



**OFFICE OF THE NORTHAMPTONSHIRE POLICE AND CRIME COMMISSIONER
&
NORTHAMPTONSHIRE POLICE
&
NORTHAMPTONSHIRE COMMISSIONER FIRE AND RESCUE AUTHORITY**

JOINT INDEPENDENT AUDIT COMMITTEE

26 July 2019 at 10.00am to 1.00pm

Greenwell Room, Force Headquarters, Wootton Hall, Northampton

**If you should have any queries in respect of this agenda,
please contact Paul Bullen 03000 111 222**

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

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			Papers Attached	Time
	Annual Meeting of Auditors with the JIAC			
	There will be a private meeting of the committee members with the auditors without officers or the public present before the start of the formal public meeting.	JB	Verbal	10.00
	Public Meeting of the Joint Independent Audit Committee			
1	Welcome and Apologies for non- attendance	JB	Verbal	10.15
2	Declarations of Interests	Members	Verbal	10.15
3	Meeting Log and Actions – 20 March 2019	HK	Received	10.20
4	JIAC Annual Report and Terms of Reference Review	JB	Received	10.25
5	Internal Audit Annual Report 2018/19 PFCC & CC	Mazars	Received	10.35
6a 6b	Statement of Accounts - Update PFCC & CC NCFRA	HK/PD HK	Received Received	10.45
7a 7b	External Audit Update PFCC & CC NCFRA	EY EY	Received Received	10.55
8	Internal Audit Plan 2019/20 NCFRA	LGSS	Received	11.05
9a 9b	Internal Audit Progress report PFCC & CC NCFRA	Mazars LGSS	Received Verbal	11.15
10	Implementation of recommendations PFCC & CC	DCC (RB)	Received	11.25
11	HMICFRS NCFRA Report	Chief Fire Officer	Received	11.35
12	Update on: MFSS	DCC	Received	11.50
13a 13b	External Audit Proposed Fee Scales 2019/20 PFCC & CC NCFRA	EY EY	Received Received	12.05
14	Member Updates From Events Attended: EY Workshop (May 2019) PSAA Workshop (June 2019)	Members	Verbal	12.15
15	Agenda Plan	HK	Received	12.25

			Papers Attached	Time
16	AOB	JB	Verbal	12.35
17	<p>Date and venue of future JIAC meetings Wootton Hall, Northampton NN4 0JQ</p> <p>30 Sep 2019 (10:00 to 13:00) 11 Dec 2019 (10:00 to 13:00)</p> <p>2020 Dates to Be Confirmed</p>			12.45
18	<p>Date and venue of future JIAC workshops (not public meetings)</p> <p>Wootton Hall, Northampton NN4 0JQ</p> <p>November 2019 (date TBC)</p> <p>Proposed Subject: Seized and Found Property Update Enabling Services</p>			12.50
19	Confidential items – any	JB		12.55

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:

Paul Bullen
Office of the Police, Fire and Crime Commissioner
East House
Police HQ
Wootton Hall
NORTHAMPTON NN4 0JQ

or by email to:

paul.bullen@northantspfcc.pnn.police.uk

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.

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 A Knivett

Mrs A Battom

Paul Bullen

DEPUTY MONITORING OFFICER

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Joint Independent Audit Committee (JIAC) ACTION LOG – 20 MARCH 2019

Attendees: Members: John Beckerleg (JB), Gill Scoular (GS), Ann Batom (AB), Tony Knivett

Helen King (HK), Paul Dawkins (PD), Richard Baldwin (RB) Neil Harris, EY (NH). Julie Kriek (EY), Brian Welch, Mazars (BW), Vaughan Ashcroft (VA), James Andronov (JA), Shaun Hallam (SH), Julie Oliver (JO),

Agenda	Issue	Action	Responsible	Comments
1	Welcome and Apologies for non- attendance			<ul style="list-style-type: none"> Simon Nickless, Deputy Chief Constable Duncan Wilkinson LGSS Internal Audit
2	Declarations of Interests	ACTION: JB to update Register of Interest. Completed 12/4/19		<ul style="list-style-type: none"> JB to update register of interests No other declarations
3	Meeting Log and Actions – 10 th December 2018	<p>ACTION: PB to advise PFCC of JIAC concern regarding ongoing delay of the OPFCC HR Policies. Completed</p> <p>ACTION: BW to circulate note about Victims Voice Conflict of Interest. Completed – HK Circulated 4/6/19</p>		<ul style="list-style-type: none"> JB concerned that as OPFCC HR Policies have been outstanding for 3 years, JIAC do not have confidence that they will be completed. JB advised it is likely this will be referenced in the JIAC annual report.
4	Monitoring Officer Update	<p>ACTION: PB to advise PFCC of JIAC view that MO responsibility dates and changes need to be clear.</p> <p>Completed – PB has advised PFCC. A list of MO responsibilities has been</p>		<ul style="list-style-type: none"> PB introduced report provided at JIAC request. MS working on enabling services programme PB advised SM is content with how the arrangements are working which are on a trial basis for 18m to the next election and will decide after that point. JB asked if the PFCC has clearly identifiable dates of when the responsibilities will transfer. PB advised that the PFCC is currently finalising this.

		<p>completed and date of transfer was 1/7/19.</p> <p>ACTION: JIAC concerns on OPFCC Capacity to be reflected in notes. Completed.</p>		<ul style="list-style-type: none"> • JB raised concerns that the changes have affected the capacity of the OFCC and on behalf of JIAC wished for these concerns to be reflected in the notes. • PB acknowledged that capacity is an issue – and the OPFCC have been discussing this to mitigate the impact.
5a	<p>Capital Programme 2019/20</p> <p>PFCC & CC</p>	<p>ACTION: HK to share a monitoring report considered by Force and PFCC during the year for information. Completed 4/6/19.</p>		<ul style="list-style-type: none"> • AB queried whether both 18/19 and 19/20 spends were approved. PD advised that they were and were aligned to Accountability Board and Police and Crime Panel approvals. • JB felt the information was starting to give confidence in the processes. • JB queried whether the agile programme was concluded. PD advised that the Force had rolled out all of the devices and future spend would be business as usual replacements. • JB queried how the programme was monitored. PD advised within the monthly budget monitoring paper. Things would get picked up in the Accountability Board minutes where required. • JB queried where things were approved PD advised that the Corporate Scheme of Governance sets this out. • Each month the Finance team produce a report & this is shared with HK. HK shares with the PFCC and quarterly this is considered at the Accountability Board. • JB advise this was starting to give assurance around the regular monitoring and around the process.
5b	NCFRA			<ul style="list-style-type: none"> • HK advised Fire were producing strategies to support the Capital Programme. Once agreed, the Capital Programme will be updated and plans progressed.
6a	<p>Treasury Management Strategy 2019/20</p> <p>PFCC & CC</p>	<p>ACTION: HK to ask VA for an update on the CFR calculation. Update: Will include in the mid year Strategy Review in September 2019</p>		<ul style="list-style-type: none"> • JB asked for a note of how the CFR was calculated in the Police Treasury Management Strategy. • JB and JIAC members felt good progress had been made on the TM Strategy.

6b	NCFRA	ACTION: HK to bring back the Strategy if required. Update: Will monitor and bring back where required.		<ul style="list-style-type: none"> NH queried whether there were any going concern considerations for NCFRA. HK advised the cashflows had been forecasted for the 12m and this was also reviewed as part of the banking application requirements. HK explained as NCFRA was a new organisation, investment opportunities (and funds) were limited, therefore, the strategy would be reviewed during the year if required.
7a	Capital Strategy 2019/20 PFCC & CC			<ul style="list-style-type: none"> Members were pleased to see the first Capital Strategies but felt they needed to be more strategic and longer term moving forwards. NH highlighted that Capital Strategies are fundamental and increasing complexities of decisions and linking it in to the strategy of the organisation. HK recognised this and that the capital strategies were based on the strategies within the current Police and Crime Plan due to end in May 2020. These do not currently set out the long term capital strategic direction of the PFCC and will be developed as work progresses on the arrangements post May 2020 and progress with Police/Fire Interoperability.
7b	NCFRA			<ul style="list-style-type: none"> Included in above.
8	HMIC Value for Money	ACTION: HK to share the table in the Panel report regarding how Council Tax and Grant have changed over a 10 year period. Completed – Emailed to members 20/3/19		<ul style="list-style-type: none"> TK questioned regarding whether we get the funding for population changes. And HK updated that only Council tax income reflects population changes but not grant funding which is over 50% of funding. Following a question from TK, JA outlined the impact of county lines on Northamptonshire. JB queried how the information is used and JA mentioned it is a tool which is used to help inform considerations and discussions.

9a	HMIC reviews – update NCFRA			<ul style="list-style-type: none"> • SH outlined the HMICFRS inspection and approach. HMICFRS were originally scheduled to return and review a few areas but later advised this was no longer necessary. • Fire were tranche2 and a draft report is anticipated in April 2019 and publication at a later date. • Dec 2018 national reviews of tranche 1 are published and these have been embedded in the IRMP process. • NH advised that EY have linked in with the National Fire Chiefs Council and the VFM assessment. NH has met with HMICFRS to look at how learning and sharing can improve awareness between EY and HMICFRS.
9b	CC	<p>ACTION: JA to consider whether it is possible to share a copy of the Force Management Statement with JIAC (a public summary version if the full version is not available). Update – For discussion</p>		<ul style="list-style-type: none"> • JB queried paragraph 2.3/2.4 and asked if there were any signals from this? JA advised that this is self-initiated – it is about internal oversight of the AFIs and HMICFRS liaison officer is welcome to attend. • JB queried whether the Force Management Statement was a public document and if JIAC members could have a copy as RS had previously indicated.
10	Update on: MFSS			<ul style="list-style-type: none"> • JA highlighted that with implementation due on 1/4/19, MFSS was in a period of transition. • JA highlighted concerns around MFSS and its implementation, including information security considerations which were being addressed, together with costs and costs issues which were included on the risk register. • JB thanked JA for his honest presentation and all JIAC members felt that the MFSS position was less than comforting and asked what JIAC could do to assist. • Officers requested JIAC continue to scrutinise and consider regular reports. • JA advised that we have been endeavouring to ensure rigour and accountability is in place. PD advised that a joint alternatives review is being undertaken with Notts.

				<ul style="list-style-type: none"> • PD highlighted that Fusion was originally planned to go live in April 2018 and additional monthly costs are £150K per month past April 2019. • Payback is now 10 years – the business case was based on 6 and functionality at best will mirror what we have. • HK raised that Northants PFCC is now chair and key officers are involved in the governance meetings. • HK raised that the impact of the A&S position will be reflected in the draft accounts – accounting treatment will be consistent with partners and will reflect the position at the time of the draft accounts. • EY highlighted that MFSS is a significant concern in the audit plan, will look jointly across Notts and Northants on the programme and consider PFCC and CC engagement. • JB queried who is taking overall ownership on the project as a whole? PD advised that whilst it is a joint committee of partners, the lead organisation is Cheshire. • NH highlighted that MFSS was a significant form of events and EY will look at this closely.
11	Update on: Fire Governance	ACTION: HK to share Police, Fire and Crime Panel Fire briefing presentation slides with JIAC for background information. Completed 4/6/19.		<ul style="list-style-type: none"> • PB gave an overview of the Fire Governance Transfer and provision of services. • Finance questions were held until the workshop. • JB asked for the notes to record the amount of work undertaken on the Fire Governance Transfer and wished to acknowledge it – the process has felt controlled. • SH advised that post transfer things are positive and receptive with the workforce which is pleasing to note. • AB updated on her attendance at the
12	Internal Audit Plan 19/20 PFCC & CC			<ul style="list-style-type: none"> • BW outlined the proposed audit plan following involvement from OCC and OPFCC offices. • JB queried if Mazars had access to specialist auditors for particular areas e.g. IT Security? And BW confirmed they do if required. • GS queried whether more days needed to be allocated to MFSS on top of the follow up and Finance specific dates. Agreed to keep under review as the year progressed.

13	Internal Audit Progress report PFCC & CC			<ul style="list-style-type: none"> • BW highlighted good progress on the internal audit report and all audits had been completed in the year. • No specific queries raised. • BW will produce the year end IA report as soon as possible after reports have been finalised.
14	Internal Audit - Implementation of recommendations PFCC & CC			<ul style="list-style-type: none"> • RB outlined the report – progress was noted and no specific questions arose.
15 15a	External Audit Plan 18/19 PFCC & CC			<ul style="list-style-type: none"> • NH outlined the proposed external audit plan and timescales for OPFCC and CC. • NH outlined the discussions and approach to the KPMG File Review • NH raised national areas of consideration for EY included pensions • NH confirmed the EY approach is for two sets of accounts (PFCC Group and CC) • JIAC supported the plan.
15b	NCFRA			<ul style="list-style-type: none"> • NH outlined the draft NCFRA Plan which will be informed further once the Opening Balance Sheet has been agreed. • NH outlined that a key risk relates to the Opening Balance Sheet and Valuations as at 31/3/19. • HK and NH advised a 100% valuation had been agreed to be undertaken for all L&B. • NH outlined that although only a 3m period, resource challenges and the fact that Governance transfer only happened on 1/1/19, timescales would be a challenge. • HK advised PFCC fully supports that quality should not be compromised and that PFCC is briefed and aware of potential implications on timescales and wider aspects as NCFRA is unknown.

				<ul style="list-style-type: none"> • NH explained that the VFM Conclusion will consider financial resilience and sustainability – areas that NCFRA have reflected transparently within the budget and precept report where reserves were highlighted as insufficient. • NH and JIAC members discussed that the Home Secretary had supported the Governance transfer in the full knowledge of the reserves and financial resilience position, Members queried whether this should be reflected within should this affect the conclusion? NH advised that EY understood the position and had copies of a lot of the information to inform their considerations. • HK advised that the PFCC and NCFRA were fully sighted on the potential implications on the VFM Conclusion and this aligned with the three year plan to build financial stability. • NH outlined the Fee of £25K and reflected it was at this level to reflect the work that needed doing in a first audit transferred mid year. • JB explained that whilst JIAC recognised the 18/19 fee at that level, there were concerns about a similar level of cost for future years. This would be discussed in the future.
16	Agenda Plan	ACTION: JA/PD to consider with JB how best to brief JIAC on Seized Property .Update – Suggested agenda item for a November workshop		<ul style="list-style-type: none"> • The Agenda Plan was agreed with the following considerations: • JIAC had concerns about the area of seized property and felt that the November Workshop could be too late and the JIAC were looking for assurance in this area. • PD reflected that the Force Strategy Board were giving this detailed consideration and HK advised this was a key item at the Force Accountability Board.
17	AOB (Including member updates)			<ul style="list-style-type: none"> • EY Workshops – Ann and JB to attend.
18	Date and venue of future JIAC meetings			<ul style="list-style-type: none"> • Noted.

19	Date and venue of future JIAC workshops			<ul style="list-style-type: none"> Noted.
20	Resolution to exclude the public			<ul style="list-style-type: none"> HK gave an update on the OPFCC Risk Register and highlighted that no new risks were raised
20a	Review of risk PFCC			
20b	NCFRA			<ul style="list-style-type: none"> SH gave an overview of NCFRA approach to Risk Management
21	Confidential items – any			<ul style="list-style-type: none"> No confidential items were highlighted.



AGENDA ITEM: 4

NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER, NORTHAMPTONSHIRE POLICE and NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE

JOINT INDEPENDENT AUDIT COMMITTEE

26 JULY 2019

REPORT BY	Chair of the Joint Independent Audit Committee
SUBJECT	Annual Report 2018-19
RECOMMENDATION	To approve the report and submit it to the Police, Fire and Crime Commissioner (PCC), Chief Constable (CC) and Chief Fire Officer(CFO)

1. Purpose of report

This report fulfils three purposes:

- a) A review of the Committee's terms of reference;
- b) A self assessment of the Committee by members and officers;
- c) An annual report, as required by the terms of reference, for inclusion in the Annual Accounts

2. Recommendations

The Committee is invited to:

- a) Comment on the report;
- b) Consider the changes to the terms of reference to include the involvement of the Chief Fire Officer; and
- c) Submit the report to the PFCC, CC and CFO.

3. Role of the Committee

This is the sixth annual report of the Joint Independent Audit Committee (JIAC) created under the Home Office Financial Code of Practice for Police Services.

The current purpose of the Committee is:

'To support the Police and Crime Commissioner and the Chief Constable to discharge their responsibilities by providing independent assurance on the adequacy of their corporate

governance, risk management arrangements and the associated control environments, treasury management and the integrity of financial statements and reporting.'

The full responsibilities of the JIAC are contained in its terms of reference in Appendix 1 (with suggested changes – see later).

This Audit Committee became operational in November 2012.

4. Committee membership

Membership of the Committee during the financial year was:

Name	Appointment	Qualifications
John Beckerleg (Chair)	Appointed 1 October 2014	MA, CIPFA, MBA, SSA
Tony Knivett	Appointed December 2013	CQSW
Martin Pettitt	Appointed December 2013 Term of office ended November 2018	CIPFA
Gill Scoular	Appointed 1 December 2014	CIPFA
Ann Batom	Appointed December 2018	CIPFA

The Police and Crime Commissioner (OPCC) and Chief Constable (CC) agreed in 2017 that the size of the Committee should be increased to 5. Interviews to achieve the increased membership have taken place in 2018 and 2019, and recent appointments mean that there will be 5 members by the point when Tony Knivett's term of office comes to an end.

The Committee wishes to record its appreciation to Mr. Pettitt for his contribution to the work of the JIAC.

5. Committee's Terms of Reference

The Committee has established terms of reference derived from the CIPFA best practice model. The Committee is required to review its terms of reference annually and the latest terms of reference are attached as Appendix 1.

The JIAC covers three organisations: the Police, Fire and Crime Commissioner (PFCC), the Force and the Northamptonshire Fire and Rescue Authority (NFRA). The Northamptonshire Fire and Rescue Service (FRS) is provided by NFRA. It was agreed that the terms of reference should be extended to encompass the NFRA. The terms of reference have been slightly amended to incorporate the involvement of the Chief Fire Officer (or their representative).

No other substantive changes are proposed to the terms of reference.

6. How the Committee discharges its responsibilities

The Committee's terms of reference drive the work programme and there is a well established approach to agenda planning.

The Committee held 4 formal meetings in the year. The meetings were open to the public and, as far as possible, the agenda items are taken in public. This is viewed as good practice and will be continued as far as possible. Attendance at meetings was as follows:

Name	Attendance / Possible attendance
John Beckerleg (Chair)	4/4
Tony Knivett	4/4
Martin Pettit	2/2
Gill Scoular	3/4
Ann Battom	2/2

The Committee's meetings have been well supported by officers from the Force, OPFCC and more recently the FRS. The improved quality and timeliness of reports has been maintained.

In addition representatives of the Internal Auditor and the External Auditor attended the meetings and the Committee took the opportunity as it felt necessary to discuss topics in private with the auditors without officers being present.

The JIAC has received regular reports on:

- the statement of accounts;
- risk management;
- internal and external audit plans; and
- updates on the inspectorate (HMICFRS) and audit recommendations.

It has also received updates or sought extra assurance on areas of specific risk or concern, such as:

- fraud & corruption processes;
- the Force change programme;
- Fire governance Implementation Update (3 updates prior to governance change);
- Multi Force Shared Services (MFSS) upgrade, timescales and issues (4 updates);
- Treasury management strategy 2019/20 and two 2017/18 updates;
- Capital programme 2019/20 and 2017/18 midyear update;
- Capital Strategy 2019/20;
- Medium term financial plan and budget process and update 2019/20;
- HMIC Value for money Indicators; and
- the arrangements for the OPFCC monitoring officer.

Four workshops were held during the year which considered the following areas:

- June 2018 - PFCC and CC statement of accounts
- September 2018 - Estates strategy update & outcome based budgeting approach
- November 2018 - ICT developments & Fire governance
- February 2019 - Fire accounts

In addition the Chair and/or JIAC members attended:

- the annual CIPFA Training Day for Police Audit Committees; and

- a workshop organised by the external auditors which provided important updates and the chance to compare JIAC practice with those of similar audit committees.

There has been the opportunity to compare the Leicestershire and Northamptonshire audit committees.

Looking forward developing and maintaining assurance across three organisations (now including NFRA) will be a challenge, not least in managing the JIAC itself and using officers' and members' time effectively.

6. Assessment of the Audit Committee's performance against its plan and terms of reference

The Committee is keen to be effective and in particular make a positive and constructive contribution to the work of the PFCC, CC and NFRA and the achievement of their strategic priorities.

In the previous Annual Report the Committee set out its aims and objectives for 2018/19. These are described in Appendix 2 including the progress achieved. There is some further work to be undertaken in relation to understanding the Force Management Statement, internal counter fraud arrangements and the provision of support services.

The year began on a better foundation with the existence of a number of key documents and processes which were important to the effective governance of the organisations. These included a revised governance framework, improved financial planning arrangements and an estates strategy. Work to further develop these documents and processes has continued in 2018-19 and most are now in place for the OPFCC and CC. This has helped the Committee in gaining the assurance it needs.

Appendix 3 sets out the objectives for 2019-20.

A draft of this report has been shared with the PFCC, CC and CFO so that officers with knowledge of the work of the JIAC have the opportunity to provide feedback and shape the way the Committee operates.

7. Identification of key issues

During 2018/19 the Committee considered a range of topics and issues. Some of the key ones were:

Annual Accounts 2018/19 – the deadline to complete the closure of the Annual Accounts was brought forward in the previous year. Finance staff have again worked hard to ensure that this deadline was met for the three sets of accounts. JIAC reviewed the draft accounts at a workshop in June 2019. These contained the required annual governance statements which provide the Committee with assurance.

Normally the Committee would formally consider the Annual Accounts at its July 2019 meeting alongside the External Auditor's report. Whilst the accounts are complete (subject to audit) the external auditor is unable to undertake their work in time to report to the JIAC in July 2019. In relation to NFRA, this is due to insufficient audit capacity and in relation to Police and OPFCC this was originally due to a dependence on the audit of Northamptonshire County Council which will not be complete in time, but has been revised to include insufficient audit capacity and the formal notification of this is awaited. The final auditor's report for all accounts will be considered at the September meeting.

Value for money – This continues to be an area of interest for the Committee, The JIAC considered the HMICFRS value for money indicators and the work by the Force to develop a process of Outcome Based Budgeting.

Collaboration – there are many examples of collaborative working between forces involving Northamptonshire. The JIAC has gained assurance on collaborations from the work of the internal auditor who has undertaken reviews on behalf of all of the partners in the following areas:

- Strategic Financial Planning
- Risk Management
- Business Planning
- Projected Underspend.

The PFCC has agreed to use the Local Government Shared Service (LGSS) to continue to support the NFRA following the transfer of responsibility on 1 January 2019 for a period of at least 18 months. This has helped the transition.

Multi-Force Shared Services (MFSS) – this important service is an exception to the comments made above about collaboration. For the third year in succession there are concerns about this service, particularly about the operation, the functionality provided, its costs and the consequences of a major change programme. The PFCC and CC have sought to address these concerns including taking a more active involvement in the programme governance and the new system has been implemented. In the short term, alternative arrangements would be difficult or impossible to implement.

The PFCC and CC are currently reviewing the options for the medium and long term. The JIAC supports this review and will receive an update on this in 2019/20.

Transfer of Fire Governance – The transfer of the Northamptonshire Fire and Rescue Service to the PFCC (as the newly constituted Northamptonshire Fire and Rescue Authority) was approved by the Home Office and took place on 1 January 2019. This transfer involved considerable planning, negotiation and communications prior to transfer but was successfully completed on time. New strategic plans (including the Integrated Risk Management Plan) have been produced and been subject to consultation. JIAC was regularly briefed on this programme. The officers involved should be congratulated for the way in which the new arrangements have been implemented.

Settling in the new governance arrangements, bringing together different cultures, exploring the potential for joint working, and aligning systems, support and processes will take time. JIAC will continue to monitor progress, assisting where it can.

Core systems – The internal auditors completed their annual review of core systems and, although there were recommendations for improvements, the basic systems remain sound and the auditor was able to offer a ‘satisfactory’ assurance.

Risk management – The risk management processes are well established and the risk registers for the three organisations are regularly monitored (including by the JIAC). Risk management, including new software, was the subject of an internal audit study in 2018/19.

Seized Property – this is another area in which the JIAC is seeking to gain additional assurance following an internal audit report in 2018/19 which was only able to offer

'limited' assurance. Improvement measures have been agreed but, in common with other Forces, this remains an important activity for Northamptonshire Police. JIAC will receive a report on this aspect in 2019/20.

Estates programme – The Committee has previously welcomed the establishment of an Estates Strategy and associated governance. This provided considerable assurance about the planning and management of significant capital assets.

The appointment of a new Chief Constable and the transfer of the NFS to the governance of the PFCC have resulted in the estates strategy being reviewed to ensure it still aligns with changing priorities and maximises the benefits to be derived from the estate. The JIAC will consider the outcomes of this review at a suitable time.

Capital strategy and capital programme – there is now a comprehensive capital programme for the PFCC and CC. This is supported by the IT, Fleet and Estates strategies. It also provides an important input to the Treasury management Strategy and the Medium Term Financial Plan. Work to develop the equivalent documents for NFRA is in hand alongside proposals for funding the programme.

Human Resources (HR) policies – The JIAC received information about the comprehensive updating of all of the PFCC HR policies which was proposed by the PFCC and had been expected in 2017/18. This revision has taken much longer than originally expected and finalisation of the policies remains outstanding. JIAC is concerned about the time this work has taken and will continue to seek confirmation when this has happened.

HMICFRS – the Committee has received information about the conclusions of the Police (and Fire) Inspectorate (HMICFRS) and the actions being undertaken to address recommendations made. The Committee was assured by the process to respond to the recommendations but will retain an interest in the most recent inspections, the conclusions drawn and the actions being taken to improve the overall assessment.

Victims Voice – There were changes in the organisational arrangements in place to support victims. The service previously provided by an external body was brought back in house and is now managed via an associated company. This new arrangement was explored by the JIAC including the governance arrangements (some of which fall outside the remit of the JIAC) and potential conflicts of interest. The internal auditor undertook an audit of Victims Voice in 2018/19 and, using the agreed rating system, provided a 'satisfactory' assurance.

8. Assessment of Internal Audit

PFCC and CC

Mazars were appointed as the internal auditor for four years with effect from 1 April 2015 following a competitive tendering process involving neighbouring Counties. Chief Finance Officers across the region have extended the contract with Mazars for a further three years. There are distinct benefits in having the same internal auditor covering the region (for example, for audits of collaborative arrangements).

The internal audit plan for 2018/19 was approved by the JIAC in March 2018, and the Committee recommended the Commissioner and the Chief Constable to sign off the plan. Progress against the audit plan has been good.

The Force and OPCC have generally accepted the recommendations made in the internal audit reports (or explained why a particular recommendation has not been accepted).

Managers have progressed the agreed actions in most cases to the agreed timescale and the Committee continues to monitor progress until actions have been completed. It is a concern however that some recommendations have been outstanding for some time and may even have been repeated in follow audits; the information used by JIAC to monitor progress has been further developed during the year.

NFRA

The internal audit of NFRA (and NFRS) will be undertaken by LGSS for at least 2019/20 and 2020/21. The internal audit plan has been approved outside of the JIAC and will be ratified at the July 2019 JIAC meeting. It is too early to assess LGSS internal audit performance.

9. Assessment of External Audit

The 2017/18 accounts were closed by the statutory deadline. The Auditor (KPMG) provided an unqualified opinion on the accounts. In relation to Value for Money, the Auditor provided an unqualified opinion 'except for' the MFSS governance arrangements (see above).

As reported last year, the external auditor changed for 2018/19 from KPMG to EY.

JIAC has taken an interest in the handover arrangements between the Auditors. This appears to have been handled smoothly.

There have been difficulties in EY completing its contracted work for 2018/19:

- For the OPFCC and CC, this arises from the need for the external audit work of Northamptonshire County Council, particularly in relation to the Local Government pension fund, to be completed, together with later than anticipated availability of EY resource and capacity to complete the audits. The OPFCC / CC accounts have been produced in line with the statutory timescales and audit timescales for this work are still under discussion.
- In relation to the NFRA, EY have reported that they do not have the capacity to complete the audit in time for the July 2019 JIAC meeting.

The Committee is disappointed by these difficulties, not least given the efforts of internal staff to produce the accounts to a tight timetable. Apart from this the JIAC is satisfied about the effectiveness of the external audit process and grateful for the help and advice of the auditors during the year.

10. Looking forward

Appendix 3 sets out the draft Aims and Priorities for the Committee for 2019/20.

These reflect:

- Any outstanding recommendations from 2018/19;
- Known areas of concern / high risk; and
- Emerging areas or change programmes likely to be related to the control framework.

12. Conclusion

The Committee has entered a more stable period as the result of the existence of clearer documents, governance arrangements and processes than in the earlier years of the PCC.

Thanks are due to the officers and auditors who support the Committee and who have provided honest and objective assurance of arrangements which exist.

Of particular note this year has been the work on the Fire governance transfer and consolidating the financial planning.

There are some key areas which will form a focus for the JIAC work programme in 2019/20. The ongoing work programme is set out in appendix 3.

The JIAC will continue to undertake the responsibilities assigned to it in the agreed terms of reference and seek to ensure that it makes a constructive contribution to achieving the agreed priorities. It is important that the JIAC adds value to the organisations in discharging its responsibilities and so will continue to assess its own effectiveness.

J Beckerleg
Chair of Joint
Independent Audit Committee

Joint Independent Audit Committee - Terms of reference

NORTHAMPTONSHIRE OFFICE OF THE POLICE, FIRE AND CRIME COMMISSIONER, NORTHAMPTONSHIRE CHIEF CONSTABLE AND NORTHAMPTONSHIRE COMMISSIONER FIRE AND RESCUE AUTHORITY

JOINT INDEPENDENT AUDIT COMMITTEE

TERMS OF REFERENCE

1 Purpose

To support the Police Fire and Crime Commissioner and the Chief Constable to discharge their responsibilities by providing independent assurance on the adequacy of their corporate governance, risk management arrangements and the associated control environments and the integrity of financial statements and reporting.

2 Membership

- a) The Commissioner, Chief Constable and the Chief Fire Officer (acting on behalf of NCFRA) jointly will appoint the Committee.
- b) The Committee shall consist of no fewer than five members.
- c) A quorum shall be two members.
- d) At least one member shall be a CCAB qualified accountant with recent and relevant financial experience
- e) The Commissioner, Chief Constable and the Chief Fire Officer jointly will appoint the Chair of the Committee, following discussion with the members of the Committee.
- f) The Chair shall normally be a CCAB qualified accountant, with recent and relevant financial experience.
- g) Members shall normally be appointed for a period of up to three years, extendable by no more than one additional three year period, so long as members continue to be independent.
- h) In the absence of the Chair at any meeting of the Committee, the members attending the meeting will elect a Chair for the meeting.

3 Secretary of the Committee

The Chief Executive of the Commission will nominate an officer from the Commissioner's Office to act as Secretary to the Committee.

4 Frequency of Meetings

- a) Meetings shall be held at least four times each year, timed to align with the financial reporting cycle.
- b) Extra-ordinary meetings can held for specific purposes at the discretion of the Chair.
- c) External or internal auditors may request the Chair to call a meeting if they consider one is necessary.

5 Protocols for Meetings

- a) Agenda and supporting papers will be circulated to members at least five working days prior to any meeting.

- b) Minutes shall be prepared and distributed to members of the Committee, regular attendees and the Commissioner, Chief Constable and Chief Fire Officer in draft, unapproved format within 10 working days of the meeting.
- c) All papers/minutes should be read prior to the meeting and the meeting will be conducted on this basis with papers being introduced concisely
- d) It is expected that all actions are reviewed prior to the meeting and updates provided even if individuals cannot attend the meeting.
- e) The Chair of the Committee shall draw to the attention of the Commissioner, Chief Constable and Chief Fire Officer any issues that require disclosure or require executive action

f) QUESTIONS AND ADDRESSES BY THE PUBLIC

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. Order of questions and address

(a) Questions will be asked and addresses given in the order notice of them was received, except that the Chair of the Committee may group together similar questions or addresses.

(b) A list of questions and addresses of which notice has been given shall be circulated to members of the Committee at or before the meeting.

iii. 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. 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.

iv. 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.

v. 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.

6 Attendance at Meetings

- a) The Committee may invite any person to attend its meetings.
- b) The Commissioner, Chief Constable and Chief Fire Officer shall be represented at each meeting of the Committee.
- c) The Commissioner's representation will normally comprise the statutory officers and/or appropriate deputies;
- d) The Chief Constable shall normally be represented by the Deputy Chief Constable of the Force, and / or deputies;
- e) The Chief Fire Officer shall normally be represented by an Assistant Chief Fire Officer;
- f) Internal and External auditors will normally attend each meeting of the Committee.
- g) There should be at least one meeting each year where the Committee meets the external and internal auditors without the Commissioner's, Chief Fire Officer's and Chief Constable's officers being present. This need not be the same meeting; and such meetings would usually take place after the normal Committee meeting has concluded.

7 Authority

- a) The Committee is authorised by the Commissioner, Chief Constable and Chief Fire Officer to:
 - investigate any activity within its terms of reference;
 - seek any information it requires from any employee;
 - obtain outside legal or other independent professional advice;
 - secure the attendance of outsiders with relevant experience and expertise if it considers this necessary;
 - undertake training of its new members as required.
- b) All employees are directed to co-operate with any request made by the Committee.
- c) The Committee may only make decisions within the remit set out in these Terms of Reference. The Committee has no authority to reverse decisions made by the Commissioner, NCFRA or Chief Constable. It has no authority to incur expenditure.

8 Duties

The Committee's scope encompasses:

- the Office of the Police, Fire and Crime Commissioner (including the Fire and Rescue Authority after the transfer of governance on 1 January 2019);
- the interface between the OPFCC and associated bodies and directly controlled / associated companies but not the bodies themselves;
- the Northamptonshire Police Force;
- the Northamptonshire Fire and Rescue Service (NFRS) and
- Any collaborative / partnership arrangements involving the OPFCC, Force or NFRS.

The duties of the Committee shall be:

A Corporate Governance, Risk Management, Internal Control and the Regulatory Framework

To support the PCC, Chief Constable, Chief Fire Officer and statutory officers in ensuring effective governance arrangements are in place and are functioning efficiently and effectively, across the whole of the Commission's, Force's and Service's activities, making any recommendations for improvement, to support the achievement of the organisations' objectives.

Specific annual activities of the Committee will include:

- a) Review of corporate governance arrangements against the 'Good Governance framework';
- b) Consideration of the framework of assurances to assess if it adequately reflects the Commission's, Force's and Service's priorities and risks;
- c) Consideration of the processes for assurances in relation to collaborations, partnerships and outsourced activities.
- d) Consideration of the processes for assurances that support the Annual Governance Statement;
- e) Consideration of VFM arrangements and review of assurances;
- f) To review any issue referred to it by the statutory officers of the Commission, the Chief Constable and the Chief Fire Officer and to make recommendations as appropriate;
- g) To monitor the effective development and operation of risk management and to make recommendations as appropriate;
- h) To be responsible for ensuring effective scrutiny of the Treasury Management Strategy and policies
- i) Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

B External Financial Reporting

To scrutinise the draft statements of accounts and annual governance statements prior to approval by the Commissioner, Chief Constable and NCFRA and publication. The Committee will challenge where necessary the actions and judgments of management, and make any recommendations as appropriate, to ensure the integrity of the statements.

Particular attention should be paid to the following:

- Critical accounting policies and practices, and any changes in them;
- Decisions requiring a significant element of judgment;
- The extent to which the financial statements are affected by unusual transactions in the year and how they are disclosed;
- The clarity of disclosures;
- Significant adjustments resulting from the audit;
- Compliance with accounting standards;
- Compliance with other legal requirements

C Internal Audit

The Committee shall monitor and review the internal audit function to ensure that it meets mandatory Internal Audit Standards and Public Sector Internal Standards and provides appropriate independent assurance to the JIAC, Chief Executive of the Commission, the Commissioner, Chief Fire Officer and Chief Constable.

This will be achieved by:

- a) Overseeing the appointment of the internal auditors and making recommendations to the Commissioner and Chief Constable, who will make the respective appointments;
- b) Consideration of the internal audit strategy and annual plan, and making recommendations as appropriate;
- c) Consideration of the head of internal audit's annual report and opinion, and a summary of internal audit activity (actual and proposed) and the level of assurance it can give over corporate governance arrangements, and make recommendations as appropriate;
- d) Consideration of summaries of internal audit reports, and managers' responses, and make recommendations as appropriate;
- e) Consideration of the management and performance of internal audit, and its cost, capacity and capability, in the context of the overall governance and risk management arrangements, and to make recommendations as appropriate;
- f) Consideration of a report from internal audit on agreed recommendations not implemented within a reasonable timescale and make recommendations as appropriate;
- g) Consideration of the effectiveness of the co-ordination between Internal and External Audit, to optimise the use of audit resources;
- h) Consideration of any issues of resignation or dismissal from the Internal Audit function.

D External Audit

The Committee shall review and monitor External Audit's independence and objectivity and the effectiveness of the audit process.

This will be achieved by consideration of:

- a) the Commission's, Force's and Service's relationships with the external auditor;
- b) proposals made by officers and Public Sector Audit Appointments (PSAA) regarding the appointment, re-appointment and removal of the external auditor;
- c) the qualifications, expertise and resources, effectiveness and independence of the external auditor annually;
- d) the external auditor's annual plan, annual audit letter and relevant specific reports as agreed with the external auditor, and make recommendations as appropriate;
- e) the draft Management Representation letters before authorisation by the Commissioner, Chief Fire Officer and Chief Constable, giving particular consideration to non-standard issues;
- f) the effectiveness of the audit process;
- g) the effectiveness of relationships between internal and external audit other inspection agencies or relevant bodies;
- h) the Commissioner's and Chief Constable's policies on the engagement of the External Auditors to supply non-audit services, taking into account relevant guidance.

E Other Assurance Functions

The Committee shall review the findings of other significant assurance functions, both internal and external to the organisation.

F Counter Fraud

The Committee shall satisfy itself:

- a) that the Commission, Force and Service have adequate arrangements in place for detecting fraud and preventing bribery and corruption;

- b) that effective complaints and whistle blowing arrangements exist and proportionate and independent investigation arrangements are in place.

9 Reporting

- a) The Chairman shall be entitled to meet with the Commissioner, Chief Constable and Chief Fire Officer ideally prior to their approving the accounts each year;
- b) The Committee shall annually review its Terms of Reference and its own effectiveness and recommend any necessary changes to the Commissioner and Chief Constable;
- c) The Committee shall prepare a report on its role and responsibilities and the actions it has taken to discharge those responsibilities for inclusion in the annual accounts;
- d) Such a report shall specifically include:
 - A summary of the role of the Committee
 - The names and qualifications of all members of the Committee during the period
 - The number of Committee meetings and attendance by each member; and
 - The way the Committee has discharged its responsibilities
 - An assessment of the Committee's performance against its plan and terms of reference;
 - Identification of the key issues considered by the Committee and those highlighted to the Commissioner, Chief Constable and Chief Fire Officer
 - An assessment of Internal and external Audit
- e) If the Commissioner and / or the Chief Constable do not accept the Committee's recommendations regarding the appointment, re-appointment or removal of the external auditor the Committee shall include a statement explaining its recommendation and the reasons why the Commissioner / Chief Constable has taken a different stance in its annual report.

10 Standing Agenda Items

The agenda for each meeting of the Committee shall normally include the following:

Procedural items:

Apologies for absence
Declaration of Interests
Minutes of the last meeting
Matters Arising Action Log
Date, time and venue of next meeting

Business items:

Progress Reports

- Internal Audit
- External Audit

Update on implementation of Audit Recommendations
Items for escalation to the Commissioner and / or Chief Constable
Agenda Plan for the next four meetings

11 Accountability

The Committee is accountable to the Commissioner and Chief Constable.

The Joint Independent Audit Committee's – Aims and Objectives 2018/19

Aims and Objectives	Comment
Recruit a fifth member for the JIAC to provide a wider range of skills and experience and ensure that there is an appropriate induction programme (Autumn 2018)	There have been 3 recruitment processes to replace JIAC members whose terms of office are ending and to increase the number of members from 4 to 5. These have been successful. COMPLETE
Understand the IT strategy and governance in the two organisations (OPCC and Force)	The JIAC received a briefing on Police IT and the IT strategy. This covered both local and national systems and underlined the complexity and challenge involved in keeping abreast of technological change and opportunities. COMPLETE
Continue to monitor the arrangements with the Multi-Force Shared Service and implementation of the change programme	The JIAC has received reports on this aspect at each of its meeting. The OPFCC and Chief Constable have maintained an active approach to the arrangements including the programme governance and change programme. This area continues to be a concern for the Committee. ONGOING
Understand the governance arrangements for the Fire and Rescue Service when under the control of the OPCC and the governance of the change programme to achieve the transfer	The JIAC was regularly and comprehensively briefed on the change in governance arrangements. Whilst the formal transfer has taken place it will take a period of time to fully implement the change and the JIAC will take a continuing interest. ONGOING
Develop a better understanding of counter fraud activity	JIAC was briefed on the Police Service's activity on fraud. A further report is planned on internal arrangements for counter fraud CARRIED FORWARD
Understand the approach to budgeting including the outcome based budgeting approach which is being implemented	JIAC was briefed on this approach COMPLETE
Review the Force Management statement to understand the assurance it provides and the relationship with other plans such as the Police and Crime plan	Not done. Further discussion will take place about the Force Management Statement NOT COMPLETE
Consider how the committee can update itself and gain renewed assurance about the performance management arrangements which exist.	The JIAC has seen the arrangements in place for the OPFCC to hold the Chief Constable to account (Accountability Board), the arrangements for progressing the Estates Strategy (Estates Board) and the work of the Police, Fire and Crime Panel to hold the OPFCC to account. Work on reviewing the content of these monitoring arrangements could still be undertaken. COMPLETE

The Joint Independent Audit Committee's – Draft Aims and Objectives 2019/20

Aims and Objectives
Undertake a review of the effectiveness of JIAC by December 2019
<p>Support functions:</p> <ul style="list-style-type: none"> • Continue to monitor the arrangements with the Multi-Force Shared Service and implementation of the change programme • Monitor the support provided by Local Government Shared Services (LGSS) • Understand the medium / long terms plans for support services
Consider the developing governance arrangements for the Fire and Rescue Service under the control of the OPFCC
Develop a better understanding of counter fraud activity within the three organisations
Review the Force Management statement to understand the assurance it provides and the relationship with other plans such as the Police and Crime plan

AGENDA ITEM: 5



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

Draft Internal Audit Annual Report 2018/19

April 2019

This report has been prepared on the basis of the limitations set out on page 13.

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- 01 Introduction
- 02 Head of Internal Audit Opinion
- 03 Performance

Appendices

- A1 Audit Opinions and Recommendations 2018/19
- A2 Audit Projects with Limited and Nil Assurance 2018/19
- A3 Definition of Assurances and Priorities
- A4 Contact Details
- A5 Statement of Responsibility

01 Introduction

Purpose of this Report

This report summarises the work that Internal Audit has undertaken and the key control environment themes identified across Office of the Police and Crime Commissioner for Northamptonshire and Northamptonshire Police during the 2018/19 financial year, the service for which is provided by Mazars LLP.

The purpose of the Annual Internal Audit Report is to meet the Head of Internal Audit annual reporting requirements set out in the Public Sector Internal Audit Standards (PSIAS) and the Accounts and Audit Regulations 2011. The PSIAS requirements are that the report must include:

- An annual internal audit opinion on the overall adequacy and effectiveness of the organisation's governance, risk and control framework (the control environment);
- A summary of the audit work from which the opinion is derived (including reliance placed on the work by other assurance bodies); and
- A statement on conformation with the PSIAS and the results of the internal audit quality assurance and improvement programme (QAIP), if applicable.

The report should also include:

- The disclosure of any qualifications to that opinion, together with reasons for the qualification;
- The disclosure of any impairments or restriction in scope;
- A comparison of the work actually undertaken with the work that was planned and a summary of the performance of the internal audit function against its performance measures and targets;
- Any issues judged to be particularly relevant to the preparation of the annual governance statement; and
- Progress against any improvement plans resulting from QAIP external assessment.

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.

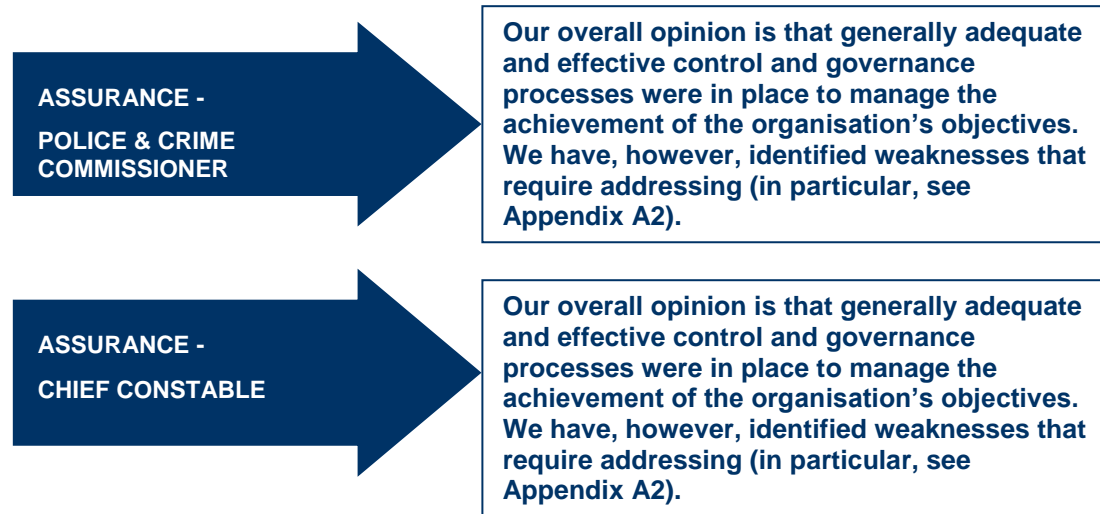
Internal audit provides the Police and Crime Commissioner and Chief Constable, through the Joint Independent Audit Committee (JIAC), with an independent and objective opinion on governance, risk management and internal control and their effectiveness in achieving the organisation's agreed objectives. 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.

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.

02 Head of Internal Audit Opinion

Opinions

From the Internal Audit work undertaken in compliance with the Public Sector Internal Audit Standards (PSIAS) for the year ending 31st March 2019, we can provide the following opinions:



Basis of the Opinion

Internal Audit applies a risk-based approach and our audits assess the governance framework, the risk management process, as well as the effectiveness of controls across a number of areas. Our findings on these themes are set out below. Overall, we can provide assurance that management have in place a generally effective control environment and, whilst further remedial actions are needed in some areas, we are assured that management have in place effective processes for the implementation of identified areas of weakness.

Corporate Governance

Whilst no specific audit of Governance was carried out during 2018/19, we have carried out a number audits where governance arrangements were a key aspect, most notably as part of the work we carried out when reviewing the Service Delivery Model and the Force's Management of MFSS Arrangements. In addition to purely focusing on local procedures, resources were allocated in order to provide assurance with regards the systems and controls, including governance arrangements, in place to deliver specific elements of regional collaboration. During 2018/19, themed audits were carried out of Strategic Financial Planning, Business Planning and Risk Management.

Through the delivery of the internal audit plan, our review of wider regional collaboration arrangements and attendance at JIAC meetings, we are satisfied that the governance framework for the Office of the Police and Crime Commissioner for Northamptonshire and Northamptonshire Police has been effective for the year ended 31st March 2019.

Risk Management

As part of the 2018/19 Internal Audit plan we undertook an audit of the controls and processes in place in respect of risk management. The specific areas that formed part of this review included: policies and procedures; risk registers; risk mitigation; reporting arrangements and follow up of previous recommendations. Whilst there is a basically sound system of internal control, there are weaknesses and evidence of a level of non-compliance with some of the control processes, which may put some of the Force / OPFCC's objectives at risk.

The audit identified many areas of good practice with regards the manner in which risks are being managed across both the Force and the OPFCC. It was evident that risk management plays an important role in the governance structure of both organisations, albeit reliance on the current software, IPSO, has impacted on the effectiveness of processes. The introduction of 4risk in the near future could be seen as a watershed for risk management and is an opportunity to review processes and question current methods of operation. However, it is important that once the system is embedded, a review is carried out to determine whether the anticipated benefits have been realised.

The issues raised by internal audit as part of this audit are meant to supplement the already good practices carried out by both organisations. These include the following:

- updating / aligning current risk management policies and procedures with the introduction of 4risk;
- using the introduction of the new system as a means of addressing the capturing of key information identified in this audit; and
- understanding the reporting functionality of the new system and utilising this in more effective and consistent reporting to the various oversight forums.

As highlighted during the audit, processes require strengthening in terms of what information is recorded, particularly in respect of setting out what mitigation is currently in place and what actions remain to be carried out. It is envisaged that the introduction of 4risk would go some way to addressing these issues, although will need to be supported by training and effective communication.

Internal Control

The Office of the Police and Crime Commissioner for Northamptonshire and Northamptonshire Police have a generally sound control environment, although we have noted areas where improvements are required. During the 2018/19 year, six (60%) internal audits received a “satisfactory assurance”, whilst four (40%) internal audits were rated ‘limited assurance’. In addition, the three collaborative audits covering the East Midlands policing region all were rated ‘satisfactory assurance’.

The following tables provide a brief overview of the assurance gradings given as a consequence of audits carried out during 2018/19, split between those specific to Northamptonshire and those undertaken as part of East Midlands regional collaborative audits. More details of the audit opinions and the priority of recommendations for all 2018/19 Internal Audit assignments is provided in Appendix A1 – Audit Opinions and Recommendations. In addition, further analysis of those areas where systems improvement are required are set out in Appendix A2 – Audit Projects with Limited and Nil Assurance 2018/19.

Northamptonshire Only

Assurance Gradings	2018/19	
Significant	0	0%
Satisfactory	6	60%
Limited	4	40%
Nil	0	0%
Total	10	

Collaboration Audits

Assurance Gradings	2018/19	
Significant	0	0%
Satisfactory	3	100%
Limited	0	0%
Nil	0	0%
Total	3	

In arriving at our overall audit opinion, and whilst acknowledging that further remedial actions are needed in some areas, we have been assured by management that processes have been put in place for the implementation of recommendations to address identified areas of weakness.

Issues relevant to Annual Governance Statement

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. Internal Audit, through its annual programme of activity, has a duty to bring to your attention any areas of weakness we believe should be considered when producing the Annual Governance Statement. As part of this responsibility, we have highlighted any limited or nil assurance reports within Appendix A2.

Restriction placed on the work of Internal Audit

As set out in the Audit Charter, we can confirm that Internal Audit had unrestricted right of access to all OPCC and Force records and information, both manual and computerised, cash, stores and other property or assets it considered necessary to fulfil its responsibilities.

03 Performance

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.

No	Indicator	Criteria	Performance
1	Annual report provided to the JIAC	As agreed with the Client Officer	Achieved
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.	100% (10/10)
5	Issue of final report	Within 5 working days of agreement of responses.	100% (10/10)
6	Follow-up of priority one recommendations	90% within four months. 100% within six months.	Achieved
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% (10/10)
9	Customer satisfaction (measured by survey)	85% average satisfactory or above	100% (1/1)

Quality and Conformance with the Public Sector Internal Audit Standards

In addition to the firm's overall policy and procedures, our internal audit manual and working papers are designed to ensure compliance with the Firm's quality requirements. Furthermore, our internal audit manual and approach are based on professional internal auditing standards issued by the Global Institute of Internal Auditors, as well as sector specific codes such as the Public Sector Internal Audit Standards.

Our methodology and work has been subject to review as part of our internal Quality Assurance Reviews undertaken by our Standards and Risk Management team as well as external scrutiny by the likes of external auditors, as well as other regulatory bodies. No adverse comments have been raised around our compliance with professional standards or our work not being able to be relied upon.

Appendix A1 - Audit Opinions and Recommendations 2018/19

Northamptonshire 2018/19 Audits	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Absence Management & Wellbeing	Final	Limited	1	2	2	5
IT Strategy	Final	Satisfactory		1	1	2
Force Management of MFSS Arrangements	Final	Limited	2	2		4
Victims Voice	Final	Satisfactory		2	2	4
Seized Property	Final	Limited	2	4		6
General Data Protection Regulation (GDPR)	Final	Limited	4		4	8
Service Delivery Model	Final	Satisfactory		4		4
Core Financial Systems	Final	Satisfactory				
• General Ledger		Satisfactory			1	1
• Cash, Bank & Treasury Management		Satisfactory				0
• Payments & Creditors		Limited		4		4
• Income & Debtors		Satisfactory				3
• Payroll		Limited		3	1	4

Northamptonshire 2018/19 Audits	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Risk Management	Final	Satisfactory		3	2	5
Performance, Skills & Talent Management	Final	Satisfactory		1		1
Total			9	26	13	48

Collaboration Audits 2018/19	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Strategic Financial Planning	Final	Satisfactory		4		4
Risk Management	Final	Satisfactory		3	3	6
Business Planning	Final	Satisfactory		2	1	3
Projected Underspend	Draft					
Total				9	4	13

Appendix A2 - Audit Projects with Limited and Nil Assurance 2018/19

Project	Grading	Summary of Key Findings
Absence Management & Wellbeing	Limited	<p>We raised one priority 1 / fundamental recommendation and a further two priority 2 / significant recommendations that require addressing where we believe there is scope for improvement within the control environment. We also raised two priority 3 / housekeeping recommendations in respect of best practice. The priority 1 and 2 recommendations are set out below:</p> <ul style="list-style-type: none"> • HR should review the data available to confirm that individuals are recording sickness correctly in line with the stated procedure. <p>The process for recording line manager communications with staff who are off sick should be re-communicated to line managers and then reviewed to monitor compliance.</p> <p>Line Managers should be reminded of the need to upload Fit Notes for sickness absence longer than 7 days. Moreover, HR should consider dip sampling to confirm levels of compliance.</p> <p>Line Managers should be reminded of the need to complete Return to Work Interviews in all instances of sickness. Furthermore, HR should consider dip sampling to confirm levels of compliance. (Priority 1)</p> • The current Formal Review of sickness absence should be reviewed and updated so there is clarity and consistency on how to record the reviews. <p>HR should consider undertaking dip sampling to confirm that the Formal Reviews are taking place. (Priority 2)</p> • HR should liaise with the Performance Team to understand what data reports are available to assist in the oversight of special leave approvals. (Priority 2)
Force Management of MFSS Arrangements	Limited	<p>We raised two priority 1 / fundamental recommendations and a further two priority 2 / significant recommendations that require addressing where we believe there is scope for improvement within the control environment. These are set out below:</p> <ul style="list-style-type: none"> • The Force should raise the lack of budget setting procedures with the appropriate governance forum to ensure an effective budget setting process can be embedded and is aligned with their own budget setting process. <p>The Force should ensure that the Chief Finance Officers are clearly included in any budget setting process and should be members of the appropriate governance forum where this is scrutinised as part of the budget setting process.</p> <p>The Force should ensure the late delivery of budget monitoring information from MFSS is escalated as soon as possible and actions taken to address are put in place.</p>

		<p>The Force should liaise with MFSS to confirm why the discrepancy, between the invoice received and the budget, occurred to ensure that the error is not repeated.</p> <p>The Force should escalate the incorrect invoice received with MFSS to ensure they receive the correct invoice and can correctly account for the payments to MFSS. (Priority 1)</p> <ul style="list-style-type: none"> • The Force should ensure that the updated SLA with MFSS is put in place as soon as possible to ensure effective performance indicators can be established. <p>The Force should review the performance information that would be most relevant at each of the governance forums then work with MFSS to ensure they receive this information.</p> <p>The number of individual complaints raised and managed by MFSS should be centrally co-ordinated by the Force and form part of the service review meeting. Any unsatisfactory responses to complaints by MFSS should be escalated through the governance structure accordingly to ensure effective performance management. (Priority 2)</p> <ul style="list-style-type: none"> • The Improvement Plan should be updated to include target completion dates for activities to ensure MFSS and Partners are held to account for non-delivery of activities, the Force should raise this at the Optimisation Board. <p>The Force should co-ordinate its data quality issues internally across the totality of services and ensure this is fed back to the MFSS Business Relationship Manager. (Priority 2)</p> <ul style="list-style-type: none"> • The Force should put in place appropriate co-ordination between the attendees of MFSS governance forums to ensure the key information is shared. <p>The Force should seek clarity from MFSS and partners to confirm the roles of each governance forum as well as ensuring the BPT's are operating as intended. (Priority 2)</p>
Seized Property	Limited	<p>We raised two priority 1 / fundamental recommendations and a further four priority 2 / significant recommendations that require addressing where we believe there is scope for improvement within the control environment. These are set out below:</p> <ul style="list-style-type: none"> • The report contains a number of recommendations to address the root causes of errors identified, including that in respect of training and store audits. The Force should continue with regular communications to help raise awareness of the issues. <p>The Detained Property Team should review the items that audit could not locate and carry out inquiries to ensure they are located. (Priority 1)</p> <ul style="list-style-type: none"> • Appropriate procedures should be developed so that cash held within the Central Property Safe is counted for insurance and safeguarding purposes. (Priority 1)

		<ul style="list-style-type: none"> • The detained property team should explore any reporting capabilities that will assist them in the management of detained property. (Priority 2) • The property audit process should be developed to ensure a summary of findings is appropriately reported to senior officers so that action can be taken to address the issues found in a timely manner. (Priority 2) <p>The Property Team should consider rolling out further audits of high risk areas such as Cash Valuables, Freezer, Firearms and Ammunition stores on a periodic basis to confirm items are correctly recorded.</p> <ul style="list-style-type: none"> • The Force should proceed with plans to roll out further training with officers to ensure that property is correctly recorded. • The Detained Property Team should consider updating their staff skills matrix to include the collection and transportation of detained property. (Priority 2) • Actions to address the backlog of items for disposal should be agreed upon and implemented. (Priority 2)
<p>General Data Protection Regulations (GDPR)</p>	<p>Limited</p>	<p>We raised four priority 1 / fundamental recommendations that require addressing where we believe there is scope for improvement within the control environment. We also raised four priority 3 / housekeeping recommendations in respect of best practice. The priority 1 recommendations are set out below:</p> <ul style="list-style-type: none"> • The force needs to revisit or establish an action plan to address shortcomings in compliance and provide a direction of travel towards it. The lack of an action plan seriously undermines attempts to become compliant and fails to establish a long-term strategic direction to managing this area and is in distinct contrast to all other forces reviewed in the region who have performed a full gap analysis and established an action plan to oversee steps required to obtain compliance based on the 12 step guidance from the Information Commissioners Office. (Priority 1) • A working group led by a senior member of staff/officer should be re-established, similar to that that previously existed to oversee the drive towards better compliance such as the development and implementation of the action plan, IAR and resource management. (Priority 1) • The organisation should consider its resourcing levels in this area and in particular look to reduce its backlog of requests. The level of training provided to date to both the team and the wider organisation has been insufficient and further formal training should be considered which can then be cascaded to others internally. (Priority 1) • The organisation should review existing documentation with a view to establishing a current and effective IAR that defines data which is collected and currently stored, and this has been utilised to identify potential risks to compliance with GDPR. (Priority 1)

Appendix A3 – Definition of Assurances and Priorities

Definitions of Assurance Levels		
Assurance Level	Adequacy of system design	Effectiveness of operating controls
Significant Assurance:	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
Satisfactory Assurance:	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.
Limited Assurance:	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.
No Assurance	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
Priority 1 (Fundamental)	Recommendations represent fundamental control weaknesses, which expose the organisation to a high degree of unnecessary risk.
Priority 2 (Significant)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
Priority 3 (Housekeeping)	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

David Hoose

07552 007708

David.Hoose@Mazars.co.uk

Brian Welch

07780 970200

Brian.Welch@Mazars.co.uk

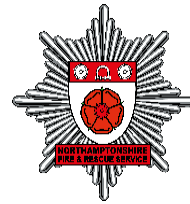
Appendix A5 - Statement of Responsibility

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.



AGENDA ITEM: 6a

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE POLICE and
NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE
JOINT INDEPENDENT AUDIT COMMITTEE
26 JULY 2019**

REPORT BY	Helen King/Paul Dawkins
SUBJECT	Statement of Accounts – PFCC and CC
RECOMMENDATION	To consider the report

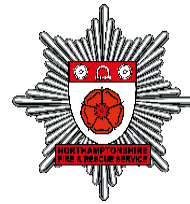
1 PURPOSE OF THE REPORT

- 1.1 The draft Statement of Accounts for both the OPFCC Group and single entity and the Chief Constable were published by the statutory deadline of 31 May 2019 and the accounts available for public inspection between the period 1 June and 12 July 2019.
- 1.2 The statutory officers are very appreciative of the joint work undertaken by the Force and OPFCC teams to meet this deadline.
- 1.3 Both statutory officers have engaged throughout the year with the newly appointed auditors EY to ensure a smooth transition from the previous auditors, KPMG.
- 1.4 The JIAC workshop took place with officers, members and internal and external auditors on the 6 June 2019 to undertake scrutiny and review in line with their statutory role.
- 1.5 Unfortunately, although EY, the Force and the OPFCC had originally scheduled for the audit to take place in July 2019, it has in recent weeks become apparent that the external audit of the draft statement of accounts for the year ended 31 March 2019 will not be completed by the external auditors, EY LLP, due to a number of factors. These include the outstanding audit of the Northamptonshire pension fund for 2017-18, overruns on major local audits that commenced in June and EY's resourcing pressures. The auditors have advised that this situation is allowed for by Regulation 10, paragraph (2a) of the Accounts and Audit Regulations 2015.

- 1.6 Both statutory officers will continue to work closely with EY LLP on the timescales and it is currently planned that the audit will take place with a view to receiving an audit opinion in September/October 2019.
- 1.7 The statutory officers will ensure formal notification of the audit position will be placed on the website prior to the 31 July 2019 and updated as appropriate until such time as the audited accounts have been published, together with the notice on conclusion of audit.
- 1.8 The statutory officers will continue to work closely with EY LLP on the timescales and it is currently planned that the audit will take place with a view to receiving an audit opinion in September/October 2019.

2. RECOMMENDATION

- 2.1 Members are requested to consider the report.



AGENDA ITEM: 6b

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE POLICE and
NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE
JOINT INDEPENDENT AUDIT COMMITTEE
26 JULY 2019**

REPORT BY	Helen King, Chief Finance Officer
SUBJECT	Statement of Accounts – NCFRA
RECOMMENDATION	To consider the report

1 PURPOSE OF THE REPORT

- 1.1 As a new corporation sole, both the statutory instrument and the CIPFA financial management code of practice require NCFRA to produce a Statement of Accounts for the 3 month period 1 January to 31 March 2019.
- 1.2 There is no requirement, however, for NCC to produce a Statement of Accounts for the 9 month period to 31 December 2018.
- 1.3 Therefore, the revenue budget for Fire has had to be closed as at 31 December 2019 and the balance sheet disaggregated from NCC to create an opening balance sheet for NCFRA as at 1 January 2019.
- 1.4 Work on the disaggregation has been complex and undertaken in a very short space of time to ensure that the 3 month draft Statement of Accounts could be closed and produced as at 31 March 2019. The draft Accounts are available on the PFCC website.
- 1.5 The PFCC and Chief Finance Officer are very appreciative of the joint work undertaken by the OPFCC Accountant, Fire, NCC, and LGSS colleagues which has enabled NCFRA to meet this challenging timescale.

- 1.6 Early engagement took place with the external auditors EY LLP throughout the governance transfer and this has included a workshop for Joint Independent Audit Committee (JIAC) members and officers on Accounts considerations in February 2019.
- 1.7 The draft Statement of Accounts for NCFRA were published by the statutory deadline of 31 May 2019.
- 1.8 The accounts were available for public inspection between the period 1 June and 12 July 2019.
- 1.9 The JIAC workshop took place with officers, members and internal and external auditors on the 6 June 2019 to undertake scrutiny and review in line with their statutory role.
- 1.10 Unfortunately, the external audit of the draft statement of accounts for the year ended 31 March 2019 will not be completed by the external auditors, EY LLP, due to EY's resourcing pressures. The auditors have advised that this situation is allowed for by Regulation 10, paragraph (2a) of the Accounts and Audit Regulations 2015.
- 1.11 The Chief Finance Officer will ensure formal notification of the audit position will be placed on the website prior to the 31 July 2019 and updated as appropriate until such time as the audited accounts have been published, together with the notice on conclusion of audit.
- 1.12 The Chief Finance Officer will continue to work closely with EY LLP on the timescales and it is currently planned that the audit will take place with a view to receiving an audit opinion in September/October 2019.

2. RECOMMENDATION

- 2.1 Members are requested to consider the report.



AGENDA ITEM: 7a

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE POLICE and
NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE
JOINT INDEPENDENT AUDIT COMMITTEE
26 JULY 2019**

REPORT BY	Helen King/Paul Dawkins/EY
SUBJECT	External Audit Update – PFCC & CC
RECOMMENDATION	To consider the updated and rescheduled timescales for external audit

1 PURPOSE OF THE REPORT

- 1.1 To consider the rescheduled audit timescales for the PFCC and CC Statement of Accounts External Audit for 2018.19 in line with the attached letter from EY.

2. RECOMMENDATION

- 2.1 Members are requested to consider the letter.

Helen King
Chief Finance Officer
Police, Fire and Crime Commissioner for Northamptonshire
Paul Dawkins
Chief Finance Officer
Chief Constable for Northamptonshire

8 July 2019

Ref: EY/18-19/Northamptonshire
PCC and CC /1819 External Audit
Reschedule letter
Your ref:

Email: NHarris2@uk.ey.com

SENT BY EMAIL

Dear Helen and Paul,

ACCOUNTS & AUDIT TIMETABLE 2018/19

Further to our telephone conversation on 25th June 2019, our email correspondence on 26th and 27th June and my meeting with Helen and the Force finance team on the 5th July 2019, as requested, I am writing to confirm the current position with the Police and Crime Commissioner and Chief Constable 2018/19 audit.

Our responsibilities in relation to Accounts

From the PSAA Statement of responsibilities of auditors and audited bodies, Paragraph 17, available at www.PSAA.co.uk, our responsibilities include:

Auditors provide an opinion on whether the audited body's financial statements:

- give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question; and
- have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

We are also required to conduct our work economically, efficiently and effectively, and in as timely a way as possible.

Your responsibilities in relation to Accounts

Under the Accounts and Audit Regulations 2015, Regulation 10, your responsibilities for publication of the Accounts are as follows:

Publication of statement of accounts, annual governance statement and narrative statement for Category 1 authorities

10.–(1) A Category 1 authority must, after approving the statement of accounts in accordance with regulation 9(2) but not later than 31st July of the financial year immediately following the end of the

financial year to which the statement relates, publish (which must include publication on the authority's website)–

(a) the statement of accounts together with any certificate or opinion, entered by the local auditor in accordance with section 20(2) of the Act;

(b) the annual governance statement approved in accordance with regulation 6(2); and

(c) the narrative statement prepared in accordance with regulation 8.

(2) Where an audit of accounts has not been concluded before the date specified in paragraph (1) an authority must–

(a) publish (which must include publication on the authority's website) as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the statement of accounts and its reasons for this;

(b) comply with paragraph (1) as if for "but not later than 31st July of the financial year immediately following the end of the financial year to which the statement relates" there were substituted "as soon as reasonably practicable after the receipt of any report from the auditor which contains the auditor's final findings from the audit which is issued before the conclusion of the audit".

Audit timing 2019

Our priority is to ensure high quality in undertaking our audits, as this is key to ensuring we meet our responsibilities and issue the correct opinion.

As your auditors we try to conduct our work in as timely a manner as possible, having regard to your responsibilities. On the 28th May 2019, we had a telephone conversation and email exchange to explain and agree that whilst we would plan to resource your audit during July 2019, we would be unable to issue our audit opinion on the Police and Crime Commissioner and Chief Constable 2018-2019 financial statements before the end of July 2019 because of delays receiving IAS19 Pensions audit assurances from the auditor's of the Northamptonshire Local Government Pension Scheme. Since then, we have encountered a number of complex audit issues on the Major Local Audits that we commenced in June which means that we are not able to resource your audit this month as originally planned, as we seek to complete those audits that we have started.

To ensure you receive the best quality audit from EY, we are therefore proposing an alternative timetable for your 2018/19 audit. We will work with you to agree a revised detailed delivery and reporting timetable taking into account the availability of your finance team. I will also work with you to agree the narrative to reflect this position and fulfil your obligations in the publication of the unaudited financial statements by the 31 July 2019 deadline.

We have explained our decision to reschedule a number of audits to Public Sector Audit Appointments and committed to keep them informed about both our discussions with clients and our plans. They share our overriding concern to ensure delivery of a quality audit.

They have also sought reassurance that EY will make every effort to minimise inconvenience to clients and to complete rescheduled audits as soon as possible after 31 July. We have been happy to give that reassurance.

Whilst we always strive to provide excellent client service, my first priority must be to safeguard the quality of the audits provided, and avoid putting our professional standards at risk. I apologise for the inconvenience that the rescheduling of your audit may cause. We will work with you to ensure that any disruption is minimised.

Yours sincerely

Neil Harris
Associate Partner
Ernst & Young LLP
United Kingdom



AGENDA ITEM: 7b

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE POLICE and
NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE
JOINT INDEPENDENT AUDIT COMMITTEE
26 JULY 2019**

REPORT BY	Helen King/ EY
SUBJECT	External Audit Update – NCFRA
RECOMMENDATION	To consider the rescheduled timescale for external audit

1 PURPOSE OF THE REPORT

- 1.1 Members have previously been advised of the notification to reschedule the NCFRA external audit timescale for 2018/19 in line with the PSAA and EY attached notifications.

2. RECOMMENDATION

- 2.1 Members are requested to consider the letters.

29 April 2019

PSAA Limited
18 Smith Square
London
SW1P 3HZ

Email
Phone

auditorappointments@psaa.co.uk
07976 887573

Dear Helen,

I am contacting you in connection with EY's recent communication concerning its decision to delay your audit beyond 31 July.

PSAA is disappointed that this situation has arisen and that EY has concluded that it needs to reschedule your audit. This is the first year of our new contracts with audit firms, and EY is an important audit supplier to local government. It bid for and succeeded in winning a larger portfolio of audits. At the time of awarding the contract we were confident that EY was able to deliver that portfolio by the expected deadline. However it has experienced recent high levels of attrition and difficulties in recruiting to replace a number of Government and Public Services trained staff, sufficient to resource and deliver audits that meet the required quality standard within the tight timescale to 31 July.

We are sorry that this is the position on your audit. We recognise that your staff and members will have planned on the basis of the 2018/19 accounts being audited by the end of July, and that adjusting to a new timetable may cause inconvenience. EY has spoken with you with a view to agreeing the best way forward, taking into account your individual circumstances and preferences. We appreciate that this is a less than ideal solution but, unfortunately, there are no practical alternative options available.

EY's decision to reschedule some audit visits is driven by the fundamental need to ensure that the requirements of relevant professional standards are met, enabling the right opinion on the accounts and conclusion on VFM arrangements. We are in close contact with EY regarding the rescheduled audits being completed as soon as is practicable, consistent with the revised audit timetables agreed with you and the other affected bodies. EY has explained to us its action plan designed to ensure both that as many audits as possible do meet the 31/7 target date, and also to ensure that similar problems do not arise in future years. This includes that recruitment efforts progress as rapidly as possible. We will check with EY on its progress in implementing the action plan on a regular basis.

EY's letter includes paragraph 10 of the Accounts and Audit Regulations. This sets out that you will be in compliance with those regulations if you publish an explanation of why audited accounts are not available by 31 July 2019. This follows on from the requirement to publish the full pre-audit statements and Annual Governance Statement by 31 May, enabling the 30 working days for the public inspection to include the first 10 working days of June.

We appreciate that you may be concerned about how not publishing your 2018/19 audited accounts by 31 July 2019 will be reported. For our part, PSAA will ensure that in any report we may issue that the reasons for delays will be clearly explained.

If you would like to discuss your authority's position or any of the issues referred to in this letter, or if PSAA can assist you in any other way, please do not hesitate to contact me.

Yours sincerely



Tony Crawley
Chief Executive
PSAA Ltd



Ernst & Young LLP Tel: + 44 20 7951 2000
1 More London Place Fax: + 44 20 7951 1345
London ey.com
SE1 2AF

Letter covers:

25 April 2019

- The Northamptonshire Commissioner Fire and Rescue Authority

Email: NHarris2@uk.ey.com

Addressed to:

- Helen King, Chief Finance Officer.

Dear Helen,

ACCOUNTS & AUDIT TIMETABLE 2018/19

As discussed at your accounts closedown meeting on the 24th April, I am now writing to update you on the proposed audit timeline for your 2018/19 audit.

Our responsibilities in relation to Accounts

From the PSAA Statement of responsibilities of auditors and audited bodies, Paragraph 17, available at www.PSAA.co.uk, our responsibilities include:

Auditors provide an opinion on whether the audited body's financial statements:

- *give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question; and*
- *have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.*

We are also required to conduct our work economically, efficiently and effectively, and in as timely a way as possible.

Your responsibilities in relation to Accounts

Under the Accounts and Audit Regulations 2015, Regulation 10, your responsibilities for publication of the Accounts are as follows:

Publication of statement of accounts, annual governance statement and narrative statement for Category 1 authorities

10.-(1) A Category 1 authority must, after approving the statement of accounts in accordance with regulation 9(2) but not later than 31st July of the financial year immediately following the end of the financial year to which the statement relates, publish (which must include publication on the authority's website)-

(a) the statement of accounts together with any certificate or opinion, entered by the local auditor in accordance with section 20(2) of the Act;

(b) the annual governance statement approved in accordance with regulation 6(2); and

(c) the narrative statement prepared in accordance with regulation 8.

(2) Where an audit of accounts has not been concluded before the date specified in paragraph (1) an authority must–

(a) publish (which must include publication on the authority's website) as soon as reasonably practicable on or after that date a notice stating that it has not been able to publish the statement of accounts and its reasons for this; and

(b) comply with paragraph (1) as if for "but not later than 31st July of the financial year immediately following the end of the financial year to which the statement relates" there were substituted "as soon as reasonably practicable after the receipt of any report from the auditor which contains the auditor's final findings from the audit which is issued before the conclusion of the audit".

Audit timing 2019

Our priority is to ensure high quality in undertaking our audits, as this is key to ensuring we meet our responsibilities and issue the correct opinion.

As your auditors we try to conduct our work in as timely a manner as possible, having regard to your responsibilities. Unfortunately, we are experiencing staff turnover and challenges in recruiting new staff, which affect the audit timetable. To ensure you receive the best quality audit from EY, we are proposing an alternative timetable for your 2018/19 audit. Our proposal is that your audit will take place during September 2019 and we will work with you to agree a revised detailed delivery and reporting timetable.

We have explained our decision to reschedule a number of audits to Public Sector Audit Appointments and committed to keep them informed about both our discussions with clients and our plans to increase recruitment. They share our overriding concern to ensure delivery of a quality audit. They have also sought reassurance that EY will make every effort to minimise inconvenience to clients and to complete rescheduled audits as soon as possible after 31 July. We have been happy to give that reassurance.



Whilst we always strive to provide excellent client service, my first priority must be to safeguard the quality of the audits provided, and avoid putting our professional standards at risk. I apologise for the inconvenience that the rescheduling of your audit may cause. We will work with you to ensure that any disruption is minimised.

Yours sincerely

Neil Harris
Associate Partner
Ernst & Young LLP
United Kingdom



AGENDA ITEM: 8

NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER, NORTHAMPTONSHIRE POLICE and NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE

JOINT INDEPENDENT AUDIT COMMITTEE 26 JULY 2019

REPORT BY	Helen King, Chief Finance Officer/Duncan Wilkinson, LGSS Internal Audit
SUBJECT	NCFRA Internal Audit Plan
RECOMMENDATION	To ratify the Internal Audit Plan for NCFRA

1 PURPOSE OF THE REPORT

- 1.1 The Internal Audit Plan for the newly established Northamptonshire Commissioner Fire and Rescue Authority was finalised and agreed following the March 2019 JIAC meeting.
- 1.2 The first Internal Audit Plan has been prepared following significant discussion and engagement between LGSS, the Chief Fire Officer and the PFCC.
- 1.3 Following circulation to members in May 2019, the Internal Audit Plan has been approved by the Chief Fire Officer and the PFCC and is attached for ratification.

Internal Audit of LGSS

2018/20 Audit Plan



LGSS Internal Audit
December 2018

1. BACKGROUND

1.1. The Accounts and Audit Regulations (2015) sets out that:

A relevant authority must ensure that it has a sound system of internal control which—

- (a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;*
- (b) ensures that the financial and operational management of the authority is effective; and*
- (c) includes effective arrangements for the management of risk.*

And that:

A relevant authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

A relevant authority must, each financial year—

- (a) conduct a review of the effectiveness of the system of internal control required by regulation 3; and*
- (b) prepare an annual governance statement*

1.2. LGSS is a Local Authority Shared Service organisation with joint 'ownership' by Northamptonshire County Council, Cambridgeshire County Council and Milton Keynes Council managing services via delegated budgets. LGSS provides Internal Audit services to the above 3 Councils and a variety of customers. Delegated budgets remain subject to the legal provisions applicable to all its sovereign / owning Councils i.e. subject to the Accounts and Audit Regulations.

1.3. The Public Sector Internal Audit Standards (PSIAS) issued in April 2016 defines the service and professional standards for public sector internal audit services. These include the need for risk-based audit plans to be developed and to receive input from management and the 'Board'.

1.4. Northamptonshire Commissioner Fire and Rescue Authority (NCFRA) is considered a 'relevant authority' under the above provisions. The PSIAS terms 'Board' and 'senior management' are highlighted within PSIAS as needing 'to be interpreted in the context of governance arrangements within each public sector organisation'. In the context of NCFRA:

- The term the 'Board' refers to NCFRA Commissioner and as defined within its terms of reference the Accountability Board
- The term 'Senior Management' refers to the Chief Fire Officer (acting as NCFRA Chief Executive) and other senior officers consistent with the relevant scheme of delegation.

1.5. Key, specific PSIAS provisions include:

PSIAS : 2010 - *“The Chief Audit Executive must establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation’s goals.”*

PSIAS : 2450 – *“The Chief Audit Executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control.”*

1.6. The LGSS Chief Internal Auditor performs the role of the Chief Audit Executive and he/she ensures that internal audit resources are appropriate, sufficient and effectively deployed to achieve the Internal Audit Plan.

1.7. The Audit Plan must also consider the relevant NCFRA Risk Register which is under development as at December 2018. The proposed plan will therefore require review once the Risk Register has been adopted by the relevant NCFRA Board. This is likely to require change to the plan, rather than any increase or decrease in plan days, unless the Risk Register identifies significant non-financial risks.

1.8. The Control Assessment methodology used to form the required Audit Opinion is set out in full at Annex A. In summary it has three key elements:

- 1) Assess and test the CONTROL ENVIRONMENT,
- 2) Test COMPLIANCE with those control systems, and
- 3) Assess the ORGANISATIONAL IMPACT of the area being audited.

1.9. In simple terms, to achieve the above every audit:

- 1) Identifies / documents the agreed objectives of the audited system / service purpose
- 2) Evaluates the control systems / governance arrangements to ensure they:
 - a. align to the delivery of the service purpose
 - b. measure performance effectively
 - c. mitigate the threats to achieving the service purpose
- 3) Tests the adequacy of operation of controls to achieve the agreed objectives / service purpose.

1.10. Audit Reports will be sent to:

- The relevant senior officer responsible for the area audited
- The NCFRA 151 Officer
- The Chief Fire Officer (or their designated deputy)

- 1.11. Reports concluding less than Satisfactory Opinion will also be sent to the Chair of the Audit Committee and at their request those reports shall be considered, in full, by the audit Committee.
- 1.12. Operationally the Chief Internal Auditor shall report to the 151 Officer. Consistent with PSIAS, the Chief Internal Auditor shall have direct reporting access to the Chief Fire Officer, the Chair of Audit Committee and the Commissioner.
- 1.13. Periodic (usually Quarterly, but aligned to the Audit Committee meeting schedule) summary reports will be issued to the NCFRA Audit Committee.
- 1.14. An Annual Audit Opinion is provided following year end and aligned to the drafting of the Annual Governance Statement.

2. THE PROPOSED ANNUAL (15 month) PLAN

- 2.1. The Internal Audit Plan must be sufficiently flexible to enable assurance over current risk areas, as well as emerging risks, and those risks which are yet to be identified. The plan set out below:
 - Identifies the Known Knowns to be audited eg Governance & Financial Systems
 - Takes account of the Known Unknowns ie those new or emerging issues within a new organization eg Agresso implementation
 - Can be flexible for the Unknown Unknowns that may arise during the year eg new partners, contracts etc.
- 2.2. The Audit Plan is designed to be flexible if new risks emerge or existing risks significantly reduce. Progress against the plan will be monitored throughout the year and key issues will be reported to NCFRA Management Board and the NCFRA Audit Committee on a quarterly basis.
- 2.3. Given NCFRA commences as a separate legal entity on 1st Jan 2019 that creates additional audit requirement to verify governance processes as a new organisation established effectively as at 1st Jan (or shortly thereafter).
- 2.4. The technically correct audit process would be to audit NCFRA for the period 1st Jan to 31st Mar 2019. Whilst a short period the work required would approximate 60-80 days needing to review controls **and** test their operation by 31st March. A separate audit plan for 1st Apr 2019 to 31st Mar 2020 would then be completed for approximately 80 days. This would total approximately 120-180 days.
- 2.5. An 'single' audit plan that covers 1st Jan 2019 to 31st Mar 2020, providing an annual opinion as at April 2020 for that period, can reduce the audit days needed. As set out in the table below:
 - ✓ Plans to document and evaluate systems of control and governance between Jan and Mar 2019,

- ✓ Provides the opportunity for NCFRA to improve / revise controls within its early periods of operation,
- ✓ Plans to test the effectiveness of controls during Q3 and Q4 of 19/20 (ie Oct 19 to Mar 20) including:
 - Operational decisions across the organisation compliant with formal delegations
 - Samples of creditors, debtors and pay across the full 15 month period
- ✓ Risk Management is estimated at a total of 20 days across the 15 months to support and facilitate the 1st iteration of NCFRA Risk Register then support its periodic review

2.6. The above approach reduces the total audit days required across the 15 months to an estimate of 122 days in total, where otherwise resources approximating 160 days might be required for the 2 financial periods 2018-2020. It is estimated that a single, full financial year audit plan, once systems of control are confirmed to be adequate, and could be programmed across the year, would require approx. 80-100 days.

2.7. The table below provides a summary of the proposed IA Annual Plan.

Annual Audit Plan 1st Jan 2018 to 31st Mar 2020				
Audit Area	Days[#]	Timing[*]	Days	Timing[*]
Governance				
• NCFRA Board roles and functions	2-5	19/Q2 ⁺	5	19/Q3
• Key Policies and Procedures	2-5	19/Q2	5	19/Q3
• Scheme of Delegation Adherence	5	19/Q2	10	19/Q3
Target Operating Model (Strategic Planning / Perf Mgmt / Risk Management / Outcomes)	12	19/Q2	3	19/Q4
Key Financial Systems				
• Accounts Payable (creditors)	2-5	19/Q2	5	19/Q4
• Accounts Receivable (inc Debt Recovery)	2-5	19/Q2	5	19/Q4
• Payroll	2-5	19/Q2	10	19/Q4
• MTFP / Budget Management	8	19/Q3	2	19/Q4
Risk Management	10	All	10	All
ICT Systems Security	5	19/Q2	10	19/Q4
Audit management and reporting	2	All	5	All
TOTAL DAYS	52-67		70	

* These are indicative timings when the work should be undertaken E.g. 19/Q2 is 1st July 2019 to 30th Sept 2019. Testing for each area is split into 2 so that initial testing (eg within 19/Q2) can focus (and report to management) on evaluating systems of control and testing 2018/19 and early 2019/20 transactions rather than a single audit in Q4 ie March 2020. It is estimated that a single, full financial year audit plan programmed across the year would require approx. 80-100 days.

An indicative number of days is given where:

- A minimum of 2 days is needed to document and evaluate the control systems
- Further days (up to 5) may be needed if the new systems are unclear or not initially considered adequate

Initially it is anticipated that key financial systems should only need the lower amounts but strategic governance areas may not be initially developed between 1st Jan and 31st Mar required greater audit resources.

+ An initial review will be undertaken by 31st May of the draft Annual Governance Statement to provide a preliminary audit opinion on the adequacy of the initial governance arrangements, as set out / summarised in that AGS.

2.8. A more detailed outline of the audit areas and key issues is provided below.

- Overall Scope

The migration into a separate legal entity creates a 'contingent' audit approach where systems to be audited cannot be considered stable or reliable until sufficient testing has been evidenced. The application of a 15 month 1st audit period approach seeks to minimise the cost of additional, increased testing required within a new organisation operating new systems.

Additionally governance and risks cannot be considered 'mature systems' and future work and audit plans will need to have due regard to test findings from the first 15 month audit period.

- Governance

NCFRA as a separate legal entity should maintain strategic governance arrangements that clearly and formally record its:

- 'Board' level governance including decision making (eg Commissioner, Chief Fire Officer and the Accountability Board)
- Its arrangements for Audit functions (ie the Audit Committee role)
- Key policies and procedures
- Specific Scheme of Delegation to define the authority delegated across the organisation

Compliance with an approved Scheme of Delegation (SoD) and policies is a specific area for audit that provides assurances regarding the operational management of the organisation and provides evidenced compliance with:

- Decisions that are reserved for NCFRA 'Board'
- Key decisions are taken in accordance with approved SoD, and
- The SoD reflects the operational needs of NCFRA and its services

- Target Operating Model

This audit does not replace or mirror NCFRA performance management processes. It seeks to verify whether those processes provide accurate, timely and reliable assurance to senior management and the Board. Testing is undertaken on the systems that monitor and report KPIs etc to the Management Board, Board as well as providing independent assurance regarding the accuracy of the information reported.

- Medium Term financial planning (MTFP) / Budget Management

This is a key area of internal audit work designed to provide assurances regarding the operation of financial controls and financial management across NCFRA. Core financial systems include accounts payable, accounts receivable and payroll.

Additionally effective budget management supporting financial forecasting ensures NCFRA can maximise its financial resources to best support its operational objectives.

- *Risk Management*
Support to this aspects of NCFRA operations is included within the LGSS Internal Audit service.
- *ICT Security*
IT security and systems are essential elements of modern auditing.

Control Assessment Methodology

The required Audit Opinion for every audit is provided in 3 parts as below:

Control Environment Assurance	
Level	Definitions
Substantial	Minimal control weaknesses that present very low risk to the control environment
Good	Minor control weaknesses that present low risk to the control environment
Satisfactory	Control weaknesses that present a medium risk to the control environment
Limited	Significant weaknesses that present a high risk to the control environment
No Assurance	There are fundamental control weaknesses that present an unacceptable level of risk to the control environment

Compliance Assurance	
Level	Definitions
Substantial	The control environment has substantially operated as intended although some minor errors have been detected.
Good	The control environment has largely operated as intended although errors have been detected
Satisfactory	The control environment has mainly operated as intended although errors have been detected.
Limited	The control environment has not operated as intended. significant errors have been detected.
No Assurance	The control environment has fundamentally broken down and is open to significant error or abuse.

Organisational Impact	
Level	Definitions
Major	The weaknesses identified during the review have left the Council open to significant risk. If the risk materialises it would have a major impact upon the organisation as a whole
Moderate	The weaknesses identified during the review have left the Council open to medium risk. If the risk materialises it would have a moderate impact upon the organisation as a whole
Minor	The weaknesses identified during the review have left the Council open to low risk. This could have a minor impact on the organisation as a whole.



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

Internal Audit Progress Report 2018/19 & 2019/20

July 2019

Presented to the Joint Independent Audit Committee meeting of: 26th July 2019

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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 31st March 2019, together with progress on delivering the 2019/20 Internal Audit Plan which was considered and approved by the JIAC at its meeting on 20th March 2019.
- 1.2 The Police, Fire 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, Fire 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 OPFCC 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, Fire 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 Since the last meeting of the JIAC we have issued the final two final reports in respect of the 2018/19 audit plan, these being in respect of Risk Management and Performance, Skills & Talent Management. Further details are provided in Appendix 1.

Northamptonshire 2018/19 Audits	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Absence Management & Wellbeing	Final	Limited	1	2	2	5
IT Strategy	Final	Satisfactory		1	1	2
Force Management of MFSS Arrangements	Final	Limited	2	2		4
Victims Voice	Final	Satisfactory		2	2	4
Seized Property	Final	Limited	2	4		6
General Data Protection Regulation (GDPR)	Final	Limited	4		4	8
Service Delivery Model	Final	Satisfactory		4		4
Core Financial Systems	Final	Satisfactory		7	2	9
Risk Management	Final	Satisfactory		3	2	5
Performance, Skills & Talent Management	Final	Satisfactory		1		1
Total			9	26	13	48

- 2.2 This is the first progress report to the JIAC in respect of the 2019/20 Internal Audit Plan. To date we have issued two final reports, these being in respect of Business Continuity and Complaints Management. Further details are provided in Appendix 2.

Northamptonshire 2019/20 Audits	Report Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Business Continuity	Final	Satisfactory		1		1
Complaints Management	Final	Satisfactory		1	2	3
Total				2	2	4

- 2.3 Work in respect of following up the 2018/19 audit on Absence Management is underway, the scope and fieldwork dates have been agreed in respect of Project / Benefits Realisation and Governance, with these starting in the next few months. Further details are provided in Appendix 4.

- 2.4 As reported at the last JIAC meeting, the initial 2018/19 Collaboration Internal Audit Plan is complete, however we still await management's response to the additional audit in respect of Projected Underspend.

Collaboration Audits 2018/19	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Strategic Financial Planning	Final	Satisfactory		4		4
Risk Management	Final	Satisfactory		3	3	6
Business Planning	Final	Satisfactory		2	1	3
Projected Underspend	Draft					
Total			-	9	4	13

For the internal audit plans for 2019/20, it was agreed at the Joint Chief Finance Officers meeting that a similar 'themed' approach would be taken, albeit covering a different set of themes / areas, carrying out the audit across a further sample of units. The proposed 'themed' audits are:

- Performance Management
- Business Continuity
- Health & Safety

A paper, briefly setting out the audit areas for 2019/20, will be presented for consideration at the Deputy Chief Constable's Board, including a brief overview of the likely areas of the scope. Prior to the audit work commencing a more detailed set of terms of reference will be produced which provide the framework for the audit fieldwork and these too will be shared with DCC's in order for them to feed in at that stage as well.

03 Performance 2018/19

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.

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.	100% (10/10)
5	Issue of final report	Within 5 working days of agreement of responses.	100% (10/10)
6	Follow-up of priority one recommendations	90% within four months. 100% within six months.	Achieved
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% (11/11)
9	Customer satisfaction (measured by survey)	85% average satisfactory or above	N/A

Appendix A1 – Summary of Reports 2018/19

Below we provide brief outlines of the work carried out, a summary of our key findings raised and the assurance opinions given in respect of the final reports issued since the last progress report in respect of the 2018/19 internal audit plan.

Risk Management

Assurance Opinion	Satisfactory
Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	3
Priority 3 (Housekeeping)	2

Our audit considered the risks relating to the following control objectives:

Policies & Procedures

- A risk management strategy, with supporting policies and procedures, is in place and available to officers and staff.
- Procedures are in place to ensure that risks are identified; assessed; recorded; and, appropriate risk owners are assigned.

Risk Registers

- The corporate risk registers are subject to regular review and are updated in a consistent manner.
- The service risk registers are subject to regular review and are updated in a consistent manner.
- There are clear links between corporate and service risk registers.

Risk Mitigation

- Risk mitigation actions are in place and there is evidence they are monitored to ensure tasks are completed within agreed timescales.
- The methods for identifying and managing potential risk within the business areas are regularly reviewed, with consideration given to developing engagement at all levels.

Programmes and Projects

- Programmes and projects that are carried out across the Force ensure that appropriate risks are considered, reported, updated and managed from the start to finish of the project.
- The risks in relation to programmes and projects are adequately recorded on the appropriate risk register.

Reporting Arrangement

- Appropriate oversight and reporting arrangements, including between the Force and OPFCC, are in place and are working effectively.

We raised three significant (priority 2) recommendations where felt that the control environment could be improved. These related to the following:

- Policies and procedures should be reviewed, updated and subsequently approved in light of the introduction of 4risk. The details of the Policy and Procedure, together with its subsequent communication, should take into account the findings of this audit.

Consideration should be given by the Force to presenting the Policy and Procedures to the Force Strategy Board (or its successor, should this be the case) and the JIAC alongside other Force and Fire Policies.

The OPFCC should give consideration to either the establishment of separate procedures for managing risk or the development of the current policy document to incorporate how risk will be managed using 4risk going forward.

- Linked with the need to review and / or develop Risk Management Policies & Procedures, and its subsequent communication to staff, the Force should ensure that staff clearly understand the risk management process and what is required of them as a Risk Owners. Where the registers are not completed to the appropriate standard, this should be challenged by the Risk & Business Continuity Advisor.

In support of the move to 4risk, and updates of the current procedures, effective communication and training arrangements should be put in place for all relevant staff, including Risk Owners and Risk Co-ordinators.

- A post-implementation review of 4risk should be carried out to measure whether the perceived benefits of the new system are being realised and an action plan be established where appropriate.

We also raised two priority 3 recommendations of a more housekeeping nature relating to reporting capabilities and risk management processes within the OPFCC.

Management have confirmed that most actions will be completed by the end of July 2019, with the post-implementation review of 4risk being carried out by November 2019.

Performance, Skills & Talent Management

Assurance Opinion	Satisfactory
--------------------------	---------------------

Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	1
Priority 3 (Housekeeping)	-

Our audit considered the risks relating to the following control objectives:

Performance Management

Roles and responsibilities for Performance Management are clearly assigned and communicated;

There are robust procedures in place for undertaking, recording and reporting of performance;

Line managers are provided with training and guidance to enable them to carry out their responsibilities effectively;

There is regular oversight and scrutiny of performance across the organisation; and

Action plans are put in place to address areas of weakness that are identified.

Skills Management

Roles and responsibilities for Skills Management are clearly assigned and communicated;

There are robust policies, procedures and guides in place for the recording of skills at the Force;

Skills are promptly and accurately recorded in the skills database, including the timely upload of skills following the completion of training courses;

Regular analysis of skills takes place to enable gaps to be identified and appropriate action plans are put in place to address any gaps in skills that are identified; and

Regular reporting of skills levels at the Force takes place to enable oversight and scrutiny to take place.

Talent Management

Roles and responsibilities for Talent Management are clearly assigned and communicated;

There is an effective governance structure in place for the review of talent at the Force;

There are robust procedures in place for the monitoring and review of talent at the Force;

Actions to address areas of weakness are set, monitored and reviewed to confirm the weaknesses have been addressed.

We raised one priority 2 recommendation where we believe there is scope for improvement within the control environment. This is set out below:

- The retained HR function should carry out dip sampling on completed PDRs to ensure they are compliant with Force Policy.

The Force should consider an appropriate moderation process to ensure fairness and consistency within the performance management process.

Management confirmed that agreed actions will be addressed by August 2019.

Appendix A2 – Summary of Reports 2019/20

Below we provide brief outlines of the work carried out, a summary of our key findings raised and the assurance opinions given in respect of the final reports issued since the last progress report in respect of the 2019/20 internal audit plan.

Business Continuity

Assurance Opinion	Satisfactory
Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	1
Priority 3 (Housekeeping)	-

Our audit considered the risks relating to the following control objectives:

Roles and Responsibilities

Roles and responsibilities in respect of Business Continuity across the OPFCC and Force are clearly defined, with officers and staff having a full understanding and accountability for associated processes.

Policies and Procedures

Effective policies and procedures are maintained and regularly reviewed to ensure a consistent and effective approach to Business Continuity is applied across the OPFCC and Force. These are being adapted to reflect the significant changes that have taken place within the Force.

Incident Escalation & Emergency Action Procedures

Business Continuity and Crisis Management Procedures exist to ensure that incidents are effectively escalated and emergency action is mobilised where required. The procedures are subject to regular testing.

Business Continuity Test Plans

An agreed annual Business Continuity testing plan is being developed across the OPFCC and Force which adequately reflects the current risks facing the Force.

Continuous Improvement and Lessons Learnt

The delivery of testing plans, associated outcomes and unplanned events is monitored, with systems embedded to drive continuous improvement and lessons learnt.

Monitoring and Reporting

There is regular monitoring and reporting of business continuity processes and issues to appropriate forums.

We raised one priority 2 recommendation where we believe there is scope for improvement within the control environment. This is set out below:

- The Force should consider the type and frequency of testing of individual business continuity plans to ensure all plans are fit for purpose.

Management confirmed that actions will be completed by June 2019.

Complaints Management

Assurance Opinion	Satisfactory
Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	1
Priority 3 (Housekeeping)	2

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

Governance Arrangements

There are effective governance arrangements in place for the investigation and resolution of complaints that includes defined roles and responsibilities, senior oversight and reporting arrangements.

There are clear procedures in place that support the complaints handling process and these are in line with the Police Reform Act 2002, Police (Complaints & Misconduct) Regulations 2012 and any other relevant legislation and good practice.

Processing of Complaints and Appeals

There is a mechanism for accurately recording complaints information and adequate information is collected from the complainants.

Complaints are correctly assessed and dealt with in accordance with the relevant legislative and procedural requirements.

The complaints management process meets the objective of addressing the concerns of the complainants and/or satisfies them that they have been listened to and treated fairly, even if the outcome is not what they were seeking.

The OPFCC have an effective complaints management process for handling the complaints they receive.

Monitoring and Review Arrangements

There are key performance indicators and internal targets in place for the complaints management process.

There are processes in place to review closed complaints cases to confirm they have been completed accurately and correctly.

Robust performance information is produced that enables the Force and OPFCC to effectively manage the complaints process and provide assurance that complaints have been handled in line with requirements.

Change Requirements

The Force and OPFCC have made appropriate preparations for the planned changes to Complaints Management legislation.

We raised one priority 2 recommendation where we believe there is scope for improvement within the control environment. This is set out below:

- The Force/OPFCC should seek assurances that complaints are being acknowledged within the statutory timeframes (two working days). Implementation of a Key Performance Indicator (KPI) should be considered or a review of processes to ensure acknowledgements are sent.

We also raised two priority 3 recommendations of a more housekeeping nature with regards the identifications of anomalies with the Centurion system and updating the Scheme of Delegation.

Management confirmed that actions will be completed by September 2019.

Appendix A3 Internal Audit Plan 2018/19

Auditable Area	Plan Days	Planned Fieldwork Date	Actual Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Core Assurance							
Core Financial Systems	18	Nov 2018	Nov 2018	Dec 2018	Mar 2019	Mar 2019	Final report issued.
Risk Management	8	Mar 2018	Mar 2019	Mar 2019	April 2019	July 2019	Final report issued.
Strategic & Operational Risk							
Absence Management & Wellbeing	8	June 2018	June 2018	June 2018	July 2018	July 2018	Final report issued
IT Strategy	10	June 2018	June 2018	July 2018	Aug 2018	Sept 2018	Final report issued
MFSS Contract Management	8	June 2018	June 2018	July 2018	Dec 2018	Mar 2019	Final report issued
Partnership Working	8	Aug 2018				N/A	Postponed
Seized Property	10	Sept 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Final report issued.
Victims Voice	7	Sept 2018	Sept 2018	Oct 2018	Oct 2018	Dec 2018	Final report issued.
GDPR	10	Nov 2018	Oct 2018	Feb 2019	Feb 2019	Mar 2019	Final report issued.
Performance, Skills, Talent Management	9	Mar 2019	Mar 2019	Apr 2019	May 2019	July 2019	Final report issued.
Service Delivery Model	12	Oct 2018	Oct – Dec 2018	Jan 2019	Feb 2019	Mar 2019	Final report issued.

Auditable Area	Plan Days	Planned Fieldwork Date	Actual Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Collaboration							
Risk Management	3	Aug 2018	Aug / Sept 2018	Nov 2018	Feb 2019	Mar 2019	Final report issued.
Strategic Financial Planning	3	July 2018	July / Aug 2018	Oct 2018	Feb 2019	Mar 2019	Final report issued.
Business Planning	3	Sept 2018	Oct / Nov 2018	Jan 2018	Mar 2019	Mar 2019	Final report issued.
Review of Collaboration Assurance Statements	1	May 2018	May 2018	May 2018	June 2018	July 2018	Final memo issued.
Projected Underspend	3	N/A	Feb 2019	Mar 2019		July 2019	Additional request. Draft report issued.

Appendix A4 Internal Audit Plan 2019/20

Auditable Area	Plan Days	Planned Fieldwork Date	Actual Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Core Assurance							
Core Financial Systems	18	Dec 2019				Apr 2020	
Governance	10	Oct 2019				Dec 2019	
Strategic & Operational Risk							
IT Security	10	Dec 2019				Apr 2020	
Business Continuity	10	May 2019	May 2019	May 2019	May 2019	July 2019	Final report issued.
MFSS Contract Management	7	Oct 2019				Dec 2019	
Project / Benefit Realisation	12	Aug 2019				Sept 2019	
Property Management	10	Mar 2020				Apr 2020	
General Data Protection Regulations (GDPR)	7	Nov 2019				Apr 2020	
Health & Safety	10	Jan 2020				Apr 2020	
Absence Management	8	July 2019				Sept 2019	Work in progress.
Complaints Management	8	May 2019	May 2019	May 2019	June 2019	July 2019	Final report issued.

Auditable Area	Plan Days	Planned Fieldwork Date	Actual Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Collaboration							
Performance Management	12	Oct 2019				Dec 2019	
Business Continuity	12	Nov 2019				Apr 2020	
Health & Safety	12	Jan 2020				Apr 2020	

Appendix A5 – Definition of Assurances and Priorities

Definitions of Assurance Levels		
Assurance Level	Adequacy of system design	Effectiveness of operating controls
Significant Assurance:	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
Satisfactory Assurance:	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.
Limited Assurance:	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.
No Assurance	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
Priority 1 (Fundamental)	Recommendations represent fundamental control weaknesses, which expose the organisation to a high degree of unnecessary risk.
Priority 2 (Significant)	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
Priority 3 (Housekeeping)	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 A6 - Contact Details

Contact Details

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A7 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.

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Report to the Joint Independent Audit Committee 26 July 2019

Internal Audit Recommendations Summary Report

RECOMMENDATION

The Committee is asked to note this report.

1 PURPOSE OF THE REPORT

- 1.1 This report provides the Joint Independent Audit Committee (JIAC) with an update on the status of actions arising from recommendations made in internal audit reports.
- 1.2 The report contains actions arising from audits of both Northamptonshire Police and the Office of Northamptonshire Police and Crime Commissioner

2 OVERALL STATUS

- The report shows 53 actions that were open following the last JIAC meeting or have subsequently been added.
- 17 actions have been completed.
- 2 actions have been superceded by a later audit or are no longer applicable.
- 19 actions not yet reached their implementation date and remain ongoing.
- 15 actions have passed their implementation date and are overdue.

3 OVERVIEW

3.1 2016/17 Audits

- 11 audits were completed making 60 recommendations.
- 1 action remained open following the March JIAC meeting.
- 1 action has passed its implementation date and is overdue.

3.2 2017/18 Audits

- 11 audits were completed making 93 recommendations.
- 20 actions remained open following the March JIAC.
- 5 actions have subsequently been completed and are closed.
- 7 have not yet reached their implementation date and remain ongoing.
- 8 have passed their implementation date and are overdue.

3.3 2018/19 Audits

- 7 audits had been completed prior to the March JIAC making 33 recommendations.
- 22 actions remained open following the March JIAC.
- A further 2 audits have been completed since the March JIAC making 6 recommendations.
- 9 actions have subsequently been completed and are closed.
- 2 actions have been superceded by a later audit or are no longer applicable.
- 11 have not yet reached their implementation date and remain ongoing.
- 6 actions have passed their implementation dates and are overdue.

3.4 2019/20 Audits

- 2 audits have been completed making 4 recommendations.
- 3 actions have subsequently been completed and are closed.
- 1 has not yet reached its implementation date and remains ongoing.

3.5 The attached Summary of Internal Audit Recommendations Report shows details and the current status of all open audit actions.

EQUALITY, DIVERSITY AND HUMAN RIGHTS IMPLICATIONS

None

HUMAN RESOURCES IMPLICATIONS

None

RISK MANAGEMENT IMPLICATIONS

None.

ENVIRONMENTAL IMPLICATIONS

None

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Background Papers: Summary of Internal Audit Recommendations
for JIAC July 2019

INTERNAL AUDIT RECOMMENDATIONS DASHBOARD

Summary of Audit Outcomes

Audits are graded as No Assurance, Limited Assurance, Satisfactory Assurance or Significant Assurance. Some thematic audits are advisory only and not graded. Recommendations are prioritised as Priority 1 (Fundamental), Priority 2 (Significant) or Priority 3 (Housekeeping) to reflect the assessment of risk associated with the control weaknesses.

2016/17

AUDIT	DATE	GRADE	RECOMMENDATIONS MADE		
			Priority 1	Priority 2	Priority 3
OPCC Victims Code	June 2016	Limited Assurance	0	7	3
Complaints Management	June 2016	Satisfactory Assurance	0	2	2
Firearms Licensing	September 2016	Satisfactory Assurance	0	2	1
Financial Planning & Savings Programme	November 2016	Satisfactory Assurance	0	3	1
Code of Corporate Governance	November 2016	Satisfactory Assurance	0	4	3
Procurement Follow Up – EMSCU level purchases > £25k	November 2016	Limited Assurance	2	3	1
Procurement Follow Up – Local level purchases < £25k		Satisfactory Assurance			
Business Continuity	December 2016	Satisfactory Assurance	0	2	3
ICT Review	January 2017	Satisfactory Assurance	0	3	1
Walgrave Wellbeing Centre	January 2017	Limited Assurance	2	4	0
Risk Management	February 2017	Satisfactory Assurance	0	5	0
Capital Expenditure	April 2017	Limited Assurance	3	2	1

2017/18

AUDIT	DATE	GRADE	RECOMMENDATIONS MADE		
			Priority 1	Priority 2	Priority 3
Audit Committee Effectiveness	June 2017	Not Rated	0	7	4
Seized Property	July 2017	Limited Assurance	4	4	0
Victims Code of Practice	July 2017	Not Rated	0	5	1
Fleet Management	August 2017	Satisfactory Assurance	0	4	0

AGENDA ITEM: 10 DASHBOARD

AUDIT	DATE	GRADE	RECOMMENDATIONS MADE		
			Priority 1	Priority 2	Priority 3
Procurement Follow-up	November 2017	Satisfactory Assurance	0	4	0
Core Financial Systems	December 2017	Satisfactory Assurance	0	7	3
Data Quality	January 2018	Satisfactory Assurance	0	3	3
Financial Planning	February 2018	Satisfactory Assurance	0	2	4
Estates Management	March 2018	Limited Assurance	1	4	1
Crime Management	May 2018	Substantial Assurance	0	0	4
Counter Fraud Review	May 2018	Not Rated	3	14	11

2018/19

AUDIT	DATE	GRADE	RECOMMENDATIONS MADE		
			Priority 1	Priority 2	Priority 3
Absence Management & Wellbeing	July 2018	Limited Assurance	1	2	2
Northants Police - IT Strategy	August 2018	Satisfactory Assurance	0	1	1
Victims Voice	October 2018	Satisfactory Assurance	0	2	2
Seized Property	November 2018	Limited Assurance	2	4	0
MFSS Contract Management	December 2018	Limited Assurance	2	2	0
GDPR	February 2019	Limited Assurance	4	0	4
Service Delivery Model	February 2019	Satisfactory Assurance	0	4	0
Risk Management	April 2019	Satisfactory Assurance	0	3	2
Performance, Skills & Talent Management	14 May 2019	Satisfactory Assurance	0	1	0

2019/20

AUDIT	DATE	GRADE	RECOMMENDATIONS MADE		
			Priority 1	Priority 2	Priority 3
Business Continuity	31 May 2019	Satisfactory Assurance	0	1	0
Complaints Management	04 June 2019	Satisfactory Assurance	0	1	2

Summary of Audit Recommendations Progress

This table shows a summary of the progress made on new audit recommendations raised at each JIAC during the current year and annual totals for previous years where audit recommendations are still active.

Position as at 20 March 2019

Previous Years Audits	Totals for 2016/17	Totals for 2017/18	2018/19 Audits	Reported to JIAC 23 Jul 18	Reported to JIAC 10 Sep 18	Reported to JIAC 10 Dec 18	Reported to JIAC 20 Mar 19	Reported to JIAC 26 Jul 19	Totals for 2018/19
Recommendations Raised	60	93	Recommendations Raised	0	7	10	16		33
Complete	59	73	Complete	0	7	3	1		11
Ongoing	0	8	Ongoing	0	0	6	15		21
Overdue	1	12	Overdue	0	0	1	0		1

Position as at 15 July 2019

Previous Years Audits	Totals for 2016/17	Totals for 2017/18	2018/19 Audits	Reported to JIAC 23 Jul 18	Reported to JIAC 10 Sep 18	Reported to JIAC 10 Dec 18	Reported to JIAC 20 Mar 19	Reported to JIAC 26 Jul 19	Totals for 2018/19	2019/20 Audits	Reported to JIAC 26 July 2019
Recommendations Raised	60	93	Recommendations Raised	0	7	10	16	6	39	Recommendations Raised	4
Complete	59	78	Complete	0	7	4	8	3	22	Complete	3
Ongoing	0	7	Ongoing	0	0	5	3	3	11	Ongoing	1
Overdue	1	8	Overdue	0	0	1	5	0	6	Overdue	0

OUTSTANDING RECOMMENDATIONS

Key to Status



Action completed since last report



Action ongoing



Action outstanding and past its agreed implementation date



Action no longer applicable or superseded by later audit action

2016/17

Risk Management – February 2017

	Observation/Risk	Recommendation	Priority	Management Response	Timescale/ responsibility	Status
4.5	<p>Training for OPCC Staff <i>Observation:</i> In order to ensure that staff have the appropriate skills to identify, report and assess risks to their service areas, they should be provided with adequate and appropriate risk management and/or awareness training. Discussion with the Director of Delivery and Director of Resources and Governance confirmed that the risk management processes within the OPCC are currently under review and a new working methodology for risk management is to be implemented. This includes the use of the IPSO Risk Management software. The Director of Delivery has been trained on IPSO as he will be the officer who updates the system and it is not expected that any other members of staff will require access. However, other members of staff within the OPCC will require training on the new risk management processes, including their roles/responsibilities. Training was not provided on the previous methodology and will be required once the new risk management working practices have been finalised. At the time of the audit no training had been provided.</p> <p><i>Risk:</i> If staff do not have adequate risk management skills, key risks may not be identified and managed effectively across the OPCC.</p>	<p>Key staff within the OPCC should receive appropriate risk management training, whilst wider risk awareness should be developed across the OPCC including training on the new risk management processes implemented. A recommendation regarding training for OPCC staff was raised within the 2015/16 internal audit report of risk management. (OPCC)</p>	2	<p>The risk lead in the OPCC recognises this issue. The OPCC lead is currently reviewing and refreshing the OPCC risk policy. Once completed this will be shared with all staff and will be the subject of a whole team briefing to aid understanding. Training and awareness briefings will be arranged and delivered to all staff on the identification of, adoption of and management of risks. The lead officer is seeking to source more formalised training for himself. All of this will be documented for next audit.</p> <p>Update – The OPCC and Force are currently exploring joint training to be undertaken by an external provider in spring/summer 2018. Update: May 2018: The OPCC are seeking to procure new Risk management software with the Force and training will be undertaken after it is in place. This remains ongoing. Update August 2018 – New risk management training for the OPCC and Force is being developed in conjunction with Gallagher Bassett. Draft training material has been produced and is being evaluated prior to roll out of the training later in the year.</p> <p>Update Jan 2019 – The new risk management system is anticipated to be implemented in March 2019. The risks training will then be scheduled to be delivered.</p>	Paul Fell, Director for Delivery October 2017	

AGENDA ITEM: 10 DASHBOARD

				<p>Update May 2019 – Training on the new system is scheduled for the beginning of July 2019. General risk management training will then be developed to be rolled out for all managers.</p> <p>Update – Training in the 4Risk system has been provided to key staff from the OPFCC and Force. General risk management training is being developed alongside Gallagher Bassett and this will be provided to all key staff.</p>	
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2017/18

Audit Committee Effectiveness - June 2017

	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
4.5	<p>JIAC Membership</p> <p><i>Observation:</i> The JIAC ToR states that 'the Committee shall consist of no fewer than four members' and that 'a quorum shall be two members.'</p> <p>At present, the JIAC has four members, which is lower than some other audit committees.</p> <p>Additionally, the fact that only two members are needed to ensure a meeting is quorate is lower than some other committees and could be a reflection of the number of members the JIAC currently has. Members felt the experience and competency of the Committee was good, albeit there was a little too much experience on finance (three accountants) and possibly a need for an input of skills in other areas. As the JIAC only had four members, this is potentially an area to look at going forward, ie the Committee would benefit from a wider breadth of competencies.</p> <p><i>Risk:</i> The JIAC does not have a full breadth of competencies to effectively fulfil its duties.</p>	<p>The JIAC should continue to look for a fifth member in order to provide both an alternative skill set and resilience with regards being quorate.</p>	3	<p>The need to try to recruit a fifth JIAC member is agreed.</p> <p>Update - Recruitment deferred whilst OPCC recruited a CFO. Recruitment now planned for March / April 2018. Aim to recruit two new members.</p> <p>Update - Recruitment deferred whilst OPCC recruited a CFO. Recruitment further delayed to focus on the recruitment of a Chief Constable. Aim to recruit two new members.</p> <p>Update Aug 2018 – Recruitment interviews are taking place on 30 August.</p> <p>Update - Recruitment campaign run and one new member recruited to replace retiring JIAC member. Additional member still to be recruited (and replacements for other retiring members) and a further recruitment will be run in 2019.</p> <p>Update - Further recruitment undertaken and two potential new JIAC members identified. Now subject to finalising appointment process. COMPLETE</p>	November 2017 JIAC Chair	

AGENDA ITEM: 10 DASHBOARD

	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
4.6	<p>Administrative Support</p> <p><i>Observation:</i> In order to facilitate an effective independent assurance function, it is important that the administrative support for the Committee enables it to fulfil its function.</p> <p>Feedback from, and discussions with, members, acknowledged that issues had arisen with the administration supporting the JIAC. This included planned reports not being made available, the promptness with which papers and minutes were issued and the frequency of verbal reports.</p> <p><i>Risk:</i> The Committee are not able to effectively fulfil their duties.</p>	<p>The administration supporting the JIAC should be kept under review.</p>	3	<p>Agreed, there have been concerns with the preparation and submission of reports etc in the past and there are some areas where the items are outstanding but it is understood that these are being addressed. Future concerns to be highlighted to the PCC and CC.</p> <p>Update - The planning of agendas, scheduling of reports and production of reports has been improved recently. Items which have been outstanding for some time are being concluded.</p> <p>The JIAC has had concerns about the administrative support but has agreed to run with the OPCC's proposals (including the minuting of meetings) and review if necessary.</p> <p>Update Aug 2018 – Work is outstanding on IT support for some members.</p> <p>Update - IT support arrangements being trialled; other support arrangements being monitored. Expect to review and close by July 2019.</p>	Ongoing JIAC Chair & Members	
4.7	<p>Disclosable Interests</p> <p><i>Observation:</i> Whilst the JIAC ToR sets out that Declarations of Interest would be a standing agenda item at meetings, it does not refer to the need to include member interests in a register.</p> <p>Whilst a register of interests is referred to within the Scheme of Governance, it was not clear whether this extends beyond officers.</p> <p>Whereas some other OPCC websites clearly set out the register of interests, and have links to each member's 'Disclosable Interest' form, this is not the case for Northamptonshire.</p> <p><i>Risk:</i> Reputational damage where the work of the Committee is brought into question as a consequence of a perceived conflict of interest.</p>	<p>All JIAC members should be required to submit a 'Disclosable Interest' form and this should readily available via the OPCC website.</p>	2	<p>Agreed.</p> <p>Disclosable interest form to be circulated to JIAC members for completion.</p> <p>Update - Submissions made by JIAC members but not yet on the website (see 4.2 re: website)</p> <p>Update - meeting planned to review website content and presentation including disclosure of interests information.</p> <p>Update - Actions to be incorporated into the new website agreed with OPFCC and due to be implemented as part of the website update. Includes disclosure, updated JIAC Tor and member profiles.</p>	Sept 2017 JIAC Chair & Members	

AGENDA ITEM: 10 DASHBOARD

Data Quality – January 2018

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.1	<p>Niche Governance</p> <p><i>Observations:</i> When the Force adopted the Niche system a Niche Governance Board was set up to monitor any issues that the Force were facing in regard to the new system. Audit were informed that the Board meet on a quarterly basis and discuss wide ranging issues, from local governance to more operational issues such as data quality. Audit confirmed this through the Action Log that is maintained for this group. Whilst the Board does have a documented Terms of Reference in place it has not been reviewed or updated since its creation in 2014. In addition to the Niche Governance Board, a quarterly Data Quality Working Group meeting is held with leads of departments attending, including the Crime Management and Intelligence department, to discuss the operational issues. Whilst an action log is maintained to track the work this group is undertaking, there is no Terms of Reference in place that clearly sets out the role and responsibility that this group has.</p> <p>Moreover, there are two further groups who have a role in managing data quality in respect of Niche – the Regional Data Quality Team and the Local Data Quality Team. However, it is unclear on the remit and role of each team in dealing with data quality issues relating to Niche.</p> <p><i>Risk:</i> There is a lack of clear governance underpinning the management and maintenance of Niche.</p>	<p>The Force should put in place clear terms of reference for the Niche Data Quality Working Group. The Terms of Reference should include but not be limited to:</p> <ul style="list-style-type: none"> • Purpose • Scope • Membership • Decision making authority • Reporting Requirements • Frequency of meetings • Review period for terms of reference <p>Moreover, the roles and responsibilities for data quality of the system should be clearly stated within the Terms of Reference of all Governance Groups for the Niche System, including the Regional & Local Data Quality Teams.</p>	2	<p>Agreed. It would be best practice to update the Terms of Reference for the Niche Governance Board and review the remit of the Niche Working Group to ensure no duplication of responsibilities.</p> <p>Update - The terms of reference will be for review and update/resign off when the next governance board happens.</p> <p>Update - The Niche team, and interested parties, are working together to decide on ownership, format and frequency of ongoing meetings, and what that will look like is yet to be determined.</p> <p>There have been no further Niche governance boards to revisit or agree terms of reference, and the Business user group, which is looking to become a core part of the ownership of the strategy is also currently looking at how it will be run, governed etc. in the future with a new chair.</p> <p>The Data Quality strategy will not be updated to dictate what has been done so far, but will be based on the new models once agreed.</p> <p>There is also national strategic prioritisation regarding data quality emerging which may also influence Northants next steps.</p> <p>Update Jan 19 - Due to significant capacity challenges, our limited size team has focused on priorities agreed through the Change Board to improve transparency and solutions to data quality issues:</p> <ul style="list-style-type: none"> • Pronto – delivery of this middleware solution provides the opportunity to define and mandate inputting to agreed business rules, resulting in the 	<p>IAO Supt Vernon</p> <p style="color: green;">Revised date 30 June 2018</p> <p style="color: green;">Advised June 2019 that Mark Manning is now the lead for this.</p>	

AGENDA ITEM: 10 DASHBOARD

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
				<p>greatest likelihood of improving data quality.</p> <ul style="list-style-type: none"> Qlik (proof of concept, business case and implementation of an enterprise solution) – this Visual Analytics platform provides self-serve access to near real time visualisations that allow better resource management, improved performance, a reduction in harm, mitigation of risk and a potential future reduction in more manual data mining work and associated software licences. There will be much greater transparency of data quality issues, empowering individuals and supervisors to take more ownership in addressing these and avoiding common mistakes. <p>Update – The Regional Data Quality Team have produced a document outlining their roles and responsibilities. Det Supt Vernon has arranged to meet with key staff to review and formalise the internal governance arrangements.</p>		
4.2	<p>Niche Data Quality Strategy <i>Observations:</i> A Data Quality Strategy for the Niche system was been completed and signed off by the Deputy Chief Constable in February 2017. The aims of the Strategy is “to ensure that Northamptonshire has a system that can best protect people from harm, with consistently applied standards that deliver accurate statistics that are trusted by the public and puts the needs of victims at its core”. The strategy sets out a number of tasks that it would like to achieve and the next steps that should be taken to deliver these. However, it was found that there is currently no monitoring of these next steps to ensure the aims of the strategy are being achieved. <i>Risk:</i> Failure to achieve the aims of the Data Quality Strategy.</p>	<p>The Data Quality Strategy for the Niche system should be owned by the Niche Governance Board and it should be reviewed at each meeting to ensure that the achievements and next steps set out in the strategy are being delivered.</p>	2	<p>Agreed. The performance monitoring on the strategy had yet to be completed although this has been identified and will be carried out.</p> <p>Update – EH is updating the strategy ahead of handover as business as usual.</p> <p>Update – as per 4.1</p>	<p>IAO Supt Vernon</p> <p>Revised date 30 June 2018</p> <p>Advised June 2019 that Mark Manning is now the lead for this.</p>	

AGENDA ITEM: 10 DASHBOARD

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.6	<p>Performance Reporting of Data Quality <i>Observation:</i> The Force have developed a number of monitoring tools for data quality, including an application that reviews data quality issues within Niche, as well as a dashboard for individuals to see data quality issues. The data quality application allows an oversight of the data quality issues by volume, however there is no regular reporting of this performance data. Audit were informed that a Business Objectives reporting tool can summarise the data but is unable to track it over time to show the trend of issues being reported. Moreover, as the version of Niche used by the Force is the same as the regional partners, there is an opportunity for being able to benchmark the Force's data quality performance against other Forces to provide a contrast in data quality performance. <i>Risk:</i> The data quality performance of the Force is unknown by key decision makers.</p>	<p>The Force should develop the reporting functionality of the data quality application to allow for effective performance reports on data quality issues to be utilised by those charged with governance of the system.</p>	3	<p>The performance team at the Force are already developing the reporting functionality across the Force systems. Liaison will be done with the Performance Team to ensure appropriate reports can be utilised in the management of data quality within Niche.</p> <p>The business intelligence tool we are looking to implement shortly will help increase the visibility of data quality issues. A project team is being established to progress a proof of concept and we have a good case study from another force to develop from.</p> <p style="color: green;">Update Jan 19 - The Data Quality App developed in ISD as a temporary measure to monitor key data quality issues is not the forces long term solution. Development resources are being recruited to support the rollout of more advanced functionality within Qlik, learning lessons from the Qlik Data Quality App and Dashboards developed in Avon & Somerset. In the interim, The Regional Niche Data Quality Team manage key data quality issues on a daily basis, resolving duplicates and providing feedback in force. Summary statistics are then made available to assess ongoing trends. The Performance Team will also highlight and escalate Data Quality issues on a regular basis through to the Force Strategy Board.</p>	<p>IAO Supt Vernon</p> <p>Advised June 2019 that Mark Manning is now the lead for this.</p>	

AGENDA ITEM: 10 DASHBOARD

Crime Management – May 2018

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.1	<p><u>Clear Roles & Responsibilities</u> <i>Observation:</i> The Service Delivery Model was implemented by the Force in October 2017 and included changes to the way that the Force manages the incidents and crimes that are reported. The changes were designed to deliver efficiencies and ensure compliance with the National Incidents and National Crime Recording Standards throughout the process. Whilst the teams included as part of the process remain the same – Force Control Room and Crime Management Unit – their roles have changed slightly as to when a crime or incident is recorded, including the introduction of a new Managed Appointments Unit. The intranet provides the Force with details about each department and the Force Control Room and the Crime Management Unit have a page on the intranet. However, it was noted that the intranet pages have not been updated post the Service Delivery Model going live and therefore they are not in line with the current processes followed. <i>Risk:</i> Lack of clarity within crime recording and crime management leading to failure to comply with relevant standards and regulations.</p>	<p>The roles and responsibilities stated on the intranet, for the departments involved in crime management and crime recording, should be updated to reflect the changes since the Service Delivery Model went live.</p>	3	<p>There are a number of changes in the next month with the crime allocation policy being finalised and Sgts being able to file crimes directly. The page will be refreshed/updated over the next month in line with these changes, this is an ongoing piece of work.</p> <p>Update – 06/08/18 - The Crime Allocation Policy is still awaiting agreement by Chief Officers. In addition there is now an ongoing review, Op Stereo, around demand management and resources. As soon as the policy is agreed the intranet will be updated.</p> <p>Update – 29/10/18 - The Crime Allocation policy has not yet been approved by Senior management. This may not be approved quite yet due to another structural crime review taking place.</p> <p>Update Jan 2019 – The new policy has been drafted in line with the further review of the Force structure and is currently being reviewed by the Head of Crime.</p> <p>Update – As part of the FP20 review a new Desktop Investigation team (static investigations) is being created from 1st July and there is a matrix detailing allocation of volume crime. The Crime Allocation Policy is still in draft form, it is awaiting further review and analytical work to see what the volume looks like.</p>	<p>DI Tania Ash Head of Crime Management Unit</p> <p>31 July 2018</p> <p>Expected to be completed by end of September 2019</p>	

AGENDA ITEM: 10 DASHBOARD

Counter Fraud Review– May 2018

	Recommendation	Rationale	Priority	Management response	Timescale/ responsibility	Status
EMSCU - Data Handling in the Procurement Process						
1	OPCCN and Northamptonshire Police should consider moving the definitions sections to the start of the process.	Staff should ensure they have a clear understanding of the terms referred to within the policy prior to reading it.	3	Noted. EMSCU is a regional unit so this is not necessarily a matter for the Force. To be remitted to the EMSCU lead	Head of EMSCU	
3	OPCCN and Northamptonshire Police should update the third bullet point within section 4 policy statement to refer to the Information Security Policy.	It currently refers to the Security Policy, however we assume this is a typo.	3	Noted Update – The Force Information Security Manager has confirmed the process should refer to the Information Security Policy. This action is being reallocated to the Head of EMSCU.	Head of EMSCU 30/09/18	
4	OPCCN and Northamptonshire Police should ensure that where decisions are made at the pre-tender stage, these decisions are documented and stored on file.	Page 3 includes the decision made by the IAO as to which category of the data handling schedule should be included. OPCCN and Northamptonshire Police should ensure that all procurement decisions are documented on file.	2	Noted. EMSCU is a regional unit so this is not necessarily a matter for the Force. To be remitted to the EMSCU lead	Head of EMSCU	
EMSCU - Policy SME Friendly Procurement						
1	OPCCN and Northamptonshire Police should remind staff that although some of the rules with regards to SME tender exercises differ from normal exercises, staff must still comply with rules set out in the Business Interests and Additional Employment Procedure.	Staff may become complacent when dealing with smaller suppliers. It should be made clear that declarations of interest are still vitally important and if any conflicts of interest arise, staff should remove themselves from the tender process.	2	Noted. EMSCU is a regional unit so this is not necessarily a matter for the Force. To be remitted to the EMSCU lead	Head of EMSCU	
Gifts and Hospitality Procedure						
1	OPCCN and Northamptonshire Police should seek to streamline the Gifts and Hospitality procedure and just create one single document.	Currently there is a PDF procedure document, with both another procedure document and	2	Noted Update - The policy library formats force policies and procedures. The Gifts &	Head of PSD 30/09/18	

AGENDA ITEM: 10 DASHBOARD

	Recommendation	Rationale	Priority	Management response	Timescale/ responsibility	Status
		<p>policy document referred to within. This may confuse staff as to which document to follow.</p> <p>Given the above recommendation and for the avoidance of doubt, we have reviewed PRO866_3110101835.doc.</p>		<p>Hospitality Form was generated by PSD and is sent out directly to the individual once they have made PSD aware of the gift or hospitality. This form to be reviewed as a Force Form</p> <p>Update - Forms being amalgamated – have not yet registered on the force policy library system upload</p> <p>Update – The Gifts and Hospitality Policy and Procedures have been updated to include the recommendations.</p>		
8	The policy specifically states that the policy does not cover meals provided at conferences, internal gifts and sponsorship. OPCCN and Northamptonshire Police should detail which policy these are covered within.	These instances should be covered within other policies and procedures. This policy should detail where information relating to these can be found.	2	<p>Noted</p> <p>Update - We do receive notifications with regard to meals provided at conferences and internal gifts and sponsorship. Recommendation supported and policy to be amended to reflect officer / staff responsibility to declare these gifts.</p> <p>Update – The Gifts and Hospitality Policy and Procedures have been updated to include the recommendations.</p>	Head of PSD 30/09/18	
Information Security Policy						
1	OPCCN and Northamptonshire Police should make clear what they are referring to by the acronym 'ACC' within section 4.1.	It is currently unclear as to who OPCCN and Northamptonshire Police is referring to. The policy needs to be as easy to understand as possible.	3	<p>Noted</p> <p>Update - The policy review will be finalised by end of Sep 2018, at which point it will be considered whether a full re-write of the policy is needed. If full re-write is required this will be post appropriate accreditation for the author.</p> <p>Update Feb 2019 – The IS policies have not yet been updated. The Information Security Strategy was given priority, and the policies will be reviewed/rewritten in</p>	Force Information security manager 30/09/18	

AGENDA ITEM: 10 DASHBOARD

	Recommendation	Rationale	Priority	Management response	Timescale/ responsibility	Status
				line with the new strategy.		
2	OPCCN and Northamptonshire Police should update section 4.5.1 'All Staff' to include the following: 'Staff should advise line managers and the Information Security Officer, as appropriate, of any potential weaknesses in information security or associated procedures'.	This is proactive and should reduce future breaches or issues related to information security.	2	Noted Update - This will be reflected as part of the review at point 1	Force Information security manager 30/09/18	
3	OPCCN and Northamptonshire Police should update section 6 'All Staff' to include the following: 'Where staff are unclear on any matters relating to the implementation and application of this policy, they should seek clarification from the Information Security Officer or the Senior Information Risk Officer'.	This area of information security can often be complicated. This demonstrates a clear line of communication if staff are not clear on the policy.	3	Noted Update - This will be reflected as part of the review at point 1	Force Information security manager 30/09/18	
4	OPCCN and Northamptonshire Police should update Section 6 to include related documents. Some examples are: <ul style="list-style-type: none"> • Computer Misuse Act 1990; • Copyright, Designs and Patents Act 1988; • Civil Contingencies Act 2004; • Freedom of Information Act 2000; • General Data Protection Regulation 2016 (as of 25 May 2018); • Human Rights Act 1998; and • Official Secrets Acts 1911, 1920 and 1989. 	It is important that staff are aware of relevant legislation and documentation.	3	Noted Update - This will be reflected as part of the review at point 1	Force Information security manager 30/09/18	
Scheme of Governance						
2	OPCCN and Northamptonshire Police should make reference to the Intellectual Property Act (2014) within Appendix 1.	Appendix 1, Section C6 currently refers to intellectual property. However, it does not mention the act by which it is governed.	3	Noted. EMSCU is a regional unit so this is not necessarily a matter for the Force. To be remitted to the EMSCU lead	Head of EMSCU	
3	With regards to the use of procurement cards, OPCCN and Northamptonshire Police should consider a 'key control' concerning a review of the actual purchases.	Appendix 1, Section D9 currently details a review of who the cards are issued to and the limits on each card. However, it does not refer to the type of spend	1	Noted. EMSCU is a regional unit so this is not necessarily a matter for the Force. To be remitted to the EMSCU lead	Head of EMSCU	

AGENDA ITEM: 10 DASHBOARD

	Recommendation	Rationale	Priority	Management response	Timescale/ responsibility	Status
		permitted on these cards. It is important that staff do not purchase items for personal use or items that could bring OPCCN and Northamptonshire Police into disrepute.				
4	OPCCN and Northamptonshire Police should update the EU Procurement Thresholds. Supplies and services are now £181,302 (€221,000) and works are now £4,551,413 (€5,548,000).	Appendix 2, Appendix C details the old thresholds. The thresholds have been updated and are effective from 1 January 2018.	2	Noted. EMSCU is a regional unit so this is not necessarily a matter for the Force. To be remitted to the EMSCU lead	Head of EMSCU	

2018/19

Victims Voice – October 2018

	Observatio4.5n/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.4	<p>Feedback/Satisfaction Survey</p> <p><i>Observation:</i> Feedback/satisfaction forms part of the objectives and KPIs between the OPCC and Voice. It was noted as part of the questionnaire to assist the victim, wheel/star assessments are undertaken comprising of five main criteria set from the MOJ. It was noted that a satisfaction survey/process is not currently in place in relation to best practice/enhancing the feedback process.</p> <p><i>Risk:</i> Satisfaction records are unknown/not collected and opportunities to develop the service provided are not taken.</p>	Consideration should be given to developing a system/process whereby feedback is gained not only from victims who have received ongoing support, but also for those victims who Voice have made contact with/offered a service.	3	<p>Advice/guidance discussions commencing 23/10/2018 with OPCC comms expert, new process to be in place by Sept 2019.</p> <p>Update - Ongoing feedback is sought from those clients who receive ongoing emotional support. CEO and performance manager have meet with LJM Associates Ltd to discuss potential feedback/survey development platform for all Voice clients, further meeting to be held in March 19.</p> <p>Update June 2019 - Voice has a contract in place with a third party to provide satisfaction surveying across all their service users. The contract is in place, and should start delivering in early autumn.</p>	Sept 2019 Chief Executive Officer Voice	

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Seized Property – November 2018

	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
4.1	<p>Property Recording <i>Observation:</i> Audit carried out visits to two temporary stores to carry out testing to confirm that property records matched actual items in store. Audit testing found:</p> <ul style="list-style-type: none"> 323 items were recorded in the property management system but only 135 could be located 26 items were physically in the property stores but were not recorded as being in that location on the property management system. <p>There were similar findings in last years audit. Since last year a number of communications have been issued across the Force to remind officers and staff of the correct procedures to be followed when handling seized property.</p> <p><i>Risk:</i> Where items are not tracked there is a risk of property going missing. This questions the integrity of the underlying records held on the NICHE system and could lead to reputational damage should key evidence or individuals' property be unable to be located.</p>	<p>There are a number of recommendations to address the root causes of these errors including – training and store audits (see 4.3 & 4.4 below). The Force should continue with regular communications to help raise awareness of the issues.</p> <p>The Detained Property Team should review the items that audit could not locate and carry out inquiries to ensure they are located.</p>	1	<p>A business case was agreed for growth within the department, which will enable us to effect audits more frequently.</p> <p>The increased staffing will enable the investigation of anomalies and the development of officer training for the appropriate management of property. We have changed the rota, to include the investigation of anomalies.</p> <p>Update - Recruitment progressed, interviews completed. Predominately external appointments which will be subject the vetting delays, hence anticipated starting Sept 19. Proposed start date for implementing new responsibilities i.e. training & coaching officers - Oct 19.</p> <p>Communications will continue to be sent i.e. update circulated last week regarding electronic exhibits. See also 4.3 & 4.4 for further staff engagement activities.</p> <p>Update - Comms ongoing – i.e. shortly be circulating a new cash seizure protocol which will address the Insurance issues around cash holdings.</p> <p>There are issues with the data extracts from Niche, in that incorrect data is returned due to limitations of the system. A business objects universe has been developed, and staff from Property, are working with corporate development to develop accurate reports to be used in place of the existing Niche reports. Testing/quality assurance will take place and should be finalised by the end of December 2018.</p>	<p>Detained Property Senior Manager Sep 2019 - team growth (extended timeframe to include recruitment, training and implementation) Coms Ongoing</p> <p>Dec 2018 Reporting development has commenced following a delayed start. Report testing and implementation should be complete by Mar 2019.</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
				<p>Update - Testing/quality assurance should be finalised by the end of March 2019.</p> <p>Update – The Performance Team have to resource assistance to work with Michael Wrighton to produce and test the required reports which will be in place before the next audit</p>		
4.2	<p>NICHE Reports</p> <p><i>Observation:</i> When audit carried out the testing to reconcile items recorded on the system to the physical location, a report from the Niche system provided the current items held within the store.</p> <p>The shelves within the temporary stores are numbered 1 – 31 and the date they are booked into the store should be the corresponding shelf number where they are stored. Therefore a report run on a set date should detail all items held on that particular shelf.</p> <p>However, it was identified by the Property Officers that when they ran reports on a set date, the reports included other items that had been actioned on these dates as well as those booked in on those days. Therefore the reports may not detail the exact location of the item when running this report type.</p> <p>The reporting capabilities of the Niche system are limited, however the Force are able to use Business Objects software to extract data from the Niche system. More accurate reporting would assist in quickly identifying the location of property held within the temporary stores.</p> <p><i>Risk:</i> The Force are unaware of the full picture in regards to detained property as reports are unable to be produced to demonstrate key statistics.</p>	<p>The detained property team should explore any reporting capabilities that will assist them in the management of detained property.</p>	2	<p>Further to the comments in 4.1 re Niche reporting, the volume of property occurrences and associated property items causes difficulties with business object reports. Further work is required to assess how this can be improved, i.e. increasing the levels of accountability e.g. additional property locations, meaning reports are run for smaller volumes.</p> <p>Update - Property holding locations have been increased to support reporting functionality.</p> <p>We are also reviewing the management of temporary stores (shelves/collections etc). This includes comparisons to regional partner's processes such as the introduction of a red/amber/green method as opposed to the use of dated shelves, to see if there are any improvements and efficiencies that can be made.</p> <p>Update - Review completed & no benefits identified. Reporting improvements & changes in staff responsibilities will support reporting requirements & outcomes</p>	<p>Detained Property Senior Manager</p> <p>Mar 2019</p> <p>May 2019 (review & implementation)</p>	
4.3	<p>Property Audits</p> <p><i>Observation:</i> During the previous audit visit it was recommended that periodic audits of the temporary stores should be carried out to identify any missing items or incorrectly recorded items on the system so that remedial action can be taken.</p>	<p>The property audit process should be developed to ensure a summary of findings is appropriately reported to senior officers so that action can be</p>	2	<p>The CJU senior management team circulate comms to the force via Force media avenues and via senior officers (chief superintendents & Inspectors). CJU Senior management attend Force area SMT's where possible, to discuss ongoing issues.</p>	<p>Detained Property Senior Manager</p> <p>Ongoing</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
	<p>The Detained Property Team are now carrying out periodic audits of the temporary stores on a rotational basis in line with their collections. Where errors are found during the audits, officers responsible for the items are emailed and chased to locate the item or correctly record them in the system where applicable. However, an overall summary of the audits is not reported which increases the risk that senior officers are unaware of the current status of detained property around the region.</p> <p><i>Risk:</i> Actions are not taken to address issues that the property stores audits are highlighting.</p>	<p>taken to address the issues found in a timely manner. The Property Team should consider rolling out further audits of high risk areas such as Cash Valuables, Freezer, Firearms and Ammunition stores on a periodic basis to confirm items are correctly recorded.</p>		<p>The approved business case and subsequent growth will enable us to affect audits more frequently, including the Cash Valuables, Freezer, Firearms and Ammunition stores. The increased staffing will facilitate the production of detailed reports for senior officers to understand and address issues in a timely manner.</p> <p>Update - See also 4.1 & 4.2 above. A cash seizure protocol will address control issues, whereby facilities will support officers counting cash. The protocol also supports an exercise to be commenced in July, to count and bank all cash holdings. The increased staffing will facilitate the production of detailed reports for senior officers to understand and address issues in a timely manner and support the ongoing audits, including that of high value items</p>	<p>Further to 4.1 .2- Sep 2019 (extended timeframe to include recruitment, training and implementation)</p> <p>Protocol & cash counting to be implemented once stakeholder agreement confirmed, expected Aug 19.</p>	
<p>4.4</p>	<p>Training <i>Observation:</i> During the previous audit a recommendation was raised in regards to providing Officers with training to ensure that the correct processes were being followed when managing detained property. This was raised following audit findings that highlighted a number of cases where property was not recorded correctly. Due to lack of staffing resources there has been no roll out of detailed training as yet. Discussions with the Head of Detained Property confirmed that communications have been sent since the last audit however, due to staff shortages they have been unable to roll out detailed training as they had hoped to do. The Staff within the Detained Property Team have a training skills matrix to ensure the staff are fully competent in their duties. This was introduced three years ago and the staff who have been their longer than this have not completed the matrix as they are considered competent, It was noted that the Transport</p>	<p>The Force should proceed with plans to roll out further training with officers to ensure that property is correctly recorded. The Detained Property Team should consider updating their staff skills matrix to include the collection and transportation of detained property.</p>	<p>2</p>	<p>As per 4.3, discussions are held at a senior level to highlight areas of concern. As part of core training, new officers receive an input on property; however there is no mechanism for ongoing training. The approved business case will mean an increase in team leader posts, with additional resource to drive and facilitate a training program.</p> <p>Update - The new agreed structure includes coaching & training as referred above.</p> <p>The CJU senior manager is progressing a Niche 'request for change – RFC', which will change the way officers manage their property, streamlining processes. This will require a program of training which the new team leader posts will support.</p>	<p>Detained Property Senior Manager Sep 2019 (extended timeframe to include recruitment, training and implementation)</p> <p>RFC timescales are Minerva (external company) dependant, but hopefully by Dec 2019.</p> <p>Cleared</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
	<p>of Property between the temporary stores and central stores was missing from the current skills matrix. <i>Risk:</i> Staff do not record the location and movements of detained property leading to lost items that could affect criminal prosecutions.</p>			<p>In respect of the training skills matrix, this has been adjusted to include the audit recommendation regarding transport</p>		
<p>4.5</p>	<p>Disposals <i>Observations:</i> It was noted during the previous audit that the Detained Property Team had a backlog of items that were approved for disposal but, due to a lack of resources within the team, they had been unable to action the items awaiting disposal. Audit were informed that whilst additional resources have been added to the team, these took some time to put in place and therefore the team have only been able to deal with the current daily workloads from May 2018 onwards. As a consequence, there has not been a concentrated effort to reduce the back log. At the time of audit visit it was confirmed that there are 8,125 items that are awaiting disposal. Audit were informed that Process Evolution undertook an independent review of the resourcing required to address the backlog. Their findings are due to be presented at the Change Board with associated options that could be taken to address this issue moving forward. <i>Risk:</i> Inefficient use of detained property resources by retaining items beyond their required retained date. Potential breaches of legislation by holding items that are required to be disposed of.</p>	<p>Actions to address the backlog of items for disposal should be agreed upon and implemented.</p>	<p>2</p>	<p>The approved business case included finances to recruit a team dedicated to clearing the backlogs in 1 year, from an agreed date when the recruited staff can be appointed.</p> <p>As an interim measure, a change in rotas and responsibilities has meant we have managed to chip away and clear some of the backlogs, such as sealed sacks and return to owner shelves. Work will continue to tackle the backlogs and this has been factored to provide a revised FTE requirement for the backlog team to complete the remaining backlogs when appointed.</p> <p>Update - Backlog team all now appointed and working through, investigating and disposing of property holdings.</p> <p>Niche tasks reduced from 12000 to less than 1000.</p>	<p>Detained Property Senior Manager 1 year from team appointment. Initially the management post will be recruited, then the backlog team. All posts will need to be established via finance and human resources, and then recruited. Vetting currently has delays of a minimum of 12 weeks. Estimated timeframe for the completion of all backlog work outstanding will therefore be Mar 2020.</p>	
<p>4.6</p>	<p>Cash Handling <i>Observations:</i> When cash is detained by officers it is required to be counted with two officers present in a secure location. When this is not available, cash is</p>	<p>Appropriate procedures should be developed so that cash held within the Central Property Safe</p>	<p>1</p>	<p>The business case covered the risks in this area. Security has been significantly increased at the central detained property store. DP staff do not currently have a</p>	<p>Detained Property Senior Manager</p>	

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Observatio4.5n/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
<p>bagged uncounted to be counted at a later time when this procedure can be complied with. Audit were informed that the central store does not have a 'sterile' room facility where cash can be safely and securely counted and therefore cash can remain uncounted for some time.</p> <p>It was noted that the Head of Detained Property has been working with the Financial Investigation Unit to develop appropriate procedures so that cash can be counted safely, securely and in a timely manner moving forward. However, this is still in development and it was noted that 157 items of uncounted cash were held within the Central Stores Safe at the time of audit visit.</p> <p><i>Risk:</i> Where cash is not counted the Force are not insured for the amount held, also the amount held may be in breach of the insurance limits. When cash may be returned to the owner, the integrity of a police officer may be questioned if the amount seized has not been stated on seizure.</p>	is counted for insurance and safeguarding purposes.		<p>sterile room that meets the requirements for cash to be counted, and this is not part of their role.</p> <p>The Financial Crime team are kindly supporting DP, and a plan is in development for ongoing support in the short and medium term. Once the new Manager is appointed as part of the business case, they will need to review the roles of the team and include the development of the appropriate facilities and responsibility for this function.</p> <p style="color: green;">Update - Further to 4.3 above. A new cash seizure protocol is to shortly be introduced and will require officers to count cash which will be banked at the earliest opportunity, reducing Northants Police liability. The protocol also supports an exercise to be commenced in July, to count and bank all existing cash holdings.</p> <p style="color: green;">In addition, a Cash & Income generation officer has been appointed and due to commence on the 15th July, and will oversee and address any cash related issues and set up an income generation scheme.</p>	<p>Mar 2019</p> <p style="color: green;">Aug 2019</p> <p style="color: green;">Ongoing</p>	

MFSS Contract Management – December 2018

Observatio4.5n/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
<p>4.2 Performance Management <i>Observation:</i> It has been acknowledged by the Force that the current service level agreement and associated key performance indicators between the Force and MFSS are being reviewed and updated. Audit were informed work is ongoing to finalise these and put them in place. In the meantime it was noted</p>	The Force should ensure that the updated SLA with MFSS is put in place as soon as possible to ensure effective performance indicators can be established.	1	<p>Agreed The performance information is considered at the management Board and these papers will be made available to Force staff to review.</p>	<p>Force MFSS Leads 31 March 2019</p> <p>MFSS 31 March 2019</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<p>that some interim KPI's are being delivered at the Service Review Meeting between the Force and MFSS. These are currently focused on Finance and HR specifically and no overall review of total services is able to be effectively carried out.</p> <p>Audit found that the performance information that was provided to the Joint Oversight Committee was the same as the performance information provided at the Management Board. These groups have a different focus (strategic versus operational) and therefore would require differing information to allow for effective oversight and scrutiny of MFSS performance across the totality of services provided.</p> <p>From the performance information that was provided to the Force, there was a lack of analytical information that would allow context and root causes to be identified. One omission from the performance data was the number of errors that had occurred throughout the different service levels.</p> <p>MFSS have a complaints process that should be followed when individuals are not happy with the level of service received. They will investigate and resolve the matter within a set time frame. However, it was noted that the number of complaints received, investigated and resolved are currently not reviewed or reported as part of the performance information provided at any of the governance forums.</p> <p><i>Risk:</i> Poor performance by the shared service is not timely identified so appropriate actions can be put in place to address.</p> <p>The shared service fails to deliver the expected service to the Force</p>	<p>The Force should review the performance information that would be most relevant at each of the governance forums then work with MFSS to ensure they receive this information.</p> <p>The number of individual complaints raised and managed by MFSS should be centrally co-ordinated by the Force and form part of the service review meeting.</p> <p>Any unsatisfactory responses to complaints by MFSS should be escalated through the governance structure accordingly to ensure effective performance management.</p>				
4.3	<p>Quality Control</p> <p><i>Observation:</i> The terms of reference for the Optimisation Board states that they will provide direction to the individual Business Process Transformation groups to drive improvements in the service processes and maintained an improvement plan. There are seven BPTs:</p> <ul style="list-style-type: none"> - Purchase to Pay / Accounts & Payables (Finance) - Recruit to Retire (HR) - Record to Report 	<p>The Improvement Plan should be updated to include target completion dates for activities to ensure MFSS and Partners are held to account for non-delivery of activities, the Force should raise this at the Optimisation Board.</p>	2	Agreed	Force MFSS Leads 31 March 2019	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<ul style="list-style-type: none"> - Duty Planning - Logistics - Technology - Estates & Facilities <p>As previously mentioned in Recommendation 4.1, not all the groups have been meeting to carry out this review, with Duty Planning, Logistics and Estates & Facilities having not met regularly to carry out their roles.</p> <p>However, the Optimisation Board does maintain an Improvement Plan that lists specific activities that are to be completed across the service lines. Audit reviewed the latest version of the plan and found that there are 38 open activities made up of 14 'not started', 22 'work in progress' and 2 'on hold'.</p> <p>For each activity it includes the area of service, the relevant BPT, an activity owner and an activity lead, although one key omission is a target / expected date of completion. Whilst not all start dates or date activity agreed was included on the plan, where dates were noted these dated back as far as 2014 in some cases.</p> <p>The improvement plan did include a prioritisation matrix of effort versus benefit for each activity listed to help the Board ensure they focus efforts in the right areas. However, due to the lack of target dates for completion, a large number of improvement activities are still outstanding.</p> <p>The Force were able to provide audit with a number of examples when the data they received from MFSS was not in line with their expectations. Whilst this included the process to 'pause' service requests when MFSS return queries to the Force, the number of paused SR's are not part of any monitoring or performance review at present. Internally the Force does not co-ordinate the data quality issues across the totality of services.</p> <p><i>Risk:</i> Failure of the partners and MFSS to complete improvement activities leading to a poor quality service.</p> <p>Failure of the Board to hold individuals to account for nondelivery.</p>	<p>The Force should co-ordinate its data quality issues internally across the totality of services and ensure this is fed back to the MFSS Business Relationship Manager.</p>				

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
	Failure to evaluate the quality of data being used to scrutinise MFSS					
4.4	<p>Governance, Communication & Co-ordination</p> <p><i>Observation:</i> The Shared Service Joint Oversight Committee and Management Board terms of reference are set out in the Collaboration Agreement and the creation of the Optimisation Board, Business Process Transformation groups & a Service Review Group has been developed. Audit reviewed the governance system in place and found that there are a number of ongoing reviews within the current governance structure:</p> <ul style="list-style-type: none"> - The Collaboration Agreement itself is currently under review; - Optimisation Boards terms of reference has been re-drafted and is being re-named Service Improvement Sub- Committee; - A review of the BPT's role in the governance system is being undertaken. <p>Moreover, it was clear that the seven Business Process Teams, that were set up to review specific MFSS services, have not all been taking place as intended. Audit found that internally at the Force the attendees at the various governance meetings were not communicating or coordinating appropriate information to allow a clear and consistent message to be delivered.</p> <p><i>Risk:</i> Problems/issues are not escalated through the governance structure by the Force. MFSS are not held to account at the correct governance forum. The Force does not get the service it requires through lack of individual service line improvements. The Force fails to manage the total service that it currently receives from MFSS.</p>	<p>The Force should put in place appropriate co-ordination between the attendees of MFSS governance forums to ensure the key information is shared. The Force should seek clarity from MFSS and partners to confirm the roles of each governance forum as well as ensuring the BPT's are operating as intended.</p>	2	<p>Agreed</p> <p>The PCC has taken over as the Chair of the SSJOC and as such coordination within Northamptonshire has already improved as information from these forums is disseminated. The CEO is also part of the weekly MFSS senior team meeting. This will be further reviewed to see if all key individuals are updated.</p> <p>New terms of reference were already developed as part of the Task force work and the S22 is under review.</p>	<p>Monitoring Officer/Project Director 31 March 2019</p> <p>MFSS 31 March 2019</p>	

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GDPR – February 2019

	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
4.1	<p>Action Plan</p> <p><i>Observation:</i> We noted that some form of gap analysis for GDPR was completed in 2017 based on national guidance but the author, as well as two other key staff involved, have since left the organisation or changed role in April 2018. Due to a lack of resources it was not reassigned or taken forward as a formal action plan. There remains a number of actions that require completion including completion of the Information Asset Register, updates to policies and procedures, staff communications and training as well as dealing with a backlog of information requests.</p> <p>It is accepted and recognised by management that there is still work to do but a recognition of the importance of GDPR is being expressed/increased and this is being addressed at both an internal staffing level and governance level, however, the plan is currently not sufficient.</p> <p><i>Risk:</i> There is no formal plan to achieve compliance or the resource available to implement resulting in non-compliance with key aspects of GDPR.</p>	<p>The force needs to revisit or establish an action plan to address shortcomings in compliance and provide a direction of travel towards it. The lack of an action plan seriously undermines attempts to become compliant and fails to establish a long-term strategic direction to managing this area and is in distinct contrast to all other forces reviewed in the region who have performed a full gap analysis and established an action plan to oversee steps required to obtain compliance based on the 12 step guidance from the Information Commissioners Office.</p>	1	<p>To be presented to the incoming DCC for re-establishing the Information Assurance Board. This would formalise the temporary Information Management Strategy that was set up following the audit.</p> <p>Discussions have already opened with DCC around the risks and concerns of the Information Unit.</p> <p>This area of the business is currently on the risk register and is therefore discussed and measured by higher levels of management on a regular basis.</p> <p>Will re-formulate an Information Assurance Risk Register as a single register will allow for all matters to be in one place and be risk assessed, managed and moved forward from a single document creating oversight for those aspects of the register which sit within different directorates across the force. This in turn will help prioritise and inform the more detailed elements of the Information Assurance Strategy.</p> <p style="color: green;">Update – An information Assurance Risk Register has been produced which records any risks and issues identified. Oversight of this will be provided by IAB.</p>	<p>2 Months for set up.</p> <p>Monthly meetings.</p> <p>Senior Management involved for initial 6 month period, compliance levels will then indicate the ongoing requirement.</p> <p>Risk / exception reporting will also be captured via the monthly Force Strategic Board</p> <p>Information Unit Manager April 2019</p>	
4.2	<p>GPDR/Data Protection Working Party</p> <p><i>Observation:</i> Up until April 2018 a working party was overseeing developments in this area, however that group was closed in April 2018 on the departure of three key staff and has not been reconvened despite there being outstanding issues to resolve.</p>	<p>A working group led by a senior member of staff/officer should be re-established, similar to that that previously existed to oversee the drive towards better compliance such as the development and implementation of the action plan, IAR and resource management.</p>	1	<p>This will form part of the Information Assurance Board(IAB), at least initially whilst the greater risks and measures are put in place.</p> <p style="color: green;">Update – Oversight of DPA is provided by IAB which effectively replaces the working party referred to.</p>	<p>2 Months for set up.</p> <p>Monthly meetings.</p> <p>Senior Management involved for initial 6 month</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
	<p>A reconvened group should be established to oversee establishment and progress of the action plan recommended above and other areas.</p> <p><i>Risk:</i> There is no oversight or strategic planning for the development and management of controls in this area.</p>				<p>period, compliance levels will then indicate the ongoing requirement.</p> <p>IAB April 2019</p>	
<p>4.3</p>	<p>Resources</p> <p><i>Observation:</i> The organisation has two Full Time Equivalent (FTE) staff involved in disclosure requests. This includes not only Subject Access Requests (1 FTE) but also Freedom of Information (1 FTE). Other resources can support the process but this is additional activity to their own business as usual role. This ranks the force 5th out of the 5 East Midlands forces in available resource but 3rd out of 5 in total number of disclosure requests where we have reviewed GDPR processes. We also note the organisation has a significant backlog of subject access requests beyond the 30 day response time, the largest of the five forces reviewed. This backlog, for the period between May and October 2018 was 69 subject access requests. This suggests the organisation has insufficient resources to manage its current work load, as well as move forward with areas such as action plan management and policy development. As such we would recommend that the organisation consider if more resource should be in place. The levels of formal training both to the Information Unit and wider organisation has been limited and should be improved. We do understand that the structure is currently under review and proposals have been made but these are currently on hold awaiting further information.</p> <p><i>Risk:</i> The organisation has insufficient resources to manage the demand for disclosures and may be at risk of not achieving the statutory time limit.</p>	<p>The organisation should consider its resourcing levels in this area and in particular look to reduce its backlog of requests.</p> <p>The level of training provided to date to both the team and the wider organisation has been insufficient and further formal training should be considered which can then be cascaded to others internally.</p>	<p>1</p>	<p>Training needs analysis for Information Assurance, Information Security, Information Management, GDPR should be undertaken commissioned by IAB with a request for support from EMCHRS via the learning and development panel. This should be discussed at initial IAB meeting. Requires an overarching force wide plan, which considers teams and individual requirements. Forcenet messages should be formulated for more immediate issues.</p> <p style="color: green;">Update – Additional resources have been taken on until July 2020 which provides a temporary solution to the resourcing issues. A longer term solution will be discussed through IAB. Initial meetings have been held with EMCHRS about training.</p>	<p>2 months for initial meeting to be held and discussed. 6 months for more extensive delivery plan to be formed and added to training needs and execution to begin. This should continue for the foreseeable future with no end date.</p> <p>IAB and EMCHRS August 2019</p>	
<p>4.4</p>	<p>Privacy Impact Assessments</p>		<p>3</p>		<p>As required.</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
	<p><i>Observation:</i> There is no apparent co-ordination of the Privacy Impact Assessment process that has engaged with the Information Unit though we note a procedure exists. This may mean that the Information Unit are not involved in the decision making process to decide if a PIA is required and a potentially incorrect decision is taken.</p> <p><i>Risk:</i> Privacy impact assessments are not carried out when required.</p>	<p>A process to undertake a privacy impact assessment of all new systems should be implemented and should engage with the Information Unit for all new systems.</p>		<p>This should be actioned from the IAB, at least initially whilst testing and familiarisation takes place.</p> <p>Update – The form has been revised to ensure that all new requests for Information Assurance Assets have to include a Privacy Impact Assessment.</p>	<p>IAB</p>	
<p>4.5</p>	<p>Information Asset Register</p> <p><i>Observation:</i> We were unable to evidence that an up to date Information Asset Register (IAR) has been completed, although there may be some documentation in both IT and in Information Security areas that would support its completion. The establishment of an IAR is important to establish how all data sources are identified, obtained managed, used and deleted by an organisation as well as responsible personnel, consent, and its location and is key under GDPR guidance and to manage the associated data risks.</p> <p><i>Risk:</i> The organisation may not fully understand what data it holds, where it is located and how it is obtained and managed in contravention of GDPR legislation.</p>	<p>The organisation should review existing documentation with a view to establishing a current and effective IAR that defines data which is collected and currently stored, and this has been utilised to identify potential risks to compliance with GDPR.</p>	<p>1</p>	<p>Ownership and tracking should sit with IAB.</p> <p>This had been completed but with gaps, largely due to individuals taking up position but unaware of their responsibility regarding it.</p> <p>This will form part of the induction project for the new Information Auditor.</p> <p>Update – The refresh of the Information Asset Register has started. This is being undertaken by the new Information Auditor. The work is ongoing with Asset owners given a deadline of 21 June to respond with any changes to the register.</p>	<p>From start date for Auditor.</p>	
<p>4.6</p>	<p>Information Security Breach Guidance</p> <p><i>Observation:</i> Whilst the general information security breach process is established internally and operating effectively there is a lack of guidance on the force's website to outside users which may lead to a lack of awareness in reporting potential breaches by members of the public.</p> <p>We understand that a review is currently ongoing to address policy guidance.</p> <p><i>Risk:</i> Members of the public are not able to report information security breaches effectively.</p>	<p>Information security/data breach guidance should be included on the externally facing website regarding how to make complaint. This is currently in the process of being updated by the Information security officer.</p>	<p>3</p>	<p>To be tracked by IAB, ISO will liaise with SOH team to establish the mechanism and location, however this will be covered to some degree by the addition of the up to date Privacy Notice</p>	<p>Information Security Manager March 2019 SOH dependant.</p>	
<p>4.7</p>	<p>Data Protection Policy</p> <p><i>Observation:</i> A Data Protection policy is in place, but we noted that there are two policies publicly available</p>	<p>Data Protection policy documentation on the force's</p>	<p>3</p>	<p>To be tracked by IAB, DPO will liaise with SOH team to establish the mechanism and</p>		

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
	<p>via the force's website dated November 2017 and May 2018. These relate more to the previous Data Protection Act rather than the current GDPR influenced changes.</p> <p>We noted that a review is currently ongoing to address policy guidance.</p> <p><i>Risk:</i> Members of the public may not be properly informed of the Force's policy.</p>	<p>website needs to be updated to reflect current guidance and in particular GDPR.</p>		<p>location, however this will be covered to some degree by the addition of the up to date Privacy Notice.</p>	<p>Information Security Manager March 2019 SOH dependant.</p>	
4.8	<p>Regional Data Protection Meetings</p> <p><i>Observation:</i> Lincolnshire's Data Protection and Freedom of Information Manager has recently taken over the chair of the regional data protection meetings. Given some of the general comments made about the group during our audits we would suggest that:</p> <ul style="list-style-type: none"> An opportunity is taken to review the terms of reference for the group to ensure it represents what everyone would most gain from such a meeting; and To avoid potential off topic conversation and reinvigorate group discussion. <p>A similar recommendation has been made in all regional reviews to encourage engagement.</p> <p><i>Risk:</i> Group discussions do not meet terms of reference or provide an effective forum.</p>	<p>The Terms of Reference for the Regional Data Protection meetings should be reviewed and updated, and all members should engage with the process to ensure it represents an effective forum for all in the context of both Data Protection, GDPR and wider Information Management.</p>	3	<p>To be established by the Regional DP Group Chair and attendees. Overseen by force SIRO's.</p> <p><i>Update – The first meeting was held in April with further meetings scheduled quarterly.</i></p>	<p>Meeting date pending</p>	

Service Delivery Model – February 2019

	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
4.1	<p>Governance</p> <p><i>Observation:</i> The Force have created a new Force Strategy Board that is made up of five sub-boards:</p> <ul style="list-style-type: none"> Risk Transformation Leadership, Wellbeing & Culture Corporate Planning & Resources Service Improvement <p>Audit reviewed the terms of reference for each forum to confirm that the Service Delivery Model has appropriate oversight and scrutiny within this governance structure.</p>	<p>The Corporate Planning & Resource terms of reference should be updated to ensure its membership aligns with the other Force Strategy Board sub boards and includes Service Delivery Model representation.</p> <p>The Force should review the roles of the Change Board and Transformation Board to ensure there is clarity in the roles of board</p>	2	<p>The FSB Terms of Reference were originally produced in draft and are being updated with this work being overseen by the DCC and Head of Corporate Services as part of a wider force governance review that is also considering the role of the Change Board.</p>	<p>March 2019 / DCC Nickless</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<p>A Service Delivery Model representative was a member of all but one of the above meetings. It was noted that the Corporate Planning & Resources terms of reference did not include them. Through discussion with staff it was confirmed this was an oversight and the membership of the five meetings should have been consistent.</p> <p>The Change Board is the governance forum that has oversees the delivery of the Service Delivery Model programme. It is noted that the new Transformation Board has similar aims and objectives to the Change Board in regards to oversight of SDM and thus this increases the risk of duplication of work and / or items 'falling between the gaps' if each board believes issues are being dealt with by the other.</p> <p><i>Risk:</i> Oversight of the SDM programme is not incorporated within the Force Governance structure.</p>	<p>to allow effective oversight and scrutiny to take place.</p>				
<p>4.2</p>	<p>SDM Reporting</p> <p><i>Observation:</i> The Transformation Board terms of reference states that at each meeting an SDM update report will be provided and includes the details of what are expected in this report; this includes:</p> <ul style="list-style-type: none"> • Programme update – progress towards achieving the required outcomes and benefits, including cost savings targets; • Financial picture of the programme; • Review and approval of proposed changes to the SDM programme requirements or top level ground rules or assumptions; and • Review and approval of proposed changes to the cost, schedule or outcomes of SDM delivery and work packages. <p>However, these reports have yet to be produced and delivered to the Transformation Board. Audit were informed that a high level Force Strategy Board Highlight report has been provided to the Transformation Board, however this did not include any of the SDM update report expectations laid out in the terms of reference.</p> <p><i>Risk:</i> Lack of oversight and scrutiny of the performance / outcomes of the Service Delivery Model.</p>	<p>It should be made clear within the new governance structure where updates on Service Delivery Model are to be reported.</p>	<p>2</p>	<p>Developments and Changes to the Force Operating Model are being overseen by the Service Improvement Board with specific updates provided relating to the relevant thematic area.</p> <p>A programme board is being introduced, chaired by the DCC to design and deliver improvements to the Force Operating Model – terms of reference are in development.</p> <p>This programme board will report into FSB (with revised terms of reference being developed as per 4.1).</p> <p style="color: green;">Update – SDM has effectively been replaced by the Future of Policing 2020 (FP20) programme. Reporting is now in place with FP20 governed through the Service Improvement Board with oversight through FEM/FSB</p>	<p>March 2019 / DCC Nickless</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.3	<p>Benefits Delivered</p> <p><i>Observation:</i> The full business case for the service delivery model included 34 specific benefits that would be delivered across five business areas, together with the overall benefits.</p> <p>A Demand Outcome Framework has been established which tracks the benefits of the SDM. Audit carried out a review of the framework and found 17/34 were being tracked and of these:</p> <ul style="list-style-type: none"> • 7 of the outcomes are not currently being achieved; • For 6 of the outcomes it is unclear if they have been achieved as they may have more than one data set that is part of the outcome • 4 of the outcomes have shown improvement per the data. <p>Moreover, of the 17 outcomes that are not being tracked:</p> <ul style="list-style-type: none"> • 2 related to financial information i.e. cost savings. Audit were informed this is tracked through budget monitoring • 3/17 - related to victim/customer satisfaction and this is tracked elsewhere; • 12/17 - are not currently measured. <p><i>Risk:</i> Expected benefits of the service delivery model are not realised.</p>	<p>The benefits of the service delivery model should be clearly linked with the original business case.</p> <p>Where benefits are not currently being tracked, a review should be carried out to explore how these could be monitored.</p> <p>Where benefits are not being realised, actions should be taken to identify why they have not been realised to allow lessons to be learned for future projects.</p> <p>The Force should consider having one monitoring report that documents all the benefits that were anticipated and the current status of these benefits to clearly show performance of the service delivery model programme. In line with recommendation 4.2 above, this would be reported to the Transformation Board for oversight and scrutiny.</p>	2	<p>Lessons learned to support the development of a corporate memory is a strand being progressed within Corporate Services.</p> <p>Inadequate resources allocated to the Change Team over the past 18 months have resulted in significant issues, including the inability to support monitoring and continual improvement of the operating model, whilst the limited resources have been prioritised elsewhere to support the efficiency programme. Resourcing challenges are being sought to be addressed through the Corporate Services restructure and recruitment is underway to improve capacity.</p> <p>A new business change manager role has been appointed and this will support the development of a benefits management strategy.</p> <p>A full evaluation is due to commence on the appointment of new Research and Evaluation Analyst posts and this will consider benefits realisation.</p> <p>Furthermore, the force have invested in the Qlik Sense Visual Analytics tool. This will be used to better visualise the demand and performance actuals versus expectations for any changes made to the operating model. These will be automated reports accessible by a much larger audience (currently the Demand Monitoring and Outcome Framework requires manual population and there has been limited capacity to complete this).</p> <p style="color: green;">Update - The instigation of FP20 has largely superseded the previous commentary and plans for a full evaluation - the benefits assessment for FP20 is work in progress – analytical resources are supporting the business led approach with</p>	<p>July 2019 /</p> <p>Corporate Services - Andrew Wilson, Head of Change</p>	

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	Observatio4.5n/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
				FP20 to try to consider lessons learned from the SDM review. The business case is to be developed for FP20 to clearly identify benefits but monitoring metrics for the new desktop investigation team are being considered within Qlik to provide greater visibility and oversight that was not available to support the SDM.		
4.4	<p>Evaluation of Risk</p> <p><i>Observation:</i> An interim evaluation of the service delivery model was carried out and the terms of reference for the evaluation stated the review would cover "The extent to which any new risks and issues identified post implementation have been effectively managed and/or resolved."</p> <p>However, from a review of the interim evaluation outcomes it was unclear how this was covered during the evaluation.</p> <p>Audit were informed that this would be covered off when a full evaluation will be completed.</p> <p><i>Risk:</i> The effectiveness of risk management is not reviewed and therefore lessons learned for future projects does not take place.</p>	When the full evaluation of SDM takes place the effectiveness of risk management should be included within the evaluation.	2	<p>The full evaluation is due to commence on the appointment of new Research and Evaluation Analyst posts.</p> <p>Effective risk management will be considered as part of this and any implementation of changes being considered through the Improvement Board looking at Response and Crime Process.</p> <p>Update - As per the update to 4.3, the full SDM evaluation will not now take as this has been superseded by FP20. The FP20 review team includes a dedicated project manager who is supporting the effective and ongoing management of risk.</p>	July 2019 / Corporate Services – Andrew Wilson, Head of Change	

Risk Management - April 2019

	Observatio4.5n/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.1	<p>Policies and Procedures</p> <p><i>Observation:</i> A clear and approved Risk Management Policy and Procedure provides structure and guidance to the organisation with regards the management of risk, including the roles and responsibilities of those tasked with managing risk.</p> <p>The Force Risk Management Policy and Procedures were last updated in January 2019 and were effective from 1/2/19. They are reviewed annually and presented to the Joint Independent Assurance</p>	Policies and procedures should be reviewed, updated and subsequently approved in light of the introduction of 4risk. The details of the Policy and Procedure, together with its subsequent communication, should take into account the findings of this audit.	2	<p>The Force Risk Management Policy and Procedures will be updated once 4Risk is rolled out. The new policy and procedures will be presented to the Force Assurance board for approval.</p> <p>Update – The Policy and Procedures have been updated and will be presented to the first FAB for approval.</p>	Richard Baldwin May 2019	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<p>Committee (JIAC) each year. The Force Strategy Board, to whom risks are reported monthly, are not routinely provided with the policy and / or procedures to approve and / or for information.</p> <p>The OPCC has its own Risk Management Policy which, in effect, acts as its procedures. The Policy was recently reviewed (Feb 2019) to reflect structural changes within the OPCC, although has not been presented to the JIAC nor is it routinely presented.</p> <p>Both the Force and OPCC have utilised the IPSO software package for the recording and managing of risk for a number of years. As the system is now no longer supported, and is felt to no longer be fit for purpose, 4risk, a risk management solution provided by RSM, was in the process of replacing IPSO at the time of the audit.</p> <p><i>Risk:</i> Where policies and procedure for managing risk are not aligned with the current processes there is a risk that risks will not be effectively managed.</p>	<p>Consideration should be given by the Force to presenting the Policy and Procedures to the Force Strategy Board (or its successor, should this be the case).</p> <p>The OPCC should give consideration to either the establishment of separate procedures for managing risk or the development of the current policy document to incorporate how risk will be managed using 4risk going forward.</p>		<p>OPFCC Response – This is agreed, in fact was offered to auditors as an action that needed to be undertaken once 4risk had been implemented.</p>	<p>Paul Fell 1st July 2019</p>	
4.2	<p>Communications & Training</p> <p><i>Observation:</i> The strategic and operational risk registers should present a clear understanding of how the Force and OPCC are managing risks, be consistently completed by the relevant risk owner and clearly set out when the information was last updated. Audit examined the current corporate (Force and OPCC) and service (Force only) risk registers available on IPSO and reviewed a sample of risks from each register. We found that:</p> <ul style="list-style-type: none"> • Not all fields were being completed, partly a consequence of IPSO not having the functionality to make certain fields compulsory. It is envisaged that 4risk will have such a functionality. • Existing controls – were not always completed and, as a consequence, it was not always clear what is currently in place to manage the risk. • Response measure – this was not always completed in terms of what action was being proposed, thereby hindering the ability to monitor implementation of proposed actions. 	<p>Linked with the need to review and / or develop Risk Management Policies & Procedures, and its subsequent communication to staff, the Force / OPCC should ensure that staff clearly understand the risk management process and what is required of them as a Risk Owners. Where the registers are not completed to the appropriate standard, this should be challenged by the Risk & Business Continuity Advisor (Force) and Director of Delivery (OPCC).</p> <p>In support of the move to 4risk, and updates of the current procedures, effective communication and training arrangements should be put in place for all relevant staff,</p>	2	<p>Training will be arranged for departmental Risk Co-ordinators as part of the roll out of 4Risk. Guidance notes will be produced and published on Forcenet for all 4 Risk users.</p> <p>Update – Training is being arranged for July, dates to be confirmed. Guidance notes will be produced to coincide with this.</p> <p>Update – Training on the 4Risk system has been delivered to key staff from the Force and OPFCC. Training for the departmental users will be ongoing as and when required supported by guidance documents produced by the suppliers. A communication introducing the new system and reinforcing individual responsibilities will be published at the end of July.</p>	<p>Richard Baldwin May 2019</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<ul style="list-style-type: none"> • Last review / progress – the date evidencing the last review of the management of a risk was either not always recorded or, when recorded, was in some instances some time ago. • Assurance mechanism – this field was largely not completed in terms of how the risk owner gains assurance the risk is being managed. • Risk owner – in some instances this was not being recorded, although it is accepted that, in reality, this will be the relevant head of service. • Some risks were not recorded on IPSO, having their own standalone risk register – whilst it is acknowledged that this was partly a consequence of ongoing difficulties with IPSO, this resulted in inconsistencies and not all relevant information being captured. <p>As noted elsewhere in this report, a new risk management system, 4risk, is shortly to be introduced. Whilst it is envisaged that the new system will go some way to addressing many of the issues noted above, it is acknowledged that this will need to be supported by effective communication and training arrangements.</p> <p><i>Risk:</i> Inconsistency in the completion and reporting of risk registers may mean that risks are not being effectively managed / monitored.</p>	including Risk Owners and Risk Co-ordinators.				
4.3	<p>Reporting Capabilities</p> <p><i>Observation:</i> Risk management reports should be provided on a regular basis to the relevant forum. Such reports should be clear and concise and provide the reader with a clear understanding as to how risks are being managed across the Force and OPCC. Risk reports are currently produced separately by the Risk & Business Continuity Advisor (Force) and Director of Delivery (OPCC). Reports are provided to the Joint Independent Audit Committee (JIAC) twice a year (both) and the Force Strategy Board on a monthly basis (Force). Currently, reports differ between the two organisations. Due to the current reporting functionality of IPSO,</p>	As part of the introduction of 4Risk, the reporting capability of the new system should be determined and whether it can automate some part of process. As part of this review, consistency of reporting by the Force and OPCC should be established.	3	<p>Reporting requirements are being discussed with the suppliers of 4Risk and will be included in the implementation to ensure that, wherever possible, reports can be produced automatically.</p> <p style="color: green;">Update – A meeting was held with RSM in May to agree any implementation and configuration requirements which have been incorporated into the system.</p> <p>OPFCC Response – Agreed Consideration will be considered on implementation of new system</p>	<p>Richard Baldwin May 2019</p> <p>Paul Fell 1st July 2019</p>	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<p>reports are manually produced, with a significant level of cutting and pasting from the system. It is envisaged that the new system, 4risk, will have the functionality to make the process of reporting more efficient. <i>Risk:</i> Resources are consumed in producing risk reports to the various forums. Differences between the Force and OPCC in terms of format / content of report impacts on effective oversight.</p>					
4.4	<p>OPCC Risk Management Processes <i>Observation:</i> Organisations should have agreed and robust procedures in place to manage risk and to provide stakeholders with assurance that risks are being effectively managed. The size of the respective organisations, and the level of resource available to oversee the risk management process, is acknowledged. Whilst the Force has a Risk & Business Continuity Advisor in place, the role of risk management oversight for the OPCC is subsumed within the wider responsibilities of the Director of Delivery. With the forthcoming introduction of 4risk, audit understands that it is the intention to introduce two further members of the OPCC team to the process, thereby mitigating the current risk of reliance being placed on the one person. In addition to reporting on risk referred to above, Directors Meetings are held on a weekly basis within the OPCC, with the attendees being made up of the risk owners for each risk on the OPCC risk register. Whilst this gives the opportunity for risk to be discussed, and audit were provided with evidence that this had happened, it was acknowledged that consideration could be given to ensuring risk is a standing agenda item. The introduction of 4risk, together with other staff to support the oversight of risk within the OPCC, is an ideal opportunity to review and strengthen risk management arrangements. <i>Risk:</i> The opportunity to strengthen risk management arrangements is missed.</p>	<p>As part of the review of risk management policies and procedures within the OPCC, consideration should be given to the following:</p> <ul style="list-style-type: none"> • Establishing the respective roles of the Risk Owners, Director of Delivery and two support staff in the risk management process. • The above should include each person's access to 4risk and the expectations placed on them following the introduction of the new system. <p>Developing a Forward Plan for the Directors Meeting where standard agenda items, such as risk management, are considered.</p>	3	OPFCC Response - Agreed	Paul Fell 1 st July 2019	

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	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.5	<p>4Risk</p> <p><i>Observation:</i> Both the Force and OPCC have utilised the IPSO software package for the recording and managing of risk for a number of years. As the system is now no longer supported, and is felt to no longer be fit for purpose, a procurement exercise was carried out and 4risk, a risk management solution provided by RSM, was selected as the proffered to new system. The benefits of using 4risk, as set out on the RSM website, include:</p> <ul style="list-style-type: none"> • <i>"enables reporting on profiling, categorisation and prioritisation of enterprise-wide risks;</i> • <i>provides visibility of the enterprise controls environment;</i> • <i>allows for enterprise wide assurance mapping and production of a board assurance framework;</i> • <i>tracks progress of actions through to implementation and outcome;</i> • <i>reduces risk management administration costs."</i> <p>At the time of the audit, 4risk was still going through user testing and, as such, IPSO was still being used to manage risk. It was envisaged that 4risk would be in place early in the new financial year.</p> <p>From discussions with the Risk & Business Continuity Advisor, it was envisaged that 4risk would address many, if not all, the issues currently being encountered with IPSO, a number of which are highlighted in this report. As such, a fundamental action that will be need to be addressed once 4risk has been in place for a defined time will be a post-implementation review of the system. This would aim to measure whether the perceived benefits of the new system are being realised and, if not, what further action is required.</p> <p><i>Risk:</i> The 4risk system does not deliver the anticipated benefits, leading to risks to the Force and OPCC not being effectively managed.</p>	<p>A post-implementation review of 4risk should be carried out to measure whether the perceived benefits of the new system are being realised and an action plan be established where appropriate.</p>	2	<p>A post implementation review of the effectiveness of 4Risk will take place within 6 months of implementation.</p>	<p>November 2019</p>	

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Performance, Skills & Talent Management

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.1	<p>Quality Assurance of Performance Development Reviews (PDR)</p> <p><i>Observation:</i> The PDR Policy provides line managers with guidance on what the PDRs should include such as setting objectives and appropriate recording of evidence. The completed PDRs are currently submitted to the retained HR team who are able to demonstrate completion rates for the mandatory PDR. It was noted that there is currently no dip sampling to check that the contents of the PDR's are compliant with the PDR Policy. Moreover, there is no process in place for moderation of scores awarded for performance within the PDR process.</p> <p><i>Risk:</i> PDRs are completed but are inappropriate or ineffective for managing performance. Lack of consistency in PDR scoring.</p>	<p>The retained HR function should carry out dip sampling on completed PDRs to ensure they are compliant with Force Policy.</p> <p>The Force should consider an appropriate moderation process to ensure fairness and consistency within the performance management process.</p>	2	<p>Whilst I am not adverse to dip sampling or moderation, I am not sure this is where Hr should focus their time, however in the new structure that is being currently implemented, the business partner's role will be with the business to link in and ensure that moderation is undertaken. Add to this a level of dip sample via the Leadership administrators this will improve the outputs which should then be reported to the People Board</p>	<p>End August 2019</p> <p>Head of HR /HRBP/ Leadership Team</p>	

2019/20

Business Continuity

	Observatio4.5n/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
4.1	<p>Business Continuity annual testing/exercises <i>Observation:</i> The aim of testing business continuity plans is to ensure that, in the event they need to be activated, they are effective and are able to restore critical functions as quickly as possible. This recommendation was previously raised following the 2016/17 Business Continuity Audit. Management’s response at the time was “The force will continue its policy of conducting force wide exercises whenever major new issues emerge. In addition, the Business Continuity Advisor will produce desktop exercise scenarios for departments to use to test their plans on an annual basis.” This was to be implemented by March 2017. Under section six – Further Actions, of each Business Continuity Plan, there is a table to list any exercises of the plan with appropriate debrief information. However, of the five Business Continuity Plans selected for audit testing, no exercises were listed in the tables. Audit testing of the Business Continuity Plans showed that whilst all plans had a section for exercising/testing included, the sections had not been completed and, as such, there was limited evidence of formal testing of business continuity plans available. A regional exercise was due to take place in December 2018, however, this was cancelled and another exercise within the Force has not been planned as of yet. <i>Risk:</i> the business continuity plans are not subject to appropriate testing and therefore are not up to date or fit for purpose.</p>	<p>The Force should consider the type and frequency of testing of individual business continuity plans to ensure all plans are fit for purpose.</p>	2	<p>Agreed. The force is introducing a rolling programme of table top exercises for all departmental plans with effect from June 2019. This will be ongoing as business as usual.</p> <p>Update – The first exercises were sent out on 11 July.</p>	<p>Richard Baldwin Commencing June 2019 then ongoing.</p>	

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Complaints Management

	Observation/Risk	Recommendation	Priority	Management response	Timescale/responsibility	Status
4.1	<p><u>Centurion System Anomalies</u> <i>Observation:</i> Complaints should be received by the Force and then passed onto the Professional Standards Department (PSD) for a recording decision to be made. If the complaint is to be recorded then the date it was received by the Force, date received by the PSD and the date a decision to record was made are all noted onto the Centurion system. Two anomalies were identified when testing our sample of complaints (20 complaints handled by the Force and all three complaints against the Chief in the year to date). One case had the 'received in Professional Standards' date after the 'decision to record' date despite the 'decision to record' being made by the PSD. The other case had the 'case recorded' date before the 'decision to record' date. <i>Risk:</i> Contradicting information may not be flagged resulting in incorrect information remaining in the system which may affect the accuracy of Key Performance Indicators and, as a consequence, the management of complaints.</p>	<p>The Force should seek to build controls into the Centurion system which identify any conflicting information and flag it to the user.</p>	3	<p>The auditor quite rightly pointed out some administrative errors that were picked up during his file review. These have since been corrected. The performance framework set for PSD recording of complaints looks at the dates between "Date Received in Force" and "Date Recorded". I can offer reassurance that Centurion does not allow the Date Received in Force to be later than the Date Recorded. The system does flag this as an anomaly. However, the date anomalies found by audit do not flag as being incorrect. Centurion is a national system that we cannot amend, however we do have a mechanism to feedback to the company who own the system. I will raise the date anomalies with the National Centurion User Group and they will consider the date issue raised. Update – This has been raised with the National Centurion User Group.</p>	<p>July 2019 / Business Manager - PSD</p>	
4.2	<p><u>Acknowledgement of Complaints</u> <i>Observation:</i> Statutory Guidance details the requirement for complaints to be acknowledged within two days of receipt. Testing of a sample of 20 complaints closed by the Force and all three complaints recorded against the Chief Constable (therefore handled by the OPFCC) in the year to date identified two cases where the acknowledgement had not been sent within two working days, both within Force PSD. Further discussions with the Business Manager (Professional Standards) confirmed reporting on performance may be difficult because the acknowledgements are not recorded within the Centurion system, therefore a review of processes may need to be performed. <i>Risk:</i> Complainants may be unaware if their complaint has been received and is being dealt with, potentially</p>	<p>The Force/OPFCC should seek assurances that complaints are being acknowledged within the statutory timeframes (two working days). Implementation of a Key Performance Indicator (KPI) should be considered or a review of processes to ensure acknowledgements are sent.</p>	2	<p>The auditor quite rightly pointed out that we could not demonstrate for each file he reviewed, that the IOPC Statutory Guidance of acknowledging receipt of complaints within 2 working days had been done on all cases. At the debrief meeting we discussed a KPI process to monitor this. However it was explained that in order to monitor this, we would have to build a new system/process in, to be able to report on it. There is not a mechanism within Centurion to document the acknowledgement letters, we are not required to report on this specific performance to the IOPC, HMIC or Home Office. We are monitored on our</p>	<p>Business Manager - PSD September 2019</p>	

AGENDA ITEM: 10 DASHBOARD

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility	Status
	<p>leading to more complaints and increasing the administrative duties required by the Force/OPFCC, which may result in increased workloads making compliance within statutory timeframes more difficult</p>			<p>performance when recording complaints (within 10 working day) and this is reported on regularly, both internally and externally. We discussed this and could see little value in creating a new KPI process, especially when the complaint legislation will change within the next 12 months or so. However, we did discuss the value of reviewing the acknowledgement process within PSD as a whole, and to make sure that, a.) we are complying with the guidance, and b.) in future, if the OPFCC dip sample process were to include the 2 days acknowledgement process, we could demonstrate, when asked, that it had been done. We will be conducting a review of this process in due course.</p>		
<p>4.3</p>	<p><u>Scheme of Delegation</u> <i>Observation:</i> Examination of the Scheme of Delegation (SoD) confirmed that it had not been reviewed and approved by the Chief Constable. Discussions with the Business Manager (Professional Standards) confirmed the SoD had been through an initial review at a local level and amendments were to be made before going for Chief Constable approval. <i>Risk:</i> The SoD may not be fit for purpose or in line with the Chief Constables wishes, which may lead to inappropriate complaints handling, potentially damaging the Forces/OPFCC's reputation.</p>	<p>The SoD should be reviewed and approved by the Chief Constable. Once approved, the SoD should be made available to staff via the intranet.</p>	<p>3</p>	<p>We produced a Scheme of Delegation document which, at the time of the audit, was in the process of being approved by the Deputy Chief Constable (DCC) and then it would be sent to the Chief Constable for sign off. This was shared with audit to demonstrate the decision making structure that sits alongside the job descriptions that audit had requested. I can confirm that the DCC has approved the document and it is now with CC Adderley for sign off. When this is completed, we shall place it on the Force Website.</p> <p>The Scheme of Delegation has been approved and signed off.</p>	<p>July 2019 / Business Manager - PSD</p>	



AGENDA ITEM: 11

NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER, NORTHAMPTONSHIRE POLICE and NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE

JOINT INDEPENDENT AUDIT COMMITTEE

26th July 2019

REPORT BY	CFO Darren Dovey
SUBJECT	NFRS Inspection Programme
RECOMMENDATION	Committee to note report

1 Purpose of report

- 1.1 To provide the Joint Independent Audit Committee with an update on the inspection from HMICFRS, since the paper, previously provided to JIAC in March 2019, to date.
- 1.2 To inform the Joint Independent Audit Committee of the findings from Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) and the Services response.

2 Relevant Fire Plan/ IRMP strategic objective/ priority

2.1 This report contributes to the IRMP objectives of:

- Keeping our communities safe and well
- Keeping our staff safe and well
- Making the best use of resources

3 Background

- 3.1 The service provided JIAC with a comprehensive overview of the inspection process as part of the previous JIAC paper submitted in March 2019.
- 3.2 This included a history of the services inspection phases and series of links to the inspection framework and associated service reports.
- 3.3 In summary, the Service was inspected in November 2018, and revisited in June 2019 following the identification of two 'causes of concern'. JIAC were provided the initial plan that the service produced after the initial inspection in preparation for the revisit.
- 3.4 The final inspection report was published on 20th June 2019 and indicated that the Service required improvement across all three inspection pillars, Effectiveness, Efficiency and People. The report was accompanied by a letter reporting on the findings of the revisit. The full report and the accompanying letter can be found on the links below.

[HMICFRS full report 2019](#)

[HMICFRS letter accompanying full report 2019](#)

- 3.5 In the letter that accompanied the report, the Chief inspector, Zoe Billingham wrote; *Overall, we are encouraged by what we found on our revisit. Although the service has more to do in relation to both causes of concern, it has made significant improvements*'.
- 3.6 The Service is now in the process of compiling its improvement action plan to address all areas of improvement identified by the inspection team. This action plan will be submitted to HMICFRS within 56 days of the inspection reports publication as is required. This requires the Service to provide the response by August 15th 2019.
- 3.7 A summary of the areas of improvement, taken from the full report can be found on **appendix 1**. I would also like you to take account of the number of 'good' findings and positive comments made throughout the report.
- 3.8 It is the Services intention to, improve where improvements are required, and build on good practice where it is in place, and plan for the delivery of future Service provision with a measured, 'whole service', approach.
- 3.9 This action plan will be submitted to this group for the September JIAC.

4 Proposal

4.1 The proposal is for the Joint Internal Audit Committee to note the full inspection report and its contents along with the accompanying revisit letter.

5 Alternative Options Considered

5.1 At this stage there are no alternative options to be considered.

6 Financial Implications

6.1 As was identified in the paper submitted to JIAC in March 2019, it is envisaged that improvement actions will be managed within the Services designated approved budget.

6.2 The accompanying revisit letter did however, have concern that staff spend considerable time searching databases to get information for managers which was leading to delays in some information being made available; HMICFRS suggested that the Service should explore if it can allocate more resources to remedy this situation in the short term; we have since recruited to a vacant post within this area and will monitor progress.

6.3 The report also identified capacity issues in the areas of Fire Protection and Community Safety of which the Service is making due consideration. Should any case be identified for further resource a proposal will be submitted to the Commissioner.

List of Appendices

Appendix 1 – Identified areas for improvement following HMICFRS inspection into Northamptonshire Fire and Rescue Service for FEG consideration and formulation of Improvement Action Plan.

Appendix 1 – Identified areas for improvement following HMICFRS inspection into Northamptonshire Fire and Rescue Service. Currently with FEG for consideration and formulation of Improvement Action Plan.

Effectiveness

Preventing fire and other risks

1. The service should ensure it allocates enough resources to prevention work. The service should evaluate its prevention work, so it understands the benefits better.

Protecting the public through fire regulation

2. The service should assure itself that its risk-based inspection programme includes proportionate activity to reduce risk. It should also include appropriate monitoring and evaluation.
3. The service should ensure it provides enough informal fire safety information to the local business community.

Responding to fires and other emergencies

4. The service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command.

(Cause for Concern) Plan in place.

5. We have serious concerns about Northamptonshire FRS's ability to respond to incidents. The service consistently doesn't have available its minimum number of fire engines. Senior managers are not routinely told when this happens.

Recommendation

The service should improve its process for monitoring the number of fire engines available, so that senior managers can make effective decisions.

Responding to national risks

6. The service should ensure operational staff have good access to cross-border risk information.
7. The service should arrange a programme of over-the-border exercises, sharing the learning from these exercises.
8. The service should ensure it is well-prepared to form part of a multi-agency response to a community risk identified by the local resilience forum, including a marauding terrorist attack, and that its procedures for responding to terrorist-related incidents are understood by all staff and are well tested.

Efficiency

Making best use of resources

9. The service needs to show a clear rationale for the resources allocated between prevention, protection and response activities. This should be linked to risks and priorities set out in an up-to-date integrated risk management plan.

10. The service should ensure it has clear and robust processes to manage staff overtime.
11. The service should ensure it has good business continuity arrangements in place that take account of all foreseeable threats and risks. It needs to review and test plans thoroughly.

Making the fire and rescue service affordable now and in the future

12. The service should ensure it has sufficiently robust plans in place which fully consider the future management of its fleet and properties.
13. The service should do more to identify areas where innovation, including the use of technology, can help it improve productivity and develop capacity.

People

Promoting the right values and culture

14. The service should assure itself that staff understand and have confidence in the purpose and integrity of health, safety and wellbeing policies, especially how to access wellbeing support.

Getting the right people with the right skills

15. The service should ensure its workforce plan takes full account of the necessary skills and capabilities to carry out the integrated risk management plan.

(Cause for concern; Plan in place)

16. Northamptonshire FRS needs to ensure that it has systems in place to effectively provide, record and monitor risk-critical training.

Recommendation By September 2019 the service must ensure that it provides, assesses and accurately records suitable operational training and that all operational staff have the proper risk-critical skills.

Ensuring fairness and promoting diversity

17. The service should ensure leaders can demonstrate that they act on and have made changes as a direct result of feedback from staff. The service should also improve communications between senior managers and staff.
18. The service should ensure that all staff understand the benefits of a diverse workforce.

Managing performance and developing leaders

19. The service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders.
20. The service should improve awareness and understanding of the selection and promotion process among all staff.

Fire & Rescue Service

Effectiveness, efficiency and people 2018/19

An inspection of Northamptonshire Fire and Rescue Service



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About this inspection

This is the first time that HMICFRS has inspected fire and rescue services across England. Our focus is on the service they provide to the public, and the way they use the resources available. The inspection assesses how effectively and efficiently Northamptonshire Fire and Rescue Service prevents, protects the public against and responds to fires and other emergencies. We also assess how well it looks after the people who work for the service.

In carrying out our inspections of all 45 fire and rescue services in England, we answer three main questions:

1. How effective is the fire and rescue service at keeping people safe and secure from fire and other risks?
2. How efficient is the fire and rescue service at keeping people safe and secure from fire and other risks?
3. How well does the fire and rescue service look after its people?

This report sets out our inspection findings. After taking all the evidence into account, we apply a graded judgment for each of the three questions.

What inspection judgments mean

Our categories of graded judgment are:

- outstanding;
- good;
- requires improvement; and
- inadequate.

Good is our 'expected' graded judgment for all fire and rescue services. It is based on policy, practice or performance that meet pre-defined grading criteria, which are informed by any relevant national operational guidance or standards.

If the service exceeds what we expect for good, we will judge it as **outstanding**.

If we find shortcomings in the service, we will judge it as **requires improvement**.

If we find serious critical failings of policy, practice or performance of the fire and rescue service, we will judge it as **inadequate**.

Service in numbers



Public perceptions

Northamptonshire England

Perceived effectiveness of service Public perceptions survey (June/July 2018)	83%	86%
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Response

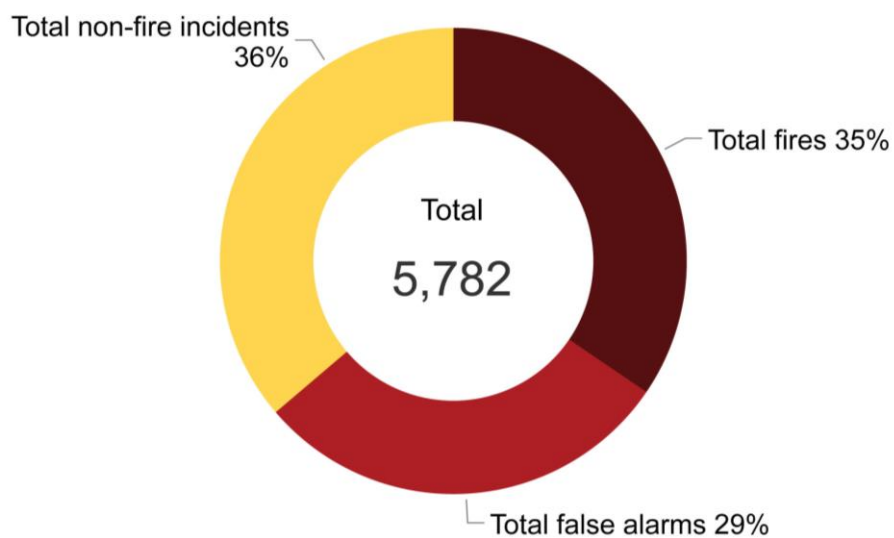
Northamptonshire England

Incidents attended per 1,000 population 12 months to 30 September 2018	7.8	10.5
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Home fire risk checks carried out by FRS per 1,000 population 12 months to 31 March 2018	3.3	10.4
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Fire safety audits per 100 known premises 12 months to 31 March 2018	2.4	3.0
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Incidents attended in the 12 months to 30 September 2018





Cost

Northamptonshire

England

Firefighter cost per person per year
12 months to 31 March 2018

£18.81

£22.38



Workforce

Northamptonshire

England

Number of firefighters per 1,000 population
As at 31 March 2018

0.5

0.6

Five-year change in workforce
As at 31 March 2013 compared with 31 March 2018

-21%

-14%

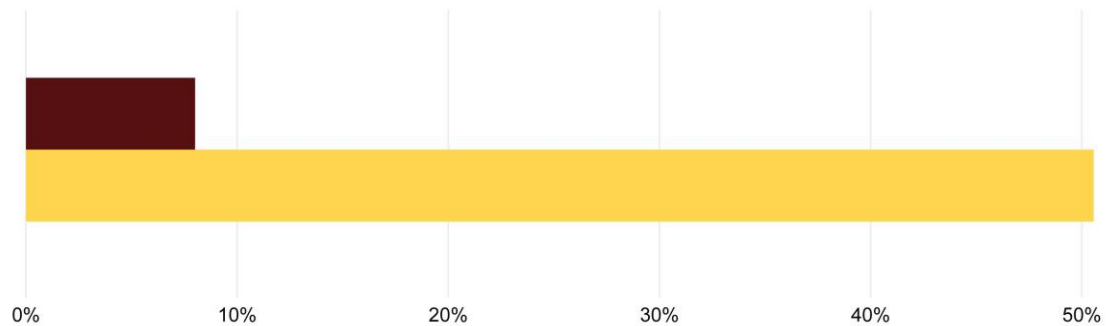
Percentage of wholetime firefighters
As at 31 March 2018

61%

70%

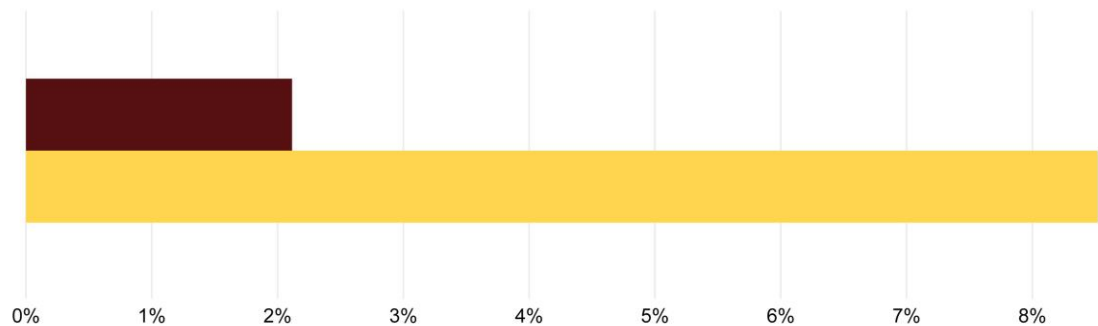
Percentage of female firefighters as at 31 March 2018

● Female firefighters ● Female residential population














Percentage of black, Asian and minority ethnic firefighters as at 31 March 2018

● BAME firefighters ● BAME residential population



Please refer to annex A for full details on data used.

Overview

 Effectiveness	 Requires improvement
Understanding the risk of fire and other emergencies	 Good
Preventing fires and other risks	 Requires improvement
Protecting the public through fire regulation	 Requires improvement
Responding to fires and other emergencies	 Inadequate
Responding to national risks	 Requires improvement
 Efficiency	 Requires improvement
Making best use of resources	 Requires improvement
Making the fire and rescue service affordable now and in the future	 Requires improvement

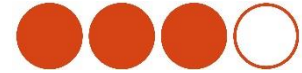


People



Requires improvement

Promoting the right values and culture



Good

Getting the right people with the right skills



Inadequate

Ensuring fairness and promoting diversity



Requires improvement

Managing performance and developing leaders



Requires improvement

Overall summary of inspection findings

We are satisfied with some aspects of the performance of Northamptonshire Fire and Rescue Service. But there are several areas where the service needs to make improvements.

Northamptonshire FRS requires improvement to its effectiveness. Its response to emergencies is inadequate. It requires improvement to how it:

- prevents fires and other risks;
- protects the public through fire regulation; and
- responds to national risks.

We judged it to be good at understanding the risk of fire and other emergencies.

The service's efficiency requires improvement, particularly in making use of resources and in making the service affordable.

It requires improvement to the way it looks after its people. It is inadequate at getting the right people with the right skills. It requires improvement to how it ensures fairness and promotes diversity and how it manages performance and develops leaders. But it is good at promoting the right values and culture.

Overall, we would like to see improvements in the year ahead.

Effectiveness



How effective is the service at keeping people safe and secure?



Requires improvement

Summary

An effective fire and rescue service will identify and assess the full range of foreseeable fire and rescue risks its community faces. It will target its fire prevention and protection activities to those who are at greatest risk from fire. It will make sure businesses comply with fire safety legislation. When the public calls for help, the fire and rescue service should respond promptly with the right skills and equipment to deal with the incident effectively. Northamptonshire Fire and Rescue Service's overall effectiveness requires improvement.

Too often Northamptonshire FRS has too few fire engines available which has an effect on response times. The service is aware of this and is looking to make improvements, including new flexible arrangements for staff to help cover demand. But it needs to keep better track of how many engines it has available at any given time and consider what more can be done.

The service's prevention and protection work also needs improvement. Its prevention team has been substantially reduced to make savings required by the county council and so it doesn't have enough resources to cover its prevention activity. Firefighters are supposed to support prevention but are often too busy. It works with partner agencies on a variety of annual activities to promote fire safety, but it needs to review how effective these are.

The service also has too few resources to meet the requirements in its risk-based inspection programme and isn't auditing the high-risk premises it says it needs to. It also doesn't do enough to engage informally with local businesses.

The service consults with the local community to build a picture of the risk of fire and other emergencies. Northamptonshire FRS works with the police to collect and share information about risk for particular premises. But not all of its scheduled checks are being done, although we are glad to see its backlog in processing this information has been cleared. It needs to ensure all systems for sharing information work as well as they should.

The service works with other agencies in planning the response to large-scale incidents. But these exercises should be based on realistic situations and involve more staff. It shares its control room service with Warwickshire Fire and Rescue Service, which helps it to deal with demand. Staff are trained to take command at incident sites, but more senior commanders don't have their training updated or checked. The service gathers debriefs from operational staff after incidents, but could improve the way it communicates identified learning to them. Crews were not always aware that over-the-border risk information is available to them when attending incidents in neighbouring counties. A more consistent approach with neighbouring services to conduct joint training is needed.

Understanding the risk of fire and other emergencies



Good

All fire and rescue services should identify and assess all foreseeable fire and rescue-related risks. They should also prevent and mitigate these risks.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Understanding local and community risk

Northamptonshire FRS engages well with the local community to build up a comprehensive risk profile. Its [integrated risk management plan](#) for 2017–2020 is called the Community Protection Plan (CPP). The draft CPP is made available to the public for consultation for six weeks before it is submitted to the [fire authority](#) for agreement. The service promotes this through its social media sites. It also sends a letter with a summary to 2,500 residents selected at random. It uses its community outreach vehicle, a van containing outreach materials, to get feedback from the public. The CPP for 2017–20 had 2,771 unique views on the service's website during the consultation period.

The service uses a wide range of information from its own activity and from other sources to understand the local risk profile. It uses this information to set its objectives in the CPP. Examples include information gathered from protection and prevention visits, socio-economic data provided by the county council and demographic data provided by the Ordnance Survey. The service uses this information to develop local risk maps, called scorecards. These are put on the service's intranet. Supervisory managers at stations can access these and use them to focus their teams' activity on specific risks affecting their local area. This information is regularly updated and reviewed to make sure that the service is prioritising the most vulnerable.

The population of the county is growing faster than the national average, and the age of the population is higher than average. In response, the service targets its work on preventing fires and accidents in the home at people aged over 65, who are at greater risk of fire. In the year to 31 March 2018, over half of the [home fire risk checks](#) the service carried out as part of its prevention activity were directed to those aged 65 and over.

The service is aware of other [vulnerable people](#) in its community who are harder to reach through traditional methods. It uses a wide variety of data to understand its local communities. Its staff also interact with those communities through prevention activities. The service has a good understanding of what risks affect the most vulnerable. This information is used to set objectives within the CPP. For example, the service supports the police and county council in their work targeting anti-social behaviour and modern slavery, which often involves vulnerable people who are hard to reach.

The service shares information with a range of partner agencies to make sure they understand risks in the same way. These partners include the police, East Midlands Ambulance Service and the county council.

Having an effective risk management plan

Northamptonshire FRS has an effective risk management plan. Each year, the service reviews all the information that is used to develop the CPP. This is to make sure that it continues to understand which local people are most vulnerable. This is key to providing the best coverage of fire engines across the county. From this review, the service develops an annual action plan to make sure that it keeps working towards the strategic aims in the CPP.

A service-wide review was completed in 2015 which included an assessment of what fire cover was provided, the working patterns of staff, and all its property and vehicles. The findings from this review have been fed into a new draft CPP for 2019–22. The service should make sure that the new draft includes information about its response standards and what fire cover it provides. It should consult with the public to make sure their views are considered, and to help them understand what to expect from the service.

The service has developed an annual action plan which describes its progress on several key projects. These projects all support the three strategic objectives identified in the CPP, which the service calls:

1. keeping our communities safe and well;
2. keeping our staff safe and well; and
3. making the best use of resources.

The plan also explains the service's intentions over the coming year. It considers a range of objectives, such as preparing for the governance change in January 2019, when responsibility for the service changed from Northamptonshire County Council to the Office of the Police, Fire and Crime Commissioner (OPFCC). Having this plan helps keep the service focused on the goals outlined in the CPP.

The CPP meets the requirements of the [Fire and Rescue National Framework](#) for England. It provides a summary of both the political and financial situations. The CPP identifies what actions have been taken to support the three strategic objectives. It also identifies what needs to be done in the future. The CPP doesn't have specific sections about operational work, or prevention and protection work, although these are commented on throughout the document. The document provides a clear summary to the public of the current and future risks facing the service.

Maintaining risk information

The service's management of risk information is good. The joint operations team consists of specialist staff from both the service and the police. Among other responsibilities, this team manages the process for gathering and recording information that firefighters need to know when attending a particular premises. This is recorded in a standardised form known as site-specific risk information (SSRI). The risk intelligence officer who works within the joint operations team notifies local station managers of existing SSRIs to be reviewed or new premises to be considered. [Wholetime staff](#) then visit the designated premises and complete a form that captures all relevant risk information. This form is reviewed by a station manager before being sent to the risk intelligence technician, who uploads the document onto a central database. This then allows the document to be seen on all [mobile data terminals](#) (MDT) fitted to fire engines. Once the document has been uploaded, the risk information can be accessed by any operational staff.

The risk information contained in the SSRIs is also used to review the number of fire engines sent to premises that request the attendance of the fire service. We found that [on-call staff](#) review the existing SSRIs to make sure that the information is still relevant. New risks are inspected by wholetime staff or the joint operations team.

Operational staff were able to demonstrate a good understanding of how to access risk information on the MDT. However, they consistently described the SSRI process as being very slow. Until October 2017, the service had only one risk intelligence technician. This person is responsible for making sure the information is accurate and uploading it to the MDT. This individual was unable to keep up with the volume of SSRIs and a backlog built up. The service recognised this and employed a second risk intelligence technician. This risk was also identified during a [National Fire Chiefs Council](#) inspection which was completed in March 2018. During our inspection we found that the backlog has been cleared and the time required to upload an SSRI onto the MDT has improved.

The joint operations team works to gather and share information about risk for public events such as the Silverstone Grand Prix. Having a joint police and fire team do this ensures that both services have a standard process for planning their responses to an emergency. The service is an active partner of the county council's safety advisory group which provides advice and guidance to event organisers on public safety.

The service's policy is for the supervisory manager to update the team with any service communications at the start of each new shift, including relevant general and site-specific risk information.

This information is shared across the organisation via email and the intranet. A handover book is also used in stations to pass information from one [watch](#) to another.

We found that some watches weren't indicating in the book that they had read the information. Other stations didn't even have a handover book. At these stations, junior officers passed risk information orally. This system is very informal and doesn't leave a record that the service can audit. Some on-call managers said that they don't have enough time to update their teams with risk information.

Preventing fires and other risks



Requires improvement

Area for improvement

- The service should ensure it allocates enough resources to prevention work. The service should evaluate its prevention work, so it understands the benefits better.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Prevention strategy

The prevention strategy currently includes home fire safety checks. These are assessments undertaken by the service in the homes of people vulnerable to fire. Prevention visits in the service include identifying potential fire risks, taking action to reduce fire risks, ensuring working smoke alarms are fitted, advice on social welfare, and advice on slips, trips and falls.

Northamptonshire FRS has a dedicated prevention team, but it has been reduced from 16 staff in 2010 to 7 staff in 2018 to make the financial savings. This team co-ordinates all the service's prevention activity, including more complex situations.

The service uses a wide range of data sources to understand risk within its local communities. This information is uploaded to the intranet and local station managers are expected to use it to target their prevention activities. We found that many station managers don't use this information and rely on a particular source of social demographic data which specifies only residents over the age of 65. It contains no other risk information. Because of this, operational crews aren't able to find out who is the highest priority in their community. The service has identified this issue and provided clearer guidance to their station managers to ensure they use the full scorecards.

In the year to 31 March 2018, the service carried out 3.3 home fire safety checks per 1,000 population. This is below the rate for England over the same period. The service hasn't allocated enough resources to its prevention activity. All wholetime firefighters are supposed to participate in prevention activity, but we found that this was not always taking place.

The priority for wholetime firefighters is to be available to respond to fires. They may be moved around the county to best provide this cover. This can make it difficult for them to plan and complete prevention activity.

The service also expects its on-call firefighters to contribute to prevention activity. However, we found that some on-call firefighters didn't believe that they should be doing this. On-call firefighters had little understanding of the benefits of effective prevention and saw it as an activity done by others within the service. Because of this, the prevention team didn't feel that they were well supported by the operational crews – although they did say that a small number of stations were very proactive.

[Safe and well visits](#) consider wider social and health problems. Trials of this type of visit are currently being run at two stations, Rushden and Kettering. These are due for completion in March 2019.

The service records the number of home fire safety checks completed by each station. It does not record any further detail about these checks. The service doesn't evaluate its fire prevention activities to make sure it is having the biggest possible impact on reducing the risk of fire to the most vulnerable.

Promoting community safety

Despite low resources, the service undertakes a commendable amount of community safety activity. It has developed an annual campaign calendar to organise its seasonal and themed prevention campaigns. This helps it co-ordinate with partner agencies and wider national campaigns.

The service participates across the county in a programme called a Week of Action with partner agencies, such as the police community team and county council neighbourhood wardens. The Week of Action is designed to reach as many people as possible within a particular community over the course of a single week. Staff from the service attend community meetings, give fire prevention advice and identify suitable candidates for a home fire safety check. They also support their partner agencies in tackling anti-social behaviour and other social issues. The service should conduct a performance review or evaluation to see how effective this is.

We found that all staff have had suitable training to identify vulnerable people and make [safeguarding](#) referrals where required. They liaise well with other agencies and share intelligence to protect those identified as vulnerable. Staff are confident in implementing safeguarding procedures when needed.

The service works well to reduce deliberate fires through its Arson Task Force, a constructive partnership with Northamptonshire Police. In the year to 31 March 2017 the service attended 970 deliberate fires. This reduced to 859 in the year to 30 March 2018 – a 11 percent decrease. The service works with the police and the county council to highlight areas at risk of arson. They then work collaboratively to improve lighting, remove rubbish that has been fly-tipped, and reduce anti-social behaviour.

The service also supports a unique emergency service cadets scheme with the police and East Midlands Ambulance Service, for young people aged 13 to 18. The aim of the scheme is to assist young people to reach their full potential while at the same time providing opportunities for them to support their communities in a range of ways through volunteering activity. This includes taking part in a range of community safety and engagement activity for all three services. The service uses the scheme to give cadets a better understanding of fire safety and to deter them from activities that may result in fires. The service and the other agencies involved have agreed to allocate 25 percent of places to young people who are more likely to set fires. The service runs several community safety campaigns throughout the year. These are organised through the service's campaign calendar. They focus on a range of seasonal themes such as water safety and fire safety within the home.

Road safety

The service doesn't successfully promote road safety to reduce the number of people who are seriously injured or killed on the roads. In the year to 31 March 2017 the service recorded 12 fatalities in road traffic collisions. This increased to 25 fatalities in the year to 31 March 2018.

The Northamptonshire Safer Roads Alliance (NSRA) has recently been established. This is a partnership between the service, police, highways agency, East Midlands Ambulance Service and the county council. The NSRA seeks to use road traffic collision data to identify trends and risk areas. It then co-ordinates a wide range of activities to reduce this risk.

The service recognises that it often acts in isolation without informing the NSRA. This results in some duplication of activities. Partner agencies also told us that the service uses a hard-hitting approach to dissuade young people from acting recklessly on the county roads. The NSRA doesn't support this tactic as it doesn't believe that it is effective.

Protecting the public through fire regulation



Requires improvement

Areas for improvement

- The service should assure itself that its risk-based inspection programme includes proportionate activity to reduce risk. It should also include appropriate monitoring and evaluation.
- The service should ensure it provides enough informal fire safety information to the local business community.

All fire and rescue services should assess fire risks in buildings and, when necessary, require building owners to comply with fire safety legislation. Each service decides how many assessments it does each year. But it must have a locally determined, risk-based inspection programme for enforcing the legislation.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Risk-based approach

The service is not at the forefront of developing, sharing and influencing regulatory work to keep people safe and secure from fire and other risks.

While the service has a risk-based inspection programme (RBIP), it lacks the resources to undertake what is needed. The programme prioritises sleeping accommodation such as hospitals, care homes and hotels as the highest risk and requires that fire protection officers audit the high-risk premises more frequently than those at lower risk. The RBIP complies with the requirements of the Fire and Rescue National Framework for England.

Like the prevention team, the service's protection team has been reduced to save money, as required by the fire authority. As at 31 December 2018, the service had eight dedicated fire protection officers who are competent to undertake a fire safety inspection and serve a formal notice if required. This has reduced from 15 staff as at 31 March 2011.

In the year to 31 March 2018, the service carried out 2.4 fire safety audits per 100 known premises (which equates to 510 audits). This compares to the England rate of 3.0 over the same period. The clear majority of the audits the service carried out were on high-risk premises.

How often specific premises should be inspected is calculated by an electronic database. This uses information such as the risk associated with the premises and whether it complies with the law to decide which premises are a priority. Each week the database produces a list of premises to be audited. We found that the fire protection officers don't have time to audit all the premises on the list. They use their professional judgment to decide which premises are the highest risk and only audit those. As at 31 December 2018, the service had identified a total of 5,513 high-risk premises. In the year to 31 December 2018, the service completed fire safety audits of 612 high-risk premises. The premises that aren't audited are returned to the system incomplete. The service is unable to audit all high-risk premises as required by the RBIP. As the service is only undertaking limited protection work, it may not identify potentially unsafe buildings, which could place both the public and firefighters at risk.

The service completes its consultations on planning applications within the legally required timeframes. We found this process to be well managed. Between 1 April 2018 and 31 December 2018, the service received 510 building regulation consultations and responded to 496 (97.3 percent) in the required timeframes.

The service responds to fire safety concerns in a timely manner and in line with its policy. It has ensured that specialist knowledge about protection is available to operational staff at all times of the day and night. As part of their contract, all protection staff have agreed to work on a call-out rota, rather than only office hours.

Fire protection officers are well trained and qualified and have obtained a [level 4 diploma in fire safety](#). Protection managers routinely oversee fire safety inspectors when they undertake an audit to make sure they are done consistently. However, no records are made of this assessment to make sure that performance keeps improving.

Operational crews have not received training on fire protection work, enforcing safety law. Inspectors found that operational crews refer fire safety concerns to a fire protection officer rather than dealing with it themselves. They are unable to assist the fire protection officers by checking for hazards or conducting low-risk audits. The service has recognised this and plans to develop a new training package for all operational crews.

The service doesn't proactively analyse protection data to make sure that it is having the biggest possible impact on reducing risk.

Enforcement

The service recognises the need to help businesses comply with fire regulations during its audits, in line with the [Regulators' Code](#). The service also understands that formal enforcement powers can be used when the need arises, if there is a particularly high degree of risk at a premises, or they have a history of not complying with the law. The county council provides the service with legal guidance when considering formal enforcement actions and prosecutions. Fire protection officers have received the necessary training to be able to carry out a prosecution.

Fire protection officers can issue a prohibition notice without needing a line manager to approve it. To make sure these notices are being issued correctly, the fire protection officer will request a peer review from a colleague before they issue it. The colleague looks carefully at the evidence to make sure that a prohibition notice is the best course of action to reduce risk. These reviews are recorded as a typed note on the protection database.

In the year to 31 March 2018, the service issued 137 informal notifications, 19 enforcement notices and 6 prohibition notices. It did not issue any alteration notices or instigate any prosecutions. However, fire protection officers felt that the service supported them well when they were considering a prosecution case. Where appropriate the service works on these prosecutions with other regulatory bodies such as the local housing authority and trading standards.

Working with others

The service doesn't engage effectively with local businesses on an informal level. This limits its ability to support people who want to comply with the law. The service recognises that it doesn't use social media to raise awareness of fire safety within the local business community. It plans to develop self-help tools on its website to help people to find fire safety information without needing to speak to a fire safety inspector.

The fire protection manager is responsible for the supervision of several police staff within their team. This enables the two organisations to share specialist skills and knowledge. It is particularly helpful in providing consistent advice on public safety to organisers of events such as the Silverstone Grand Prix.

Northamptonshire FRS has successfully reduced the number of false alarms and is committed to reducing this further. Control room staff have a 'call challenging' procedure to decide whether a fire engine is needed. This procedure follows the guidance provided by the National Fire Chiefs Council. Where the same premises keeps having false alarms, a fire protection officer will attend to offer advice and guidance. When the responsible person fails to take appropriate action to prevent further false alarms, the service supports the use of formal enforcement action. In the year ending 30 September 2009 there were 3,673 false alarm incidents attended. In the year ending 30 September 2018 there were 1,692, and the rate of false alarms attended in Northamptonshire was lower than the rate for England. This suggests that the service is effectively reducing and challenging false alarms.

Responding to fires and other emergencies



Inadequate

Area for improvement

- The service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command.

Cause of concern

We have serious concerns about Northamptonshire FRS's ability to respond to incidents. The service consistently doesn't have available its minimum number of fire engines. Senior managers are not routinely told when this happens.

Recommendation

- The service should improve its process for monitoring the number of fire engines available, so that senior managers can make effective decisions.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Managing assets and resources

At the time of inspection, the service was operating in accordance with its response strategy (2017–20). This strategy doesn't clearly identify what the risks are within the county. Nor does it state what the expected attendance times are and what resources are required.

The service has identified that it needs at least 14 fire engines to be available across the county. It seeks to achieve this by having seven wholetime crewed fire engines available, as well as two 'variable crewed', with wholetime staffing during office hours and on-call staff in the evening. The remaining five fire engines are provided by on-call firefighters. Ensuring that 14 fire engines are available is a daily challenge for the service. The service recognises that it is struggling to have enough on-call fire engines available. In the short time period we sampled, on-call fire engines were below the minimum required during weekday mornings and throughout the day on weekends. Between April 2018 and December 2018, the overall average monthly engine availability ranged from 72 percent to 77 percent. Between April 2018 and December 2018, the average number of available engines each month was consistently lower than the minimum needed of 14 engines available.

If the number of available fire engines drops below 14 at any time, the officer in charge of the control room is required to notify the senior officer on duty. This is stated in the service's operational response mobilising policy. The senior fire officer should then review the situation and move fire engines or crews around the county to maintain cover in line with the service's policy. However, we found that this isn't happening. The situation arises so often that staff don't feel that there is any point reporting it. We are seriously concerned that it has become business-as-usual to manage the service with fewer than the minimum number of fire engines required.

The service has developed flexible crewing arrangements to address some of the shortfall caused by the lack of on-call availability. For example, for specific incident types a fire engine can attend with a reduced crew of three, as opposed to the usual four. A crew of three can only be used where strict conditions are met.

The service has also created a resource management centre to improve strategic cover. It does this by moving fire engines around the county, and by bringing in more staff to work overtime.

Despite these actions the service still isn't able to ensure that it consistently has the minimum of 14 fire engines available that it needs to keep the public safe.

Response

The service researched what its response standards should be, using data from within and beyond the fire sector. It concluded that the level it should aspire to is that on 75 percent of occasions it should:

- respond to incidents where someone's life is at risk within 8 minutes (from time of call);
- respond to fires where no-one's life is at risk within 12 minutes; and
- respond to road traffic collisions where no-one's life is at risk within 15 minutes.

The service does not meet these standards. In the year to 31 March 2018, the service's average response time to [primary fires](#) was 10 minutes 36 seconds. From 1 April 2018 to 31 December 2018, the service responded to 37.4 percent of life at risk incidents within 8 minutes.

The service views these standards as a goal it aspires to, rather than a realistic target with its current resources. It intended to work with the county council and other agencies to explore how these targets could be achieved. The service informs us this work was not completed due to reduced funding. The service has undertaken a review of its response standards and the fire cover model. It has developed new response standards which are part of the proposed CPP (2019–22).

The service has reviewed [national operational guidance](#) to identify where its current procedures are not aligned. It is collaborating with other East Midlands fire and rescue services to make sure that national operational guidance is implemented accurately and consistently. Appropriate personnel within the service have been given the responsibility for addressing the gaps identified. At the time of inspection, it was found that the service is on track to fully implement national operational guidance in line with its action plan.

The service has developed a partnership with Warwickshire Fire and Rescue Service. In 2018 the service introduced a new [mobilising](#) system which enables the control rooms in Northamptonshire and Warwickshire to share responsibility for handling calls and managing incidents. This has provided the service with greater resilience in its control room.

We found that operational staff were able to find a range of risk information using their MDTs. They were also confident in their ability to locate information to help them manage a range of incidents, such as road traffic collisions or chemical spillages.

Command

The service has a plan in place to adopt the national operational guidance on incident command. Most supervisory managers were able to demonstrate a good understanding of the guidance.

Incident commanders demonstrated good knowledge of the support materials available to them. These include memory aids, command support packs, analytical risk assessments and decision logs.

Staff have training to take on a command role at incidents. The service uses a software package to train and assess incident commanders. There are four levels of incident command – level one is the lowest. New level one incident commanders are assisted by an incident monitoring officer who acts as a ‘critical friend’ at an operational incident. Level one commanders have their command skills refreshed and assessed regularly, as required by the service’s policy.

The service doesn’t provide any refresher training or assessment for level two commanders and above. The service cannot therefore be sure that its level two and above incident commanders are working to the latest guidance and best practice.

Keeping the public informed

The public are initially informed of any incident via the service’s social media channels and website. The service also has a partnership with the police communications team which provides 24-hour support for incident communications and media. The county council media team will also provide communications support where these affect the authority. For major emergencies, 24-hour communications are provided through the [local resilience forum](#), which brings together the local authority, fire service, police, ambulance and emergency planning.

We found that operational crews have had training to help them recognise vulnerable people and take action to safeguard them when required. Staff demonstrated a good understanding of the process and were confident in describing when they would make a safeguarding referral.

Control room staff have clear guidance to support them in providing guidance to people who are in immediate danger from fire. We found that staff were able to demonstrate how to find documents and relevant information on their systems. This ensures that guidance is provided quickly and confidently.

Evaluating operational performance

The service regularly undertakes [hot debriefs](#) after incidents. These are used to evaluate the performance of service staff and to identify any lessons they need to learn from the incident. A hot debrief is often carried out by the incident commander and is completed on site before the crews return to the station.

The service has a robust electronic system to record larger debriefs. These are divided into minor and major. A minor debrief can be instigated by any member of staff. Major debriefs are only instigated after the service has attended an incident which required six fire engines or more. On these occasions, all staff involved receive an email asking them to complete a debrief form. East Midlands Ambulance Service and police colleagues are also asked to contribute when they have attended an incident. These electronic forms are collated by the joint operations team, which then identifies any lessons for the organisation.

Although the service gathers information from operational staff after an incident, staff were not clear about how this information is used to identify lessons for the organisation. Staff responses are collected into a single report and then returned to them. This report can often be very long as it contains all the entries that have been submitted. Staff stated that it doesn't include any conclusions or actions. Some staff told us that they have lost confidence in the process because it doesn't result in any meaningful changes.

Responding to national risks



Requires improvement

Areas for improvement

- The service should ensure operational staff have good access to cross-border risk information.
- The service should arrange a programme of over-the-border exercises, sharing the learning from these exercises.
- The service should ensure it is well-prepared to form part of a multi-agency response to a community risk identified by the local resilience forum, including a marauding terrorist attack, and that its procedures for responding to terrorist-related incidents are understood by all staff and are well tested.

All fire and rescue services must be able to respond effectively to multi-agency and cross-border incidents. This means working with other fire and rescue services (known as intraoperability) and emergency services (known as interoperability).

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Preparedness

The service has made arrangements to supplement its resources in the event of extraordinary need. It has a water rescue unit which recently supported Cumbria Fire and Rescue Service during a period of flooding. It also has high-volume pumping and a mass decontamination unit, which are listed as national assets, making them available to services across the country.

The service has established a system for completing site-specific response plans for high-risk premises. The service uses an electronic risk assessment matrix to identify the highest risks. A tactical information plan is then developed for these premises. This is available to the operational crews on their MDTs.

The service has a system to record newly identified risks that may cause harm to firefighters. A temporary SSRI can be completed and recorded on the MDT within 48 hours. Operational crews then visit the site to conduct a full SSRI and specify the minimum attendance at that premises in an emergency situation if it differs from what would normally be required for that kind of site, for example if it is being used to store flammable materials.

Working with other services

The service shares a county border with seven other fire and rescue services. Northamptonshire crews and crews from neighbouring counties regularly attend each other's incidents. The service states that it stores information for any high-risk premises in a neighbouring county that are within 10 km of the county border. This information should be available to operational crews on the MDT. However, we consistently found that operational staff were either unaware of the information or unable to access it. This means they could attend an operational incident without prior knowledge of the risks they could face.

Operational staff said that they don't undertake any training or exercises with neighbouring services to help them work with each other effectively. Staff described working in isolation at operational incidents involving other fire and rescue services. Staff did not seem aware of recognised systems of work with other services. This can be addressed by a more consistent cross-border exercise programme.

Working with other agencies

Twice a year the service participates in 'table-top' training exercises for large multi-agency incidents, in which senior officers come up with a scenario and work it through using maps and documents. The exercises involve other agencies such as the police, East Midlands Ambulance Service and the emergency planning department of the county council. These are co-ordinated through the local resilience forum and include middle and senior incident commanders. The exercises are described by middle managers as being limited by being table-top simulations. At the time of inspection, no evidence was provided of the service using computer simulations or practical exercises. They don't allow other fire service staff, including firefighters, to gain valuable experience. This system alone is insufficient to ensure that the service can work effectively as part of a multi-agency response.

The service has developed guidance for its control room staff when dealing with a multi-agency incident. Control room staff have received appropriate training and have access to on-screen guidance to help them gather information and make decisions.

Incident commanders have a good range of equipment to help them manage an incident. However, we found that not all of them have a good understanding of the [Joint Emergency Services Interoperability Principles](#). These principles ensure that all the blue light services work together effectively. Some incident commanders weren't confident in their ability to respond to a multi-agency event.

The service has a group of [national inter-agency liaison officers](#) providing 24-hour cover in support of partner agencies. These staff act as advisers for incidents like a marauding terrorist attack. They provide the service with a secure means of communication, which allows classified information to be shared between police, fire and ambulance services.

Efficiency



How efficient is the service at keeping people safe and secure?



Requires improvement

Summary

An efficient fire and rescue service will manage its budget and spend money properly and appropriately. It will align its resources to its risk. It should try to keep costs down without compromising public safety. Future budgets should be based on robust and realistic assumptions. Northamptonshire Fire and Rescue Service's overall efficiency requires improvement.

The service needs to balance how it distributes its staff between its prevention, protection and response teams. Prevention and protection teams are under-resourced and cannot meet their goals. This has followed substantial cuts in funding by the council.

The service has no financial [reserves](#). It does have a capital plan but this is largely unfunded. It does a few things that bring in income, including charging for special services and training.

Because of the staff shortage, fire engines are often moved around the county to provide cover. Engines aren't meeting their target times for responding to emergencies. Staff are unhappy that they can't do their work as well as they would like.

Northamptonshire FRS doesn't use new technology to improve how it works. Its systems are sometimes complicated and inefficient.

The service is working with the police as part of an interoperability programme to help the efficiency of both organisations. It shares three stations, a headquarters building, storage facilities and fleet maintenance. It also works in various joint teams with the police. This saves hundreds of thousands of pounds a year and helps improve the work of both services.

The service has made changes to how it organises its staff to help deal with the shortages. It has recruited new control room staff and started working with

Warwickshire Fire and Rescue Service to share control rooms. This has resulted in some improvements. However, overtime isn't being organised centrally, and some staff are worried that their colleagues are working for too long without enough rest. Nevertheless, staff are proud to work for the service.

Making best use of resources



Requires improvement

Areas for improvement

- The service needs to show a clear rationale for the resources allocated between prevention, protection and response activities. This should be linked to risks and priorities set out in an up-to-date integrated risk management plan.
- The service should ensure it has clear and robust processes to manage staff overtime.
- The service should ensure it has good business continuity arrangements in place that take account of all foreseeable threats and risks. It needs to review and test plans thoroughly.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

How plans support objectives

At the time Northamptonshire Fire and Rescue Service was inspected (November 2018) it was governed by Northamptonshire County Council. Our findings are based on this governance arrangement. As of January 2019, the service has moved from the county council to the Office of the Police, Fire and Crime Commissioner (OPFCC).

The service's financial plans were under review at the time of the inspection in preparation for the change in governance. Under the old structure, the service was financed as a department of the county council. The service's priority was to maintain its service to the public during the transitional period.

At the time of the inspection the service wasn't part of the county council's medium-term financial plan (MTFP) as it was taken out when the change in governance was agreed in 2018. The service was drafting its own MTFP in preparation for operating within the OPFCC budget. This draft MTFP was due to be adopted in January 2019. It considers costs such as an expected national pay increase for its operational staff and a charge by the OPFCC for support services.

The service recognises that how staff are distributed across the organisation needs to be rebalanced. The prevention and protection teams are under-resourced and cannot currently meet the objectives in the CPP. To help meet the targets for cost saving that were set by the county council, the service has substantially reduced its number of staff. As at 31 March 2016 there were 591 full-time equivalent (FTE) staff.

As at 31 March 2018 there were 453 FTE staff. The county council was subject to a Section 114 notice in July 2018, which limited new spending by the council. This placed considerable financial restrictions on the service.

Staff shortages have resulted in a lack of available fire engines. This has resulted in fire engines being moved around the county to provide cover. Information provided by the service shows an increase in the response times of supporting fire engines (those sent after the first fire engine responds), from 13 minutes and 10 seconds in the year ending 31 March 2013 to 14 minutes and 26 seconds in the year ending 31 March 2018. Operational staff said that they felt hindered by a lack of resources and were unable to provide the level of service they wanted to.

The reduction of staff has had an impact on the volume of work they can do and on the morale of the team. The service planned to lessen the impact of cuts to the prevention team by having operational crews take on more prevention work. However, it was consistently found that on-call stations don't complete home fire safety checks. Prevention staff said that they didn't believe the organisation was committed to prevention and was not achieving all that it could in this area.

The protection team expressed similar concerns. Protection staff said that they were unable to inspect all the highest risks identified within their risk-based inspection programme. There are insufficient resources within the department to manage all the re-inspections identified by the database. Because of this, managers are using their professional judgment to decide what work should take priority. The uncompleted work is returned to the database with no viable plan for completing it. Also, the service no longer has a member of staff who can generate reports from the database. Local managers are taking data from the database and manually typing it into spreadsheets to analyse it. This is time consuming and has the potential for information to be entered incorrectly.

Productivity and ways of working

As at 31 March 2018, the service had 453 full-time equivalent (FTE) staff. At the same time, 61 percent of FTE firefighters were wholetime. The reduction in the number of staff across the service has affected the amount of work it can do. This is most apparent within the on-call section. The service aims for all on-call fire engines to be available at least 85 percent of the time but has not been able to achieve this.

The service has developed a bank system to address staffing shortfalls at some on-call stations. This system utilises a pool of staff who have offered to work additional overtime shifts. This has seen an improvement in the availability of some on-call stations. The service has also developed an on-call working group to better understand where low availability is most pronounced and how it can resolve this.

Until recently, overtime was also being used to provide cover in the control room. We found that on several occasions in the recent past control room staffing, due to unforeseen circumstances such as sickness, had been reduced to a single control operator. On these occasions the service has provided additional support to [fire control](#) by using a senior operational officer. The service requires that a minimum of three staff should be on duty. It has recruited new control staff to address this. However, the new recruits will need time to train and develop. The risk of low staffing levels has also been addressed by the control partnership with Warwickshire Fire and Rescue Service. Warwickshire can take all emergency calls for Northamptonshire and mobilise local fire engines.

The service has previously relied on control room staff working overtime to deal with staff shortages. The on-call section is still reliant on staff working overtime to maintain availability. The service does have appropriate policies to prevent staff from working consecutive shifts without a suitable rest period. But we found that overtime was managed at a local level and that the service wasn't overseeing it appropriately. Several staff raised concerns about colleagues working too many shifts without sufficient rest periods.

Despite the challenging financial circumstances, staff said that they were proud to work for the service and serve their local communities. Operational staff have praised the service for extending the day shift by an hour, saying that this has given them much-needed time to complete their administrative duties.

Collaboration

The service is committed to the Northamptonshire Interoperability Programme. This has been designed to increase effectiveness and identify efficiency savings that could be achieved by working more closely with the police.

The service currently has three shared stations with the police at Mereway, Rushden and Thrapston (as at 31 March 2018 there were 22 stations, of which 14 were on call, 5 were mixed and 3 were wholetime). The service also shares a headquarters building with the police at Wootton Hall. The service has reported making savings of around £160,000 a year from reorganising how it uses its buildings and land in collaboration with the police.

The service shares the maintenance of its fleet and its storage facilities with the police. The service has merged its two fleet management departments into a single team, which saves £70,000 a year.

The service has recently designed and purchased a new joint command unit. This vehicle contains advanced information and communications technology. This has enabled the service and the police to provide enhanced incident command at major incidents.

Police and fire staff are integrated within combined teams, such as the joint operations team. This has allowed skilled staff to share technical information with each other, which helps to create a consistent understanding of risk between the two organisations and a single method for managing that risk.

The service's collaborations are supported by an interoperability board. The board considers the feasibility and benefits of proposed schemes before making recommendations to the senior team. It also looks at schemes once it has begun to make sure they are achieving their aims.

Continuity arrangements

The service requires that each head of department is responsible for planning how to maintain their service if something happens that directly affects the staff or stations, like power cuts or extreme weather that makes it hard to travel. Plans are created using a standard template which is then approved by the assurance manager. The service's policy is that all such plans should be reviewed annually, or when there is a significant change in circumstances. All the plans we checked had been reviewed within the last year.

We found that department heads didn't always do 'real world' tests of their plans to make sure they were appropriate. Where practical testing of plans had been done – for example within the control room – there was no evidence the team had thought about how the plan could be improved.

Making the fire and rescue service affordable now and in the future



Requires improvement

Areas for improvement

- The service should ensure it has sufficiently robust plans in place which fully consider the future management of its fleet and properties.
- The service should do more to identify areas where innovation, including the use of technology, can help it improve productivity and develop capacity.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Improving value for money

In the year to 31 March 2018, the firefighter cost per head of population was £18.81. This compares to the England rate of £22.38 over the same time period. However, many factors influence this cost, for example the ratio of wholetime to on-call staff which is in part influenced by the rurality of the service.

At the time of our inspection, the service was given its budget by the county council. The county council has had to make significant cuts to its spending, and as a department of the county council, the fire service had to contribute to these savings. The service has made the required savings of £4.5m. Its current operating budget

is £19.8m. Savings have been achieved by making substantial staff reductions across officer and on-call firefighter posts as well as support staff. As at 31 March 2016 there were 591 FTE staff and as at 31 March 2018 there were 453 FTE staff. The service also made reductions in the support services it paid for through the county council.

In 2015 the service carried out a full review to make sure it was operating as efficiently as possible. The final report identified five key recommendations for improvement. It also said when and how the changes should be implemented. These recommendations have been included in the new CPP 2019–22, which is currently out for public consultation. The recommendations are:

1. a full fire cover review;
2. a review of current standards of response;
3. a review of current working patterns and arrangements;
4. a review of asset utilisation including property and vehicle requirements; and
5. the expansion of home fire safety checks to include a safe-and-well concept.

The control partnership with Warwickshire Fire and Rescue Service has saved £150,000. The service is now planning to combine other departments with the police to increase their capacity and work more efficiently.

Innovation

The service shows few signs of innovation. Plans are largely based on what has been done before, with some minor changes. The service doesn't actively try to find ways to improve its working practices. It has purchased systems which don't always work well with its existing systems. The systems it uses don't record simple information in the same format. For example, we found that the service uses three different reference numbers to identify the same premises across its systems.

The service hasn't used technology to simplify the way it gathers data. For example, we found that operational crews recorded risk information on paper forms which were sent to a station manager to be checked. The forms are then sent to the risk intelligence officer to be put onto an electronic system and uploaded onto the MDTs. There is an inherent delay in the process as paperwork is physically passed on to the next person. There is also a risk that this information could be misplaced.

We found that the protection department also uses inefficient practices. Fire protection officers record an audit of a premises on paper. Once the officer has returned to the fire station, this information is input into a database. This means the data is recorded twice, which is time-consuming. It also increases the risk of information being recorded incorrectly.

That said, the service has recently purchased an unmanned aerial vehicle (drone) to enable it to conduct safer and more informed assessments of risk at a large incident. The drone is shared with the police and has also been made available as a national asset.

Future investment and working with others

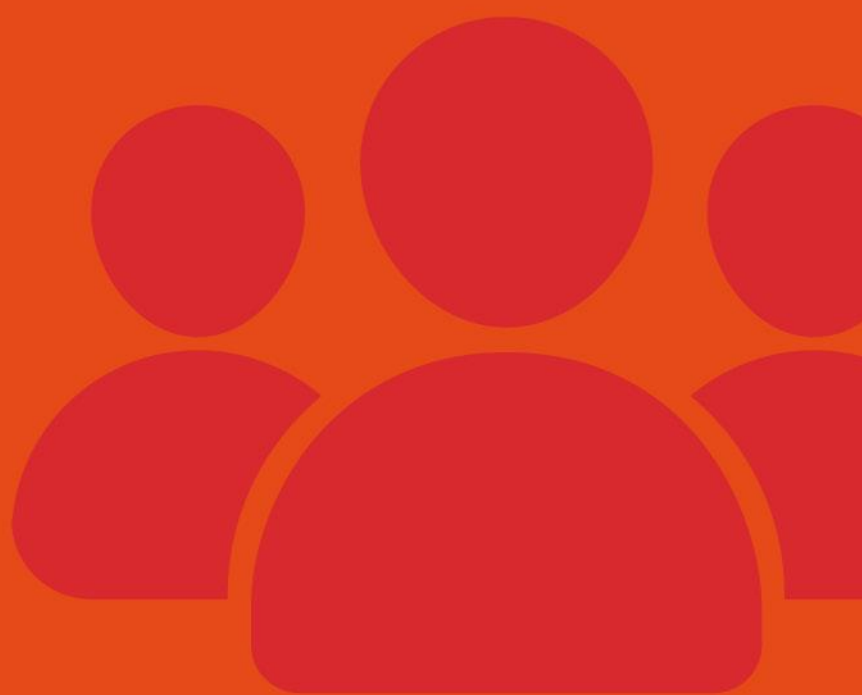
At the time of inspection neither the service nor the county council had financial reserves. The service didn't have a valid capital plan or any capital funding. The service is prioritising the development of a small reserve and is writing an initial capital plan with support and scrutiny from the OPFCC. This was expected to be in place for January 2019. The service owns its fleet of vehicles and is responsible for their replacement. Without a capital plan it is unclear how it can do this. At the time of inspection, it hadn't been confirmed who would be responsible for maintaining and refurbishing properties used by the service. The service needs to develop and finance a capital plan to make sure firefighters have the best possible equipment.

In March 2018, the service issued a paper with ideas for how it could generate income. The paper is a high-level three-year strategy (2017–2020) identifying the direction that the service is intending to take in generating income.

A small number of activities are undertaken which generate income, although on a 'cost recovery' basis. These activities include operational 'special services', such as getting into a building or releasing people from lifts, and operational training, including specialist tactical firefighting training using the cold-cutting lance.

The service has secured income from telecommunications companies for putting masts on their drill towers. This brought in around £177,000 in the year ending 31 March 2017. The service spends this income on maintaining fixtures and fittings at fire stations.

People



How well does the service look after its people?



Requires improvement

Summary

A fire and rescue service that looks after its people should be able to provide an effective service to its community. It should offer a range of services to make its communities safer. This will include developing and maintaining a workforce that is professional, resilient, skilled, flexible and diverse. The service's leaders should be positive role models, and this should be reflected in the behaviour of the workforce. Overall, Northamptonshire Fire and Rescue Service requires improvement at looking after its people.

The service provides support for the mental and physical health of its staff. It checks the welfare of all staff involved in an incident, and is testing a new peer support system. People who have used these services like them, but not all staff understand what is available or how to access it. Some managers don't feel confident discussing mental health with their team.

The service takes health and safety seriously. All staff have appropriate training, and all accidents are investigated. However, not all staff feel that their personal safety is taken seriously. The service provides skills training for its staff, but doesn't properly keep track of it. Many staff don't feel that they have had enough training to do their job.

The service has a positive culture, and most staff we spoke to feel proud to work for it. Its values are widely known and understood by its staff. Staff are positive about senior management, though less so about middle managers.

The reduction in staff numbers means some feel pressured to take on too much work, and don't have enough time to do their job as well as they would like. The service needs a workforce plan to make sure it identifies and deals with staff shortages and skills gaps. It has recruited new staff to deal with its vacancies, but this has put pressure on the training team.

Line managers don't have enough training in dealing with informal grievances, and staff don't have confidence in this process. Formal grievances have been investigated appropriately.

The service is committed to increasing diversity, but needs to do more to find out why it doesn't have more successful female and black, Asian and minority ethnic (BAME) applicants.

The service uses the council's process for annual staff reviews. This isn't being followed consistently, and some staff feel that it is pointless.

The service needs to develop better ways of identifying staff to promote. At the moment not all staff believe this is done in a fair and open way.

Promoting the right values and culture



Good

Areas for improvement

- The service should assure itself that staff understand and have confidence in the purpose and integrity of health, safety and wellbeing policies, especially how to access wellbeing support.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Workforce wellbeing

The service has suitable processes to provide support to its staff after a traumatic incident. A hot debrief is undertaken after every incident which includes a welfare check of all individuals involved. The service has recently tried out [trauma risk management](#) (TRiM), a peer support system designed to help people who have experienced a traumatic event. This was positively received by those involved in the trial and the service is developing this further.

The service has robust procedures in place to support the physical health of staff. These processes are well understood by all staff. Those who had suffered a physical injury were complimentary about the support they had received from the service, especially the physiotherapy.

The service has a wide range of facilities to support the wellbeing of its staff. This includes access to a counsellor to discuss work and home-based concerns. The service also gives its staff access to Kind Minds, a specialist organisation that provides mental health support. Staff can also access other support through occupational health and the MIND blue light charity. Staff can access this support

without needing approval from their line manager. The service has also established a wellbeing team which provides emotional wellbeing checks and counselling.

Despite all this, staff didn't feel supported. This is due to staff not understanding the provision available to them or how to access it. Because of this, individuals seek informal support from their team rather than engaging with the specialist wellbeing support provided by the service.

Also, supervisory managers haven't been trained in how to engage with team members who could be suffering from mental health problems. Supervisory managers said that they weren't confident in their ability to broach the subject of mental health with their team. For this reason, they would be unlikely to offer the support which is available. Control room staff felt better able to identify and support people who might be suffering from mental health difficulties. The control room had a wellbeing advocate within the team, and it was felt that this specialist knowledge gave managers more confidence to engage.

As part of our inspection, we carried out a survey of FRS staff to get their views of their service; 87 staff members responded, equating to 17 percent of the workforce. Of these 87 respondents, 26 percent of respondents reported feeling bullied or harassed at work in the last 12 months and 31 percent of respondents reported feeling discriminated against at work in the last 12 months. There are limitations to the staff survey which should be considered alongside the findings. We explain these in Annex A.

Health and safety

The service promotes a positive culture of health and safety. All staff have suitable training relevant to their role. Operational staff have further practical training which is focused on manual handling. This is refreshed every three years. Of the 87 respondents to our staff survey, 97 percent of respondents said that they knew how to report accidents and [near misses](#) and 92 percent of respondents agreed that they are encouraged to do so. This is in line with the England average.

Accidents are thoroughly investigated, and the results are shared with relevant people to make sure the organisation learns from them. Investigations are appropriately divided into three different levels, depending on the seriousness of the accident. Level one investigations are undertaken by the relevant line manager. Levels two and three are undertaken by a suitably qualified officer assisted by the health and safety lead. The health and safety committee reviews a quarterly report of all accidents to make sure that appropriate monitoring and review is in place.

Culture and values

Northamptonshire FRS has a positive and friendly culture. Most staff feel very motivated and proud to work for the organisation. The service has developed a set of values which are separate to those of the county council and more relevant to the fire and rescue service. The senior team asked the workforce to identify what they wanted their values to be, as they believed that this would result in greater ownership of those values. The service's values underpin, and are included within, all

service documentation. During the inspection we found that the service's values were widely known and understood.

Staff are supportive of the chief fire officer (CFO) and describe him as visible and approachable. The CFO was appointed in June 2016 and staff told us he has made a significant positive impact on the culture of the service.

However, staff are less positive or trusting of middle managers. Some watches are frustrated by how little they see their station manager, and view them as not visible or approachable. There is a perception within the service that communications are hindered at the middle manager level and that this has caused a break in communications between the frontline firefighters and the senior team. Our staff survey found that 70 percent of respondents did not feel confident that their ideas or suggestions will be listened to, and 56 percent of respondents did not feel able to challenge ideas without any detriment as to how they will be treated afterwards.

The reduction in staff numbers across the service has been felt by all staff. While staff are well motivated, they are aware of a lack of support services and feel pressured to take on more than they would have previously. Staff feel pride in the service they give to the public despite the difficulties they face on a day-to-day basis. However, some staff explained that the demands placed on them were too much and that they were having to work excessive hours to get the job done. Others said that they had too many responsibilities and felt unable to manage them all well.

Getting the right people with the right skills



Inadequate

Area for improvement

- The service should ensure its workforce plan takes full account of the necessary skills and capabilities to carry out the integrated risk management plan.

Cause of concern

Northamptonshire FRS needs to ensure that it has systems in place to effectively provide, record and monitor risk-critical training.

Recommendation

- By September 2019 the service must ensure that it provides, assesses and accurately records suitable operational training and that all operational staff have the proper risk-critical skills.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Workforce planning

Northamptonshire FRS does not have a workforce plan. Without this it may not be able to recognise and respond to staffing shortages or skills gaps. It is currently reviewing its succession planning arrangements and a new plan is being drafted.

The service has successfully addressed staffing shortages within the control room. New staff have been recruited and are being trained to ensure that all four watches have a minimum of four staff available.

The service believes that its high number of unfilled firefighter vacancies is due to the recent financial instability at the county council. Around one in three on-call firefighter posts are currently vacant. The number of on-call firefighters has been reduced further as the service draws on them to fill wholetime vacancies. The service has recruited six cohorts of on-call firefighters in 2018–19. This means that many operational staff are still developing and in need of training. This puts pressure on the training team.

Learning and improvement

We found a number of fundamental flaws with the service's training provision, including an absence of any oversight meaning that it cannot assure itself of the current skills its workforce has.

The service runs training programmes for its operational staff that are specific to their roles. These programmes are designed to enable staff to acquire new skills, and develop and maintain the ones they already have. Initial training is provided at a training centre. Operational staff are then required to demonstrate their competence by completing a development programme which is in line with national occupational standards. The completed development programmes are then verified by trained assessors and internal quality assurers. The standard of the development process is checked by an organisation outside the service.

The service uses a training database to record how the operational staff are maintaining their skills. Workplace assessments are undertaken to ensure that staff are maintaining the required skills and knowledge to safely undertake their role.

Watch managers are responsible for keeping the training database up to date when their teams have station-based training. But it was found that they weren't doing this. Centralised training is recorded on the database by the training department. We found that this team doesn't have enough resources to meet the demand for training courses. Because of this, courses are often cancelled, and records aren't always updated on the training database.

Of the 87 respondents to our staff survey, only 52 percent of respondents felt that they had received sufficient training to do what is asked of them. This is well below the England rate of 72 percent.

Ensuring fairness and promoting diversity



Requires improvement

Areas for improvement

- The service should ensure leaders can demonstrate that they act on and have made changes as a direct result of feedback from staff. The service should also improve communications between senior managers and staff.
- The service should ensure that all staff understand the benefits of a diverse workforce.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Seeking and acting on staff feedback

The senior officers are collectively known as the fire executive group (FEG). The FEG visits each station and control room four times a year to get feedback from staff, and to give them updates. This is a relatively new initiative which began approximately 18 months ago. The FEG visits are largely well received by staff as they feel that they are able to speak freely and are listened to. However, staff told us that when they raised issues at a FEG visit, they weren't always told about any outcome later. This undermined their confidence that the visits had any meaningful impact.

The service participated in the 2017 county council staff survey. Once the results of the survey had been shared by the county council, the service developed an action plan to improve those areas which didn't score well. The areas the service views as a priority include communication and managing change. However, we found that many of these actions haven't yet been completed and staff haven't been regularly updated on their progress. Some staff interpret this to mean that the FEG don't take the survey seriously.

The service engages well with organisations that represent staff. These organisations felt that they are kept well informed by the service and are consulted on significant changes, such as the recent adjustment to shift patterns.

The service has appropriate procedures and policies for managing grievances. Where possible the service seeks to deal with these informally. Informal grievances are investigated and resolved by a line manager. However, line managers receive very little training about how to manage an informal grievance and need high levels of support from the county council's HR officer. This has undermined confidence from staff that the process is being followed correctly and that the results are fair and consistent.

Formal grievances are investigated and resolved by the designated Brigade investigating officer. We found that the service's process had been followed in all the files we reviewed. All parties involved in the grievance had been offered suitable representation and welfare support, as well as the right to appeal. The grievances had been resolved in a timely manner, in line with service policy. Where a resolution had taken longer than the accepted timescales, the service had contacted the complainant to explain why.

Diversity

The service's Equality and Diversity Strategy 2017–20 is aligned to the National Fire Chiefs Council People Strategy and links directly to the CPP. This document explains the service's commitment to diversity. The service has reintroduced a dedicated role to focus on equality, diversity and inclusion. As part of the work in this area, the service has established a diversity action group, a female firefighters forum and eight dyslexia champions. These groups feel well supported by the FEG.

As at 31 March 2018, 2.1 percent of firefighters were from a BAME background. This compares with a BAME residential population of 8.5 percent. Also, 8.0 percent of firefighters were female. The service has recently commissioned recruitment videos featuring a diverse mix of on-call firefighters to attract a wider range of applicants. The video was supported by a wider recruitment campaign. Because of this positive action, the service saw a greater number of female and BAME applicants. This resulted in the successful appointment of five female firefighters (40 percent of the total intake). There were no successful BAME candidates and the service hasn't yet evaluated its processes to find out why.

Disappointingly, some staff didn't understand the benefits of positive action or a diverse workforce. Some staff wrongly believed that standards had been lowered to enable more female applicants to be successful.

Managing performance and developing leaders



Requires improvement

Areas for improvement

- The service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders.
- The service should improve awareness and understanding of the selection and promotion process among all staff.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

Managing performance

The service currently uses a county council system called the Personal Appraisal and Development Programme (PADP). The service's policy is that all staff should have a PADP meeting with their line manager once a year. These meetings are intended to be used to set clear objectives and to identify how the team member can be supported to achieve their full potential.

It was found that not all operational staff have had a PADP, as the policy says they should. Some staff said that they hadn't received a regular annual appraisal. Others stated that they had received a PADP but didn't have clear objectives set. As at 31 March 2018, 93 percent of fire control had a completed PADP, as did 87 percent of wholetime firefighters, 77 percent of support staff and 66 percent of on-call firefighters.

Some non-operational staff didn't value this process. They told us that there was no funding for additional training and therefore setting personal development objectives was pointless. Also, the county council had stopped pay progression so there was little incentive. The service has recognised that the PADP process may not be well understood and lacks quality assurance. The process is currently being reviewed. Of those who completed our staff survey, 50.6 percent were not satisfied with their current level of learning and development.

Developing leaders

The service doesn't currently have a process to identify and develop staff with high potential to become the senior leaders of the future outside of its traditional development pathways. However, the service is working with Northamptonshire Police to develop a 'coaching culture'. It is also considering the development of a new talent management process. The intention is that staff members interested in progressing their careers can attend an organised coaching session with qualified coaches. This will help them prepare for the promotion process.

We found that there is no set process for promotion. The service is currently running trials of several different methods, and intends to review the policy in due course. The current policy is dated April 2009 and was due for review April 2011. However, this review still hasn't been done. This has resulted in an inconsistent promotion process. Continual changes to the process have undermined the staff's confidence that it is fair and open. The service needs to establish a set procedure and ensure that it is followed.

Annex A – About the data

Data in this report is from a range of sources, including:

- Home Office;
- Office for National Statistics (ONS);
- Chartered Institute of Public Finance and Accountancy (CIPFA);
- public perception survey;
- our inspection fieldwork; and
- data we collected directly from all 45 fire and rescue services in England.

Where we collected data directly from fire and rescue services (FRS), we took reasonable steps to agree the design of the data collection with services and with other interested parties such as the Home Office. This was primarily through the FRS Technical Advisory Group, which brings together representatives from FRSs and the Home Office to support the inspection's design and development, including data collection. We gave services several opportunities to validate the data they gave us and to ensure the accuracy of the evidence presented. For instance:

- We asked all services to check the data they submitted to us via an online application.
- We asked all services to check the final data used in the report and correct any errors identified.

We set out the source of Service in numbers data below.

Methodology

Population

For all uses of population as a denominator in our calculations, unless otherwise noted, we use [ONS mid-2017 population estimates](#). This is the most recent data available at the time of inspection.

BMG survey of public perception of the fire and rescue service

We commissioned BMG to survey attitudes towards fire and rescue services in June and July 2018. This consisted of 17,976 surveys across 44 local fire and rescue service areas. This survey didn't include the Isles of Scilly, due to its small population. Most interviews were conducted online, with online research panels.

However, a minority of the interviews (757) were conducted via face-to-face interviews with trained interviewers in respondents' homes. A small number of respondents were also interviewed online via postal invitations to the survey.

These face-to-face interviews were specifically targeted at groups traditionally under-represented on online panels, and so ensure that survey respondents are as representative as possible of the total adult population of England. The sampling method used isn't a statistical random sample. The sample size was small, varying between 400 and 446 individuals in each service area. So any results provided are only an indication of satisfaction rather than an absolute.

[Survey findings are available on BMG's website.](#)

Staff survey

We conducted a staff survey open to all members of FRS workforces across England. We received 2,905 responses between 1 October 2018 and 15 February 2019 from across 16 FRSs during this period in Tranche 2.

The staff survey is an important tool in understanding the views of staff who we may not have spoken to, for a variety of reasons, during fieldwork.

However, you should consider several points when interpreting the findings from the staff survey.

The results are not representative of the opinions and attitudes of a service's whole workforce. The survey was self-selecting, and the response rate ranged from 8 percent to 31 percent of a service's workforce. So any findings should be considered alongside the service's overall response rate, which is cited in the report.

To protect respondents' anonymity and allow completion on shared devices, it was not possible to limit responses to one per person. So it is possible that a single person could have completed the survey multiple times. It is also possible that the survey could have been shared and completed by people other than its intended respondents.

We have provided percentages when presenting the staff survey findings throughout the report. When a service has a low number of responses (less than 100), these figures should be treated with additional caution.

Due to the limitations set out above, the results from the staff survey should only be used to provide an indicative measure of service performance.

Service in numbers

A dash in this graphic indicates that a service couldn't give data to us or the Home Office.

Perceived effectiveness of service

We took this data from the following question of the public perceptions survey:

How confident are you, if at all, that the fire and rescue service in your local area provides an effective service overall?

The figure provided is a sum of respondents who stated they were either 'very confident' or 'fairly confident'. Respondents could have also stated 'not very confident', 'not at all confident' or 'don't know'. The percentage of 'don't know' responses varied between services (ranging from 5 percent to 14 percent).

Due to its small residential population, we didn't include the Isles of Scilly in the survey.

Incidents attended per 1,000 population

We took this data from the Home Office fire statistics, ['Incidents attended by fire and rescue services in England, by incident type and fire and rescue authority'](#) for the period from 1 October 2017 to 31 September 2018.

Please consider the following points when interpreting outcomes from this data.

- There are seven worksheets in this file. The 'FIRE0102' worksheet shows the number of incidents attended by type of incident and fire and rescue authority (FRA) for each financial year. The 'FIRE0102 Quarterly' worksheet shows the number of incidents attended by type of incident and FRA for each quarter. The worksheet 'Data' provides the raw data for the two main data tables (from 2009/10). The 'Incidents chart - front page', 'Chart 1' and 'Chart 2' worksheets provide the data for the corresponding charts in the statistical commentary. The 'FRS geographical categories' worksheet shows how FRAs are categorised.
- Fire data, covering all incidents that FRSs attend, is collected by the Incident Recording System (IRS). For several reasons some records take longer than others for FRSs to upload to the IRS. Totals are constantly being amended (by relatively small numbers).
- We took data for Service in numbers from the February 2019 incident publication. So figures may not directly match more recent publications due to data updates.
- Before 2017/18, Hampshire FRS did not record medical co-responding incidents in the IRS. It is currently undertaking a project to upload this data for 2017/18 and 2018/19. This was not completed in time for publication on 14 February 2019.

Home fire safety checks per 1,000 population

We took this data from the Home Office fire statistics, '[Home Fire Safety Checks carried out by fire and rescue services and partners, by fire and rescue authority](#)' for the period from 1 April 2017 to 31 March 2018.

Each FRS's figure is based on the number of checks it carried out and doesn't include checks carried out by partners.

Please consider the following points when interpreting outcomes from this data.

- Dorset FRS and Wiltshire FRS merged to form Dorset & Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.
- Figures for 'Fire Risk Checks carried out by Elderly (65+)', 'Fire Risk Checks carried out by Disabled' and 'Number of Fire Risk Checks carried out by Partners' don't include imputed figures because a lot of FRAs can't supply these figures.
- The checks included in a home fire safety check can vary between services. You should consider this when making direct comparisons between services.

Home fire safety checks may also be referred to as home fire risk checks or safe and well visits by FRSs.

Fire safety audits per 100 known premises

Fire protection refers to FRSs' statutory role in ensuring public safety in the wider built environment. It involves auditing and, where necessary, enforcing regulatory compliance, primarily but not exclusively in respect of the provisions of the [Regulatory Reform \(Fire Safety\) Order 2005 \(FSO\)](#). The number of safety audits in Service in numbers refers to the number of audits FRSs carried out in known premises. According to the Home Office definition, "premises known to FRAs are the FRA's knowledge, as far as possible, of all relevant premises; for the enforcing authority to establish a risk profile for premises in its area. These refer to all premises except single private dwellings".

We took this from the Home Office fire statistics, '[Fire safety audits carried out by fire and rescue services, by fire and rescue authority](#)' for the period from 1 April 2017 to 31 March 2018.

Please consider the following points when interpreting outcomes from this data.

- Berkshire FRS didn't provide figures for premises known between 2014/15 and 2017/18.
- Dorset FRS and Wiltshire FRS merged to form Dorset & Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.
- Several FRAs report 'Premises known to FRAs' as estimates based on historical data.

Firefighter cost per person per year

We took the data used to calculate firefighter cost per person per year from the annual financial data returns that individual FRSs complete and submit to CIPFA, and [ONS mid-2017 population estimates](#).

You should consider this data alongside the proportion of firefighters who are wholetime and on-call / retained.

Number of firefighters per 1,000 population, five-year change in workforce and percentage of wholetime firefighters

We took this data from the Home Office fire statistics, '[Total staff numbers \(full-time equivalent\) by role and by fire and rescue authority](#)' as at 31 March 2018.

Table 1102a: Total staff numbers (FTE) by role and fire authority – Wholetime Firefighters and table 1102b: Total staff numbers (FTE) by role and fire authority – Retained Duty System are used to produce the total number of firefighters.

Please consider the following points when interpreting outcomes from this data.

- We calculate these figures using full-time equivalent (FTE) numbers. FTE is a metric that describes a workload unit. One FTE is equivalent to one full-time worker. But one FTE may also be made up of two or more part-time workers whose calculated hours equal that of a full-time worker. This differs from headcount, which is the actual number of the working population regardless if employees work full or part-time.
- Some totals may not aggregate due to rounding.
- Dorset FRS and Wiltshire FRS merged to form Dorset & Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.

Percentage of female firefighters and black, Asian and minority ethnic (BAME) firefighters

We took this data from the Home Office fire statistics, '[Staff headcount by gender, fire and rescue authority and role](#)' and '[Staff headcount by ethnicity, fire and rescue authority and role](#)' as at 31 March 2018.

Please consider the following points when interpreting outcomes from this data.

- We calculate BAME residential population data from ONS 2011 census data.
- We calculate female residential population data from ONS mid-2017 population estimates.
- The percentage of BAME firefighters does not include those who opted not to disclose their ethnic origin. There are large variations between services in the number of firefighters who did not state their ethnic origin.
- Dorset FRS and Wiltshire FRS merged to form Dorset & Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.

Annex B – Fire and rescue authority governance

These are the different models of fire and rescue authority (FRA) governance in England. Northamptonshire Fire and Rescue Service is a police, fire and crime commissioner FRA.

Metropolitan FRA

The FRA covers a metropolitan (large urban) area. Each is governed by locally elected councillors appointed from the constituent councils in that area.

Combined FRA

The FRA covers more than one local authority area. Each is governed by locally elected councillors appointed from the constituent councils in that area.

County FRA

Some county councils are defined as FRAs, with responsibility for fire and rescue service provision in their area.

Unitary authorities

These combine the usually separate council powers and functions for non-metropolitan counties and non-metropolitan districts. In such counties, a separate fire authority runs the fire services. This is made up of councillors from the county council and unitary councils.

London

Day-to-day control of London's fire and rescue service is the responsibility of the London fire commissioner, accountable to the Mayor. A Greater London Authority committee and the Deputy Mayor for Fire scrutinise the commissioner's work. The Mayor may arrange for the Deputy Mayor to exercise his fire and rescue functions.

Mayoral Combined Authority

Only in Greater Manchester. The Combined Authority is responsible for fire and rescue functions but with those functions exercised by the elected Mayor. A fire and rescue committee supports the Mayor in exercising non-strategic fire and rescue functions. This committee is made up of members from the constituent councils.

Police, fire and crime commissioner FRA

The police, fire and rescue commissioner is solely responsible for the service provision of fire & rescue and police functions.

Isles of Scilly

The Council of the Isles of Scilly is the FRA for the Isles of Scilly.

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Chief Fire Officer Darren Dovey
Northamptonshire Fire and Rescue Service

20 June 2019

Dear Darren,

NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE REVISIT

We inspected Northamptonshire Fire and Rescue Service the week of 19 November 2018. During the inspection we identified the following causes of concern and shared these with the service:

- (a) We found that the service's fire engine availability is regularly less than the minimum number of engines you state that you need to provide fire cover to the public of Northamptonshire. We also found that the control room supervisor didn't routinely notify the officer on duty, as per the operational response mobilising policy. The service has no formal process to manage this situation when the officer on duty has been notified.
- (b) We also found that the service couldn't assure itself that its firefighters had all necessary safety critical skills required to respond to emergency incidents. We identified that training records on the central training database were out of date and that line managers weren't keeping competence records up to date.

2. You submitted an action plan setting out how you plan to address our areas of concern. The action plan included the following objectives and actions:

Objective 1

Ensure minimum fire cover is maintained, and consistent managerial action in response to reduced engine availability.

Actions:

- (a) Implement new standards of operational response (SOR) and fire cover model.
- (b) Confirm fire cover model and organisational response to engine availability.
- (c) Develop resilience arrangements to ensure minimum fire cover is maintained.
- (d) Review RDS (on-call) model to ensure fire cover is sustained.
- (e) Enhance performance information of engine availability.

Objective 2

Support station staff in the management of the maintenance of their competency framework, to ensure that computerised records are accurate and up to date.

Actions:

- (a) Implement a robust audit process that is linked with a centrally-directed training programme and prioritised on risk-critical competences.
 - (b) Publish policy and guidance that clarifies requirements and responsibilities for the management of the maintenance of competency framework.
 - (c) Ensure administration processes for recording of competence are effective.
 - (d) Implement a refresher training programme for the use of computerised records and maintenance of competencies.
 - (e) Training workstream leads to triangulate and audit computerised records information.
3. We revisited the service between 10 and 13 June 2019 to review progress against the action plan. We explored the following areas specified within the action plan:
- (a) what initial progress has been made; and
 - (b) whether the right levels of leadership and oversight were in place.
4. During the revisit we interviewed staff responsible for implementing the action plan. This included you as the chief fire officer. We also met the police, fire and crime commissioner (PFCC) for Northamptonshire, who had assumed governance of the fire and rescue service on 1 January 2019. We concluded the revisit by giving you and the PFCC feedback on our findings. Our findings are below:

Governance

5. We found appropriate governance arrangements in place to monitor progress against your action plan. The PFCC scrutinises action at his monthly accountability board. The service's senior leadership team also monitors progress at the monthly fire executive group, chaired by the chief fire officer. A member of the PFCC's senior team attends this meeting. Both causes of concern are now on the service's risk register, which is reviewed at the quarterly strategic risk register meeting, chaired by the chief fire officer.

Action plan

6. The service has detailed action plans covering our causes of concern. The action plans have senior responsible owners (SROs), deadlines and specific action owners. The chief fire officer recently restructured chief officer responsibilities which resulted in each assistant chief fire officer taking on a senior responsible officer role. They have set up monitoring processes and personally sign off actions when complete. We consider progress against the plans to be appropriate and that the minor delays in achieving some of the deadlines have clear reasons.
7. Since our inspection the PFCC has published a fire and rescue plan for 2019 to 2021. This commits the service to publishing minimum standards of operational response and consider new models of resourcing to best match demand, resource levels and risk. A new integrated risk management plan (IRMP) for 2019 to 2022 has been approved by the PFCC following public consultation. This includes a revised standard of responding to all incidents, on average within ten minutes. It also requires the availability of a minimum of 14 pumps at any time to give effective fire cover.
8. Senior staff said their understanding of both causes of concern had improved over the last six months with better performance data and management information. They believed this had assisted their decision making and enabled better oversight of progress. Improvements in staff and pump availability data has helped the service forecast the gaps that needed filling to improve its response. The use of a scorecard with information on competencies helps managers to better prioritise training and put in place actions to address gaps identified in critical safety skills.
9. Staff capacity to provide this information is a problem. Some of the computer systems used to store data are difficult to extract information to help understanding and enable analysis. This means staff spend considerable time searching databases to get information for managers. This is leading to delays in some information being made available. For example, performance data about the new response standard introduced in April 2019 has yet to be produced. The service should explore if it can allocate more resources to remedy this situation in the short term.

Fire cover action plan

10. In May 2019 the service published a revised policy for mobilising operational response. This included guidance for staff to help them decide which pumps to keep available if there was a shortfall in staff. Staff we spoke to in fire control who are responsible for mobilising engines welcomed this clarity and found it helpful, although it had only been used for two weeks at the time of our revisit.
11. The service has established an escalation process for informing senior staff about problems with pump availability. During office hours Monday to Friday, the resource management centre uses forecasting data and a 'bank' of firefighters and operational managers on overtime to fill gaps. Outside of these times, the nominated duty officer is alerted and required to address the shortfall.
12. Following consultation with representative bodies, the number of staff volunteering to be part of the 'bank' system has increased to over 100. This provides greater resilience for the process. It also increases the number of staff with the critical skills needed to improve availability, for example incident commanders and drivers.
13. The service describes the use of the 'bank' system as a temporary measure while it develops longer-term options. These options include a review of on-call staffing arrangements to provide a more sustainable model for the service. This significant piece of work is likely to take some time. Performance data provided by the service shows that during April and May 2019, the minimum number of pumps (14) were available only around 80 percent of the time. This level of cover should be available all of the time. The service reports that the interim 'bank' system is costing on average £30,000 per month. The service should consider whether to conduct a cost-benefit analysis to inform longer-term options.

Maintenance of competence action plan

14. The service issued new guidance on roles and responsibilities for recording competence on the training computer system. It supported this with briefing sessions for local managers at nearly all on-call stations. The service is about to brief all wholetime managers. Local managers are responsible for recording maintenance of competency training conducted at stations. The central training team conducts assessments and revalidation training, and keeps records of these.
15. The service made it mandatory for all training to be recorded on the service's training computer system. The central training team has done considerable work to make sure records previously held on other systems are now on this system. However, some work is still needed to ensure confidence in management information regarding competence.

16. The service has introduced quarterly audits of training and competence records conducted by station managers to ensure compliance with the new guidance. Also, the central training staff now have a role in the quality assurance process.
17. Chief officers review a maintenance of competency scorecard which is now produced by the service. Senior managers welcome this information, commenting that it assists them with better assurance of the process and decision making. For example, the information has helped managers reprioritise who attends certain training courses. This supports the fire cover action plan, as skills shortages were limiting availability. The training team welcomed the greater focus on recording, as it allowed it to target training where it is most needed.
18. The service recognised that some staff weren't up to date with safety-critical competencies, like incident command and use of breathing apparatus. We recognise the focus the service has placed on addressing this and we saw considerable improvement. For staff not yet competent, managers now review the case and decide if they can stay operational.

Outcome

19. The problems with fire cover and maintenance of competence we found during our inspection are serious. They create a risk for the public and firefighters. The availability of resources affects the effectiveness of the service's response to incidents. Ensuring staff have the required competencies to carry out their role is critical to their safety. We recognise the priority that the chief fire officer and his senior leadership team have placed on addressing these issues. We welcome the work carried out to improve this situation.
20. The service has detailed action plans which have senior responsible owners, deadlines and specific action owners. We found appropriate governance structures within the service and through the PFCC who scrutinise progress. We believe the service and its senior managers now have a better understanding of the problems, helped by better data. This helps decision making and allows for better monitoring.
21. In relation to fire cover, the service has issued new guidance on action in response to shortfalls in staffing that limit pump availability. There is an escalation process to make sure senior staff are informed and can help address problems. In addition, forecasting data enables the service to use 'bank' staff to fill identified gaps. The service is only achieving the minimum 14-pump level about 80 percent of the time. It is reviewing the on-call staffing system.

22. In relation to the maintenance of competencies, the service has issued new guidance and is in the process of briefing all managers. The service's training computer system now contains more accurate data on staff training and assessments. This is helping fill gaps in safety-critical competencies. The service also now has a process to review whether those not up to date with their competencies can stay operational.
23. Overall, we are encouraged by what we found on our revisit. Although the service has more to do in relation to both causes of concern, it has made significant improvements.
24. We will revisit Northamptonshire Fire and Rescue Service in spring 2020 to make sure it has made satisfactory progress with its action plan, and that the service it gives to the public of Northamptonshire continues to improve.

Yours sincerely,



Zoë Billingham

Her Majesty's Inspector of Constabulary

Her Majesty's Inspector of Fire & Rescue Services



AGENDA ITEM: 12

NORTHAMPTONSHIRE POLICE

JOINT INDEPENDENT AUDIT COMMITTEE

FRIDAY, 26TH JULY 2019

REPORT BY	ACO Paul Dawkins
SUBJECT	MFSS – FUSION IMPEMENTATION UPDATE
RECOMMENDATION	TO NOTE

1 PURPOSE

- 1.1 The purpose of this report is to provide a further update to JIAC on the implementation of Oracle Fusion and the issues arising.

2 FUSION IMPLEMENTTION & ISSUES ARISING

- 2.1 Implementation date - Fusion was originally planned to go-live in April 2018. This was initially delayed to October 2018 due to a number of concerns, and eventually went live on 1 April 2019.
- 2.2 Duty Management System (DMS) – there have been significant performance issues which have impacted upon day to day business and been subject to extensive work by Capgemini and partner IT resources. Technical changes to servers have improved some aspects of performance, but the root cause of the problem is still being investigated. Legal advice has been sought around recovering Force business disruption costs from Capgemini. Options are currently being scoped which may have further cost implications. These will be considered jointly by the OPFCC and Force.
- 2.3 Payroll – system faults have led to numerous pay errors. These are being addressed at the highest level. There remains a backlog of queries for which MFSS has developed a recovery plan. The Force Finance Function have been managing all pay queries which has placed a significant administrative burden on the team. Payroll issues have also adversely impacted upon staff morale and wellbeing. Senior leaders within the Force are addressing these risks and challenges.
- 2.4 Reporting – there are a limited amount of management information reports that work effectively. The majority require further development and there is a risk this will

adversely impact upon timely and accurate financial reporting, including budget monitoring. The retained Force Finance Department have workarounds in place to mitigate this risk and are performing detailed checks on all systems outputs. This is a manual process and is both time consuming and inefficient.

- 2.5 Transactional Services – an ‘inputting freeze’ was put in place during the transition to Fusion in order to prevent data corruption migration issues. This has resulted in processing backlogs that have been exacerbated by MFSS staff retention and recruitment problems. The situation is improving but it will take some time for the backlogs to be reduced and returned to a manageable level.
- 2.6 Service Improvement Sub-Committee – this has been instigated to bring MFSS partners together to optimise Fusion functionality. ‘Requests for Change’ are tested, prioritised and tasked for development. This should provide the impetus and drive to address performance and functionality issues, and strengthen the overall governance arrangements around systems changes. Items of concern, or those requiring further discussion, are escalated to the Management Board.
- 2.7 The delay in Fusion implementation and the decision of Avon and Somerset not to on-board with MFSS, have resulted in a further unbudgeted cost increase for Northamptonshire of £0.4m for 2019/20. This has increased total implementation costs to £2m which are now reflected in the MTFP and Capital Programme.
- 2.8 The Force is currently in the process of recruiting an MFSS Contract Manager who will be the single point of contact in Force for all MFSS contract related issues e.g. performance etc, interview process on 23rd July 2019. In addition, the Manager will ensure that MFSS functionality is optimised in Force and at MFSS in Cheshire. The Manager will report to the DCC (Fusion SRO - Senior Responsible Officer).
- 2.9 The Chair of the Shared Service Joint Oversight Committee (SSJOC) rotates on an annual basis. PFCC Stephen Mold is the current Chair for 2019.

3 SUMMARY

- 3.1 MFSS-Fusion remains one of the highest non-operational risks in the Force; recognising how it underpins much of the Force’s enabling services functions. The MFSS Contract Manager will bring additional rigour around the optimisation of Fusion in Force and at MFSS in Cheshire. The DCC will continue to be the Fusion SRO.
- 3.2 The Force and OPFCC are cognisant of the costs associated with this project and it remains under close scrutiny by both.
- 3.3 The Force and OPFCC have, together with Nottinghamshire, commissioned Towers Holt to provide an independent assessment of options available to both parties with regards the future of the MFSS.
- 3.4 The OPFCC and Force have set up a weekly working group to work through the options highlighted in the Towers Holt report to provide clear recommendations on the future direction with regards the services provided by MFSS and a route map to deliver that recommendation. This will report by late summer/early autumn.

Background Papers

MFSS Fusion Implementation – DCC Swann, 10th December 2018.



AGENDA ITEM: 13a

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE POLICE and
NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE
JOINT INDEPENDENT AUDIT COMMITTEE
26 JULY 2019**

REPORT BY	Helen King/Paul Dawkins/EY
SUBJECT	External Audit Proposed Fee Scales 2019/20
RECOMMENDATION	To consider the proposed fee scales

1 PURPOSE OF THE REPORT

- 1.1 The proposed fee scales for EY in respect of the 2019-20 External Audit for Northamptonshire Police, Fire and Crime Commissioner and Northamptonshire Chief Constable are attached for members consideration.
- 1.2 The contract for External Audit was awarded by Public Sector Audit Appointments (PSAA) on behalf of the PFCC and the CC in line with the approach undertaken for most public sector organisations. The 2018/19 external audit is the first year of the contract.
- 1.3 PSAA have retained the proposed scale fees for 2019/20 at the same level as 2018/19 and in accordance with the scale fees (subject to changes in the scope of the audit which would arise during the audit) are as follows:

	£
PFCC	11,550
CC	22,554
Total	34,104

2. RECOMMENDATION

- 2.1 Members are requested to consider the proposed fee scales.



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Stephen Mold
Police and Crime Commissioner for Northamptonshire
Police Force Headquarters
Wootton Hall
Northampton
NN4 0JQ

30 April 2019

Ref: Fee Letter/19-20

Direct line: 01223 394459

Email: NHarris2@uk.ey.com

Dear Stephen

Annual Audit 2019/20

We are writing to confirm the audit that we propose to undertake for the 2019/20 financial year at the Police and Crime Commissioner for Northamptonshire.

From 2018/19, local government and police bodies have been responsible for making their own arrangements for the audit of the accounts and reporting on the housing benefit subsidy claim.

The Secretary of State for Housing, Communities and Local Government has specified Public Sector Audit Appointments (PSAA) as an appointing person under provisions of the Local Audit and Accountability Act 2014. PSAA has appointed auditors for bodies that opted into the national scheme. Appointments were made for the duration of the five-year appointing period, covering the audits of the accounts for 2018/19 to 2022/23.

Indicative audit fee

For the 2019/20 financial year, PSAA has set the scale fee for each opted in body. Following consultation on its Work Programme and Scale of Fees, PSAA has maintained scale audit fees at the same level as for 2018/19, unless there are specific circumstances which require otherwise.

The fee reflects the risk-based approach to audit planning set out in the National Audit Office's Code of Audit Practice for the audit of local public bodies.

The audit fee covers the:

- Audit of the financial statements;
- Value for money conclusion; and

- Whole of Government accounts.

Our final fee will include the impact of additional risks and/or circumstances that are out of the scope of the scale fee, for example:

- Additional work performed on asset valuations, including the involvement of our valuation specialists;
- Additional work performed on the valuation of the net pension liability, including the involvement of our pension specialists; and
- Additional work arising from the implementation of IFRS 16 Leases.
- The adequacy of arrangements for governance and risk management associated with the Multi-Force Shared Services and the implementation of Project Fusion.

This indicative fee is based on certain assumptions, including:

- The overall level of risk in relation to the audit of the financial statements is not significantly different to that of the prior year;
- Officers meet the agreed timetable of deliverables;
- Our accounts opinion and value for money conclusion are unqualified;
- Appropriate quality of documentation is provided by Officers;
- There is an effective control environment; and
- Prompt responses are provided to our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee which is set out in the table below.

As we have not yet completed our audit for 2018/19, our audit planning process for 2019/20 will continue as the year progresses. Fees will be reviewed and updated as necessary, within the parameters of our contract.

Summary of fees

	Indicative fee 2019/20 £	Planned fee 2018/19 £
Scale Fee	22,554	22,554
Total Code audit fee	22,554	22,554

Our 2018-2019 Audit Planning report indicated that the planned fees for 2018/19 may be subject to a scale fee variation due to changes in the scope of the audit. In particular, we highlighted the scope of our work to respond to significant audit risks to the Value for Money Conclusion.

Any additional work that we may agree to undertake (outside of the Code of Audit Practice) will be separately negotiated and agreed with you in advance. All variations to the scale fee will be subject to PSAA approval.

Billing

The scale fee will be billed in 4 quarterly instalments of £5,639.

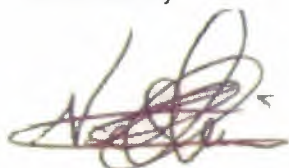
Audit plan

Our plan is expected to be issued in December 2019. This will communicate any significant financial statement and value for money risks identified, planned audit procedures to respond to those risks and the estimated fee implications of these additional procedures. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with the Chief Finance Officer (S151) and communicate the revised fee and the matters giving rise to any adjustments to the scale fee in our Audit Results Report which we will present to the Joint Independent Audit Committee Chair.

For a high level overview of our approach and further information on how we intend to work with you under the PSAA contract, please refer to our leaflet 'EY working with you' which is enclosed.

We remain committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me, or Janet Dawson as our Government and Public Sector Assurance Leader at jdawson1@uk.ey.com. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, by writing to him at 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely



Neil Harris
Associate Partner
For and on behalf of Ernst & Young LLP

cc. Helen King, Chief Finance Officer (S151)
John Beckerleg, Joint Independent Audit Committee Chair.

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Our commitment to you



The Police and Crime Commissioner for Northamptonshire opted into the Public Sector Audit Appointments (PSAA) Appointing Person scheme which started in 2018/19. PSAA appointed EY as your auditors. PSAA is responsible under the Local Audit (Appointing Person) Regulations 2015 for monitoring compliance with the contract and is committed to ensuring good quality audit services are provided by its suppliers. Details of PSAA's audit quality monitoring arrangements are available from its website, www.psaac.co.uk.



Janet Dawson -
Partner

I am the lead partner for this contract, and EY's Global Government and Public Sector Assurance Leader. I have been a partner in Government and Public Sector (GPS) assurance services for 14 years, and have over 20 years of experience and knowledge from working in the sector. My work across health and central government brings an understanding of the broader context of the environment that you operate within.

My appreciation of the value of audit, transparency, and the importance of working in partnership with the public sector aligns with PSAA in promoting and supporting those values through our work. I have asked Neil Harris to lead your engagement on behalf of EY. Our commitment to quality and culture of consultation means that they will draw on the expertise within the firm in fulfilling this responsibility.

Our extensive experience of providing a range of assurance services has demonstrated that strong relationships, clear communication, and investing time with our clients to understand their issues delivers the highest quality outcomes.

This is our commitment to you.

Our contract with PSAA contains a method statement which sets out the firm's commitment to deliver quality audit services, our audit approach, and what clients can expect from us. A summary of the key points of the method statement follows. It is provided as a guide and reference for liaising with us, and a benchmark for you to provide feedback on our performance to PSAA via its survey in Autumn 2019.

Working with you



Communication

Our experience shows that close, constructive working relationships are built on trust and open dialogue.

Neil Harris is your engagement lead and responsible for our relationship protocols, overall audit service and quality. We meet regularly with Officers and Members, discussing sector challenges and bringing insights from our network. Your engagement manager, Julie Kriek, is a key contact and brings significant experience of managing local authority audits.

Our relationship protocols allow you to escalate concerns to Janet Dawson (Contact Partner) or Steve Varley (UK Managing Partner) should you need to.

Our Audit Planning Report contains further information on our planning approach and timetable, giving you a risk based, tailored audit. We ensure our senior leaders are accessible for management and members.



Knowledge and training

Significant investment in the development of dedicated GPS teams is part of our commitment to improve skills in the public sector. Our structured recruiting and training approach delivers the best audit quality.

All our training is developed by technical specialists and is quality and risk assessed. Staff must pass online tests following training, to demonstrate they can apply the learning in practice.

GPS sector specific training including emerging opportunities and risks, new requirements and specific technical areas, e.g., capital accounting, group accounts, LG pensions and other areas.

Topics are derived from our sector knowledge and stakeholder engagement.

We share these insights with you via our Audit Committee Briefings, Public Sector Accounting Workshops, Audit Committee Forums and other bespoke training sessions.



Quality and Innovation

Audit quality is our primary goal in ensuring confidence in public services in a landscape of constant change and uncertainty. Factors which contribute to achieving consistently high quality audits are our people, tailored audits, consultation, and engagement quality reviews.

Our consultation policies are built upon a culture of collaboration, whereby audit professionals are encouraged to share perspectives on complex accounting, auditing and reporting issues.

Audit quality is at the heart of our innovation strategy.

We will continue to innovate and integrate new technologies into our audit process. The technologies discussed so far are just the start of our journey, designed to grow and be enhanced with additional functionalities.



Value beyond the audit

In line with the firm's broader vision to build a better working world, EY's commitment to, and investment in, the public sector is focussed on delivering sustainable social value.

We are the first of the Big 4 firms to establish an apprenticeship programme awarded 'employer status' by the Skills Funding Agency, that specifically addresses the needs of deprived communities. 'EY Business Apprenticeships' is a way of investing in local people, directly challenging the UK skills gap, whilst prioritising those from deprived communities, and disadvantaged backgrounds. Our work under the PSAA contract enable us to create around 165 additional apprentice roles.

EY was also the major graduate recruiter to change our minimum entry requirements, increasing inclusivity by opening up opportunities for talented individuals regardless of their background and education.



Economic and Social

We deliver socio-economic improvements by carefully aligning existing initiatives to our clients' objectives, for example, local authorities' focus on local employability.

Examples include: Removing barriers to employment and education: our 'Smart Futures' initiative provides Year 12 students access to paid work experience, employability workshops and career talks plus 10-months of mentoring from an EY employee. We deliver this from 11 EY offices across the UK. The benefit to you is that we focus on state schools and prioritise those on free school meals. In addition, our 'Stay Curious' and 'Employability Support' initiatives raise awareness of audit career opportunities to STEM students and provide CV advice, networking, mock interviews and assessment centres. Collectively the improvement outcomes include increased employability for young people in the community, connecting schools, universities, employers and building confidence in the students themselves.

Supporting local businesses for prosperity in the community: the EY Foundation, our independent charity, supports collaboration between young people and local businesses. The benefit is a community better connected, focussed on key issues, and providing a voice to the under privileged.

Our global EY Ripples programme enables our staff to donate time to make use of their knowledge, skills and experience to support young people and impact entrepreneurs, by providing mentoring support, business skills training, and more equitable access to resources – to drive sustainable inclusive growth.

Environmental

We protect the environment by minimising waste and using resources efficiently, e.g., we proactively manage and monitor the environmental impacts of our supply chain, and our own people. We encourage carbon footprint reduction through initiatives such as Bike to Work, Flexible Working Policy, and our sustainable travel strategy. We have also made changes to our processes from procurement to recruitment to minimise the environmental impact of them on the wider world.

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Mr Nick Adderley
Chief Constable
The Chief Constable for Northamptonshire Police
Force Headquarters, Wootton Hall
NN4 0JQ

30 April 2019

Ref: Fee Letter/19-20

Direct line: 01223 394459

Email: NHarris2@uk.ey.com

Dear Nick

Annual Audit 2019/20

We are writing to confirm the audit that we propose to undertake for the 2019/20 financial year at the Chief Constable for Northamptonshire Police.

From 2018/19, local government and police bodies have been responsible for making their own arrangements for the audit of the accounts and reporting on the housing benefit subsidy claim.

The Secretary of State for Housing, Communities and Local Government has specified Public Sector Audit Appointments (PSAA) as an appointing person under provisions of the Local Audit and Accountability Act 2014. PSAA has appointed auditors for bodies that opted into the national scheme. Appointments were made for the duration of the five-year appointing period, covering the audits of the accounts for 2018/19 to 2022/23.

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- Additional work performed on the valuation of the net pension liability, including the involvement of our pension specialists; and
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This indicative fee is based on certain assumptions, including:

- The overall level of risk in relation to the audit of the financial statements is not significantly different to that of the prior year;
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Scale Fee	11,550	11,550
Total Code audit fee	11,550	11,550

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Billing

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Associate Partner
For and on behalf of Ernst & Young LLP

cc. Paul Dawkins, ACO Finance and Resources
John Beckerleg, Joint Independent Audit Committee Chair.

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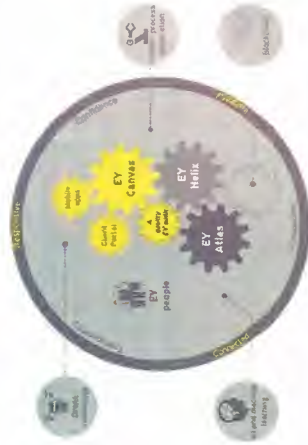
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AGENDA ITEM: 13b

**NORTHAMPTONSHIRE POLICE, FIRE AND CRIME COMMISSIONER,
NORTHAMPTONSHIRE POLICE and
NORTHAMPTONSHIRE FIRE AND RESCUE SERVICE
JOINT INDEPENDENT AUDIT COMMITTEE
26 JULY 2019**

REPORT BY	Helen King/EY
SUBJECT	External Audit Proposed Fee Scales 2019/20 - NCFRA
RECOMMENDATION	To consider the proposed fee scales

1 PURPOSE OF THE REPORT

- 1.1 The proposed fee scales for EY in respect of the 2019-20 External Audit for Northamptonshire Commissioner Fire and Rescue Authority (NCFRA) are attached for members consideration.
- 1.2 The contract for External Audit was awarded by Public Sector Audit Appointments (PSAA) on behalf NCFRA in line with the approach undertaken for most public sector organisations. The 2018/19 external audit is the first year of the contract.
- 1.3 PSAA have retained the proposed scale fees for 2019/20 at the same level as 2018/19 and in accordance with the scale fees (subject to changes in the scope of the audit which would arise during the audit) of £25,000.

2. RECOMMENDATION

- 2.1 Members are requested to consider the proposed fee scales.



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30 April 2019

Ref: Fee Letter/19-20

Direct line: 01223 394459

Email: NHarris2@uk.ey.com

Dear Stephen

Annual Audit 2019/20

We are writing to confirm the audit that we propose to undertake for the 2019/20 financial year at Northamptonshire Commissioner Fire and Rescue Authority.

From 2018/19, local government and police bodies have been responsible for making their own arrangements for the audit of the accounts and reporting on the housing benefit subsidy claim.

The Secretary of State for Housing, Communities and Local Government has specified Public Sector Audit Appointments (PSAA) as an appointing person under provisions of the Local Audit and Accountability Act 2014. PSAA has appointed auditors for bodies that opted into the national scheme. Appointments were made for the duration of the five-year appointing period, covering the audits of the accounts for 2018/19 to 2022/23.

Indicative audit fee

For the 2019/20 financial year, PSAA has set the scale fee for each opted in body. Following consultation on its Work Programme and Scale of Fees, PSAA has maintained scale audit fees at the same level as for 2018/19, unless there are specific circumstances which require otherwise.

The fee reflects the risk-based approach to audit planning set out in the National Audit Office's Code of Audit Practice for the audit of local public bodies.

The audit fee covers the:

- Audit of the financial statements;
- Value for money conclusion; and

- Whole of Government accounts.

Our final fee will include the impact of additional risks and/or circumstances that are out of the scope of the scale fee, for example:

- Additional work performed on asset valuations, including the involvement of our valuation specialists;
- Additional work performed on the valuation of the net pension liability, including the involvement of our pension specialists; and
- Additional work arising from the implementation of IFRS 16 Leases.
- Additional work reviewing financial resilience and sustainability.

This indicative fee is based on certain assumptions, including:

- The overall level of risk in relation to the audit of the financial statements is not significantly different to that of the prior year;
- Officers meet the agreed timetable of deliverables;
- Our accounts opinion and value for money conclusion are unqualified;
- Appropriate quality of documentation is provided by Officers;
- There is an effective control environment; and
- Prompt responses are provided to our draft reports.

Meeting these assumptions will help ensure the delivery of our audit at the indicative audit fee which is set out in the table below.

As we have not yet completed our audit for 2018/19, our audit planning process for 2019/20 will continue as the year progresses. Fees will be reviewed and updated as necessary, within the parameters of our contract.

Summary of fees

	Indicative fee 2019/20 £	Planned fee 2018/19 £
Scale Fee	25,000	25,000
Total Code audit fee	25,000	25,000

Any additional work that we may agree to undertake (outside of the Code of Audit Practice) will be separately negotiated and agreed with you in advance. All variations to the scale fee will be subject to PSAA approval.

Billing

The scale fee will be billed in 4 quarterly instalments of £6,250.

Audit plan

Our plan is expected to be issued in December 2019. This will communicate any significant financial statement and value for money risks identified, planned audit procedures to respond to those risks and the estimated fee implications of these additional procedures. Should we need to make any significant amendments to the audit fee during the course of the audit, we will discuss this in the first instance with the Chief Finance Officer and communicate the revised fee and the matters giving rise to any adjustments to the scale fee in our Audit Results Report which we will present to the Joint Independent Audit Committee.

For a high level overview of our approach and further information on how we intend to work with you under the PSAA contract, please refer to our leaflet 'EY working with you' which is enclosed.

We remain committed to providing you with a high quality service. If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, please contact me, or Janet Dawson as our Government and Public Sector Assurance Leader at jdawson1@uk.ey.com. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, by writing to him at 1 More London Place, London, SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute.

Yours sincerely



Neil Harris
Associate Partner
For and on behalf of Ernst & Young LLP

cc. Helen King, Chief Finance Officer
John Beckerleg, Joint Independent Audit Committee Chair

Confidential

EY working with you

An overview of our approach

March 2019



Building a better
working world

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Our commitment to you



Northamptonshire Commissioner Fire and Rescue Authority opted into the Public Sector Audit Appointments (PSAA) Appointing Person scheme which started in 2018/19. PSAA appointed EY as your auditors. PSAA is responsible under the Local Audit (Appointing Person) Regulations 2015 for monitoring compliance with the contract and is committed to ensuring good quality audit services are provided by its suppliers. Details of PSAA's audit quality monitoring arrangements are available from its website, www.psa.co.uk.



Janet Dawson - Partner

I am the lead partner for this contract, and EY's Global Government and Public Sector Assurance Leader. I have been a partner in Government and Public Sector (GPS) assurance services for 14 years, and have over 20 years of experience and knowledge from working in the sector. My work across health and central government brings an understanding of the broader context of the environment that you operate within.

My appreciation of the value of audit, transparency, and the importance of working in partnership with the public sector aligns with PSAA in promoting and supporting those values through our work. I have asked Neil Harris to lead your engagement on behalf of EY. Our commitment to quality and culture of consultation means that they will draw on the expertise within the firm in fulfilling this responsibility.

Our extensive experience of providing a range of assurance services has demonstrated that strong relationships, clear communication, and investing time with our clients to understand their issues delivers the highest quality outcomes.

This is our commitment to you.

Our contract with PSAA contains a method statement which sets out the firm's commitment to deliver quality audit services, our audit approach, and what clients can expect from us. A summary of the key points of the method statement follows. It is provided as a guide and reference for liaising with us, and a benchmark for you to provide feedback on our performance to PSAA via its survey in Autumn 2019.

Working with you

Communication

Our experience shows that close, constructive working relationships are built on trust and open dialogue.

Neil Harris is your engagement lead and responsible for our relationship protocols, overall audit service and quality. We meet regularly with Officers and Members, discussing sector challenges and bringing insights from our network. Your engagement manager, Julie Kriek, is a key contact and brings significant experience of managing local authority audits.

Our relationship protocols allow you to escalate concerns to Janet Dawson (Contact Partner) or Steve Varley (UK Managing Partner) should you need to.

Our Audit Planning Report contains further information on our planning approach and timetable, giving you a risk based, tailored audit. We ensure our senior leaders are accessible for management and members.



Knowledge and training

Significant investment in the development of dedicated GPS teams is part of our commitment to improve skills in the public sector. Our structured recruiting and training approach delivers the best audit quality.

All our training is developed by technical specialists and is quality and risk assessed. Staff must pass online tests following training, to demonstrate they can apply the learning in practice.

GPS sector specific training including emerging opportunities and risks, new requirements and specific technical areas, e.g., capital accounting, group accounts, LG pensions and other areas.

Topics are derived from our sector knowledge and stakeholder engagement.

We share these insights with you via our Audit Committee Briefings, Public Sector Accounting Workshops, Audit Committee Forums and other bespoke training sessions.



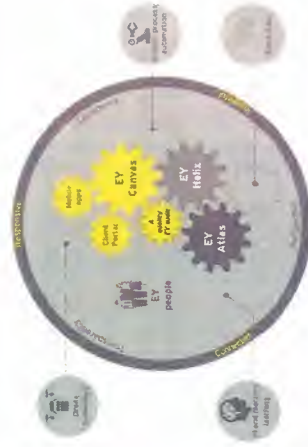
Quality and Innovation

Audit quality is our primary goal in ensuring confidence in public services in a landscape of constant change and uncertainty. Factors which contribute to achieving consistently high quality audits are our people, tailored audits, consultation, and engagement quality reviews.

Our consultation policies are built upon a culture of collaboration, whereby audit professionals are encouraged to share perspectives on complex accounting, auditing and reporting issues.

Audit quality is at the heart of our innovation strategy.

We will continue to innovate and integrate new technologies into our audit process. The technologies discussed so far are just the start of our journey, designed to grow and be enhanced with additional functionalities.



Value beyond the audit

In line with the firm's broader vision to build a better working world, EY's commitment to, and investment in, the public sector is focussed on delivering sustainable social value.

We are the first of the Big 4 firms to establish an apprenticeship programme awarded 'employer status' by the Skills Funding Agency, that specifically addresses the needs of deprived communities. 'EY Business Apprenticeships' is a way of investing in local people, directly challenging the UK skills gap, whilst prioritising those from deprived communities, and disadvantaged backgrounds. Our work under the PSAA contract enable us to create around 165 additional apprentice roles. EY was also the major graduate recruiter to change our minimum entry requirements, increasing inclusivity by opening up opportunities for talented individuals regardless of their background and education.



Economic and Social

We deliver socio-economic improvements by carefully aligning existing initiatives to our clients' objectives, for example, local authorities' focus on local employability.

Examples include: Removing barriers to employment and education: our 'Smart Futures' initiative provides Year 12 students access to paid work experience, employability workshops and career talks plus 10-months of mentoring from an EY employee. We deliver this from 11 EY offices across the UK. The benefit to you is that we focus on state schools and prioritise those on free school meals. In addition, our 'Stay Curious' and 'Employability Support' initiatives raise awareness of audit career opportunities to STEM students and provide CV advice, networking, mock interviews and assessment centres. Collectively the improvement outcomes include increased employability for young people in the community, connecting schools, universities, employers and building confidence in the students themselves.

Supporting local businesses for prosperity in the community: the EY Foundation, our independent charity, supports collaboration between young people and local businesses. The benefit is a community better connected, focussed on key issues, and providing a voice to the under privileged.

Our global EY Ripples programme enables our staff to donate time to make use of their knowledge, skills and experience to support young people and impact entrepreneurs, by providing mentoring support, business skills training, and more equitable access to resources - to drive sustainable inclusive growth.

Environmental

We protect the environment by minimising waste and using resources efficiently. e.g., we proactively manage and monitor the environmental impacts of our supply chain, and our own people. We encourage carbon footprint reduction through initiatives such as Bike to Work, Flexible Working Policy, and our sustainable travel strategy. We have also made changes to our processes from procurement to recruitment to minimise the environmental impact of them on the wider world.

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ITEM 15

REPORT BY	Chief Finance Officer
SUBJECT	Joint Independent Audit Committee (JIAC) - Agenda Plan – Updated July 2019
RECOMMENDATION	To discuss the agenda and note the report

Date of JIAC	10.12.18	20.03.19 FIRE AUDIT & ACCOUNTS WORKSHOP	20.03.19	6.6.19 FINAL ACCOUNTS WORKSHOP	26.7.19	30.9.19	November 2019 TBC WORKSHOP	11.12.19
Confirmed agenda to be circulated	19.11.18		22.02.19		28.06.19	02.09.19		22.11.19
Deadline for papers to be submitted to OPCC (HK)	29.11.18		06.03.19		12.07.19	16.09.19		04.12.19
Papers to be circulated	3.12.18		13.03.19	01.06.19	19.07.19	23.09.19		11.12.19

Date of JIAC	10.12.18	February 2019 TBC WORKSHOP	20.03.19	6.6.19 FINAL ACCOUNTS WORKSHOP	26.7.19	30.9.19	November 2019 TBC WORKSHOP	11.12.19
	Apologies		Apologies		Apologies	Apologies		Apologies
	Declarations		Declarations		Declarations	Declarations		Declarations
	Meetings log and actions		Meetings log and actions		Meetings log and actions	Meetings log and actions		Meetings log and actions
					Meeting of members and Auditors without Officers Present			
Governance, Assurance and Strategies								
	Treasury Management Q2 update 2018/19		Capital Prog 2019/20 PFCC & CC NCFRA			MTFP process and plan update & Timetable PFCC & CC NCFRA	Enabling Services Update	
		NCFRA External Audit and Accounts Assurances	Treasury Mgmt Strategy 2019/20 PFCC & CC NCFRA	Statement of Accounts Review: PFCC & CC NCFRA	Statement of Accounts Update: PFCC & CC NCFRA	Statement of Accounts: PFCC & CC NCFRA	Seized and Found Property Update	Corporate Governance Framework Review PFCC & CC NCFRA
			Capital Strategy 2019/20 PFCC & CC NCFRA	JIAC annual report review	JIAC Annual Report and Terms of Reference Review	Treasury Management outturn 2018/19 & Q1 Update NCFRA PFCC		Results of the JIAC Self Assessment
HMICFRS Reviews								
			HMIC VFM					
			HMIC reviews – update CC NCFRA					HMIC reviews – update NCFRA

Date of JIAC	10.12.18	February 2019 TBC WORKSHOP	20.03.19	6.6.19 FINAL ACCOUNTS WORKSHOP	26.7.19	30.9.19	November 2019 TBC WORKSHOP	11.12.19
Updates:								
	Update on: MFSS		Update on: MFSS		Update on: MFSS	Update on: MFSS		Update on: MFSS
	Update on: Fire Governance		Update on: Fire Governance			Update on: Business Continuity and Disaster Recovery PFCC&CC NCFRA		
	Update on: Estates Strategy PCC & CC		Update on : Fire Governance			Member Update on: EY and PSAA Workshops		Update on: Estates Strategy PFCC NCFRA
						Dates of Meetings and Workshops 2019		Update on: Fraud & Corruption Controls and Processes PFCC & CC NCFRA
	Update on: CIPFA Training Day for Audit Committee Members (or other Training and Development)		Update on PFCC Monitoring Officer Arrangements			Update on: ICT Governance, Behavioural Change and Finance Arrangements		Member Update on: CIPFA Training Day for Audit Committee Members (or other Training and Development)
Risk Management:								
	Force strategic risk register		PFCC Risk Register			Force strategic risk register		
			NCFRA Risk Register			NCFRA Risk Register		

Date of JIAC	10.12.18	February 2019 TBC WORKSHOP	20.03.19	6.6.19 FINAL ACCOUNTS WORKSHOP	26.7.19	30.9.19	November 2019 TBC WORKSHOP	11.12.19
Internal Audit:								
			Internal Audit Plan 19/20 PFCC & CC		Internal Audit Plan 19/20 NCFRA			
					Internal Audit Annual Report 18/19 PFCC & CC			
	Progress report PCC & CC		Progress report PFCC & CC		Progress report PFCC & CC NCFRA	Progress report PCC & CC NCFRA		Progress report PCC & CC NCFRA
	Implementation of recommendations PCC & CC		Implementation of recommendations PFCC & CC		Implementation of recommendations PFCC & CC	Implementation of recommendations PFCC & CC NCFRA		Implementation of recommendations PFCC & CC NCFRA
External Audit:								
	External Audit Plan 18/19 PCC & CC		External Audit Plan 18/19 NCFRA		External Audit Update: PFCC & CC NCFRA	External Audit ISA260: PFCC & CC NCFRA		External Audit Plan 19/20: PFCC & CC NCFRA
			External Audit Verbal Update PFCC & CC NCFRA		External Audit proposed Fee Scales 2019/20 PFCC & CC NCFRA			
Plan & AOB:								
	Agenda plan		Agenda plan		Agenda plan	Agenda plan		Agenda plan
	AOB		AOB		AOB	AOB		AOB
	Next meeting ¹		Next meeting		Next meeting	Next meeting		Next meeting

