to decide upon the topics they wished to discuss.

Discussions were held around the purpose of the report and the exact role the committee plays in holding the Force/PCC to account. The Commissioner stated that duplication must be avoided regarding reports for the Police &

[Type text]

Crime Panel and this Committee. Whilst it was important not to confuse the responsibilities of various aspects of governance, it was the view of this Committee that there was information which it required irrespective of whether other committees had it or not.  
It was stated that the performance dashboard was work in progress and should be re examined.

The Commissioner suggested a meeting with the Committee to discuss the roles. It was agreed that this would be a topic for one of the workshops.

<b>ACTION POINTS</b>	
<b>John Neilson</b>	<b>To include a topic on how the PCC holds the Police to account on a future workshop agenda</b>

The Committee **noted** the report.

## **18. TREASURY MANAGEMENT UPDATE AND OUTTURN REPORT**

Nick Alexander introduced the report explaining the relationship between liquidity of the funds and the interest rate earned.

The Committee **noted** the report.

## **19. FORCE STRATEGIC RISK REGISTER**

Richard Baldwin introduced the report drawing the Committee's attention to their being no adverse movements.

Discussions were held around items CR69 and CR74 but no amendments or actions were made

The committee **noted** the report

## **20. HMIC REPORTS**

Andy Frost updated the committee drawing attention to HMIC being better resourced which had led to more inspections.

The first stage of the PEEL inspection was held 2 months ago and the Force was still awaiting feedback.

[Type text]

## **21. ITEMS FOR ESCALATION TO THE COMMISSIONER AND/OR THE CHIEF CONSTABLE**

The Chair of the Committee to determine whether to alert the Commissioner and Chief Constable to any issues.

## **22. AGENDA PLAN FOR NEXT FOUR MEETINGS**

Several amendments to the forward Agenda were made:

Additions:

- **September 2015**  
Governance Arrangements – Collaboration. Following the Baker Tilley Report
- **June 2016**
- JIAC Terms of Reference Review  
Internal Audit Annual Report

Deletions

- **September 2015**  
Internal Audit – Annual Report  
Internal Audit Charter  
JIAC Terms of Reference Review

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>To action the amendments agreed by Committee</b>

## **23. DATE AND VENUE OF NEXT MEETING**

10:00am 9<sup>th</sup> September 2015 at Board Room Force HQ Northampton.

## **24. OTHER URGENT BUSINESS**

None

[Type text]

## **25.RESOLUTION TO EXCLUDE THE PUBLIC FROM THE MEETING**

The Chair moved the following resolution:

*“That under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that if the public were present it would be likely that exempt information under Part 1 of Schedule 12A of the Act of the descriptions against each item would be disclosed to them”.*

The Committee **approved** the resolution.

[The minutes of the remaining items of business are recorded separately in another document]

**END**



[Type text]

<b>SUMMARY OF ACTION POINTS – 24<sup>th</sup> June 2015</b>			
<b>Minute Item</b>	<b>Item</b>	<b>Action</b>	<b>Officer</b>
4	MINUTES OF THE MEETING HELD ON 3 <sup>rd</sup> March 2015	Circulate the Treasury Management Policy to the members of the committee	Steve Dainty
5	MATTERS ARISING ACTION LOG	Item 7 – change status to open. Need for further information to allow for further discussion. Item 12 – change status to open. Need for further information	Steve Dainty
6a	DRAFT GOVERNANCE STATEMENTS - Force	To include a statement on collaboration within the Governance Statement	Nick Alexander
		To consult with members on the Governance Statement during the closure of accounts for future years, commencing with 2015-16.	Nick Alexander
		Statement of Accounts and Governance Statements be included as part of future workshop agenda.	John Neilson
6b	DRAFT GOVERNANCE STATEMENTS - OPCC	To circulate copies of the PCC Anti-fraud and Corruption Policy to the members of the Committee.	Steve Dainty
		To include an item on the People Strategy for the 2015-16 work schedule.	John Neilson
7	DRAFT STATEMENT OF ACCOUNTS	Feedback any comments or issues to Martin Pettitt	All
		Consider the feasibility of producing a simplified version of the Statement that the public could understand, without consuming significant resources	Nick Alexander
8	COMMITTEE ANNUAL REPORT	To supply the report to the Chief Constable and Police and Crime Commissioner	Steve Dainty
		Gill Scoular qualification CIPFA to be added.	John Beckerleg
9	COMMITTEE SELF ASSESSMENT	To supply the report to the Chief Constable and Police and Crime Commissioner	Steve Dainty
		a) to consider the approach to Ethics b) to include regional activities in the Committee's	John Neilson

[Type text]

<b>SUMMARY OF ACTION POINTS – 24<sup>th</sup> June 2015</b>			
<b>Minute Item</b>	<b>Item</b>	<b>Action</b>	<b>Officer</b>
		terms of reference c) to consider, when appropriate, the role of the Audit Committee in the arrangements for replacing the external auditor	
10	INTERNAL AUDIT ANNUAL REPORT AND PROGRESS REPORT	To share the quarterly progress reports related to HMIC and other reports with the Committee.	Andy Frost
11a	IMPLEMENTATION OF AUDIT RECOMMENDATIONS - Force	To include definitions of colour coding and revised implementation dates in future reports.	Richard Baldwin
11b	IMPLEMENTATION OF AUDIT RECOMMENDATIONS - OPCC	To discuss the approach with Baker Tilly to confirm that this internal view addressed the internal auditor's concerns.	John Neilson
13	EXTERNAL AUDIT PROGRESS REPORT	To include sufficient time within the audit timetable for the committee to consider the report and provide feedback.	Andy Cardoza
17	PERFORMANCE DASHBOARD	To include a topic on how the PCC holds the Police to account on a future workshop agenda	John Neilson
22	AGENDA PLAN FOR NEXT FOUR MEETINGS	To action the amendments agreed by Committee	Steve Dainty

**JOINT INDEPENDENT AUDIT COMMITTEE**

9<sup>th</sup> September 2015

**Matters Arising Log**

<b>Meeting held on 3<sup>rd</sup> December 2014</b>				
<b>Minute</b>	<b>Action</b>	<b>Who</b>	<b>Comment</b>	<b>Status</b>
8	To raise the urgency of the Joint Assurance Framework with his fellow Chairs	JB	Seminar for Audit Committee Chairs was cancelled	Open
<b>Meeting held on 3<sup>rd</sup> March 2015</b>				
5	Item 8 3 <sup>rd</sup> December 2014 – Change the Status from Closed to Open as owing to the postponement of the seminar for Audit Committee Chairs being cancelled, the Chair has not yet had to opportunity to raise this issue with his fellow chairs	JB	See above	Open
7	To arrange a meeting for all interested members to go through the results of the VFM profiles.	GJ	Background Information provided to Martin Pettit from HMIC Inspection. Will pick up with MP in meeting on 15 <sup>th</sup> June.	Open
12	To circulate the HMIC questions on Governance and VFM to the Committee.	GJ	Completed 7 <sup>th</sup> June	Closed
<b>Meeting held on 24<sup>th</sup> June 2015</b>				
4	Circulate the Treasury Management Policy to the members of the committee	SD	Sent by e-mail 13/07/15	Closed
6a	To include a statement on collaboration within the Governance Statement	NA	Actioned	Closed
	To consult with members on the Governance Statement during the closure of accounts for future years, commencing with 2015-16.	NA	Noted for the 2015-16 closure	Open
	Statement of Accounts and Governance Statements be included as part of future workshop agenda.	JN	Workshop dates 09/11/15 and 18/01/16;	Open
6b	To circulate copies of the PCC Anti-fraud and Corruption Policy to the members of the Committee.	SD	Sent by e-mail 25/06/15	Closed
	To include an item on the People Strategy for the 2015-16 work schedule.	JN	March 2016 meeting	Closed
7	Feedback any comments or issues to Martin Pettitt	All		Closed
	Consider the feasibility of producing a simplified version of the Statement that the public could understand, without consuming significant resources	NA	Have examined the practicalities and progress seems difficult compounded by PBS	Closed
8	To supply the report to the Chief Constable and Police and Crime Commissioner	SD	Sent with Agenda	Closed

			17/06/15	
	Gill Scoular qualification CIPFA to be added.	JB		Closed
9	To supply the report to the Chief Constable and Police and Crime Commissioner	SD	Sent with Agenda 17/06/15	Closed
	a) to consider the approach to Ethics b) to include regional activities in the Committee's terms of reference c) to consider, when appropriate, the role of the Audit Committee in the arrangements for replacing the external auditor	JN	To be included with the review of JIAC Terms of Reference – June 2016	Open
10	To share the quarterly progress reports related to HMIC and other reports with the Committee.	AF	Actioned	Closed
11a	To include definitions of colour coding and revised implementation dates in future reports.	RB	Actioned	Closed
11b	To discuss the approach with Baker Tilly to confirm that this internal view addressed the internal auditor's concerns.	JN	e-mail sent 13 <sup>th</sup> July 15	Closed
13	To include sufficient time within the audit timetable for the committee to consider the report and provide feedback.	AG	Still on going	Open
17	To include a topic on how the PCC holds the Police to account on a future workshop agenda	JN	Meeting held between Chair, IB and JN 20/08/15	Open
22	To action the amendments agreed by Committee	SD	Actioned	Closed

JB - John Beckerleg  
AC – Andy Cardoza

JN - John Neilson

GJ - Gary Jones

SD - Steve Dainty

NA – Nick Alexander

RB- Richard Baldwin

Author:

Steve Dainty



Office of the Police & Crime Commissioner for Northamptonshire and  
Northamptonshire Police

Internal Audit Progress Report 2015/16

September 2015

Presented to the Joint Independent Audit Committee meeting of: 9<sup>th</sup> September 2015

# Contents

- 01 Introduction
- 02 Summary and conclusions from Internal Audit work to date
- 03 Performance

## Appendices

- A1 Summary of Reports
- A2 Internal Audit Plan 2015/16
- A3 Definition of Assurances and Priorities
- A4 Contact Details
- A5 Statement of Responsibility

## 01 Introduction

- 1.1 The purpose of this report is to update the Joint Independent Audit Committee (JIAC) as to the progress in respect of the Operational Plan for the year ended 31<sup>st</sup> March 2016. The plan was considered and approved by the JIAC at its meeting on 24<sup>th</sup> June 2015.
- 1.2 The Police and Crime Commissioner and Chief Constable are responsible for ensuring that the organisations have proper internal control and management systems in place. In order to do this, they must obtain assurance on the effectiveness of those systems throughout the year, and are required to make a statement on the effectiveness of internal control within their annual report and financial statements.
- 1.3 Internal audit provides the Police and Crime Commissioner and Chief Constable with an independent and objective opinion on governance, risk management and internal control and their effectiveness in achieving the organisation's agreed objectives. Internal audit also has an independent and objective advisory role to help line managers improve governance, risk management and internal control. The work of internal audit, culminating in our annual opinion, forms a part of the OPCC and Force's overall assurance framework and assists in preparing an informed statement on internal control.
- 1.4 Responsibility for a sound system of internal control rests with the Police and Crime Commissioner and Chief Constable and work performed by internal audit should not be relied upon to identify all weaknesses which exist or all improvements which may be made. Effective implementation of our recommendations makes an important contribution to the maintenance of reliable systems of internal control and governance.
- 1.5 Internal audit should not be relied upon to identify fraud or irregularity, although our procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control will not necessarily be an effective safeguard against collusive fraud.
- 1.6 Our work is delivered in accordance with the Public Sector Internal Audit Standards (PSIAS).

## 02 Summary of internal audit work to date

2.1 At the time of writing, the first draft internal audit report has yet to be issued. The following table is provided for illustrative purposes and will provide a summary of assurances, including the number and categorisation of recommendations, in each report issued to the date of the JIAC meeting. Further details, and scheduled work for the rest of the year, are provided in Appendix A1.

Auditable Area	Report Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Total			0	0	0	0

2.2 We have recently completed fieldwork in respect of the audit of Procurement arrangements. This audit covered both local arrangements and those in place within the Procurement Shared Service hosted by Nottinghamshire Police. We have also begun an audit of Risk Management and this is covering arrangements both within the Force and the OPCC, and is looking at both strategic risks and those within a sample of services / departments.

2.3 As reported with the Internal Audit Operational Plan, the OPCC / Force are currently reviewing the manner in which it delivers its services. The Change Programme, including how it is managed and its impact on resources, is seen as one of the biggest issues facing the OPCC and Force. As a consequence, it is crucial that back office functions are able to cope with the level of change whilst at the same time carry out their statutory functions. Possible risks that will be considered include:

- Departmental workloads are not effectively identified, considered and prioritised.
- 'Business as Usual' is impacted upon through the focus on the change programme
- Budgets are ineffectively managed when addressing the change programme.
- Key risks are not identified and managed.



Internal Audit resource has therefore been set aside to support the OPCC / Force in managing the risks that such change inevitably brings. Whilst the scope and methodology of each element of the audit support has yet to be agreed, it is likely to include the following:

- attendance at the forthcoming Business Planning workshops to provide a 'critical friend' / challenge in terms of the proposed changes and their impact on the control environment;
- subsequent meetings with Heads of Service and other key staff to develop ideas coming out of the workshops in terms of managing risk and the required control environment;
- the development of resource / change programme risk registers and the testing, where applicable, of key controls; and
- more traditional audit assurance with regards specific risk areas.

Internal Audit attended the first Business Planning meeting on 11<sup>th</sup> August in the capacity of 'critical friend'. A second meeting is due to be held on 8<sup>th</sup> September.

- 2.4 Internal Audit recently attended a meeting of the OPCC Chief Financial Officers Group at which one of the areas discussed was how Internal Audit could provide assurance with regards the key risks relating to regional collaboration. Initial consideration is being given to an assurance mapping exercise which will look at the key risks relating to collaborative working and how each force secures assurance that they are being effectively managed. An outline scope of the proposed work is currently being considered by Group.

## 03 Performance

3.1 The following table details the Internal Audit Service performance for the year to date measured against the key performance indicators that were set out within Audit Charter. This list will be developed over time, with some indicators either only applicable at year end or have yet to be evidenced.

No	Indicator	Criteria	Performance
1	Annual report provided to the JIAC	As agreed with the Client Officer	N/A
2	Annual Operational and Strategic Plans to the JIAC	As agreed with the Client Officer	Achieved
3	Progress report to the JIAC	7 working days prior to meeting.	Achieved
4	Issue of draft report	Within 10 working days of completion of final exit meeting.	N/A
5	Issue of final report	Within 5 working days of agreement of responses.	N/A
6	Follow-up of priority one recommendations	90% within four months. 100% within six months.	N/A
7	Follow-up of other recommendations	100% within 12 months of date of final report.	N/A
8	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork.	100% (2/2)
9	Customer satisfaction (measured by survey)	85% average of 3 or less	N/A

## Appendix A1 – Summary of Reports

Brief outlines of the work carried out, a summary of our key findings raised and the assurance opinions given in respect of the reports issued to date will be provided in this section. As the first draft report has yet to be issued at the time of writing, we have provided an example of the format that will be used for forthcoming progress reports. The example is in respect of Risk Management, the field work for which began on 1<sup>st</sup> September.

### Risk Management

<b>Assurance Opinion</b>	See Appendix A3
<b>Recommendation Priorities</b>	
Priority 1 (Fundamental)	See Appendix A3
Priority 2 (Significant)	See Appendix A3
Priority 3 (Housekeeping)	See Appendix A3

Our audit considered the following risks relating to the area under review:

- Clearly defined policies and/or procedures are not in place resulting in ineffective and inefficient risk management arrangements being applied.
- New and emerging risks are not identified, assessed, recorded and risk owners assigned.
- The corporate and service risk registers are not subject to regular review leading to out of date risks and a lack of effective mitigation.
- Risk mitigation actions are not in place and / or there little evidence they are monitored to ensure tasks are completed within agreed timescales.
- There is a lack of appropriate oversight and reporting arrangements in place with regards the management of risk.

In reviewing the above risks, our audit considered the following areas:

- Policies and procedures
- Risk identification and assessment
- Maintenance of strategic and service risk registers
- Risk mitigation
- Oversight

We raised XXX priority 2 recommendations where we believe there is scope for improvement within the control environment. These have been set out below:

- [summary of finding and recommendation]

We also raised XXX priority 3 recommendations of a more housekeeping nature.

## Appendix A2 Internal Audit Plan 2015/16

Auditable Area	Planned Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
<b>Core Assurance</b>					
Risk Management	September 2015	October 2015	October 2015	December 2015	Fieldwork is in progress.
Procurement	August 2015	September 2015	October 2015	December 2015	Currently being reviewed.
<b>Core Financial Systems</b>					
Budgetary Control	November 2015	December 2015	December 2015	March 2016	
Payroll	November 2015	December 2015	December 2015	March 2016	
Cash, Bank & Treasury	October 2015	November 2015	November 2015	December 2015	
General Ledger	October 2015	November 2015	November 2015	December 2015	
Income & Debtors	October 2015	November 2015	November 2015	December 2015	
Payment & Creditors	October 2015	November 2015	November 2015	December 2015	

Auditable Area	Planned Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
<b>Strategic &amp; Operational Risk</b>					
IT Health Check	January 2016	February 2016	March 2016	March 2016	
Change Programme – Governance of Resource Functions	Aug 2015 to March 2016	As and when required	As and when required	As and when required	Attended first Business Planning on 11 <sup>th</sup> Aug in the role of 'Critical Friend'; second meeting scheduled for 8 <sup>th</sup> Sept.
Volunteers	January 2016	February 2016	February 2016	March 2016	
<b>Collaboration</b>					
Collaboration	On-going	On-going	On-going	On-going	See paragraph 2.4.

## Appendix A3 – Definition of Assurances and Priorities

Definitions of Assurance Levels		
Assurance Level	Adequacy of system design	Effectiveness of operating controls
<b>Significant Assurance:</b>	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
<b>Satisfactory Assurance:</b>	While there is a basically sound system of internal control, there are weaknesses, which put some of the Organisation's objectives at risk.	There is evidence that the level of non-compliance with some of the control processes may put some of the Organisation's objectives at risk.
<b>Limited Assurance:</b>	Weaknesses in the system of internal controls are such as to put the Organisation's objectives at risk.	The level of non-compliance puts the Organisation's objectives at risk.
<b>No Assurance</b>	Control processes are generally weak leaving the processes/systems open to significant error or abuse.	Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Definitions of Recommendations	
Priority	Description
<b>Priority 1 (Fundamental)</b>	Recommendations represent fundamental control weaknesses, which expose the organisation to a high degree of unnecessary risk.
<b>Priority 2 (Significant)</b>	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
<b>Priority 3 (Housekeeping)</b>	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.

## Appendix A4 - Contact Details

### Contact Details

Mike Clarkson

07831 748135

[Mike.Clarkson@Mazars.co.uk](mailto:Mike.Clarkson@Mazars.co.uk)

Brian Welch

07780 970200

[Brian.Welch@Mazars.co.uk](mailto:Brian.Welch@Mazars.co.uk)

## A5 Statement of Responsibility

### **Status of our reports**

*The responsibility for maintaining internal control rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy of the internal control arrangements implemented by management and perform testing on those controls to ensure that they are operating for the period under review. We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone are not a guarantee that fraud, where existing, will be discovered.*

*The contents of this report are confidential and not for distribution to anyone other than the Office of the Police and Crime Commissioner for Northamptonshire and Northamptonshire Police. Disclosure to third parties cannot be made without the prior written consent of Mazars LLP.*

*Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales to carry out company audit work.*



**INTERNAL AUDITS DASHBOARD 2014/15**

Audits are graded as Red, Amber, Amber/Green or Green. Some thematic audits are advisory only and not graded. Recommendations are prioritised as High, Medium or Low to reflect the assessment of risk associated with the control weaknesses.

**SUMMARY OF AUDIT PROGRESS AND OUTCOMES**

AUDIT	DATE	GRADE	RECOMMENDATIONS MADE		
			High	Medium	Low
Operational Areas – Stock Management – 1.14/15	02 July 2014	Green	0	0	0
Firearms Licensing – 2.14/15	18 August 2014	Green	0	0	2
Medium Term Financial Planning and Budget Setting - 3.14/15	20 November 2014	Green	0	0	1
Risk Management – 4.14/15	02 September 2014	Amber/Green	0	2	6
Estates Strategy / Management 5.14/15	24 November 2014	Amber/Green	0	1	0
Force Control Room Business Continuity 6.14/15	10 December 2014	Amber	0	3	3
Key Financial Controls 7.14/15	05 February 2015	Green	0	1	0
Commissioning – 8.14/15	26 May 2015	Amber	0	2	1
Follow up – 9.14/15 - Draft	12 May 2015	Not graded			
Governance – 10.14/15	20 March 2015	Green	0	1	2
Human Resources – Workforce Strategy – 11.14/15	27 May 2015	Amber/Green	0	3	2
IT Licenses					
Volunteers – Strategy, recruitment and training					
Collaboration – Efficiency Savings Plans					

## DETAILS OF RECOMMENDATIONS FROM EACH AUDIT

### Key to Status

Action complete

Action ongoing

Action outstanding and past its agreed implementation date

**Operational Areas- Stock Management – 1.14/15 - No recommendations**

**Firearms Licensing – 2.14/15 - All recommendations complete**

**Medium Term Financial Planning and Budget Setting – 3.14/15 – No recommendations for Force**

**Risk Management – 4.14/15**

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
1.6	<p>To ensure standardisation and the ability to verify that effective risk management processes are being followed at departmental level all departments should use the IPSO risk management database as prescribed within the Risk Management procedures. This would enable the Force Risk and Business Continuity Advisor, as manager of the database, to oversee inclusion of a risk and to ensure the integrity of key areas such as:</p> <ul style="list-style-type: none"> <li>• Controls are recorded appropriately.</li> <li>• Risk descriptors are sufficient.</li> <li>• Sources of assurance are identified.</li> <li>• Actual assurance sources identified.</li> </ul> <p>This issue should be discussed by the Chief Officers Group and a formal decision made to enforce all departments to use IPSO for all risk management functions. Where use continues by Departments of their own risk management spreadsheets/ databases there is a danger that by allowing this there is a loss of oversight by the Force</p>	Medium	Y	tbc	<p>This issue will be raised with the Chief Officers Group at the next meeting where risk is due to be discussed.</p> <p>Update RB – Provision of a centralised system for managing risk registers is being considered as part of the Corporate Services review that is scheduled to be completed during 2015.</p> <p>Update RB – Northants are continuing to use IPSO for local risks but with the amount of collaboration work currently being undertaken and the analysis that will be required for PBS it is possible that a centralised system will need to be introduced. Timescales for this are currently not known.</p>	Ongoing	R Baldwin	

	Risk and Business Continuity Advisor. Whilst we accept that responsibility for managing risks are departmental level remains with the relevant Head of Department and Risk Co-ordinator we would nevertheless comment that there should be a form of overview by the Force Risk and Business Continuity Advisor to ensure compliance and that there is an effective mechanism operating that engenders a bottom up approach to identifying and managing risk. This overview should also be used to ensure the 'correct' recording of risks within the system.							
1.7a	Once the Joint Independent Audit Committee have determined their future reporting requirements from both the Force and OPCC consideration should be given to including these within their Terms of Reference.	Low	Y	tbc	A recommendation will be made to the Chair of the Committee once the reporting requirements have been agreed.	Ongoing	R Baldwin	
1.7b	To inform and feed the Annual Governance Statement we would recommend that an end of year synopsis report on risk management is produced and submitted to the Joint Independent Audit Committee. (This would mirror the process being proposed by the OPCC)	Low	Y	31 May 2015	An end of year report will be produced for the Committee once the required format and content has been agreed with the Chair.		R Baldwin	

### Estates Strategy / Management – 5.14/15

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
1.1	Whilst we accept that the decision to continue using Pick Everard given their history, expertise and knowledge of the estate, in accordance with Contract Standing Orders the fact that despite Pick Everard being on the framework agreement with 'Scape' there is nevertheless the requirement to either: <ul style="list-style-type: none"> <li>Undertake a mini tender using suppliers listed on the framework, or</li> </ul> In this instance given, if the	Low	Y	October 2014	Agreed		S Bonner	

<p>organisations decides it is appropriate to continue using Pick Everard then completion of a Single Tender Approval (STA) Request form and approval in line with stated financial authorisation limits should have been undertaken. We would recommend that to cover future usage of Pick Everard an STA Request form is completed with an 'estimated' value of work and that this is then approved as required and used as a 'call off' agreement.</p>							
---	--	--	--	--	--	--	--

### Force Control Room Business Continuity – 6.14/15

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
3.2	<p>A business impact analysis should be undertaken to determine recovery priorities and required resources and timeframes to recover business operations following a disruption.</p> <p>The BCP and backup arrangements should be reviewed upon completion of the business impact analysis to ensure recovery arrangements meet business objectives.</p>	Medium	Y	28 February 2015	<p>When the plan is finalised I will liaise with Richard Baldwin and discuss it to ensure compliance and compatibility with other force contingency. I will discuss business impact analysis with him.</p> <p>Update – The BIA analysis is scheduled to be complete by the end of w/c 31 Aug 15. BCP's will be reviewed once the BIA analysis is complete</p>	Ongoing	Steve Herbert	
3.5	<p>Upon completion of the Business Impact analysis exercise:</p> <p>The Force Control Room Business Continuity Plan should be reviewed for compatibility and alignment with the IT Disaster Recovery Plan.</p>	Medium	Y	28 February 2015	<p>Compatibility and alignment with the IT disaster Recovery Plan will be considered prior to acceptance.</p> <p>Update – This is dependent on completion of the BIA analysis</p>	Ongoing	Steve Herbert	
3.6	<p>The Force should define a testing strategy and a future schedule for periodic testing of the FCR Business Continuity Plan.</p>	Medium	Y	28 February 2015	<p>I have consulted with C/Insp Tennet and have agreed that testing of the plan should commence during January /February. Impact on normal business operations are considered inappropriate prior to this time. This will include the testing of contingency areas including Silver 3, Campbell Square and Wellingborough. All sites have been checked for operability within the last month with ISD professionals and deemed to be</p>	October 2015	Steve Herbert	

					<p>suitable for contingency use at this time. This testing will be ongoing to cover all relevant staff and test all parts of the FCR spectrum.</p> <p>Update - Testing has been delayed somewhat due to work on technical equipment at Campbell Square. Back up servers for Aspect UIP have been rigorously tested in the current FCR due to system problems. Silver 3 has been tested for Dispatch during May. Dark Site reality testing should now be in a position to commence during the summer. The BCP plan has been placed into operation within the FCR environment due to technical problems on 3 occasions. On all occasions it has stood up to requirements and feedback has been positive. Feedback has been co-ordinated by SH and the next version will be completed after testing of all facilities is complete. The timescale on this is currently October 2015. Continuing checks are made on a BI-Monthly basis by the FCR and ISD staff to ensure dark sites are fit for purpose. All equipment at the FCR is tested for functionality monthly. This is recorded.</p>			
--	--	--	--	--	--	--	--	--

### Key Financial Controls – 7.14/15

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
5.1	<p><b>Restated recommendation 2013/14</b></p> <p>Reconciliation should be undertaken on a periodic basis between the IT items on the Fixed Asset register back to local inventory records to ensure that it represents an accurate view of the assets held. Periodic verifications should be undertaken against the items held in the LANDesk system to ensure the accuracy of records is maintained. This could be done on a sample basis to identify the highest value items.</p>	Medium	Yes accept a process is required	2016/17	Unlikely to be implemented in the next 12 months.		Nick Alexander	

## Commissioning – 8.14/15 - No recommendations for Force

### Follow Up – 9.14/15

2.1 Operational Areas –Detained (Seized) and Found Property [3.13/14]								
REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
1.4	<p><b>Original Recommendation</b></p> <p>Current records indicate that on the PMS there are some 4,500 (pre and post centralisation) items that according to the system have been 'booked out to Officers'. Whilst records indicate that chasing has been undertaken this, we are informed, has not been strictly in accordance with requirements due to resource issues. A review should be undertaken to establish the most effective and resource capable way of managing down the number of items.</p> <p><b>Update</b></p> <p>Whilst work had been undertaken on items 'awaiting entry', little progress had been made on the items which were recorded as 'booked out to officers'.</p> <p>We were advised by the Property Team Leader that 'Operation Clear Out' was due to commence imminently, to tackle pre and post 2011 items still retained.</p> <p>We were informed that these items would be entered onto a stand-alone application and team of officers would complete destructions.</p> <p>Following this activity, ISD would be updating PMS with data from the application.</p> <p><b>This recommendation has not been implemented and as such has been</b></p>	Medium	Y	Mid 2014	<p><b>Original Comment</b></p> <p>This can be considered as part of the planned resource and process review in 2014</p> <p><b>Update</b></p> <p>Current number of outstanding entries 1584 In total 2916 items have been updated. The outstanding figure of 1584 consists of 1574 pre centralisation entries that will be managed during the OP Clearout data cleanse. The DP Team is struggling once again with resource issues, the staff are in place but only 1 DP Officer out of 5 is fully fit for duty. OP Clearout looks to continue into the winter months.</p> <p>Update – Most of the physical disposals have been completed with just a small number remaining. The delay has been to staff absence. The system updates should be completed shortly after the physical disposals have been completed.</p>	<p>Estimated due for completion mid – 2015</p> <p>Revised estimate is end of Oct 2015</p>	Amie Peplow	

	<p><b>restated for further review.</b></p> <p>Pre and post centralisation items that according to the system have been 'booked out to Officers' should be reviewed to establish the most effective and efficient way of reducing the number of items 'awaiting entry' and cleared.</p>							
2.3b	<p><b>Original Recommendation</b></p> <p>A review should be undertaken of reports available from the Property Management System to ensure that these are 'cleansed' as there are numerous items reported that still show that they are 'found property still held' and where the update position has not been effectively recorded/ changed.</p> <p><b>Update</b></p> <p>This was expected to be included in the 'Operation Clear-Out' (referred to in paragraph 1.4 above) which had not yet commenced.</p> <p><b>This recommendation has not been implemented and as such has been restated for further review.</b></p>	Medium	Y	Scoping to be completed by 1 April.	<p><b>Original Comment</b></p> <p>This is, on the face of it, a significant administrative task. The Performance Team will assess reports circulated regarding all property to assist with this audit process.</p> <p><b>Update</b></p> <p>Once the Op Clearout cleanse is complete the figures should reduce significantly. As part of the Niche programme a paper is being produced for COG which looks to radically change the management of both lost and found property.</p>	Estimated for completion mid-2015	Amie Peplow	
<b>2.2 Business Continuity [4.13/14]</b>								
REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
3.3	<p><b>Original Recommendation</b></p> <p>A communication programme should be designed to ensure that all employees understand the Business Continuity Management Policy, business continuity priorities and what their individual responsibilities are in respect of business continuity management.</p> <p><b>Update</b></p>	Medium	Y	TBC	<p><b>Original Comment</b></p> <p>As the report states an NCALT training package for all employees is being developed as part of the national BC strategy and is expected to be delivered in 2014.</p> <p>Once this has been delivered we can review the content to see if any further material is needed.</p> <p><b>Update</b></p>		Richard Baldwin	

	We were informed by the Force Risk and Business Continuity Advisor, that no further progress had been made regarding this recommendation, pending roll out of the NCALT training package. <b>This recommendation had not been implemented and has been carried forwards for further review.</b>				Update – The training package being developed as part of the national strategy is still being outstanding. A national lead has been appointed to drive this forward.			
--	--	--	--	--	--	--	--	--

**2.7 Data Security Review [12.13/14]**

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
3.2	<p><b>Original Recommendation</b></p> <p>Management should ensure that the successful deployment of Safend software updates is checked on a regular basis for all machines within the Force's network infrastructure.</p> <p>Moreover, any unsuccessful deployments should be investigated in full to confirm whether the machines concerned are still in live use and whether the lack of deployment needs to be remedied accordingly.</p> <p><b>Update</b></p> <p>No response from management regarding the status of this recommendation.</p> <p>We are unable to provide assurance that the recommendation has been implemented as reported to management</p>	Low	Y	31 December 2014	<p><b>Original Comment</b></p> <p>We will use the opportunity of our corporate 'XP upgrading project' during 2014 to ensure the future deployment of Safend incorporates all networked assets, albeit we are confident that any current risk is negligible.</p> <p><b>Update</b></p> <p>Safend is being rolled out as part of the upgrade to Windows 7. To date 94.6% of devices have been upgraded. The remainder are ongoing.</p>	Ongoing	ISD Operations Manager	

**Governance – 10.14/15**

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
2d	<b>Force</b>	Low	Y	30 April 2015	The Terms of Reference will be amended		Sean Bell	



	Added to the Terms of Reference of the COG should be the need to annually review the Business Management Model to ensure it is fit for purpose and covers all areas of the business adequately.				accordingly			
5	<b>OPCC</b> The Corporate Governance Framework, Scheme of Governance and Decision Making policy needs to be reviewed, updated and approved.	Medium	Y	June 2015	Agreed – this was the intention as a matter of course		John Neilson	

### Workforce Strategy – 11.14/15

REF	RECOMMENDATION	CATEGORY	ACCEPT Y/N	ORIGINAL IMPLEMENTATION DATE	MANAGEMENT COMMENT	REVISED IMPLEMENTATION DATE	MANAGER RESPONSIBLE	STATUS
1.4	The HR Work-plan should be updated to populate the relevant 'link to Police and Crime Plan' and 'status' columns against each of the current programmes listed.	Low	Y	30 April 2015	The HR Work Plan is our internal schedule of work to support us in understanding our current and future workloads and track our completion of work. There are links to the policing plan to ensure that our work is aligned to overall strategy and direction of the force. I will review this element of the Plan and link work to the OD Strategy rather than the Policing Plan as this is more relevant to our activities.  Update – As detailed above this is an internal document which will be reviewed to determine if it will continue to be maintained.	Ongoing	Fiona Whyte	
1.5	The data collated during the skills audit should be collated in a way so that it can be used to inform a 'gap analysis' which can be used as a tool to support recruitment into staff posts.	Medium	Y	30 June 2015	The skills audit work will be used more widely than is proposed in this report. This forms part of the OD Delivery Plan and will be monitored by Strategic Workforce Planning with oversight from the OD Board.  Update – This is ongoing. Once the data has been uploaded to the Oracle system the gap analysis will be able to be carried out. The date for the upload is currently anticipated to be in July.  Update – The data upload is still being tested and will be uploaded to the live system once the testing is complete	Ongoing	Fiona Whyte	





## Report to the Independent Audit Committee

09 September 2015

### Audit Recommendations Update Report

#### RECOMMENDATION

The Committee is asked to note this report.

#### 1 PURPOSE OF THE REPORT

- 1.1 This report provides the Audit Committee with an update on the implementation of internal audit recommendations.

#### 2 OVERVIEW

##### 2.1 2014/15 Audits

- 2.2 Final Reports have been received for the following audits:

- Stock Management
- Firearms Licensing
- Risk Management
- Medium Term Financial Planning and Budget Setting
- Estates Strategy / Management
- Force Control Room Business Continuity
- Key Financial Controls
- Commissioning
- Follow Up
- Governance
- Workforce Strategy

- 2.3 The attached audit dashboard shows the recommendations made in the final reports for each audit together with updates received on the implementation of those recommendations.
-

**GARY JONES**  
**Head of Finance and Asset Management**

**EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS**  
None

**HUMAN RESOURCES IMPLICATIONS**  
None

**RISK MANAGEMENT IMPLICATIONS**  
None

**ENVIRONMENTAL IMPLICATIONS**  
None

**Author:** Richard Baldwin,  
Force Risk and Business Continuity Advisor

**Chief Officer Portfolio Holder:** Andy Frost, Deputy Chief Constable

**Background Papers:** 2014-15 Summary of Internal Audit  
Recommendations for IJAC 03.03.15

**JOINT INDEPENDENT AUDIT COMMITTEE**  
**9<sup>th</sup> September 2015**  
**OPCC - OUTSTANDING AUDIT RECOMMENDATIONS**

Agreed action on recommendations	Owner	Date	Comment	Status
<p><b>Draft Estates Management / Strategy</b>  <b>21<sup>st</sup> August 2014</b></p>				
<p>Whilst we accept that the decision to continue using Pick Everard given their history, expertise and knowledge of the estate, in accordance with Contract Standing Orders the fact that despite Pick Everard being on the framework agreement with 'Scape' there is nevertheless the requirement to either:</p> <ul style="list-style-type: none"> <li>• Undertake a mini tender using suppliers listed on the framework, or</li> <li>• In this instance given, if the organisation decides it is appropriate to continue using Pick Everard then completion of a Single Tender Approval (STA) Request form and approval in line with stated financial authorisation limits should have been undertaken.</li> </ul> <p>We would recommend that to cover future usage of Pick Everard a STA Request form is completed with an 'estimated' value of work and that this is then approved as required and used as a 'call off' agreement.</p>	<p>SB</p>	<p>October 2014</p>	<p>It was reported to the Committee in June 2015 that officers take the view the process followed was compliant and contrary to the internal audit recommendation no Single Tender Award (STA) waiver is required.</p> <p>This view has now been formally communicated to and discussed with Baker Tilly, who have confirmed they are satisfied on this point.</p>	<p>Closed</p>

Owner

SB     Stuart Bonner

**Author:**

**John Neilson**

**END**

**JOINT INDEPENDENT AUDIT COMMITTEE**  
**9<sup>th</sup> September 2015**

**PROGRESS REPORT ON OUTSTANDING AGREED ACTIONS IN THE OPCC ANNUAL GOVERNANCE STATEMENT 2013-14**

	<b>ACTION</b>	<b>OWNER</b>	<b>PROGRESS</b>	<b>END DATE</b>
4	Ensure the Regional initiative on middle and back office functions is effectively governed	IB JN	Baker Tilly completed an initial piece of work in March 2015. They are now engaged on a second review of Learning and Development. The intention is this will inform a systematic review of all Regional Collaborative arrangements. The PBS business case was approved in July 2015. The Niche programme is due for implementation in October 2015. In August Northants, Notts and Leicestershire agreed to explore the potential of a strategic alliance. This action also included in the draft AGS for 2014-15	Ongoing through Autumn 2015
6	Establish a new officer group in the OPCC to take responsibility for improvements to the governance framework and processes and delivery of agreed changes	IB	This action was proposed prior to the re-shaping of the Office of the Police and Crime Commissioner in the late summer of 2014. That introduced the post of Director for Resources, Governance and Transformation – which includes accountability for this action.	September 2015

**PROGRESS REPORT ON THE PROPOSED DRAFT AGREED ACTIONS IN THE OPCC ANNUAL GOVERNANCE STATEMENT 2014-15**

	<b>ACTION</b>	<b>OWNER</b>	<b>PROGRESS</b>	<b>END DATE</b>
1	A continuing focus on strengthening regional governance arrangements – specifically building on the current review being undertaken by Baker Tilly.	IB JN	See action 4 in the AGS action plan for 2014-15, noted above,	Ongoing through Autumn 2015
2	Review of the overall relationship between the OPCC and the Force in the context of the appointment of a new Chief Constable, anticipated to made in June 2015.	IB	Chief Constable Simon Edens took up post in late July. He and the Commissioner plan to establish a new strategic Board which will oversee delivery of key priorities. The Chief and Commissioner have been working together closely and positively in this first month.	September 2015
3	A major programme to take further the work towards the integration of Police and Fire services.	IB	The OPCC, Force and Northamptonshire County Council are currently in discussion on the next steps in the context of the government’s consultation proposals.	September 2015
4	Development of a ‘People Strategy’ by the end of 2015.	IB JN	A draft will be discussed with the Audit Committee workshop in November 2015.	December 2015
5	Based on the findings of a managerial review undertaken in early 2015, a comprehensive review of the Commission’s governance documentation will be undertaken, provisionally for completion by December 2015.	JN	Draft conclusions will be discussed with the Audit Committee workshop in November 2015	December 2015



	<b>ACTION</b>	<b>OWNER</b>	<b>PROGRESS</b>	<b>END DATE</b>
6	Further work to develop the potential added value of the 'Assurance Map' over the next financial year will be shared with the Audit Committee.	JN	Draft proposals will be discussed with the Audit Committee workshop in November 2015	March 2016

**Owners**

IB    Iain Britton    OPCC Chief Executive

JN    John Neilson    OPCC Director for Resources, Governance and Transformation

**Author**

John Neilson

**END**



## Joint Audit Committee (JAC) Finance Highlight Report

### 1 Medium Term Financial Position

- The force has a current savings plan versus estimated cumulative deficit as shown below. (Northants Financial Strategy August 2015).

<b>Summary Savings Plan</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Legacy Savings	903	898	858	0
Project Balance Savings	2,948	1,209	395	342
Plan B Savings	70	0	0	0
Ranking Restructure and reduction in PCSO's	535	420	285	139
<b>TOTAL SAVINGS IDENTIFIED</b>	<b>4,456</b>	<b>2,527</b>	<b>1,538</b>	<b>481</b>
<b>CUMULATIVE SAVINGS</b>	<b>4,456</b>	<b>6,982</b>	<b>8,521</b>	<b>9,002</b>
<b>5% Cash Cut - Current Workforce and Savings Plan</b>				
CUMULATIVE DEFICIT	(6,123)	(10,454)	(14,356)	(18,079)
<b>A Surplus / (Deficit) before reserves</b>	<b>(1,667)</b>	<b>(3,472)</b>	<b>(5,835)</b>	<b>(9,077)</b>
<b>8.75% Cash Cut - Current Workforce and Savings Plan</b>				
CUMULATIVE DEFICIT	(8,912)	(15,649)	(21,614)	(27,093)
<b>B Surplus / (Deficit) before reserves</b>	<b>(4,456)</b>	<b>(8,667)</b>	<b>(13,093)</b>	<b>(18,091)</b>

- This is post PBS and there are no assumed savings from the Strategic Alliance. Business Planning and required transformation programme in development
- Capital Programme being to be reviewed and prioritised.

### 2 In year position

- The Force is forecasting a small overspend of £0.3m at the end of Q1 after agreed carry-forwards.
- Forecast levels of total reserves at 31.03.16, £15.61m, Gen Reserves £4.67m.

### 3 Scenario Planning

- 5% cash cuts and 8.75% cash cut scenarios with resource implications modelled in Financial Strategy paper and as a basis of Business planning and organisational Design.



# Independent Joint Audit Committee Dashboard

September 2015

AGENDA ITEM 13



## Data for period ending: July 2015

Indicator	12 Month Average	Current Month	Trend (12 months)	Commentary
<b>CUSTOMERS</b>				
<b>Victim satisfaction and confidence in service delivery</b>				
Victim satisfaction	83.0%	<b>80.0%</b>		A continuing declining trend in the satisfaction with the overall service for victims over the last 12 months although slightly higher than the baseline figure. The decrease is due to a reduction in the satisfaction with the actions taken with hate crime, violent crime and vehicle crime experiencing large reductions. Call handling satisfaction remains high, and satisfaction with follow up is stable - an improvement in this area which had previously seen strong reductions. Satisfaction for victims of violence and vehicle crime are our biggest challenge with both experiencing reductions since changes in process (vehicle crime) or higher volumes of crimes (violence). Victims of burglary continue to be our most satisfied group.
Public confidence (Police only)	81.8%	<b>80.2%</b>		Confidence in the police is continuing to show a declining trend. Over the last 12 months 78.9% of people surveyed were confident in the police to deal with things that matter to the community. This has reduced significantly by -7.1% in comparison to 12 months ago. The reduction is also considered to be statistically significant despite a reduction in sampling. Wellingborough CSP is currently the lowest at 71.9% and has seen a marked decline over the last 12 months. Northampton, Corby and East Northants have also experienced a sharp reduction, particularly since October.
Public confidence (Police and Council - joint measure)	57.4%	<b>58.6%</b>		Confidence in the police and local council showing a declining trend over the last 12 months, although recent months have seen an increase. We remain below the baseline. For the 12 months ending May, 58.4% of people surveyed agreed the police and the local council are dealing with ASB and crime issues. South Northants have seen an increase in confidence in the last 12 months, with Northampton and Kettering stable. The other CSPs are recording reductions. Wellingborough remains the CSP with the lowest level of confidence.
Complaints from the public	38	<b>56</b>		The number of public complaints varies month to month with May recording 30, once of the lowest in the last 12 months. The main reasons for complaints are perceived neglect/failure in duty, irregularity in procedure and incivility. PSD manage these to conclusion. There are no immediate risks identified from this data.
Whistle Blowing	9	<b>17</b>		The number of whistle blowing reports has increased in the last 6 months but numbers are still small and do not indicate any risks.
<b>Call answering times</b>				
999 (Definition of service level: 90% in 10 seconds)	86.6%	<b>79.5%</b>		999 calls have decreased further below target this month (84.5%) and are showing a 12 month SL of 87.3%. Service level in this area has been struggling since July 2014. There were some improvements at the beginning of the year however if the current trend continues with expected increases in 999 call volumes it is possible that service level will deteriorate and possibly more so than what was seen last summer. Additionally this area has been impacted by the increase in calls from Leicestershire during May. The majority of this came from the middle of the month when Leicestershire has to evacuate its control room due to the fire in the server room thus putting far more demand on Northamptonshire Police resources.
Non emergency (Triage) (Definition of service level: 80% in 30 seconds)	78.0%	<b>62.8%</b>		Service level has fallen to 73% during May, the lowest it has been since September 2014. The 12 month figure remains at 80.4% however if the current trend continues this will continue to decline. This service provides an effective risk assessment for all calls in the first instance. Triage call handling is staffed by available call handlers within the room and also by the demand management team. This service needs to improve the monthly figure to maintain the 12 month rate. Overall this service saw a lot of variability and was only able to achieve service level for 6 days during May (early in month).
Non emergency (post Triage) (Definition of service level: 70% in 30 seconds)	51.2%	<b>30.0%</b>		Service level has not been achieved in this area for the past 10 months. May was 39.3%, the lowest it has been since 2007 which has gone into exception. Service level was only achieved once during the month which was bank holiday Monday. Overall the current 12 months service level is 59.9%, this is a significant reduction of -24.1% from the previous 12 months. This service is presenting as a risk to the force and is currently not showing any signs of improvement. Whilst these calls may have been risk assessed at triage, they still require a crime/incident. Calls in this area are waiting a significant amount of time which is leading to a high abandonment rate and we have noticed a small increase in complaints regarding call waiting. Some people are believed to not call back in at all.
<b>Response times (% attended within service level)</b>				
G1 (Attend rural G1s in under 20 minutes, urban G1s in under 15 minutes)	80.9%	<b>79.1%</b>		Urban emergency incidents attended in target have fallen over the last 12 month with June and July 2015 much lower than the rest of 2015. Dispatch target continue to show improvements, arrival within target for these incidents remains of the most concern for this area. The area of most concern is the ability to arrive within target for this grade of incident which is showing a sustained declining trend. Summer months are seasonally lower with staff absences but are also known and able to be planned for.



# Independent Joint Audit Committee Dashboard

September 2015



Indicator	12 Month Average	Current Month	Trend (12 months)	Commentary
G2 (Attend all G2s in under 60 minutes)	53.4%	<b>50.9%</b>		There have been recent improvements for the ability to arrive within target for a grade 2 incident however this is only a small increase with levels within normal random variation. Dispatch times are improving but overall the last 4 months have been low. G2 incidents are falling in volume which if it continues could result in an improvement in incidents attended. The introduction of the THRIVE model will also ensure incidents are correctly graded and an appropriate response is given.
<b>PEOPLE</b>				
<b>Workforce strength</b>				
Officers	1234.4	<b>1239.7</b>		The force establishment is 1220 officers plus those funded by external partners. Staffing is managed through strategic workforce planning to keep numbers just above this level. A recruitment drive in June resulted in an increase in overall strength at constable level. The force anticipates a number of leavers during the remainder of 2015 which will bring overall officer numbers down again.
Constables	904.6	<b>835.23</b>		The number of constables has fluctuated over the last 12 months with the last 4 months lower following promotion boards in March/April. This rank is expected to increase as we flatten the management structure but this is not yet seen in the figures here.
Sergeants	209.7	<b>208.63</b>		The number has slowly fallen over the last 12 months, in line with the target operating model requirements. The rise in March was due to the promotion boards
Inspectors	57.1	<b>58.73</b>		Inspectors had seen a long term reduction in line with the planned reductions in this rank according to the future direction/model of the Force. However, this rank has seen higher levels in the last 4 months with a number of temporary roles.
Chief Inspectors	17.9	<b>15</b>		This rank has seen a reduction over time in line with the planned reductions of Chief Inspectors according to the future direction of the Force. Recent numbers are stable
Superintendents	8.3	<b>9</b>		This rank has reduced by 1 compared with March 2013 but the recent increases reflect temporary superintendents to cover strategic roles e.g. Aspire.
Chief Superintendents	1.0	<b>1</b>		This rank is stable.
ACPO	4.1	<b>4</b>		This is stable in line with the future direction of the Force
PCSOs	119.9	<b>102.14</b>		The number of PCSOs fell in April as many left to join the regulars and were not replaced according to the future model for the force.
Operational Frontline (officer)	1088.5	<b>1104.91</b>		90.7% of officers are in frontline roles, a high proportion compared with previous months, with a further 6.4% in operational support roles and the remaining 2.8% in back office roles. This is consistent with previous years and other forces using HMIC data.
Operational Support (officer)	83.4	<b>78.49</b>		The difference in totals with officer strength is due to where a function as not been assigned or the Home office code is 62 Other.
Business Support (officer)	34.1	<b>34.74</b>		
Police Staff (exc PCSOs)	831.6	<b>780.50</b>		Police staff numbers have shown a sharp reduction in the last quarter following the voluntary redundancy of staff at the end of March 2015. Further savings are needed during 2015/16 and the joint function between Northants and Notts for back office functions is likely to deliver further savings through leavers. This will impact on departments and the ability of the force to provide some functions in the same way as they are currently. Programme Aspire is looking at ways to transform the organisation and empower people to self serve.
Operational Frontline (staff) inc PCSOs	488.9	<b>446.39</b>		52% of police staff are in frontline roles (forensic officers, PCSOs), a fall over the last quarter with a reduction in PCSO numbers. A further 20% are in operational support (control room, intelligence) and the remaining 28% in back office roles. All elements will be reviewed as part of the financial savings required.
Operational Support (staff)	191.4	<b>172.73</b>		The Difference in totals are where a function as not been assigned or the Home office code is 62 Other
Business Support (staff)	254.3	<b>241.19</b>		
Special constables	406.8	<b>467</b>		Volumes of specials continue to increase each month and we have seen a notable increase in July. In the latest value for money profiles (autumn 2014) the Force had the highest rate of special constables per capita nationally. Further intakes are planned for 2015 to take numbers towards the target set by 2016.
Volunteers	710.8	<b>716</b>		Significant increase in volume of volunteers over the last 12 months due to active recruitment and the expansion of community Speed Watch. Drop in June and July reflects administrative processes to verify people on systems.
Cadets	129.0	<b>105</b>		The number of cadets is stable. Likely to increase with the start of the new school year.
<b>Sickness (average days lost per person) or other absence</b>				
Officers	6.81 (p.a)	<b>0.61</b>		Officer sickness has been increasing in the last 4 months. Short term absence remains the most common type (40%) with a further 30% being long term and 30% medium term. The force monitors the reason for absence to identify trends in themes. No single theme is causing any concern at present.
Staff	8.4 (p.a)	<b>0.52</b>		Staff sickness has sharply increased in June and July and stress is cited in a growing number of cases. This may be linked to the reduction in staff numbers earlier in the year and the review of back office functions.



# Independent Joint Audit Committee Dashboard

September 2015



Indicator	12 Month Average	Current Month	Trend (12 months)	Commentary
Officers on Recuperative duties	33	<b>35.14</b>		2.9% of officers are currently on recuperative duty. The total has fallen over the last 12 months and is now only just above that of the baseline. These officers are making a positive contribution to the force and adding value.
Officers on Restricted duties	52.29	<b>53.43</b>		4.3% of officers are currently on restricted duty. These officers are still making an active contribution and supporting their colleagues freeing up other officers time. Totals have fallen in the last 12 months to just above the baseline.

### Turnover

Officers	<b>1.0%</b>		Remains relatively low. April and May slightly higher with a number of officers retiring, Staff turnover for May is stable following the rise in leavers during March.
Staff	<b>0.6%</b>		

### STRATEGIC PRIORITIES

All Crime	-12%	<b>13.7%</b>		All Crime is recording an increase of 13.8% over the last 12 months following the improvements made to crime recording in April 2014. We are ranked 33rd nationally for rate per 1000 people. Nationally, all crime is also increasing at 1.4% with 26 forces recording increases.
All Crimes resolved	29.3%	<b>25.5%</b>		Resolutions volumes of resolutions have fallen over the last 12 months and this combined with increased crime has resulted in the rate declining. We have achieved a national rank of 25th which is improving, indicating other forces are also struggling to resolve crimes.
Violence	-11.0%	<b>56.2%</b>		Violence levels continue to increase and the force is now showing an increase of +56.4% in the last 12 months, higher than that in the baseline year. The increase is higher than the national trend (+24%) and the MSG (+20.7%). Homicides and most serious violence remain low but the latter is slightly up compared with 12 months ago. We are 41st nationally for rate per 1k, further deterioration the last meeting. Assault without injury now accounts for over half of offences - lower risk crimes and dominated by domestic violence. Night time economy, youth violence and alcohol related violence are all increasing
Serious Acquisitive Crime	-18%	<b>-11.4%</b>		SAC remains our best area of performance with an 11% reduction in the last 12 months. This is slowing compared with baseline but it was always going to be difficult to maintain reductions in excess of 15%. We are 28th nationally and achieving greatest success in domestic burglary and theft from motor vehicles.

### FINANCE DASHBOARD

	Status	Dir. of Travel	Confid. Level	
Forecast Revenue Expenditure	●	⇒	n/a	The forecasted revenue expenditure has a status of amber suggesting that spend is forecast to be (£0.331m) above expectations at the end of the year. Work with budget holders will continue in order to bring this into line with budget, however, operational leads should note that if this trend continues, this will impact both; <ul style="list-style-type: none"> <li>• Our ability to carry forwards funding into 2016/17; &amp;</li> <li>• Our ability to meet any unplanned expenditure within 2015/16.</li> </ul>
Forecast against £7.6m savings target 2015-16	●	⇒	5	The status of the £7.6m 2015/16 savings target, is amber, as there is a £0.4m shortfall and work with operational and departmental heads will need completing in order to identify the additional savings to deliver of a balanced budget within 2015/16.
Forecast against £10.4m savings target 2016/17 - 2019/20	●	↑	3.5	The forecasts for the 2016/17 through 2019/20 budgetary reductions continue to be of concern, with a forecasted shortfall of £3.002m in 2016/17 and with deficit after planned savings forecast to be £10.4m by 2019/20. This deficit equates to an average of £2.27m per annum (48 Officer or 68 staff FTE reductions) over each of the next four years.

#### Key for the traffic light system

- Actuals are tracking profiled budget and variance/ forecast year-end position is either under budget or less than 0.5% of budget. Needs minimal monitoring. **(In non accounting terms this means everything is ok and spend is where it should be at this time of year)**
- Variance/ forecast year-end position is between 0.5% and 1% over budget. This needs close monitoring to ensure actuals are moved back into line with profile. **(In non accounting terms either what you have spent so far or where we are expected to be at the end of the year is at least 0.5% over budget).**
- Variance/ forecast year-end position is greater than 1% over budget. The spends on this budget need investigating and actions put in place to try and manage the finances back to within 1% of budget. **(In non accounting terms this is not good and if this is not actively managed the unit will not meet its performance target)**



## Northamptonshire Police Strategic Risk Register – September 2015

Ref	Description	Inherent Risk			Response Measures	Residual Risk			Comments	Status
		L'hood	Impact	Score		L'hood	Impact	Score		
CR 71	<p>Grant reductions beyond 2015/16 are now expected to be greater than 3.2%, between 5% and 8.75% resulting in an increased budget deficit and the requirement to save between £1.6 and £4.6m by the 1st April 2016.</p> <p>Strategic Alliance slows savings i.e. £1.5m of Savings for PBS were due to be delivered for 2016-17.</p>	4	5	20	<p>ACPO Team and will have to make key staffing decisions in October / November to balance the Budget for 2016-17</p> <p>Longer Term, need to develop an affordable Organisational Design. Strategic Alliance should mitigate the impact in terms of consolidation and integration opportunities.</p>	5	5	20	<p>Options for staff need to be considered based on a proper consideration of threat, harm and risk, activity and demand analysis.</p> <p>Investment needs to be focused on making staff more efficient in terms of visibility and response times and capable of making value adding decisions, as well as reducing and managing demand better.</p>	↑

Ref	Description	Inherent Risk			Response Measures	Residual Risk			Comments	Status
		L'hood	Impact	Score		L'hood	Impact	Score		
CR 76	Niche will replace the Case, Custody, Crime and Intelligence systems with a regional solution. This will require a substantial programme of work within a very aggressive timescale which will have a significant impact across the Force.	4	5	20	The programme has identified and recorded a number of specific risks associated with the implementation. Response measures have been identified for each of these risks and these will be monitored by the Programme Board.	4	4	16	This is a substantial programme of work on a scale never before attempted by the Force. Timescales are aggressive with Northants scheduled to go live on 20th October 2015. Identified risks are being mitigated through planning and focussed work streams, however there remain concerns about the volume and complexity of work required to Back Record Convert (BRC) historical records from current systems into Niche in time for go live. Furthermore the EM Programme state that all Chief Constables and PCCs in the EM region have been briefed to expect a marked fall in performance coincident with the implementation of Niche. This includes the expectation in Northamptonshire that a number of reports in the MI and performance reporting suite will need to be redeveloped and it is unlikely that all will be available in time for go live on 20 October.	→
CR 60	Reduced capacity to deliver changes required to fulfil the Police and Crime Plan could result in a failure to meet operational or financial targets.	4	5	20	A Transformation Programme has been developed to plan and manage the required changes. The Force and OPCC are collectively working to address human and financial resource challenges, in addition to identifying priority work streams within the transformation agenda (while returning business as usual elements of the portfolio back to the operational business).	4	4	16	Funding and resources are at a critical point to deliver the fullness of the transformation agenda. Discussions are taking place at the Executive level.	→

Ref	Description	Inherent Risk			Response Measures	Residual Risk			Comments	Status
		L'hood	Impact	Score		L'hood	Impact	Score		
CR 19	Less funding available, both from public and private sources to enable the force to prepare for population growth.	5	5	25	Successful Innovation funding bids in Round 1 and 2 well beyond the top slicing used to pay for them. The situation will be continually monitored to identify any specific developments and inform the Force's strategic and operational planning processes. The Force will work in partnership with the Local Planning Authorities to ensure that community safety and policing capital requirements are factored into planning policy.	3	5	15	Further cuts to budgets are expected to be announced in the November Budget Statement.	→
CR 61	Failure to deliver key outcomes of the Police and Crime Plan relating to the recruitment of Special Constables, Cadets and Volunteers could result in increased demand on the Force and reduce performance, budgetary pressure, loss of public confidence and possible adverse publicity.	3	5	15	The marketing and recruitment of Special Constables has been assigned to the OPCC and a private firm (Manpower), while the Force has retained the assessment and training of candidates. The Aspire Programme has moved the coordination, recruitment and operation of Cadets and Volunteers to the business.	3	4	12	Force has attained national standing for the strongest force of Special Constables in the United Kingdom. Recruitment trajectory has slowed. Contact for market recruitment firm nearly finalised. As at 31 May 2015 the Force has 462 Specials, 902 Volunteers and 130 Cadets.	→
CR 74	The HMIC CDI inspection has highlighted gaps in the Force policy for crime recording and the application of the Home Office Counting Rules. Crimes are not recorded accurately affecting the quality of operational information, public trust and confidence and services to victims.	5	4	20	An independent Force Crime and Incident Registrar has been appointed reporting to ACC Crime and Local Policing. An action plan has been produced to address the recommendations in the HMIC inspection report. Progress against the action plan will be monitored by the Head of Crimes Crime and Safeguarding Improvement Group. A follow up inspection by HMIC is scheduled for November 2014.	3	4	12	Post reinspection CDI compliance continues to improve with robust supervision and audit and high compliance with the new 24 hour recording.	↓



Ref	Description	Inherent Risk			Response Measures	Residual Risk			Comments	Status
		L'hood	Impact	Score		L'hood	Impact	Score		
CR 63	The Force is unable to implement the recommendations from the joint OFSTED/HMIC inspection into the safeguarding of vulnerable people resulting in potential harm to victims, adverse publicity and loss of public confidence.	4	3	12	Project team is in place. A partnership action plan has been created which reports via Executive Support to the Local Safeguarding Board. New procedures and technology for processing referral forms is in place.	2	4	8	There is good progress on all recommendations. Outcomes have improved and are intrusively governed by the NSCB. The local governance of recommendations is still in place and an independent audit of all evidence is taking place.	→

### Pending Closure

Ref	Description	Inherent Risk			Response Measures	Residual Risk			Comments	Status
		L'hood	Impact	Score		L'hood	Impact	Score		
CR 69	Due to unplanned additional reductions the Force is unable to balance the budget for 2016/17 impacting on operational performance and capacity.	4	5	20	Developed Scenario Response which would include, in the short term, use of reserves. In the longer term revisit Programme Brief Business Case to adjust weighting in terms of drivers for change. Redefine Programme to take into account the economic change and blueprint design to deliver increased savings.	3	5	15	The Force has a plan which will deliver a balanced budget that would only be affected if there was any further significant top slicing. Top slicing resulted in an additional £1.12m cut in 2014-15. The same could happen in 2015-16. The Change programme may not be able to deliver the required level of savings. The planned savings of 30% from police staff have increased to 38% now that forensics and CJ are out of scope. <b>Recommended for closure as risk already covered in CR71.</b>	→

Ref	Description	Inherent Risk			Response Measures	Residual Risk			Comments	Status
		L'hood	Impact	Score		L'hood	Impact	Score		
CR 57	Austerity continues beyond 2018/19 placing additional pressure on the Force's capacity and capability.	5	4	20	Change Programme to increase prevention activities through demand analysis and better management of demand. Maintain Capacity and Capability through bigger, more multi-skilled teams and interoperability regionally and with Fire. Increased availability, visibility and faster response through mobile data and collaborative style of working through agile working. Better allocation of resources and response through demand analysis.	3	4	12	Supported by successful Innovation funding bids in Round 1 and 2 well beyond the top slicing used to pay for them, the Aspire programme is focusing on putting in place an infrastructure that will allow the force to move, grow, and reduce in a dynamic manner. Whilst there will always be issues of capacity this infrastructure should assist in the organisational ability to adapt to changing demands. <b>Recommended for closure as risk already covered in CR71.</b>	→

'Status' key – ↓ risk decreasing, → no change, ↑ risk increasing

**OFFICE OF THE POLICE AND CRIME COMMISSIONER**

**CORPORATE RISK REGISTER**

At 1<sup>ST</sup> September 2015

	<b>Risk</b>	<b>Current</b>	<b>Previous</b>	<b>Direction</b>	<b>Assurance</b>
1	PCCs are 'going concerns'	5		No change	Strong
2	Government agenda understood etc.	12		No change	Adequate
3	Appropriateness of the OPCC priorities	12		No change	Strong
4	Confidence in delivery of priorities	12		No change	Strong
5	Understanding of roles and responsibilities	12		No change	Adequate
6	Legal and governance requirements met	8		No change	Adequate
7	Stable and sustainable budget and MTFP	12		No change	Adequate
8	Confidence in OPCC	9		No change	Adequate
9	Hearts and Minds	9		No change	Adequate

**NOTE**

Changes to text in the Risk Register, below, compared to the previous version, are highlighted in RED; (other than changes in Risk score, RAG and Risk Direction)

## RISKS ARISING FROM ASSUMPTIONS

<b>RISK 1</b>	<b>Police Commissions are ‘going-concerns’</b>								
Risk Owner	Chief Executive								
Risk Indicators	<ul style="list-style-type: none"> <li>a. Government announcements</li> <li>b. Informed commentators suggest changes in prospect</li> </ul>								
Controls	PCC ‘intelligence’ through networks such as Chief Executives’ association, Home Office contacts etc.								
Assurances / Source / Line	<p>Staff supervisions and feedback / 1<sup>st</sup></p> <p>Briefings to PCC from Chief Executive / 2<sup>nd</sup></p> <p>Government policy / 3<sup>rd</sup></p>								
Assurance level	<b>Strong</b>								
Risk Score	<table border="0"> <tr> <td>Probability</td> <td>Impact</td> <td><b>Risk Score</b></td> <td>Previous</td> </tr> <tr> <td>1</td> <td>5</td> <td><b>5</b></td> <td>5</td> </tr> </table>	Probability	Impact	<b>Risk Score</b>	Previous	1	5	<b>5</b>	5
Probability	Impact	<b>Risk Score</b>	Previous						
1	5	<b>5</b>	5						
RAG level	Strong								
Risk Direction	<b>No change</b>								
Actions / Owner / Timescale	Monitor Government intentions / CE / ongoing								
Comments	Outcome of the General Election suggests PCCs will continue for at least another term. Duties and powers may be expanded. Consultation on Police – Fire imminent.								
Contingency plan	Re-shape the Commission if appropriate when potential likely alternative models emerge								

**RISK 2****Government agenda understood and stable**

Risk Owner

Chief Executive

Risk Indicators

Indications of significant policy shift

Controls

PCC 'intelligence' through networks such as Chief Executives' association, Home Office contacts etc.

Assurances / Source / Line

Staff supervisions and feedback / 1<sup>st</sup>Regular briefings to Commissioner by Chief Executive / 2<sup>nd</sup>Government policy / 3<sup>rd</sup>

Assurance level

**Adequate**

Risk Score

Probability	Impact	Risk Score	Previous
3	4	<b>12</b>	12

RAG level

Risk Direction

**No change**

Actions / Owner / Timescale

Closely monitor government intentions and revise plans as necessary at earliest opportunity / CE / ongoing

Comments

Government intentions re scope of duties and powers of PCCs are somewhat uncertain following the Election – but there is likely to be some expansion of powers and duties, the implications of which at the current time are not clear or fully understood. These implications represent opportunities rather than risks. **Police- Fire consultation imminent September 2015**

Contingency plan

Re-shape priorities appropriately

<b>RISK 3</b>	<b>Continuing appropriateness of the OPCC priorities</b>								
Risk Owner	Chief Executive								
Risk Indicators	<p>Insight from public engagement indicates new demands or incompatibility with current priorities</p> <p>Significant policy shift by government</p> <p>Adverse media and / or stakeholder feedback</p> <p>Any change in relevant local policy drivers</p> <p>Changes in current performance</p>								
Controls	<p>Public engagement and insight therefrom</p> <p>PCC 'intelligence' is broadly based</p> <p>Strategic planning processes</p> <p>Performance management arrangements</p>								
Assurances / Source / Line	<p>Latest engagement feedback reports / 1<sup>st</sup></p> <p>Performance reports; Delivery Unit / 2<sup>nd</sup></p> <p>Refresh of Police and Crime Plan / Chief Executive / 2<sup>nd</sup></p> <p>Latest national policy intelligence / 3<sup>rd</sup></p>								
Assurance level	<b>Strong</b>								
Risk Score	<table border="1"> <thead> <tr> <th>Probability</th> <th>Impact</th> <th>Risk Score</th> <th>Previous</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>3</td> <td><b>12</b></td> <td>12</td> </tr> </tbody> </table>	Probability	Impact	Risk Score	Previous	4	3	<b>12</b>	12
Probability	Impact	Risk Score	Previous						
4	3	<b>12</b>	12						
RAG level									
Risk Direction	<b>No change</b>								
Actions / Owner / Timescale	Closely monitor government intentions and revise plans as necessary at earliest opportunity, taking advantage of opportunities presented by government policy / CE / ongoing								
Comments	As for Risk 2.								
Contingency plan	Re-shape priorities appropriately								

## RISKS ARISING FROM CAPABILITY

<b>RISK 4</b>	<b>We are confident that the OPCC priorities will be delivered, on time.</b>			
Risk Owner	Chief Executive			
Risk Indicators	Lack of plans			
	Concerns over adequacy of plans			
	Slippage in achieving milestones			
Controls	Performance management arrangements			
	Change management governance arrangements			
Assurances / Source / Line	Performance reports – staff performance management / 1 <sup>st</sup> and 2 <sup>nd</sup>			
	Service delivery performance / 2 <sup>nd</sup>			
	Delivery Unit reports and Joint OPCC – Force senior manager group / 2 <sup>nd</sup>			
	Aspire Board and Programme Boards / 2 <sup>nd</sup>			
	External reports by non-Executive Directors / 3 <sup>rd</sup>			
	Internal Audit / 3 <sup>rd</sup>			
Assurance outcome / level	<b>Strong</b>			
Risk Score	Probability	Impact	<b>Risk Score</b>	Previous
	3	4	<b>12</b>	12
RAG level				
Risk Direction	<b>No Change</b>			
Actions / Owner / Timescale	No new specific actions			
Comments	New Chief Constable now in post and discussions underway on re-designing governance arrangements for holding him to account including the Transformation portfolio.			
Contingency plan	Strengthen leadership of programmes			
	Secure necessary capability			

<b>RISK 5</b>	<b>Roles and responsibilities of staff, and their priorities, are fully understood across the Commission</b>			
Risk Owner	Chief Executive			
Risk Indicators	Informal feedback from staff Lack of or ambiguity on staff priorities Falling short of targets Evidence of overloading staff			
Controls	Supervision arrangements Staff Performance management arrangements Informal staff engagement by senior management			
Assurances / Source / Line	Supervision and staff appraisal reports / 1 <sup>st</sup> & 2 <sup>nd</sup> Anecdotal feedback to senior management / 2 <sup>nd</sup> Portfolio framework of staff responsibilities / 2 <sup>nd</sup> Internal Audit / 3 <sup>rd</sup>			
Assurance outcome / level	<b>Adequate</b>			
Risk Score	Probability	Impact	<b>Risk Score</b>	Previous
	3	4	<b>12</b>	12
RAG level				
Risk Direction	<b>No change</b>			
Actions / Owner / Timescale	Development of a formal People Strategy has been deferred			
Comments	A number of changes in portfolio and priorities of individuals have recently been agreed. Note also comments on Risks 1 and 2			
Contingency plan	Ad hoc senior management interventions			



**RISK 6****The OPCC meets all legal and proper governance requirements**

Risk Owner

Chief Executive

Risk Indicators  
ControlsStakeholder feedback  
Supervision arrangements

Staff Performance management arrangements

Informal staff engagement by senior management

Assurances / Source / Line

Staff supervision and appraisal / 1<sup>st</sup>Corporate policies / Statutory officers oversight / 2<sup>nd</sup>Annual Governance Statement / 2<sup>nd</sup>Internal Audit Annual Report / 3<sup>rd</sup>Police and Crime Panel scrutiny & feedback / 3<sup>rd</sup>External independent review / 3<sup>rd</sup>

Assurance outcome / level

**Adequate**

Risk Score

Probability	Impact	Risk Score	Previous
2	4	8	8

RAG level

Risk Direction

**No change**

Actions / Owner / Timescale

A People Strategy for the OPCC is in development / CE & Director RGT / **December 2015**.The Scheme of Governance will be reviewed in line with best practice / Director RGT / **December 2015**

Comments

Contingency plan

Secure expert advice as and when necessary

Rectify breaches as quickly as reasonably possible

<b>RISK 7</b>	<b>Stable and sustainable deliverable OPCC Budget and MTFP</b>								
Risk Owner	Director for Resources, Governance and Transformation								
Risk Indicators	Government announcements indicating material changes  Forecast deficits  Use of one off financing to balance budgets								
Controls	Budget monitoring processes  Budget and Financial Planning processes  Broadly- based 'intelligence'								
Assurances / Source / Line	Managerial budget monitoring / 1 <sup>st</sup>  Professional networks / 3 <sup>rd</sup>  Internal audit and Inspectorate reports / 3 <sup>rd</sup>  Progress reports to Commissioner / 2 <sup>nd</sup>  External independent review / 3 <sup>rd</sup>								
Assurance outcome / level	<b>Adequate</b>								
Risk Score	<table border="1"> <thead> <tr> <th>Probability</th> <th>Impact</th> <th>Risk Score</th> <th>Previous</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>4</td> <td><b>12</b></td> <td>12</td> </tr> </tbody> </table>	Probability	Impact	Risk Score	Previous	3	4	<b>12</b>	12
Probability	Impact	Risk Score	Previous						
3	4	<b>12</b>	12						
RAG level									
Risk Direction	<b>No change</b>								
Actions / Owner / Timescale	Keep implementation of MTFP and Budget under close review and review spending plans for later years; <b>Business planning workshops and top level meetings with Force underway / Director RGT / December 2015</b>								
Comments	<b>Spending Review expected December 2015 and potential changes in grant distribution formula for 2016-17</b>								

<b>RISK 8</b>	<b>The public have high and widespread confidence in the OPCC</b>			
Risk Owner	CE Assistant CE			
Risk Indicators	Feedback – adverse and favourable  State of national debate and context re PCCs			
Controls	OPCC Communication Strategy and Plans			
Assurances / Source / Line	Management Information and review meetings / 1 <sup>st</sup>  Oversight by Chief Executive / 2 <sup>nd</sup>  Regulator reports / 3 <sup>rd</sup>			
Assurance outcome / level	<b>Adequate</b>			
Risk Score	Probability	Impact	<b>Risk Score</b>	Previous
	3	3	<b>9</b>	9
RAG level				
Risk Direction	<b>No change</b>			
Actions / Owner / Timescale	Visibility campaign / continuing public engagement / ACE / ongoing			
Comments				
Contingency plan	Flexible and rapid response to ‘events’			

<b>RISK 9</b>	<b>The OPCC has won the ‘hearts and minds’ across the Force and Commission staff</b>			
Risk Owner	CE			
Risk Indicators	Feedback – adverse and favourable			
	State of national debate and context re PCCs			
	Failure to deliver objectives on time, or to budget			
Controls	OPCC Communication Strategy and Plans			
	Staff management and briefings			
	Aspire Board and associated relationships OPCC – Force			
Assurances / Source / Line	Management Information and review meetings / 1 <sup>st</sup>			
	Oversight by Chief Executive / 2 <sup>nd</sup>			
	Aspire Board reports / 2 <sup>nd</sup>			
	Regulator reports / 3 <sup>rd</sup>			
Assurance outcome / level	<b>Adequate</b>			
Risk Score	Probability 3	Impact 3	<b>Risk Score</b> <b>9</b>	Previous 9
RAG level				
Risk Direction	<b>No change</b>			
Actions / Owner / Timescale	A People Strategy for the OPCC in in development / CE & Director RGT / <b>December 2015</b> .			
	Joint work with Force on strengthening Change programme management / CE / ongoing			
Comments				
Contingency plan	Flexible and rapid response to ‘events’			

**OPCC  
Assurance Map**

Risk	Assurances			Level	Score
	First level	Second level	Third level		
1 PCCS are 'going concerns'	Staff supervisions and feedback	Chief Executive briefings	Government policy	Strong	5
2 Government agenda understood etc.	Staff supervisions and feedback	Chief Executive briefings	Government policy	Adequate	12
3 Appropriateness of the priorities	Engagement feedback	Performance reports Delivery Unit reports Police and Crime Plan	National intelligence	Strong	12
4 Confidence in delivery	Performance reports Staff performance management	Staff management Performance reports Delivery Unit reports	Non-executive Director reports Internal Audit	Strong	12
5 Understanding of roles etc.	Staff performance management	Staff performance management	Internal Audit	Adequate	12
6 Legal and governance compliance	Staff performance management	Staff management Corporate policies Statutory Officers' oversight	Internal Audit Annual report Police and Crime Panel scrutiny External reviews	Adequate	8
7 Stable Budget and MTFP	Budget holder oversight	CFO reports to Commissioner and Panel	Internal Audit Regulator reports	Adequate	12
8 Confidence in OPCC	Staff performance management	Oversight by Chief Executive	Stakeholder feedback Regulator reports	Adequate	9
9 Hearts and Minds	Staff performance management	Oversight by Chief Executive	Stakeholder feedback Regulator reports	Adequate	9

At 1<sup>st</sup> September 2015



## Report to the Independent Audit Committee

9 September 2015

### HMIC Update

#### RECOMMENDATION

The Committee is asked to note this report.

#### 1 PURPOSE OF THE REPORT

- 1.1 This report offers a summary update on relevant HMIC activity in the period since the Committee's meeting in June. This note also highlights inspectorate activity that is anticipated over the next several months.

#### 2 HMIC SUMMARY UPDATE

##### **Overview of Activity since June Audit Committee meeting**

- 2.1 The **Police Efficiency, Effectiveness and Legitimacy (PEEL) Vulnerability inspection** took place in July. HMIC's 'fieldwork' included an unprecedented focus on 'reality testing' (i.e. speaking directly to officers, staff and partners engaged in service delivery) in order to address the overarching question: "How effective is the force at protecting those who are vulnerable from harm, and supporting victims?"
- 2.2 Informally, the inspection team acknowledged the work undertaken locally to raise awareness of, and responsiveness to, key vulnerability factors.
- 2.3 In due course, HMIC will produce a Vulnerability inspection report including a graded assessment of the force's progress. This will subsequently inform the overall PEEL assessment of the force that will emerge in the New Year.
- 2.4 In August, HMIC conducted 'fieldwork' within the force for a service-wide inspection of the '**Digitisation of case preparation and presentation in the criminal justice system**'. Regional Criminal Justice colleagues were appropriately engaged to support this work.
- 2.5 After some prompting by the force, the inspectorate released the following at the end of July: '**Northamptonshire Police Crime Data Integrity – Inspection revisit findings November 2014**'.
- 2.6 The report notes that Northamptonshire Police was "working to secure progress against, or has discharged, the majority of the ten recommendations made in the previous HMIC inspection". Further

progress against the recommendations has been made in the interim as directed by the force Crime and Safeguarding Improvement Group.

2.7 A number of thematic (i.e. general rather than force-specific) inspections have been published by HMIC, including:

- **Building the picture – An inspection of police information management (July 2015)**

- **Online and on the edge: Real risks in a virtual world: An inspection into how forces deal with online sexual exploitation of children (July 2015)**

Relevant recommendations from both reports have been flagged to force leads for consideration and appropriate action. Progress will be overseen by, inter alia, the Crime and Safeguarding Improvement Group.

#### **Anticipated activity September - December**

2.8 The year's final PEEL inspection ('**Effectiveness and Legitimacy**') will take place at the end of October. The inspection will cover broad operational areas including the prevention of crime and anti-social behaviour, crime investigation and offender management as well as how effectively serious and organised crime is tackled within the county. The 'legitimacy' component will largely be serviced by a focus on the use of Taser and stop-search powers.

2.9 In addition, a number of HMIC reports about, or relevant to, Northamptonshire Police are likely to be finalised and published over the next several months. These include:

#### **PEEL Efficiency, Leadership and Legitimacy inspection of Northants:**

Fieldwork took place in late April and was without precedent in terms of its breadth and exhaustive detail. Informally, inspectors acknowledged the force's work in a number of areas including the promotion/integration of the Code of Ethics and the range of collaborative endeavour with the Fire and Rescue Service.

'**Targeting the risk – An inspection of the efficiency and effectiveness of firearms licensing in police forces in England and Wales**': Northants Police (alongside other constabularies) submitted data, but the force was not visited by HMIC as part of this 'thematic'. Report scheduled to be published mid-September.

'**Identification of vulnerability in police case files – Northamptonshire Police**': Fieldwork was undertaken in Northants in March. HMIC staff have previously indicated that the work should result in 'a national thematic report as well as "43 brief force reports" ... findings will also inform the overall PEEL assessment of the force'. The local inspection drew on a small sample size (only 10 files were reviewed), making any findings less than fully robust at force level.

### **3 Conclusion**

3.1 HMIC's programme of work is wide-ranging. However, there continues to be only a very limited horizon of visibility on exactly which inspection activities will engage individual constabularies, what the nature of these engagements will be and when they will occur.

3.2 This limits the accuracy/specificity of forecasts of the Inspectorate's activity in force over the next three months and beyond. However, the HMIC 2015/16 programme indicates that topics such as child protection as well as joint work with other inspectorates, on themes such as custody facilities and local criminal justice partnerships, may feature over the remainder of the financial year and beyond.

3.3 More generally, it may be relevant to note that the Inspectorate has benefited from a significant uplift of resources. Its levels of activity, intrusion and demand have grown proportionately. For example, HMIC has established the 'Force Insights' programme which, among other things, requires forces to admit the Inspectorate to a range of internal meetings and to facilitate access to key staff. Locally, Multi Agency Risk Assessment Conference arrangements and Organised Crime Group meetings and leads have already been subject to 'Insight' visits.

---

**SEAN BELL**  
**Superintendent Corporate Services**

**EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS**

None

**HUMAN RESOURCES IMPLICATIONS**

None

**RISK MANAGEMENT IMPLICATIONS**

None

**ENVIRONMENTAL IMPLICATIONS**

None

**Author:** Corporate Services

**Chief Officer Portfolio Holder:** A. Frost, Deputy Chief Constable

**Background Papers:** None





## AGENDA ITEM 18

### NORTHAMPTONSHIRE POLICE AND CRIME COMMISSION and NORTHAMPTONSHIRE CONSTABULARY

#### JOINT INDEPENDENT AUDIT COMMITTEE

9th SEPTEMBER 2015

<b>REPORT BY</b>	Iain Britton (Chief Executive) and DCC Frost
<b>SUBJECT</b>	Strategic Alliance
<b>RECOMMENDATION</b>	To note the report

1. The three Police and Crime Commissioners and three Chief Constables of Nottinghamshire, Leicestershire and Northamptonshire met on Friday 21<sup>st</sup> August to discuss options for working more closely together.
2. The meeting identified a consensus amongst all three force areas to explore in detail the development of a 'Strategic Alliance'. This would involve the three forces working much more closely together; achieving a greater degree of convergence, with the scaling and sharing of activities, and significant transformation of services. It is anticipated that this model would help drive significant efficiencies and effectiveness, reduce duplications, realise benefits of scale and help support radical improvement in outcomes for local people and transformation in service delivery. The primary purpose is to safeguard front-line services within our local communities and to serve and protect them to maximum effect.
3. The agreement to work towards a 'Strategic Alliance' would not see the creation of a single regional force. The agreement in principle on the 21<sup>st</sup> August would see Northamptonshire Police remain as a distinct organisational entity as would the other two forces, each under the command of a Chief Constable. However, the Alliance would see considerable further convergence, and likely integration of management and activities between the three organisations.
4. The strategic commitment of the three PCCs and three Chief Constables to this direction of travel is clear, but nevertheless this work is still at a formative developmental stage, and all issues of detail require further work. The

agreement is to now begin further joint design work, which will seek to develop the strategic vision for the Alliance, work on a 'business case' and ultimately look towards the formal agreement to initiate and resource a programme to develop the 'Strategic Alliance' – it is currently anticipated that the formal agreement to create the Alliance will occur in late 2015 with commencement of the Alliance arrangements in early 2016, but those timescales are clearly subject to the speed of progression of the joint work, and obviously dependent on the agreement of a joint strategic vision, the strength of the business case, and other key decision points.

Iain Britton  
Chief Executive

Andy Frost  
Deputy Chief Constable

<b>EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS</b>	Not detailed at this early stage
<b>HUMAN RESOURCES IMPLICATIONS</b>	Not detailed at this early stage
<b>ENVIRONMENTAL IMPLICATIONS</b>	Not detailed at this early stage
<b>RISK MANAGEMENT IMPLICATIONS</b>	Not detailed at this early stage
<b>Authors:</b>	Iain Britton – Chief Executive Andy Frost – Deputy Chief Constable
<b>Chief Officer Portfolio Holder:</b>	

Agenda item 19

**AGENDA PLAN – PUBLIC AGENDA - NEXT FOUR MEETINGS**

DECEMBER	MARCH	JUNE	SEPTEMBER
Apologies	Apologies	Apologies	Apologies
Declarations	Declarations	Declarations	Declarations
Minutes of previous meeting	Minutes of previous meeting	Minutes of previous meeting	Minutes of previous meeting
Matters arising action log	Matters arising action log	Matters arising action log	Matters arising action log
Implementation of Audit recommendations	Implementation of Audit recommendations	Implementation of Audit recommendations	Implementation of Audit recommendations
	<b>Draft Internal Audit Plan</b>	Internal Audit – Annual report	
Internal Audit – progress report	Internal Audit – progress report	Internal Audit – progress report	Internal Audit – progress report
External Audit – progress report	External Audit – progress report	External Audit – progress report	External Audit – progress report
AGS actions - progress	AGS actions - progress	AGS actions - progress	AGS actions - progress
Finance Dashboard	Finance Dashboard	Finance Dashboard	Finance Dashboard
Performance Dashboard	Performance Dashboard	Performance Dashboard	Performance Dashboard
Force Strategic Risk Register	Force Strategic Risk Register	Force Strategic Risk Register	Force Strategic Risk Register
OPCC Strategic Risk Register	OPCC Strategic Risk Register	OPCC Strategic Risk Register	OPCC Strategic Risk Register
<b>MTFP and Budget update</b>	<b>MTFP and Budget update</b>	<b>JIAC Terms of Reference review</b>	
HMIC reviews – update	HMIC reviews – update	HMIC reviews – update	HMIC reviews – update
<b>OPCC Risk Policy</b>		<b>External Audit – Fee letter?</b>	
<b>Treasury Management update</b>	<b>Draft Treasury Management strategy</b>	<b>Treasury Management update and outturn report</b>	
	<b>People Strategy</b>	<b>Draft Governance Statements</b>	
<b>Annual External Audit Letter</b>		<b>Draft Statement of Accounts</b>	<b>Final accounts / AGS / ISA 260 etc.</b>
		<b>Committee self- assessment</b>	
		<b>Committee Annual Report</b>	
Items for escalation to the Commissioner and / or the Chief Constable	Items for escalation to the Commissioner and / or the Chief Constable	Items for escalation to the Commissioner and / or the Chief Constable	Items for escalation to the Commissioner and / or the Chief Constable
Agenda plan for the next four meetings	Agenda plan for the next four meetings	Agenda plan for the next four meetings	Agenda plan for the next four meetings
Date venue and time of next meeting	Date venue and time of next meeting	Date venue and time of next meeting	Date venue and time of next meeting
Resolution to exclude the public	Resolution to exclude the public	Resolution to exclude the public	Resolution to exclude the public

**Bold = non Standing items**

**AGENDA PLAN – PRIVATE AGENDA**

**NEXT FOUR MEETINGS**

<b>DECEMBER</b>	<b>MARCH</b>	<b>JUNE</b>	<b>SEPTEMBER</b>
<b>Annual report</b>			
HMIC reviews – update	HMIC reviews – update	HMIC reviews – update	HMIC reviews – update

Private meeting with Auditors	Private meeting with Auditors	Private meeting with Auditors	Private meeting with Auditors
-------------------------------	-------------------------------	-------------------------------	-------------------------------

**Bold = non Standing items**

**To be programmed**

**Briefings on current issues**

**Counter fraud policy**

**NORTHAMPTONSHIRE POLICE AND CRIME COMMISSION and  
NORTHAMPTONSHIRE CONSTABULARY**

**JOINT INDEPENDENT AUDIT COMMITTEE**

**MINUTES OF MEETING HELD ON**

**24<sup>th</sup> June 2015**

**(EXEMPT Items)**

**PRESENT**

Audit Committee Members

J Beckerleg (in the Chair)  
M Pettitt  
T Knivett

Northamptonshire Police and Crime Commission

A Simmonds Police and Crime Commissioner  
I Britton Chief Executive  
J Neilson Director for Resources, Governance and Transformation  
S Dainty Strategic Resources Officer and Deputy Chief Finance Officer  
J Motte Accounting Technician

Northamptonshire Police

A Frost Acting Deputy Chief Constable  
N Alexander Chief Accountant Corporate Services  
R Baldwin Force Risk and Continuity Advisor  
D Clark Strategic Exchequer and Corporate Accountant

Auditors

M Clarkson Mazar  
B Welch Mazar  
A Cardoza KPMG

[Type text]

## **26. MINUTES OF THE PRIVATE MEETING HELD ON 3<sup>RD</sup> MARCH 2015**

The Committee **approved** the minutes.

## **27. OPCC RISK REGISTER**

### **a) Risk Register**

John Neilson introduced the report explaining the changes since the last report. There were no new risks added and Risk 8 was challenged as to whether it was a valid risk. It was agreed to combine Risk 1 and 8.

In future this item to be included in the public part of the Agenda

<b>ACTION POINTS</b>	
<b>Steve Dainty</b>	<b>To include agenda item within the public part of the Agenda</b>
<b>John Neilson</b>	<b>Combine Risks 1 and 8</b>

### **b) Draft Assurance Map**

The Committee **noted** the report.

## **28. HMIC REPORTS**

No further detail was added by Andy Frost to his earlier report under item 20 of this agenda.

**END**

[Type text]

<b>SUMMARY OF ACTION POINTS – 24<sup>th</sup> June 2015 (Exempt Items)</b>			
<b>Minute Item</b>	<b>Item</b>	<b>Action</b>	<b>Officer</b>
27	OPCC RISK REGISTER	To include agenda item within the public part of the Agenda	Steve Dainty
		Combine Risks 1 and 8	John Neilson