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Date: 9 March 2022

Dear Member

JOINT INDEPENDENT AUDIT COMMITTEE

You are requested to attend the Joint Independent Audit Committee meeting on **Friday 18 March 2022 at 1030hrs** in the Conference Hall, HQ South or by way of MS Teams for those that are unable to attend.

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Yours sincerely

Paul Hammond
Chief Executive

To: Members of the Joint Independent Audit Committee

Agenda Item

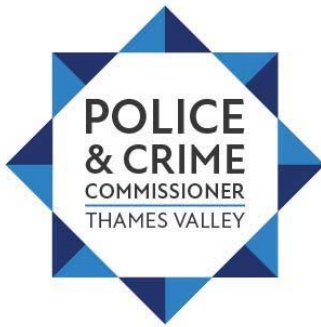
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Date of next meeting: Friday 17 June 2022 at 1030hrs to be held in the Conference Hall, TVP HQ South/MS Teams



**MINUTES OF JOINT INDEPENDENT AUDIT COMMITTEE MEETING
HELD ON 17 DECEMBER 2021 COMMENCING AT 1030 HRS AND CONCLUDING AT 1245 HRS**

Committee Members Present via MS Teams:

M Day, S Page, A Rehman, M Strange, G A Woods

Present and via MS Teams:

M Barber (Police & Crime Commissioner)
 I Thompson (Chief Finance Officer, OPCC)
 P Hammond (Chief Executive, OPCC)
 L Waters (Director of Finance TVP)
 A Brittain (Associate Partner, EY)
 A Kennett (Manager, EY)
 M Lattanzio (Head of ICT TVP)
 C Kirby (Assistant Director of People, TVP)
 S South (Senior Management Team, ICT, TVP)
 J Kidman (Chief Supt, Governance & Service Improvement, TVP)
 C Widdison (Corporate Governance Officer, Strategic Governance Unit, TVP)
 N Shovell (Chief Internal Auditor, TVP, & OPCC)
 A Shearn (Principal Auditor, TVP & OPCC)
 A Grimley (Head of Change Delivery, Governance & Service Improvement, TVP)
 P Semczyszyn (D/Inspector, Operations Professional Standards, TVP)
 C Roberts (Executive Assistant to the PCC, OPCC)

Observers:

None

Apologies:

J Hogg (Deputy Chief Constable, TVP)
 T De Meyer (ACC, Crime, TVP)
 C Paine (D/C/Supt, Professional Standards, TVP)

Meeting Management

1. Apologies

The Chair, Gordon Woods (GW) welcomed all to the meeting and introductions were given by attendees. Apologies had been received from DCC Jason Hogg (JH), D/C/Supt Colin Paine (CP) and ACC Tim De Meyer (TDM).

2. Minutes of the JIAC Meeting on 1 October 2021

(GW) confirmed that the Minutes of the JIAC meeting on 1 October 2021 were an accurate record of what had been discussed at the meeting. However, there was one minor error on page 6 (third paragraph of section 6 refers) which refers to the date '31 September' which should be '30 September'.

Action: Charlotte Roberts (CR) would correct the error on page 6 and re-upload to the OPCC website.

3. Outstanding Actions from the JIAC Meeting on 1 October 2021

(GW) went through the outstanding actions from the JIAC meeting on 1 October 2021. Stephen Page (SP) asked Mike Lattanzio (ML) to provide a verbal update on NCSC guidance for M365 security, which ML provided. SP explained that new guidance had been published with regards to 'WhatsApp security guidance', which he shared with ML.

Another outstanding action was for (JH) to brief JIAC on Ransomware incidents. (ML) explained that a 'table-top' exercise had taken place in Hampshire a few weeks ago around a cyber-attack and there was a planned simulation exercise in January or February 2022 in Thames Valley. (ML) said he was happy to share the outputs from this with the Committee if required. (ML) had recently attended a national SIROs meeting run by the PDS cyber security team, which gave real life examples of where cyber-attacks had taken place.

Action: (ML) to provide feedback on the planned simulation exercise in January/February 2022 in Thames Valley.

Agenda item 12 for Claire Widdison (CW) action was in relation to Court backlog and late files. This was a combination of Covid as well as high volume demand and seeing late files submitted.

Annual Focus Areas

4. TVP Anti-Fraud, Bribery & Corruption Policy

Peter Semczyszyn (PS) went through the key points, including context. Corruption could take place in many forms, including for sexual purposes. TVP were challenged in 2019 by HMICFRS to increase proactivity of checking for those acting in a fraudulent way so had started to utilise analytical tools and software to assess the data, including looking at suspicious patterns in contact and those who seek to abuse their position within the workplace. TVP had retained their ability to identify people who were conducting fraudulent behaviour/business interests whilst off work due to sickness. Last year 12 cases were identified via this proactive research and a number resulted in conduct matters. HMICFRS inspectors had been impressed that TVP investigated every piece of evidence whether that be criminality or wellbeing. (PS) went through the two case studies in the paper, one of which set out where an officer had been dismissed at a misconduct hearing for abuse of position for sexual purposes with TVP having picked this up via a call pattern analysis.

Mike Day (MD) noted the report was good at reporting studies but did not get a great feel of whether matters were getting better for TVP. Trend data was provided on police intelligence but what was the outcome, what are the force strengths and which areas need to be developed further? (PS) had not seen the final HMICFRS report but confirmed that they had conducted a very intrusive inspection of the force but the hot de-brief was very positive. In the last two years, six presentations had been delivered across Domestic Abuse coordinators / health services about raising awareness of inappropriate behaviour of staff/colleagues/officers and trying to increase intelligence and assurance. Amna Rehman (AR) requested sight of the numbers of any overlap in intelligence categories. (PS) to provide an update to (AR) of the recording of intelligence of the outcomes in categories. The number of officers and the number of cases taking forwards (six in total). (PS) thought that the data gathered on background threats would be useful for the Committee.

Action: (PS) to provide an update to (AR) of the recording of intelligence of the outcomes in the various categories.

(SP) asked how good TVP were at identifying bribery of behaviour and in the intelligence table, the triggers captured gambling, excessive alcohol and money transfers. (PS) confirmed that in relation to 'old fashioned' bribery, TVP conducted research of excessive overtime claimed but were currently working with ICT where reviews could be taken out more accurately. (SP) asked whether there was more work on subversive bribery in relation to cash inducements. (PS) reassured the Committee with his comments.

Chief Supt Joe Kidman (JK) explained that a lot of great work was carried out by the PSD. Low levels of corruption and false claims were often undertaken by those who pushed legal boundaries. There was some innovative work carried out with PSD identifying individuals and those who may be more likely than others to get involved in corruption and what the psychological profiles would be for certain types.

Governance Matters

5. Annual Assurance Report

(GW) paid tribute to the Force and OPCC coping with Covid and how management and systems controls had been dealt with, and went through the Annual Assurance Report pointing out key points to note.

The Committee noted the context was changing significantly for policing, with the multi-year spending review providing more certainty around funding. The Committee were encouraged to note progress on people issues including recruitment for the Force and Wellbeing. The committee looked forward to further progress on matters including the Force's environment strategy in the year to come. The Chair thanked (IT) and (CR) in preparing the papers providing commitment and assurance to the Committee throughout the year.

The PCC thanked the Committee for their work throughout the year and valued his one-to-one conversations with members.

6. EY Final Audit Results Report & Auditor's Annual Report

Andrew Brittain (AB) mentioned there were two reports. The first was the audit results report which had been shared with the Committee previously and presented today for completeness. He explained that the Auditor's Annual Report had replaced the annual audit letter, and was a public facing document of the work carried out by external auditors. The Value for Money section detailed the process that was carried out and work completed. The content summarised an unqualified conclusion of the PCC and Chief Constable in October. The one area still outstanding was the Whole of Government Accounts return. This is expected to be released by HM Treasury in January. Until this work is completed, and audited, they are unable to issue their final audit certificate. The main section of the report was the Value for Money commentary. Alison Kennett (AK) provided an overview of financial sustainability, governance and reporting, including their specific VFM focus on how TVP had exited the Equip programme. There were no issues to report and EY were satisfied that the criteria had been met.

Melissa Strange (MS) enquired about the valuation of assets (page 49) and whether the 20% annual valuation was being met. (AK) explained that TVP had a 5 yearly cycle but it had been skewed and 20% was not valued each year, but this would be corrected from 2021/22 onwards.

The Committee were concerned that the audit sign-off was regularly delayed by late receipt of information from GT in respect of their audit of the Buckinghamshire Pension Fund and asked if there was any assistance or pressure they could exert to improve this. (IT) explained that this situation is likely to get worse, before it gets better, due to Bucks recently moving to a unitary council.

7. Local Audit Opt-In Arrangements

(IT) explained that the local audit market was currently in a fragile state due to the audit firms having insufficient capability and capacity to deliver all their audits in the short time frame required by the regulations. There were two options for TVP and this was to either join the PSAA or go it alone. (IT) noted that some health trusts had recently gone out to market but had not received any tenders. The advice from (IT) and (LW) would be to join the national agreement with PSAA rather than go alone. The committee noted the report and was happy to endorse that the Force and OPCC go with PSAA.

8. Draft Treasury Management Strategy Statement 2022/23

There had been no major changes to the strategy from that approved 12 months ago but (IT) would need to update the economic section in the paper. Over the last few days it had been reported that inflation had risen from 3.1% in September to 5.1% in November, with a peak of 6% forecast for April 2023. The Bank of England had increased base rate from 0.1% to 0.25% and market expectation is that this will increase to 1% in the second half of next year.

The provisional police finance settlement was released yesterday and the results are broadly in-line with what was expected, following the Spending Review announcement last month. TVP will receive a 5.5% increase in core government grant and flexibility to increase Council Tax by £10 per annum from 2022-23 onwards. Capital grant has ceased although this was not a huge issue. In terms of Police Officers, TVP are getting an additional 231 officers through the uplift programme, plus 13 for SEROCU, giving a total recruitment target of 244 officers, which is a significant challenge for the People Services Directorate.

(AR) noted that PWLB borrowing rates detailed in section 3.3 were linked to the Bank Base Rate, which has been raised within the last week. It was encouraging to note that the rate that was taken into account for December (at 0.25%) and was the same as the new rate, however, the forecasts for years ahead may need to be revised in light of current economic conditions. It was also encouraging to note that the investment risk benchmarking had transitioned from a Libor linked rate to compounded SONIA, well ahead of Libor cessation at the end of 2021

The Chair thanked (IT) and the report was noted.

Regular Reporting

9. Progress on 2021/22 Internal Audit Plan Delivery Summary on Matters Arising from Completed Audits

Neil Shovell (NS) confirmed that plans were progressing well and limited assurance reports were positive. The completed audits as set out in Appendix B contained the details of each completed audit since the previous JIAC meeting on 1 October 2021. Performance indicators were tracked and finished by year-end and there were no significant concerns to note. The fraud NFI was progressing well and had resolved 330 out of 340 referrals. The fraud meeting last week went well.

Changes to the 2021/22 Audit Plan since the October meeting included the removal of ICT Management of Microsoft 365 Security, due to a vacancy in ICT, and CMP. It was recommended that both these audits be deferred until 2022/23.

(NS) confirmed that CMP and Microsoft 365 were both in last year's plan, but had been slipped into 2021/22.

(ML) explained that from an O365 prospective, it was not worth carrying out the audit until after the system had been implemented, when the outcome of the audit could be considered alongside other lessons learned from project implementation. There had not been a slippage to the programme, but the original timing of this audit was not right. As to CMP, the brief had gone out and this was around the change of governance and it was better to leave it until next year and look at it at that point. (GW) was concerned about slippage.

(MD) noted that these were important pieces of work for the organisation, which were continually slipping and he felt quite strongly that these audits should go ahead as planned this year. (ML) indicated that if you did this at the wrong time it would be unrealistic and there was no point in auditing something that had not yet

landed. (ML) was happy to discuss CMP with (NS). There were major changes in CMP for next year whether to change the focus of the audit or just do an interim audit and go down to a level of detail.

(GW) asked about the decision making process. (NS) made recommendations to (IT) and (LW) who considered them alongside feedback from JIAC. (LW) noted that from a business perspective the audits would be carried out in Q1 and Q2 next year and therefore accepted the recommendations to delay the audits, to ensure the business got the most benefit from the audit process. (ML) wanted to provide assurance to the Committee that ICT were fully engaged in the audit process but had to balance this against a massive increase in demand since Covid. There were other priorities that needed to be balanced but there was a timing balance for some of these where the organisation would try and get the optimum outcome of this. (ML) was happy to work with (NS) as to how best to make the audit process work.

Action: (LW) and (IT) to take this discussion away and reflect on conclusions of the audit process as the Committee were concerned of the slippages of the two audits.

(SP) referred to probation data and asked whether this was a technical matter or a serious risk. (NS) had completed the audit around data sharing. It was agreed that a number of areas pointed at the probation data process and how this data is shared and whether it was duplicated. (NS) did not find any evidence this was happening but did not give the Force the confidence in sharing and this was quite a big issue. In liaising with the Force, this could apply to other areas so they have instigated a gold project in data sharing as a whole. (SP) asked for input from an operational side, and what the harm was of incomplete data or the wrong data going to the probation service and was there a risk to be aware of. (NS) noted he did not find any risks but in any data sharing process this had to be looked at.

The Committee noted that process and governance issues had been flagged at "Limited Assurance" by the recent audit on how data is shared with the Probation Service; but sought further insight on the potential risks/harms which could result from incomplete, inaccurate, or surplus information being transmitted between TVP and Probation. To the extent that those risks are material, should this topic be pulled through to the risk register and with what priority?

Action: (JH) to brief next JIAC on what risks/harms may emerge from incomplete, inaccurate or surplus information being transmitted to/from Probation Services.

Christine Kirby (CK) asked where this featured in the TVP Risk Management Framework in terms of escalation to CCMT and asked whether (JK) or (CW) would be able to assist the Committee. The main escalation route around this would be through the MAPPA Panel and whether any serious case reviews had identified that unnecessary information had been shared although, in most cases, the problem was that insufficient information had been shared. (SP) asked whether this related to GDPR

Action: (ML), as SIRO, to report back to the committee on whether GDPR issues were fully engaged in the framework.

10. Progress on Delivery of Agreed Actions in Internal Audit Report

Amy Shearn (AS) presented the keys points on the progress on delivery of agreed actions. There were currently 13 actions which were overdue. There was one key action to note to the Committee set out under paragraph 2.6 and 2.7.

(SP) referred to Priority 1 rated overdue actions and asked the Force how the older overdue actions were being dealt with. (LW) noted the first port of call was the relevant Chief Officer and was then referred to (JH) to discuss mitigating actions until a solution had been put in place. (LW) confirmed that CCMT were confident that Priority 1 actions were being dealt with appropriately, and significant risks were identified and managed. (SP) noted the review of a contractor in security as a single inventory would be required if working within TVP and did not see that this was on the Risk Register. (CW) confirmed that this had just been taken on and would be considered at the next CCMT meeting, and would be included in the paper for the next JIAC meeting.

(CK) indicated it was not just contractors working for TVP but also those who provide services for TVP and if they were working on systems or on the premises, (CK) was confident they had been vetted correctly and on

the system. (LW) was sure that this was more about the process and joining up between HR and procurement not so much Finance. When someone joins the organisation they cannot get any access to any system until they were given a shoulder number as an employee or assigned as a contractor and these checks were currently in place.

(ML) confirmed that when it came to systems, in order to get system access this has to go through HR. When contractors or others leave the organisation, line managers update HR and the processes are robust.

Action: (CK), (CW), (LW) and (NS) to provide an update report to the next meeting on Contractor Appointment and Monitoring

11. TVP Strategic Risk & Business Continuity

(CW) noted a few incidents and few risks that had recently been added in September and now adopted i.e. the national disclosure issues and the impact it had with TVP and the indecent images, and the public protection demand on all amber risks. More specifically, there was a new risk proposed and adopted by regional unit SEROCU.

The Livelink risk had been removed.

There was a risk radar which TVP monitored and this included supply chain problems.

(GW) noted that he saw the risks three times in the pack, which were shown in the overview, in the pages 212 onwards and detailed in the Appendix and (GW) was unsure of how these matched up. If the summary could also be updated with comments before the next meeting, the Committee would be grateful.

(CW) indicated there was a huge amount of work to maintain this register and risk summary only provided a brief update. (CW) was happy to check the risk scores to ensure consistency.

The Committee noted the report of a complete regional outage of Airwave for six hours on 22 November, and discussed how risks could be mitigated. Airwave failure has been consistently at the top of the TVP risk register. (SP) recognised the significant results TVP had achieved in working around the outage; but asked whether this was a significant near miss (6 hour outage on Sunday night; would the workarounds have been enough to protect services and the public if this had happened on a busy Saturday night or while policing a public order incident etc?). (JK) briefed the committee on steps taken to work around the outage, including innovative use of MS Teams.

(SP) expressed concern about two features of this incident: (a) Airwave's contingency equipment had also failed; and (b) the supplier had been "initially reluctant to acknowledge issues". These may represent serious failings of the supplier and when taken alongside the points raised earlier in the meeting about Airwave's uncertain contract end, TVP may be carrying considerable risk for some time. (SP) asked how much TVP could (a) add pressure to the supplier, via Home Office, to get better service; and/or (b) build structures or capabilities within TVP which would guard against the supplier's processes and capability failing (e.g. its own service monitoring, help desk, etc)? (JK) responded that TVP is actively engaged with Home Office, albeit with insufficient outcomes to date; and that some of the successes had come through TVP having its own specialist with an understanding of the platforms who could target the supplier with specific escalations.

(SP) referred to the Emergency Services Mobile Communications Programme (ESMCP). The Committee knew that Airwave had been difficult although (SP) would be interested to know how the section relating to 'shutdown schedule 2026 but that the contract ended in 12 months' time and wanted to understand how TVP could seize some of this and whether there were protections that TVP could build around this broken system.

(LW) confirmed that both Airwave and ESMCP were national contracts and TVP have limited control over these. The Police Service was extremely engaged with the process and there had been a significant review by the Home Office. (LW) would check the contract date for Airwave and when the organisation was expecting to bring in ESMCP and it was clearly causing a lot of financial concern. The organisation recently had to purchase airwave radios as the ESMCP date had slipped. This was very frustrating and TVP were not in a position of control.

The risks around PPU was around demand and capacity had escalated. A revised shift pattern had been put in place and agreement by CCMT of funding for additional resources to deal with the indecent images of children so hopefully this would increase the resource and demand in this key area

(CW) confirmed that the most recent score was 11.2 on the custody sheet and this was the accurate score. With regard to critical resources, this had seen shortage and given challenges to custody suites. (JK) noted that the safety of those in custody was always a high priority. There had been a lot of strain during the summer in custody suites. The Committee had to provide assurance to both the PCC and Chief Constable and noted that management capacity was under a bit of stress. The Committee required a report for the next JIAC meeting in March 2022.

Action: (CW) to provide an update on the challenges that custody suites faced.

Business Continuity exercises and the P1 and P2 incidents were discussed as well as a few slides on Airwave outage. One of the BC incidents was the fuel disruption, which was a national problem with specific challenges for the Force. There had been a lot of exercises across the departments and LPAs that had been carried out, as set out on page 224/225 of the report in this quarter.

Stephen South (SS) reported on Priority 1 ICT incidents noting an underlying trend over the last quarter related to change activity but knowing why these incidents happened was important to the Force in order to put in place mitigation to stop this happening again. Most related to third party and change activities and responsibilities to a front line service to the public. In this quarter, there had been 5 P1's impacting Contact Management as they experienced CMP performance issues and during the period 1 August to 31 October 2021 ICR recorded 41 P2 incidents which was a slight decrease from the previous quarter.

In relation to Airwave – the incident on 22 November 2021 was a complete Airwave outage over 2 regional clusters. The Force command structure had been put in place and officers returned to station and then deployed via MS Teams and mobile phones. There was no impact on public facing service delivery and service was restored and stable the following day at 0900hrs. Lessons had been learned and next steps put in place as well as a working group set up for 17 December.

(SP) gave sympathy and thanks for surviving this outage but the timing of it, when service demand was low, was a major break for TVP as otherwise it could have been of real significance to public harm. There was evidence of a failing supplier and all the risks looked at this was always at the top of the Risk Register and was deeply concerning for the Committee.

Action: (JK) would come back to the Committee as to where TVP were with the Home Office and Motorola with this service.

(JK) noted that the mitigations put in place were impressive when Airwave went down and the process worked well. Teams was a huge game changer to communicate across all areas and a lot had been learned during this process out of this exercise and needed to build this into the continuity plans for the future.

Action: The Committee felt that it would be helpful to hear about Matt Bullivant's (MB) lessons learned on the Airwave incident when these were available and to forward to the Committee by email.

Action: (CW) to provide the exercise list to the Committee by email for testing and output and any lessons learned once all exercises have been concluded.

12. OPCC Risk Register

Paul Hammond (PH) summarised the OPCC Risk Register for the six current strategic risks identified. (PH) presented changes since the last meeting. Two new risks (OPCC 35 and OPCC 36) had been introduced. The key points of each risk were presented to the Committee in a reducing risk score order.

OPCC 35 referred to the risk of police misconduct hearings being unable to take place. This risk related to the pending outcome of a court case which has national implications for Legally Qualified Chairs (LQCs) (and Independent Members) of local Force Misconduct Panels. LQC's were deeply concerned by the potential prospect arising from this case of being faced with unlimited personal financial liability while carrying out their duties. Given the situation, the Home Office were taking this matter very seriously and (PH) would update the Committee at the next JIAC meeting.

Action: (PH) to update the Committee at the next JIAC meeting in March on progress of OPCC 35.

OPCC 36 reflected a possible risk to specialist victims services provision from March 2023 when the initial term of the PCC commissioned service contracts end. Helen Wake (HW), who was the new OPCC Head of Victims Services, would be undertaking an end-to-end review of victims' services, and would take into account the future scheduled service contract cessation dates and options to extend those contracts.

13. AOB

Nothing discussed.

Meeting concluded at 12.45 hrs continuing on with Part II

Date of next meeting Friday 18 March 2022 at 10.30hrs in the Conference Hall HQ South/MS Teams



JOINT INDEPENDENT AUDIT COMMITTEE

Actions Arising from 17 December 2021 Meeting

Matters Arising from Minutes dated 17 December 2021	Lead	Action	Update/Action Complete
Agenda Item 2 Minutes of the Meeting on 1 October 2021	Charlotte Roberts (CR)	Action 1: Charlotte Roberts (CR) would correct the error on page 6 of an incorrect date and re-upload to the OPCC website.	Action 1: (CR) updating the minutes of the meeting on 1 October 2021 replacing 31 September 2021 with 30 September 2021 and re-uploaded to the OPCC website. ACTION COMPLETE
Agenda Item 3 Outstanding Actions from the meeting on 1 October 2021	Mike Lattanzio (ML)	Action 2: (ML) to provide feedback on the planned simulation exercise in January/February 2022 in Thames Valley. .	Action 2. (ML) or (JK) will be able to update on this. CCMT Cyber BC exercise was completed on 2 nd March 2022 – an update to be provided at the JIAC meeting on 18 March 2022 and is included in the agenda. ACTION COMPLETE
Agenda Item 4 VP Anti-Fraud, Bribery & Corruption Policy	Peter Semczyszyn (PS)	Action 3: (PS) to provide an update to (AR) of the recording of intelligence of the outcomes in the various categories.	Action 3. UPDATE AWAITED AND OUTSTANDING

<p>Agenda Item 9</p> <p>Progress on 2021/22 Internal Audit Plan Delivery Summary on Matters Arising from Completed Audits</p>	<p>Ian Thompson (IT) & Linda Waters (LW)</p> <p>DCC Jason Hogg (JH)</p> <p>Mike Lattanzio (ML)</p>	<p>Action 4: (LW) and (IT) to take this discussion away and reflect on conclusions of the audit process as the Committee were concerned of the slippages of the two audits.</p> <p>Action 4.1: (JH) to brief next JIAC on what risks/harms may emerge from incomplete, inaccurate or surplus information being transmitted to/from Probation Services.</p> <p>Action 4.2 (ML), as SIRO, to report back to the committee on whether GDPR issues were fully engaged in the framework.</p>	<p>Action 4. UPDATE AWAITED AND OUTSTANDING</p> <p>Action 4.1. If incomplete or inaccurate information is shared, there is a risk that inappropriate action might be taken, affecting an individual's rights and freedoms, or worst case, failing to protect someone from harm. If surplus information is given there is a risk of unlawful sharing, i.e. a data protection breach. This is ongoing and an update to be provided to JIAC in due course..</p> <p>DCI James Cosham - From an operational POV notwithstanding what Marion has said (which fits nicely into the operational role) the difficulty we have is knowing what has/hasn't been requested by probation (or other partners) and what has been sent back out.</p> <p>Re the audit that was attached; there is a massive piece of work that needs to be completed to re-organise how we share information in and out of TVP. I have written a paper for D/Supt Clements relating to this and what it would take to bring that work to fruition.</p> <p>ACTION COMPLETE</p> <p>Action 4.2. (ML) The Information Sharing Agreement process, owned by JIMU is predicated on ensuring GDPR is adhered to, any data breaches (i.e. over-sharing) should be reported to JIMU and who in turn review any trends or risks, reporting them back to IAOs to add to their risk registers where appropriate, and escalating to DCC Collaboration Board and/or SRR where necessary.</p>
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			<p>A member of the Information Governance Team has been assigned to the Probation working group to support any improvements needed including ensuring resources in that team are fully aware and understand the current guidance.</p> <p>ACTION COMPLETE</p>
<p>Agenda Item 10</p> <p>Progress on Delivery of Agreed Actions in Internal Audit Report</p>	<p>Christine Kirby (CK), Claire Widdison (CW), Linda Waters (LW), Neil Shovell (NS)</p>	<p>Action 5: (CK), (CW), (LW) and (NS) to provide an update report to the next meeting on Contractor Appointment and Monitoring.</p>	<p>Action 5. Contractor risk adopted by CCMT as strategic risk. Overview provided in the risk paper.</p> <p>ACTION COMPLETE</p>
<p>Agenda Item 11</p> <p>TVP Strategic Risk & Business Continuity</p>	<p>Claire Widdison (CW)</p> <p>Joe Kidman (JK)</p> <p>Matt Bullivant (MB)</p> <p>Claire Widdison (CW)</p>	<p>Action 6: (CW) to provide an update on the challenges that custody suites faced.</p> <p>Action 6.1: (JK) would come back to the Committee as to where TVP were with the Home Office and Motorola with this service.</p> <p>Action 6.2: The Committee felt that it would be helpful to hear about Matt Bullivant's (MB) lessons learned on the Airwave incident when these were available and to forward to the Committee by email.</p> <p>Action 6.3: (CW) to provide the exercise list to the Committee by email for testing and output and any lessons learned once all exercises have been concluded.</p>	<p>Action 6. Custody risk reviewed and overview is provided in the risk paper.</p> <p>ACTION COMPLETE</p> <p>Action 6.1. AWAITING AND OUTSTANDING</p> <p>Action 6.2. Airwave outage paper and Airwave outage fall back plan attached (these to be emailed to the Committee rather than put in the published document)</p> <p>ACTION COMPLETE</p> <p>Action 6.3. BC plan sent through and CR sending through to the Committee by email 03/03/2022 rather than in the published document).</p> <p>ACTION COMPLETE</p>

Agenda Item 12 OPCC Risk Register	Paul Hammond (PH)	Action 7: (PH) to update the Committee at the next JIAC meeting in March on progress of OPCC 35.	Action 7. Update to be provided at the March 2022 JIAC Meeting by (PH). ACTION COMPLETE
Matters Arising from Minutes dated 1 October 2021	Lead	Action	Update/Action Complete
Agenda Item 4 TVP Wellbeing & Environmental Policy Statement & Annual Report 2020/21	Joe Kidman	Action 4. (JK) to bring updated sustainability strategy and associated metrics back to JIAC when it had been agreed (c. April 2022).	Action 4. To present to JIAC in March 2022 TVP WELLBEING & ENVIRONMENTAL POLICY STATEMENT & ANNUAL REPORT ADDED TO JUNE 2022 AGENDA
Agenda Item 10 Progress on 2020/21 Internal Audit Plan	Neil Shovell	Action 10. (NS) to update the Committee in Q4 re capturing data and working practices on Niche.	Action 10. The next phase of the Niche Data Quality audit is scheduled for Q4, so an update will be provided to the JIAC at either the March or the June 2022 meeting, depending on when the final report is issued. ACTION ADDED TO MARCH OR JUNE 2022 JIAC AGENDA
Matters Arising from Minutes dated 18 June 2021	Lead	Action	Update / Action complete
Agenda Item 8 Annual Report of the SIRO	Mike Lattanzio/Jason Hogg	Action 15. (AC) to liaise with Cat Hemmings (CH) in setting up a paper exercise rehearsal in switching off and restoring.re Ransomware attacks with a planned exercise taking place in December 2021 with (JH) being involved in the exercise.	Action 15. BC exercises planned for HC 5 th October with TVP targeted end October-December 2021. ACTION COMPLETE BUT TO REMAIN ON THIS LIST WITH UPDATES PROVIDED AFTER TVP EXERCISE HAS TAKEN PLACE BY (JH)



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Decision: 18th March 2022

Title: Draft Annual Governance Statement 2021/22

Executive Summary:

Local authorities, including the Police, are required to produce an annual governance statement (AGS) to show the extent to which they comply with their own code of corporate governance.

Attached at Appendix 1 is a single, combined, AGS which shows how the Chief Constable and the Police and Crime Commissioner (PCC) have complied with their joint Code of Corporate Governance during 2021/22.

This is an early draft and further work will be required before the joint AGS is published in the annual Statement of Accounts for 2021/22 that the PCC and Chief Constable are producing.

The adequacy and effectiveness of the present governance arrangements is being considered but at this early stage there are NO significant issues that require immediate attention, nor are there any potential issues that may have an adverse impact on the internal control environment during 2021/22.

A further update will be provided at the Committee's next meeting on 17th June.

Recommendation:

The Committee is asked to review the draft Annual Governance Statement for 2021/22 and provide feedback to officers.

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL

1 Introduction and background

- 1.1 The CIPFA/SOLACE Good Governance Framework establishes the principles and the standards of governance against which all local government bodies, including police and crime commissioners and chief constables, should assess themselves. *'Delivering Good Governance in Local Government'* urges local authorities to prepare a governance statement in order to report publicly on the extent to which they comply with their own code of corporate governance on an annual basis, including how they have monitored and evaluated the effectiveness of their governance arrangements in the year, and on any planned changes in the coming period. The process of preparing the governance statement should itself add value to the effectiveness of the corporate governance and internal control framework.
- 1.2 The annual governance statement (AGS) should provide a brief communication regarding the review of governance that has taken place and the role of the governance structures involved. It should be high level, strategic and written in an open and readable style. It should be focused on outcomes and value for money and relate to the body's vision for the area.

Local Position

- 1.3 The PCC and Chief Constable are established as separate legal entities, or 'corporations sole', which means they are both entitled to own assets and employ staff. Accordingly, they must also produce their own Statement of Accounts and Annual Governance Statements (AGS).
- 1.4 The PCC and Chief Constable have approved a joint Framework for Corporate Governance which includes a joint Code of Corporate Governance to explain how the PCC and Chief Constable will comply with the principles of good governance for the public service. The 2021/22 Framework was approved by the PCC and Chief Constable on 30 March 2021.
- 1.5 The Annual Governance Statement for 2021/22 is attached at Appendix 1. We have produced a single, combined, AGS which has been incorporated in the PCC (and Group) and Chief Constable Statement of Accounts.
- 1.6 The Governance Framework on pages 2 to 10 [of Appendix 1] explains how the Chief Constable and PCC have complied with the seven key headings from the approved Code of Corporate Governance.
- 1.7 The financial management arrangements in Thames Valley are explained on pages 8 and 9. This is a key requirement of the Code of Practice on Local Authority Accounting in the United Kingdom.
- 1.8 The Review of Effectiveness on pages 10 to 16 explains how the governance framework has operated in practice during the financial year.

CIPFA Financial Management Code

- 1.9 The primary objective of the new CIPFA Financial Management (FM) Code is to enhance standards of financial management across the public sector. It was

implemented with effect from 1st April 2021. In March 2021 the Committee received a high-level self-assessment against the key principles and standards. This self-assessment, undertaken jointly by the Chief Finance Officer (CFO) and Director of Finance, has been updated to identify areas for improvement. The latest version is attached at Appendix 2.

- 1.10 In February 2022 CIPFA issued a police specific version of their 'Financial resilience self-assessment' and medium term financial planning toolkit. The CFO and Director of Finance have used this toolkit to produce a Financial Resilience Self-Assessment in TVP. This is attached at Appendix 3. This document will be shared with our external auditors and used to justify our Going Concern assessment, and conclusion for the 2021/22 Statement of Accounts.

COVID-19

- 1.11 The organisational response to COVID-19 has meant that there have been no significant changes or impacts on existing governance arrangements. The two organisations have adjusted the way that services and governance arrangements have been managed and delivered, but not substantially changed the framework of delivery and the range and quality of services delivered. Accordingly, COVID-19 has not presented itself as a significant governance issue to be managed, i.e. it has not become an actual governance issue in 2021/22 and is not identified and proposed as a significant strategic governance issue to be managed in 2022/23.

AGS

- 1.12 As in recent years, there are **no** significant governance issues requiring immediate attention, nor are there any potential issues that will require close monitoring during 2022/23 to ensure they do not impact adversely on the internal control environment. In coming to this conclusion, the Governance Advisory Group considered the potential implications and/or concerns of a number of key national and local issues from a governance perspective. The issues, and the reasons they have not been included in an Action Plan, are set out below:

Change Programme / Project Considerations:

- a. **Emergency Services Network (ESN) / Emergency Services Mobile Communications Project (ESMCP)** – This national programme is now running up to 4 years behind timetable, which has implications for both national and local service effectiveness and budgets. The delivery mechanism is based upon the phased introduction of products, delivering services across the three emergency services. Rollout of the replacement of Airwave's critical voice solution will be geographically based on an, as yet, undefined sequence. The final national programme plan is currently expected in Quarter 2, 2022. TVP continues to monitor and influence national developments proactively, and local financial and operational plans are adjusted accordingly in conjunction with South East Region Integrated Policing (SERIP) assessments. This is not, however, a local Thames Valley Police governance or internal control issue.
- b. **National programmes** - There are a number of national programmes, such as National Law Enforcement Data Service (NLEDS) and

Transforming Forensics, which will impact on the Force. These are being kept under review by the respective Force leads but should not impact on corporate governance arrangements

Organisational & Operational Considerations:

- c. **Forensic services** – The forensic services market still remains constrained with supply being barely sufficient to meet demand from UK policing. Work has commenced nationally to develop resilience and to ensure that the market is sustainable in the long term. This is not, however, a local Thames Valley Police governance or internal control issue.
- d. **Healthcare** - The market for health care staff is very constrained currently, with the NHS having over 50k nursing vacancies. This is impacting the ability of our provider of health care professionals (HCP) for operating in the custody suites to retain and recruit staff. The recent high levels of Omicron variant Covid infections has made this situation worse and so has resulted in a reduced provision of HCP in custody suites. The provider has commenced a major recruitment campaign and we are working with them to find ways to make the role more attractive. The Force is working closely with the provider to support their efforts and to ensure that all necessary actions are taken to minimise impact on the Force. This is not, however, a local Thames Valley Police governance or internal control issue
- e. **Vehicles** - The manufacture of motor vehicles is severely compromised globally as a result of issues within the supply chain of key components, most seriously for micro-processors. This has resulted in a global shortage of vehicles. This issue is likely to continue for another 12-18 months. Blue Light Commercial are managing the relationships with manufacturers on behalf of forces nationally whilst, at a local level, suitable mitigations are being implemented to extend the life of current fleets. This is not, however, a local Thames Valley Police governance or internal control issue
- f. **Property Sector** – The impact of the pandemic on certain areas of the economy is still developing, such as the Property sector where recently a major contractor (Midas) entered administration. The normal programme management and engagement with the supplier identified the potential issues early so remedial actions were in progress before the outcome became public knowledge. Although delays will be incurred, this demonstrates the proactive governance and internal control arrangements in place within the force. Unfortunately, these external influences cannot be avoided completely.
- g. **Internal audit reports** - reports issued during 2021/22 were considered; however, it was felt that there were no outcomes or actions of sufficient seriousness and relevance that identified any significant potential risk to the effectiveness of the overall corporate governance arrangements.
- h. **Collaboration** – The Chief Constable of Thames Valley Police and the Chief Constable of Hampshire Constabulary have released a joint statement within both Forces regarding collaborative intent. The statement recognises the importance of collaborative working, and the link to

delivering better service, increased efficiencies and improved resilience alongside the statutory duty to consider collaboration. The two Forces have a good record of delivering collaborative programmes and currently successfully collaborate in four key delivery areas. It is also recognised that successful collaborative working can be challenging, particularly against the backdrop of complex regional and national landscapes and the current operational challenges across policing. The statement sets out clear principles that will frame future collaborative developments, and the desire to remain committed to the ongoing development of Counter Terrorism Policing South East (CTPSE), South East Regional Organised Crime Unit (SEROCU) and South East Region Integrated Policing programme (SERIP)

- i. **Problems with the recruitment and retention of police officers and staff** - With the very buoyant labour market, the turnover of officers and staff within TVP has increased, which in turn increases the volume of recruits required to achieve the Home Office Police Uplift Programme (PUP) target in addition to maintaining existing resource levels. There was a risk that we may marginally miss our PUP target but significant work, including identifying new opportunities, has hopefully addressed this risk. Improving recruitment and retention will continue to be a major focus of the Force for the next financial year. The risk is recorded on the Force risk register. Although this is a strategic risk to the Force, it is a result of external economic factors and is not an internal control or governance issue, appropriate actions are in progress and CCMT are regularly monitoring progress.

National Considerations:

- j. **Home Office review of PCCs** –The Home Office launched a review of the PCC governance model in 2020. The review is being undertaken in two parts. Part One focused on changes required to strengthen the PCC model of governance that could be delivered ahead of the May 2021 PCC elections. The Part One review also considered ways to strengthen the accountability of fire and rescue services, and its scope will be aligned with the Government’s commitment to mayoral devolution. In particular, Part One looked at how to strengthen:

- PCC accountability and legitimacy
- Resilience, and the role of Deputy PCCs
- Scrutiny mechanisms
- The effectiveness of the relationship between PCCs and Chief Constables
- The mayoral PCC model.

Part One of the review has now concluded. The outcomes focused on immediate opportunities to strengthen the model, ensuring there are effective local scrutiny mechanisms in place to ensure PCCs are accountable to the communities they serve, while also mapping longer-term ambitions for the PCC role.

Accordingly, the Home Office plans to:

- Assess the Police and Crime Panel Model - specifically the potential benefits of independent members.
- Consider whether the existing mechanisms for investigating complaints and allegations against PCCs are sufficient, including the role of the Independent Office for Police Conduct (IOPC) in assessing criminal wrongdoings by PCCs and the issue of vexatious complaints.
- Work with the Cabinet Office and the Ministry for Housing, Communities and Local Government to consider the merits and demerits of introducing recall for PCCs for very serious breaches of behaviour.
- Through Part Two of the Review (and the Spending Review), examine how PCCs use data in holding Chief Constables to account for the performance of their force in reducing crime.

Part Two of the review was launched in July 2021, after the May 2021 PCC elections. It is focused on longer-term reforms, some of which may require legislation, and the 'and crime' aspects of the PCC role, including:

- Examining the role of PCCs in offender management.
- Considering the role of PCCs in the partnership landscape and assess whether their current set of 'tools and levers' are sufficient to drive and co-ordinate local activity to reduce crime, combat drugs misuse and tackle anti-social behaviour.
- Giving a general power of competence to PCCs, as afforded to local authorities.

2 Issues for consideration

2.1 In considering the Annual Governance Statement, and the adequacy and effectiveness of current governance arrangements, the PCC and Chief Constable are invited to consider the following questions, based on their knowledge of the organisation:

- a) Does the draft AGS provide an accurate representation of the corporate governance and internal control environment in place in Thames Valley Police during 2021/22 and its adequacy and effectiveness?
- b) Are you satisfied that the issues listed in paragraph 1.12 above represent the key national and local issues faced in 2021/22 from a governance perspective, and content with the reasons provided by the Governance Advisory Group for not including them in the 2021/22 AGS?
- c) From your knowledge of the organisation, are you content to endorse the statement that there are no significant governance issues requiring immediate attention during 2022/23, but that the operational and organisational implications of COVID-19 should continue to be identified as a potential governance issue to be monitored and addressed as necessary?

3 Financial comments

3.1 There are no specific financial implications arising directly from this report.

4 Legal comments

4.1 The Accounts and Audit (England) Regulations 2015 require both the PCC and Chief Constable to prepare a set of accounts in accordance with the CIPFA Code of Practice on Local Authority Accounting in the UK and are subject to audit. The PCC and Chief Constable are both required to produce an annual governance statement.

5 Equality comments

5.1 There are none arising specifically from this report

6 Background papers

Delivering Good Governance in Local Government: Framework.
Report to the Joint Independent Audit Committee on 9th March 2021.

<p>Public access to information Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.</p>
<p>Is the publication of this form to be deferred? No</p>
<p>Is there a Part 2 form? No</p>

Name & Role	Officer
<p>Head of Unit The AGS has been produced as a joint statement between the PCC and Chief Constable and explains how the two corporations sole have complied with their joint code of corporate governance.</p>	PCC Chief Finance Officer
<p>Legal Advice The AGS complies with the requirements of the Accounts and Audit Regulations 2015 and the CIPFA Code of Practice on Local Authority Accounting in the UK</p>	Monitoring Officer / Head of Governance and Compliance
<p>Financial Advice No specific issues arising from this report.</p>	PCC Chief Finance Officer
<p>Equalities and Diversity No specific issues arising from this report</p>	Chief Executive

PCC STATUTORY CHIEF OFFICERS' APPROVAL

We have been consulted about the report and confirm that appropriate financial and legal advice has been taken into account.

We are satisfied that this is an appropriate report to be submitted to the Joint Independent Audit Committee.

Chief Executive

Date 3rd March 2022

Chief Finance Officer

Date 28th February 2022

Annual Governance Statement 2021/22

This Annual Governance Statement explains how the Police and Crime Commissioner (PCC) and Chief Constable for Thames Valley have complied with their published corporate governance framework for the year ended 31 March 2022, including plans for the financial year 2022/23.

A glossary of terms is provided at the end of the Statement of Accounts.

Due to the changed service delivery and governance circumstances created by the global pandemic, an insight into both specific issues arising from and measures put into place in response to COVID-19 are included in the 'Arrangements for Review of Effectiveness' section of this report, where relevant,

Following the introduction of the Police Reform and Social Responsibility Act 2011 (the 2011 Act), the PCC and Chief Constable were established on 22nd November 2012 as separate legal entities ('corporations sole') which means they are both entitled to own assets and employ staff. However, the 2011 Act gives PCCs responsibility for the totality of policing within their force area and requires them to hold their force Chief Constable to account for the operational delivery of policing.

Under the 2011 Act, the PCC is the recipient of all funding, including government grant, precept and other sources of income related to policing and crime reduction, and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, who provides professional advice and recommendations to the PCC. However, the PCC is ultimately accountable to the public for the management of the Police Fund.

delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, including police officers and staff under his direction and control, remains operationally independent in the service of the public. In discharging his overall responsibilities, the Chief Constable is responsible for establishing and maintaining appropriate risk management processes, governance arrangements and ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions.

The Policing Protocol Order 2011 requires both the PCC and Chief Constable to abide by the seven principles of personal conduct set out in 'Standards in Public Life: First Report of the Committee on Standards in Public Life' (commonly known as the 'Nolan Principles'), i.e. 'Selflessness', 'Integrity', 'Objectivity', 'Accountability', 'Openness', 'Honesty' and 'Leadership'. The Nolan Principles are

incorporated into both the PCC's Code of Conduct and the College of Policing 'Code of Ethics' that applies to every individual who works in policing, including the Chief Constable and PCC.

(Copies of the PCC's Code of Conduct and the College of Policing's Code of Ethics can be found at:

<https://thamesvalley.s3.amazonaws.com/Documents/Our%20information/Policies%20and%20Procedures/PCC%20and%20DPCC%20Code%20of%20Conduct%2029%20March%2017.pdf>.

https://www.college.police.uk/What-we-do/Ethics/Ethics-home/Documents/Code_of_Ethics.pdf)

In addition, from an organisational perspective, the PCC and Chief Constable have approved and adopted a Code of Corporate Governance (the Code) which is consistent with the principles of the CIPFA / SOLACE guidance 'Delivering Good Governance in Local Government' (<http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>)

This Annual Governance Statement explains how the PCC and Chief Constable have complied with the Code and the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to conduct a review of the effectiveness of the system of internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The fundamental function of good governance in the public sector is to ensure that statutory entities (in this case, the PCC and Chief Constable) achieve their intended outcomes whilst acting in the public interest at all times.

The governance framework comprises the systems and processes, and culture and values by which the PCC and Chief Constable discharge their responsibilities and through which the police service accounts to and engages with the community. It enables the PCC to monitor the achievement of his strategic objectives and to consider whether these objectives have led to the delivery of appropriate, cost effective services, including achieving value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

The key elements of the systems and processes that comprise the governance arrangements that have been put in place for the PCC and Thames Valley Police (TVP) include:

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

The PCC and the Chief Constable have developed and approved a 'Joint Corporate Governance Framework' which clarifies the working relationship between the PCC, Chief Constable and their respective staff. This includes the code of corporate governance, the scheme of delegation and financial regulations. The Framework is informed by the requirements of 'The Good Governance Standard for Public Services' and is consistent with the seven Nolan Principles of standards in public life.

The national police service Code of Ethics sets and defines the exemplary standards of behaviour for everyone who works in policing, placing an absolute duty on officers and staff. The Code applies to

everyone in policing; officers, staff, volunteers and contractors. It applies both on and off duty. It guides behaviour within the organisation as much as it informs how to deal with those outside.

Measures are in place to ensure that the PCC, Deputy PCC and employees of the Office of the PCC (OPCC) and TVP are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. This includes the Anti-Fraud, Bribery and Corruption Policy and guidance on the acceptance of gifts, loans and hospitality. Notifications of disclosable interests and a register of gifts and hospitality are published on the PCC's and the Force websites.

The PCC and Chief Constable have transparent and accessible arrangements for dealing with complaints received from the public.

The Force has a Professional Standards Department (PSD) whose role is to uphold the ethical and professional standards of TVP. PSD manages the application of police misconduct regulations, and the administration of complaints by members of the public against the quality of service they have received from the Force and/or the conduct of police officers and police staff below the rank of Chief Constable. The PCC has a statutory responsibility to undertake reviews (formerly known as 'appeals') of the handling and outcome of complaints made against the Force, where requested by complainants, to improve transparency and accountability on behalf of the public. Furthermore, complaints against the Chief Constable are dealt with by the PCC. The independent Thames Valley Police and Crime Panel (PCP) handles formal complaints made against the PCC.

A Professional and Ethical Standards Panel has been jointly established by the PCC and Chief Constable to facilitate the discharge of their respective statutory obligations around handling and monitoring of police complaints, and to ensure that issues relating to policing integrity, ethics and professional standards are independently considered in order to maintain public confidence in policing. It does this by providing an annual assurance report to the PCC and Chief Constable.

Both the PCC and Chief Constable are required to demonstrate respect for the rule of law and comply with relevant laws and regulations. To that end, both employ in-house legal advisors to provide assurance and guidance upon lawful decision-making. The PCC is independent of Force management and operational decision-making, which is the responsibility of the Chief Constable. Established mechanisms and guidance are in place to ensure that the PCC and Chief Constable do not breach or misuse their legal and regulatory powers inadvertently. The PCC and his Deputy (when appointed) are subject to the PCC's Code of Conduct and Oath of Office, and the Chief Constable (and all other individuals who work in policing) are subject to the College of Policing's Code of Ethics, both of which are consistent with the Nolan principles. The Chief Executive of the OPCC is also the designated statutory Monitoring Officer, and the OPCC Head of Governance and Compliance is Deputy Monitoring Officer, with responsibility for advising on the legality and appropriateness of the PCC's actions and decisions.

The PCC and Chief Constable create the conditions for all members of the OPCC and Force to be able to discharge their responsibilities in accordance with good practice. Guidance originating from the College of Policing and NPCC is disseminated Force-wide by the Learning and Development Team in People Services and/or the Policing Strategy Unit. Similarly, best practice for PCCs is obtained via the Association of Police and Crime Commissioners (APCC), Association of Policing and Crime Chief Executives (APAC²E) and Police and Crime Commissioners' Treasurers Society (PACCTS), and is disseminated amongst the OPCC.

The Force employs a Force Vetting Manager and team within the Professional Standards Department to ensure compliance with relevant national vetting standards.

B. Ensuring openness and comprehensive stakeholder engagement

The PCC has a statutory responsibility to consult the Chief Constable and obtain the views of the community and victims of crime about the policing of the Force area, and he must have regard to their views as well as the priorities of responsible authorities within the Thames Valley and relevant government bodies before issuing a Police and Criminal Justice Plan.

The PCC's Police and Criminal Justice Plan covers a five-year period and sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered over his tenure of office. His Plan is supported by the Force Strategic Plan, the OPCC's Strategic Delivery Plan and the Financial Strategy. The Police and Criminal Justice Plan has due regard to the Strategic Policing Requirement as issued by the Home Secretary and is developed in consultation with the Chief Constable, informed by the views of the local community, victims of crime and the priorities of other key stakeholders.

The Police and Criminal Justice Plan must be published by the end of the financial year in which the PCC is elected and, in the Thames Valley, is reviewed as necessary and appropriate on an annual basis to ensure it remains relevant and fit for purpose. In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public.

The independent Thames Valley Police and Crime Panel meets regularly to review and scrutinise the decisions and actions of the PCC and his performance in delivering the objectives contained in his Police and Criminal Justice Plan. It also meets specifically to consider the PCC's proposed annual council tax precept increase; Police and Criminal Justice Plan, Annual Report and any proposed senior appointments to the roles of Deputy PCC, Chief Constable, OPCC Chief Executive and OPCC Chief Finance Officer.

Arrangements have been agreed and implemented for the PCC to hold the Chief Constable to account for Force performance and compliance with other requirements. These arrangements include a schedule of formal public and private meetings, i.e. regular quarterly Performance and Accountability public meetings (formerly known as 'Level 1' meetings), with the reports and agendas published on the PCC's website, supplemented by regular monthly private liaison meetings between the PCC and Chief Constable (in respect of which minutes are taken but not published).

The Framework of Corporate Governance defines the parameters for decision-making, including delegations, financial regulations and contract regulations. The PCC has published his policy statement on decision-making. All formal and significant PCC decisions taken in accordance with this policy are published on his website.

The PCC proactively publishes information to maintain openness and transparency with the public on this same website; in doing so, he also meets his obligations under the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and, as a public authority, under the Freedom of Information Act 2000.

The PCC published his 2020/21 Annual Report last June (2021). This explained his main achievements during that financial year and provided information on operational and financial performance for 2020/21. His 2021/22 Annual Report is due to be published in June 2022.

The Chief Constable has prepared and published the TVP Strategic Plan. A performance update on the strategic plan is provided to the PCC's Performance and Accountability meetings every 8 weeks, in respect of which the agenda and papers are published on the PCC's website.

Key information about the Force, including the Strategic Plan, is published on the TVP website. Information about neighbourhood policing, partnerships and sponsors, corporate events and public misconduct or special case hearings is also published, including details of upcoming hearings and how to attend. The site also allows for crimes and road traffic incidents to be reported, feedback to be given or complaints made.

The PCC and Chief Constable regularly attend local authority council meetings across the Thames Valley and provide formal briefings to constituency MPs on topical policing and crime issues at both a local and national level. In addition, the Police and Crime Panel acts as a two-way mechanism to enable local authority Panel representatives to inform the PCC of their local policing and crime matters of importance to their respective authorities and communities, and to brief their authorities of the activities and initiatives of the PCC (and the Panel).

The PCC works with and part-funds local authority Community Safety Partnerships, Youth Offending Teams and Drug and Alcohol Teams across the Thames Valley to support crime reduction and community safety activities in their local areas. Such activities are aligned to the PCC's strategic priorities and key aims, as set out in his Police and Criminal Justice Plan, and are funded from the PCC's Community Safety Fund. Through working in partnership, these activities not only help the PCC to deliver his strategic objectives but also support partners in achieving their local priorities too.

The PCC is a member of the Thames Valley Local Criminal Justice Board, which meets regularly to consider and discuss the performance of the local criminal justice system and any issues or initiatives being addressed individually and collectively by the criminal justice agencies. The PCC has chaired this Board since January 2019. An Assistant Chief Constable (ACC) represents TVP on the Board.

The Force has appropriate mechanisms for engaging with a variety of external organisational stakeholders. The Chief Constable generally attends Local Authority Chief Executive's meetings annually, it is slightly different dependant on the area and the pandemic has altered the consistency of this over the last two years, but this is still the intention. The Chief Constable has delivered a presentation and answered questions in an open forum to each Council across the Thames Valley.

The South East Regional Integrated Policing (SERIP) Board meets quarterly to discuss regional change programmes and projects. All collaborative change programmes are supported by appropriate change frameworks to ensure appropriate governance processes are adopted and supported by standard products including risk and issue logs.

The OPCC and TVP communication and engagement strategies explain how local people can interact with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction.

In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public and at what cost. Furthermore, the decisions and actions of the PCC are subject to regular review and scrutiny by the Police and Crime Panel.

The Chief Constable has a statutory duty to make arrangements for obtaining the views of persons within each neighbourhood about crime and disorder in that neighbourhood. Force engagement with the public takes place on many levels, from daily street contact and phone calls through to attendance at public meetings and formal surveys in relation to service priorities, levels and quality. Community Forums have been established across the force area and are active partnerships between the public, statutory and voluntary agency partners and local policing teams. "Have your say" is a consultation and priority setting process which aims to increase public consultation and ensure that the Force tackles issues which most concern communities. In addition, the Force runs 'Cover It Live' on-line events specific to themes or incidents, and has active social media outlets including Facebook and Twitter. The Thames Valley Alert system also enables electronic public engagement en masse.

C. Defining outcomes in terms of sustainable service and economic benefits

The PCC's Police and Crime Plan sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered over his tenure of office.

The Chief Constable has published the annual TVP Strategic Plan, outlining a clear vision of the organisation's purpose, priorities and strategic intentions, taking account of the PCC's Police and Crime Plan and the Home Secretary's national Strategic Policing Requirement. Progress against the Force's strategic objectives (the seven 'Priority Outcomes') is assessed through focussed Strategic Plan success measures, and reviewed via the Service Improvement Reviews, Force Performance Group and Strategic Vulnerabilities framework.

The organisation is committed to the identification and consideration of collaboration opportunities with regards systems, processes and resourcing to sustain service delivery and increase the capacity and resilience of the organisation without diminishing capability and access to specialist services.

Major partnerships and consortia involving the Force and the PCC are governed by formal collaboration agreements established under Section 22A of the Police Act 1996, or by Memoranda of Understanding, as appropriate. Joint collaboration oversight boards provide strategic oversight and an approval process for intended service outcomes to be delivered for collaboration activity. These collaboration boards comprise Chief Officers and the PCC from each Force area participating in the collaboration, supported by appropriate advisors from the respective Force departments / SERIP.

There are also partnership arrangements in place with other agencies and stakeholders to manage vulnerability caused by the changing crime landscape, including Multi-Agency Safeguarding Hubs (MASHs).

The Medium Term Financial Plan (MTFP) and Medium Term Capital Plan (MTCP) ensure that planned activities to support the objectives of the PCC and Chief Constable are financially sustainable in the longer term. The Productivity Strategy is an integral part of the MTFP and identifies where savings and efficiencies can be achieved and hence more resources directed to priority areas. Service delivery is reviewed within the Force's Governance & Service Improvement (GSI) department, developing an understanding of present and future demand to inform organisational and operational strategies aimed at sustaining service delivery or improvement. The Effectiveness & Efficiency programme is the methodology adopted to identify the respective costs and priority of services to help direct investment into priority areas to achieve a sustainable service that balances effectiveness with efficiency, ensuring economic viability and public value.

Risk and business continuity matters are managed through a governance framework at a local and strategic level, to manage and mitigate threats to service delivery. Strategic Risk and Business Continuity is managed within the Force's Strategic Governance Unit, bringing together horizon scanning, local risk registers and change-programme risk and business continuity issues.

The Force and PCC both have a duty to consider the impact on equality of proposed changes to policies, procedures and practices. Equality Impact Assessments are routinely undertaken by TVP for policies and change programmes to assess impact internally and externally for staff, stakeholders and the public.

D. Determining the actions necessary to achieve the intended outcomes

The Force planning cycle incorporates the annual Force Management Statement, financial plans, workforce plans and the PCC's Police and Crime Plan to inform the Force's annual Strategic Plan. Priority activities, measures and intended outcomes are proposed and approved through the Chief Constable's Management Team (CCMT), and monitored through the service improvement framework and quarterly updates to inform the PCC's Performance and Accountability meetings.

The Chief Constable maintains a rolling MTFP, which forms the basis of the annual budgets and provide a framework for the evaluation of future proposals. These are accompanied by mid-term workforce plans, managed by the People Directorate.

Decision-making at all levels of the Force is undertaken within the framework of the National Decision Model, which has the Code of Ethics at its core. The National Decision Model was introduced to ensure a greater focus on delivering the mission of policing, acting in accordance with values, enhancing the use of discretion, reducing risk aversion and supporting the appropriate allocation of limited policing resources as the demand for them increases. Both are now fully embedded in the Force, to ensure officers have the tools to act lawfully in their decision making and to enable them to use their full powers for the benefit of citizens, communities and other stakeholders.

With regards to change programmes, Force change proposals are governed through the Change Governance Meeting, which co-ordinates and prioritises proposals, assessing them against the organisation's strategic objectives, capacity and financial capability. Each proposal is captured through an application then, if appropriate, a business case. Bi-lateral projects and programmes, or those requiring the support of a collaborated unit to deliver, and governed through a Joint Change Governance board with representation from Thames Valley Police, Hampshire Constabulary and collaborated units.

In-flight programmes are managed by a Programme Board, chaired by a Senior Responsible Officer. Updates inform the Joint Portfolio Meeting and run collaboratively with Hampshire Constabulary, to enable co-ordination, planning and the oversight of resources from enabling departments to achieve the desired outcomes. All programmes and projects have strategic oversight through the Force Transformation Board, DCCs Collaboration Board, and respective Chief Officer Groups. Collaborated programmes have consideration to and management of shared risks and issues.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

The Chief Constable produces a MTFP and a MTCP, which are reviewed throughout the financial year alongside the OPCC's reserves to provide an effective financial probity framework for decision making. The MTFP and MTCP are closely aligned to the PCC's Police and Criminal Justice Plan and the Force Strategic Plan. The PCC approves the MTFP and the MTCP as well as the Force's annual budgets. The Police and Crime Panel must review the PCC's proposed council tax precept increase and make recommendations to the PCC before he formally sets the annual budget in February each year. Formal budget monitoring is undertaken on a regular basis throughout the year, i.e. it is presented to the PCC's regular public Performance and Accountability meetings between the PCC and Chief Constable (with agendas and minutes published on the PCC's website as well as being reviewed regularly by the CCMT).

The Productivity Strategy forms an integral part of the MTFP and incorporates the outcomes of initiatives such as Effectiveness & Efficiency or the Estates Asset Management Plan. Under the Productivity Strategy, £3.5m of cash savings were identified and removed from the revenue budget during 2020/21.

Force and Local Police Area Tasking and Co-ordination Group processes enable the regular review of operations, performance and resource deployment in an operational setting. CCMT provides strategic oversight for performance against Strategic Plan measures and priorities, as well as financial plans and asset management plans.

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

The PCC and Chief Constable ensure that their statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation. Specialist advice, in areas such as taxation, legal matters and treasury management, is sourced externally, as this is more practical and cost-effective.

Chief Officers have clearly defined leadership roles and are responsible for implementing strategy and managing the delivery of services within their respective portfolios.

Officers and staff manage their performance and continuous development through the Performance Development Review framework. An annual assessment of competencies and objectives linked to Strategic Plan outcomes is supported by interim reviews and a requirement for officers and staff to undertake Continuous Professional Development. The framework also allows for the management of unsatisfactory performance or attendance where it is identified. The Force has a stated Health and Wellbeing Strategy, along with a workforce plan focussed on recruitment, retention and resilience. Progress on becoming increasingly representative of the communities the Force serves is also an area of focus. The Force is committed to being considered an employer of choice.

Chief Officers have promoted a learning environment climate focussed on continuous service improvement, recognising the importance of independent and peer review when needed. Integral to this is the identification of lessons learned, recommendations and identified areas for improvement through end of project / programme closure reports undertaken before transitioning to business as usual, results analysis, individual management reviews, serious case reviews and Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) audit / inspection processes.

The PCC has received appropriate induction training. As the PCC has a power to appoint a Deputy to assist him discharge his statutory functions, where appointed the Deputy PCC will also receive appropriate induction training. Ongoing training and development for the PCC (and the Deputy PCC where appointed) includes attendance at appropriate national conferences and seminars.

The PCC has also implemented a staffing structure within the OPCC to ensure it has the necessary capability and capacity to support him deliver his statutory functions, such as commissioning services for victims and witnesses. 'Victims First' is the overarching name for all the PCC's services in providing support for victims of crime.

The PCC reviews the workload and performance of his office via the internal OPCC Strategic Delivery Plan, which allows him to monitor activities and identify workload priorities and staffing capacity needs in accordance with the delivery of his strategic priorities.

The PCC is a member of the national Association of Police and Crime Commissioners (APCC). The Chief Constable and his fellow chief officers are members of the National Police Chiefs' Council (NPCC).

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

The Chief Constable, officers and staff all recognise that risk management is an integral part of their daily function, in operational, corporate and change environments. The Risk Management Policy is supported by the Risk and Business Continuity Communications Strategy. The management of risk is governed through the Force Risk Management Group, which exists to oversee strategic risk management and business continuity processes; take ownership of strategic risk issues; delegate actions to appropriate risk managers; accept strategic risk reports and recommendations through the Governance and Service Improvement department, authorise actions and allocate resources where necessary.

The PCC and Chief Constable monitor service delivery effectively via their respective performance regimes.

The PCC has a duty to hold the Chief Constable to account for the performance of TVP generally. The PCC has therefore implemented an effective scrutiny and oversight function. He holds quarterly public 'Performance and Accountability' meetings at which the Chief Constable is required to demonstrate that the Force is performing against the strategic priorities and key aims in the PCC's Police and Crime Plan, the Home Secretary's Strategic Policing Requirement and the Force's own Strategic Plan. Similarly, the PCC meets monthly with the Chief Constable on a private, informal, basis to review and discuss more regularly the general performance of the Force against topical national, regional and local issues. The PCC maintains an HMICFRS tracker to follow up on any risks to the performance of the Force that have been highlighted by HMICFRS inspections.

The OPCC provides an update against its internal Strategic Delivery Plan to the PCC via the OPCC Strategic Management Group monthly meetings and quarterly Performance and Accountability meetings. The PCC therefore receives regular reports on service delivery plans and on progress towards outcome achievement of the priorities and aims set out in the Police and Criminal Justice Plan.

The Chief Constable holds a quarterly Performance Group meeting together with his management team, regularly attended by the PCC as an observer, in which the Chief Constable reviews performance of the Force against the annual Strategic Plan. The Service Improvement Review framework is a comprehensive schedule of LPA or Departmental review meetings, starting with a period of fieldwork, and culminating with a meeting, chaired by the DCC with attendance from the local command team, to review findings and set actions. A performance update against the Force Strategic Plan is considered quarterly at CCMT meetings. This same meeting determines and monitors Force strategy, policies and performance. Gold Groups are set up and managed in response to particular areas of vulnerability or to manage particular areas of performance as necessary, for example in response to a critical incident.

The Chief Constable has implemented monthly Demand & Performance meeting, chaired by DCC, attended by ACC of crime and ACC LP, the FCR and 3 Chief Superintendents. The meeting reviews the Demand and Performance paper. In addition, the Improvement and Innovation meeting has also been set up, chaired by the DCC, in which constructive challenge and debate on recommendations, thematic operational policies and procedures is encouraged. There are been 10 meetings this year. The findings of these meetings are fed into the Chief Constable's Performance Group or CCMT.

The Force Risk Management Group oversees risk management within the Force and is chaired by the Chief Constable. The Group focusses on strategic risks but also monitors risk management processes across the Force, including within change programmes. The OPCC maintains its own strategic risk register.

A Joint Independent Audit Committee (JIAC) operates in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance and the Home Office Financial Management Code of Practice. The JIAC's main role is to provide assurance to the PCC and Chief Constable that the corporate internal control and governance framework, including risk management, is operating adequately and effectively. It does this by providing an annual assurance report to the PCC and Chief Constable. The JIAC meets in public, and reports and minutes are placed on the PCC's website.

Effective counter-fraud and anti-corruption arrangements are in place and are monitored, in the main, by the Force's Professional Standards Department. The Anti-Fraud, Bribery and Corruption Policy is updated every two years and is considered and endorsed by the JIAC before formal publication. It was last updated in December 2020.

The Internal Audit Team provides assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control.

The Force manages its information in accordance with the Data Protection Act 2018 and the General Data Protection Regulation, the Freedom of Information Act 2000 and the Code of Practice on the Management of Police Information. This is overseen by the Information Governance Board chaired by the Chief Information Officer (who also holds the position of Senior Information Risk Owner). The Joint Information Management Unit leads on information compliance for both TVP and Hampshire Constabulary (HC) and ensures that appropriate policies and procedures are in place. The Joint Information Management Unit is also responsible for providing guidance on lawful sharing of information with partners, completion of Data Protection Impact Assessments and maintains a library of Information Sharing Agreements. Information Asset Owners have been appointed to manage the risks to specific information types, supported by a network of data guardians. National Centre for Applied Learning Technologies (NCALT) training packages on the Code of Practice on the Management of Police Information and the Government Security Classification policy are mandatory for all officers, staff and volunteers who have access to information and completion rates are monitored by the Information Governance Board.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

Financial management arrangements

The annual financial strategy and the capital strategy for the forthcoming financial year are approved in November each year.

The Chief Constable produces a MTFP and a MTCP which are regularly reviewed during each financial year and form the basis of the annual budgets, to provide an effective framework for decision making. Formal budget monitoring is undertaken on a regular basis throughout the year, i.e. it is regularly reviewed by the CCMT as well as being presented to the PCC's regular public Performance and Accountability meetings between the PCC and Chief Constable (with agendas and minutes published on the PCC's website).

The Productivity Strategy is an integral part of the MTFP, challenging the effectiveness of the force and identifying savings and efficiencies to help balance the budget whilst achieving the PCC's and Chief Constable's objectives. £3.7m of cash savings were identified and removed from the revenue budget during 2021/22. The delivery savings within the Productivity Strategy are monitored as part of the regular financial monitoring.

The Chief Internal Auditor reports jointly to the PCC's Chief Finance Officer and the Chief Constable's Director of Finance. The Chief Internal Auditor provides a regular update to the JIAC and also provides an independent opinion on the adequacy and effectiveness of the risk management, control and governance processes.

The financial management arrangements conform with the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer of the PCC and the Chief Financial Officer of the Chief Constable (March 2021). These local financial management arrangements will be reviewed and updated to ensure compliance with the new Financial Management Code issued by CIPFA.

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

The PCC and the Chief Constable attempt to strike a balance between providing the right amount of information to satisfy transparency demands and enhance effective public scrutiny whilst not being too onerous to provide and for users to easily access and understand.

The PCC's decisions and actions are scrutinised by the Police and Crime Panel, which includes reviews of significant documentation produced by the OPCC for the benefit of the public.

The PCC complies with the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and publishes required information on his website. Decisions of significant public interest made by the PCC are published in accordance with a template that ensures they are easy to access and interrogate. Similarly, public reports are compiled in accordance with best practice and scrutinised by the JIAC. Furthermore, the OPCC (and TVP) has reviewed its compliance with the new legal requirements of the Public Sector Bodies Accessibility Regulations 2018 and taken all reasonable steps to help make sure our online services are accessible to all users, including disabled people.

The Chief Constable's Corporate Communications department oversee communications to the public on behalf of the Force. In doing so they abide by the corporate style guide, which is designed to ensure communications are issued in an understandable style appropriate to the intended audience. In addition, the PCC has his own communications team.

The PCC and Chief Constable both report at least annually on performance, value for money, and the stewardship of resources to stakeholders in a timely and understandable way.

The PCC and Chief Constable maintain a process to assess the extent to which the organisation is applying the principles contained in the Framework of Corporate Governance and publish the results of that assessment in the Annual Governance Statement, including an action plan for improvement and evidence to demonstrate good governance in action.

The PCC and Chief Constable ensure that the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar entities.

The PCC and Chief Constable ensure that all accepted recommendations for corrective action made by external audit are acted upon.

The Joint Internal Audit team has direct access to the PCC, Chief Constable and the JIAC, and provides assurance with regard to the organisation's governance arrangements. The JIAC monitors progress with regards to timely implementation of agreed internal audit report actions.

Both the PCC and Force are subject to external independent scrutiny and review, through the external audit of their financial statements, systems and management arrangements, and through the inspection of policing performance by HMICFRS. The resultant audit and inspection reports are published on both the PCC and TVP websites.

HMICFRS is charged with independently assessing the effectiveness, efficiency and legitimacy of police forces and fire and rescue services, in the public interest. The PCC is required to publish a response to formal reports issued by HMICFRS. The Force engages fully with the cycle of Police Effectiveness, Efficiency and Legitimacy (PEEL) inspections, Joint Targeted Area Inspections and Thematic Inspections as required.

The PCC and Chief Constable make best use of peer challenge, reviews and inspections from regulatory bodies and professional partners (e.g. College of Policing) and implement agreed recommendations.

Before delivering key services through third party suppliers, the PCC and Chief Constable gain assurance on risks associated with service delivery and subject these arrangements to regular review.

When working in partnership, the PCC and Chief Constable ensure that the arrangements for accountability are clear and that the need for wider public accountability has been recognised.

ARRANGEMENTS FOR REVIEW OF EFFECTIVENESS

The PCC and Chief Constable are responsible for reviewing the adequacy and effectiveness of the governance framework on at least an annual basis. This includes:

a) The Police and Crime Commissioner

The PCC has the following key statutory duties and powers to:

- produce and publish a five-year Police and Crime Plan that sets out the PCC's policing and crime objectives;
- set the annual policing budget and council tax precept;
- secure the maintenance of an efficient and effective police force;
- hold the Chief Constable to account for the exercise of their functions and of those personnel under their direction and control;
- undertake reviews (formerly known as appeals), where requested by a complainant, of the handling and outcome of their complaints made against the Force;
- handle complaints made against the Chief Constable;
- have regard to the relevant priorities of, and act in co-operation with, responsible authorities in exercising their crime and disorder reduction responsibilities, including the making of related grants to any person;
- make arrangements with criminal justice bodies to provide an efficient and effective criminal justice system for the Force area;
- commission victims' support services;
- power to take on the responsibility for the governance of fire and rescue services within the Force area; and
- produce and publish an annual report.

The following key governance activities took place during 2021/22 and demonstrate how the PCC has discharged these powers and duties during that year:

- The updated framework for corporate governance was approved on 30 March 2021.
- The PCC allocated £3.0m from his Community Safety Fund in 2021/22 to help improve community safety and crime prevention across the Thames Valley. £2.7m was allocated to local authorities and £0.3m was retained by the OPCC to help fund Thames Valley-wide initiatives.
- The PCC published his 2020/21 Annual Report in June 2021 to highlight major achievements during that financial year and to report on operational and financial performance during 2020/21.

- In July 2021 the OPCC published its Strategic Delivery Plan for 2021/22. This is an internal OPCC management action plan that supports the PCC to monitor the delivery of both policing and non-policing activities, targets and measures within the Police and Crime Plan. Progress reports were presented to the PCC in public meetings on a regular basis throughout the year and the Plan is reviewed and updated each year.
- During the autumn of 2021 the PCC worked closely with the Chief Constable to update the MTFP (2022/23 to 2024/25). He submitted his budget and council tax proposals for 2021/22 to the Police and Crime Panel on 28th January 2022. The Panel endorsed his £10 (or 4.3%) increase in Band D council tax.
- The PCC is actively engaged in the oversight and scrutiny of key collaboration activities (e.g. South East region; bilateral with Hampshire; Chiltern Transport Consortium and the National Police Air Service).
- The PCC has been actively engaged in the scrutiny of major Force business change programmes such as Contact Management Platform (CMP) and Equip (Enterprise, Resource Planning), which were both escalated to the relevant collaboration governance boards.
- Three PCC public Level 1 / Performance and Accountability meetings were held in 2021/22, supplemented by monthly private and informal liaison meetings between the PCC and Chief Constable, to enable the PCC to hold the Chief Constable to account.

b) The Force

2020. Through Op Restore, the Force worked together with Local Resilience Forum partners to contribute to the Multi agency response to COVID-19. May 2021 saw the implementation of the Operation Renew Command Structure with a C/Supt Gold Commander in place.

Governance structures incorporated internal arrangements for the safety and wellbeing of officers and staff, as well as external arrangements for the enactment of new legislation and the continuity of policing services to the public.

A risk-register specific to tactical COVID-19 considerations was established and reported through Gold. Strategic COVID-19 risks were incorporated onto the Strategic Risk Register, presented to CCMT monthly. The Strategic Risk Register and Business Continuity incidents are reviewed on a quarterly basis at CCMT. Existing business continuity plans were reviewed and revised to reflect the challenges of the pandemic as it developed. Alongside this, regular reporting of key performance indicators for sickness absence, resilience, crime, Fixed Penalty Notices and intelligence were delivered.

Beyond COVID-19, among the key discussions during the year was the review of the MTFP, MTCP, the PCC reserves and the Asset Management Plan, as part of the annual budget cycle. The financial plans were considered several times and the associated decisions facilitated the formal approval of the Revenue Estimates and Capital Estimates 2021/22 by the PCC at his Level 1 meeting on 19th January 2021. As part of the annual budget process the Productivity Strategy was reviewed and continues to play an important role in identifying options to address the budget shortfall and ensure the use of resources is focused on priority areas. Delivery of the outcomes from the Effectiveness & Efficiency Programme remains a central aspect of productivity.

CCMT reviews finance and workforce planning, performance and HMICFRS activity on a regular basis. Strategic Risks and Business Continuity are included quarterly. Other significant areas of note discussed in 2020/21 include CPS Strategic Priorities, Traumatic Risk Incident Management, Detective Recruitment and Senior Appointment Boards. The Strategic Plan success measures are reviewed

comprehensively at the Operational and Organisational Force Performance Group meetings that are held on a quarterly basis.

The Force Transformation Board met every other month to review all in-flight change programmes in the Thames Valley only portfolio including Recruitment & Retention, the Front-End Demand programme and the Endeavour Programme (to achieve outstanding investigation). The Joint DCC Collaboration Board met every other month as part of the governance for all bi-lateral programmes including Contact Management Programme, RMS and Digital First. The regional SERIP board met to review the Emergency Services Mobile Communications Programme (ESMCP). These governance boards are in addition to the regular programme boards chaired by each programmes' Senior Responsible Owner.

Following the conclusion of the Tri-Force Equip programme 1 February 2021 the JIAC received a comprehensive analysis of the Tri force lessons learnt report at its December meeting, changes in governance since the initiation of the Equip programme were noted alongside progress on implementing the points highlighted. The Next Steps programme board met on 11 occasions to manage the delivery of the upgrades to the existing systems. The APTOS financial system was upgraded on 16th February 2022. These upgrades address the risks reported in the strategic risk register.

Both CCMT and Force Transformation Board are aligned to bilateral forums including Joint Chief Officer Group and DCCs Collaboration Board, and regional forums such as SERIP. Significant areas of scrutiny included CMP and Equip.

The Governance & Service Improvement department continues to draw together corporate and strategic elements of the organisation. The over-arching function is to provide a central point of co-ordination, governance, strategy, policy and guidance development, change delivery, and the provision of internal evaluation of delivery including the identification of opportunities for continuous improvement.

HMICFRS have adapted their Integrated PEEL methodology, and were due to launch the new inspection process in 2020. As a result of COVID-19, all HMICFRS activity was suspended from March to September 2020. The Force was notified in January 2021 that it will be subject to a PEEL inspection during the course of the 2021/22 year, including a Victim Services Assessment in May and culminating in fieldwork in November 2021. The inspection report is scheduled to be published in early 2022. The most recent PEEL gradings for the Force are 'Good' overall in each of the three assessment categories (Effectiveness, Efficiency, Legitimacy). In the sub-categories of 'investigating crime' and 'ethical and lawful workforce behaviour', the Force received 'Requires Improvement' judgements, whilst in 'meeting current demands and using resources', the Force was assessed as being 'Outstanding'. In all other diagnostic areas, the Force was assessed as 'Good'. Within the new assessment framework there are now five possible gradings with the addition of an 'Adequate' grading category.

Due to previous areas for improvements identified on 'Crime Data Integrity' (CDI), the Force continues to address the shortcomings identified in the CDI inspection through a dedicated Gold Group, overseen by the DCC. Due to significant improvements made, these meetings will be quarterly from January 2022. The action plan is routinely reviewed, and supported by regular audits and a dedicated resource to drive improvements.

All recommendations and areas for improvement from inspection activity have been actioned and are tracked and updated through a local database and the HMICFRS monitoring portal. The Improvement & Innovation meeting, chaired by the DCC, has been established to provide governance, leadership and drive to continuously improve and innovate in support of the Force's strategic aims; central to this is the timely delivery of improvement activity and the identification, sharing and adoption of organisational learning from all areas, reviews and inspections. This forum will ensure accountability, co-ordination, and timeliness of action. There have been 10 meetings in 2021/2022.

c) The Joint Independent Audit Committee

During 2021/22 the JIAC met five times to consider the external audit and internal audit plans for 2021/22, as well as receiving timely updates in terms of risk management and business continuity. The JIAC also received regular briefings, including appropriate written reports, during the year from the

PCC, Chief Constable and relevant senior officers. This included specific updates on the Equip programme. JIAC members also attend Force working groups (including the Force Transformation Board, TVP/HC Bilateral Governance Board and Performance Group) and other panel meetings (including the Professional and Ethical Standards Panel) as observers to gain a greater understanding of current governance, operational and risk activities and to assist their judgment of the adequacy of the overall Corporate Governance Framework.

The JIAC's Annual Assurance Report for 2021 was presented to the PCC and Chief Constable at their JIAC meeting on 17 December 2021. At that time the JIAC was able, based on the information that they had considered collectively or knew about individually, to give assurance to the PCC and Chief Constable that the risk management and internal control environment in Thames Valley was operating efficiently and effectively.

d) The Governance Advisory Group

A joint OPCC/TVP officer governance group (the 'Governance Advisory Group') operates with the following terms of reference:

- To provide advice to the PCC and Chief Constable on the application of statutory requirements and guidance relating to issues of corporate governance;
- To review and provide feedback on the effectiveness of the corporate governance systems determined by the PCC and Chief Constable.

The Joint Corporate Governance Framework for 2021/22 was approved by the PCC and Chief Constable at the PCC's Level 1 meeting on 30 March 2021.

The Governance Advisory Group also developed this joint Annual Governance Statement for 2021/22.

e) Internal Audit

The annual report of the Chief Internal Auditor for 2021/22 was presented to the JIAC on 17 June 2022. It contained the following assurance statement on the overall adequacy and effectiveness of the internal control environment:

As at March 2021, the 2021/22 Joint Internal Audit Plan had been collated and was endorsed by the JIAC.

The 2021/22 Joint Internal Audit Plan has been completed and on the basis of this work, the opinion of both organisations' governance, risk and control frameworks is '**reasonable assurance**'. The governance, risk management and control arrangements are good, although some action is required to improve efficiency or effectiveness. The opinion demonstrates a good awareness and application of effective risk management, control and governance to facilitate the achievement of both organisations' objectives, outcomes and delivery of services. Areas were identified through our work where the design or effectiveness of arrangements in place required enhancing or strengthening. Where these areas were reported, management responded positively, identifying appropriate actions to address the risks raised.

At a statistical level, the opinion represents a slight improvement compared to the previous year with fewer minimal / limited assurance ratings and an increase in reasonable / substantial outcomes. However, as the Joint Internal Audit Plan does not include the same audits year on year, this cannot be taken as a direct comparison.

In terms of the implementation of audit actions and mitigation of risk, progress continues to be very good across both organisations with the number of actions completed consistently being in excess of XX%.

As in previous years, to support this year's opinion additional sources of assurance were utilised where they provided commentary on the effectiveness of the organisations' governance framework or general

management of risk. The assurances obtained provided a positive view of the organisation's arrangements and supported the overall opinion of reasonable assurance.

Overall, the opinion is very positive considering the challenges both organisations have faced during 2021/22 and the continuing Covid-19 pandemic.

f) External audit

In December 2020, EY issued unqualified audit opinions in respect of the 2020/21 accounts to both the PCC and Chief Constable, as well as giving an unqualified value for money conclusion. The Auditor was satisfied that the system of internal control put in place by the PCC and Chief Constable was adequate and effective in practice.

g) Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)

During 2021/22 HMICFRS published a number of reports with respect to inspection activity, research or super-complaints. These are considered by the Force via the DCCs Innovation & Improvement meeting. All reports are publicly available on the HMICFRS website.

Below are the inspections reports that contain recommendations or areas for improvement for policing (specific to TVP or nationally). All inspection reports that contain recommendations for the Force require the PCC to publish a formal response within 56 days of the publication of the report, with the exception of reports resulting from super-complaints:

Date published by HMICFRS	National / Force Report	Report Types	Report Title	Date CC Reported to PCC	PCC Response to HMICFRS: Y/N
20-Apr-21	National	COVID-19 Thematic	Custody services in a COVID-19 environment		
20-Apr-21	National	COVID-19 Thematic	Policing in the pandemic - The police response to the coronavirus pandemic during 2020		
26-May-21	National	Super Complaint	Report on Hestia's super-complaint on the police response to victims of modern slavery		
23-Jun-21	National	COVID-19 Thematic	Review of policing domestic abuse during the pandemic - 2021		
07-Jul-21	National	Thematic	Interim report: Inspection into how effectively the police engage with women and girls		
15-Jul-21	National	Thematic	Neurodiversity in the criminal justice system: A review of evidence		

The PCC (or OPCC) is invited to attend the Strategic Brief at the start of inspection activity and the de-brief provided by HMICFRS following each inspection. Alternatively, the Chief Constable may provide the PCC with a briefing following an HMICFRS inspection.

h) Risk management and business continuity

The Force Risk Management Group met four times during 2021/22 as part of the CCMT strategy meetings. High level strategic risk management and business continuity issues were reported to the JIAC on a timely basis. As at 31st March 2022 there were 28 risks on the Strategic Risk Register with mitigating actions, 8 of which are strategic risks caused by COVID-19.

Business continuity incidents, categorised by impact, were detailed in quarterly reports to CCMT and then the JIAC, including measures taken to minimise their impact. Issues reported primarily related to ICT loss of service and estates issues. The JIAC also received information on exercises to test business continuity plans, which now include key learning points.

All risks at a local and strategic level have clear ownership, are regularly reviewed and rescored according to the risk matrix, and allocated the appropriate risk action – tolerate, treat, transfer, terminate. Risks to collaborated programmes or areas under bi-lateral governance feature on both Forces' registers.

Risk and Business Continuity were central to the Force's response to COVID-19. All Business Continuity plans were reviewed and invoked as appropriate. Also, the Force established a COVID-19 specific risk register and contributed to the Local Resilience Forum's COVID-19 risk register. Risk and Business Continuity were reviewed weekly by the Gold Commander, and monthly by CCMT during the COVID period.

i) Health and Safety and Environmental Management

Copies of the Health & Safety Management Policy are accessible to all staff via the Intranet, and displayed on the health and safety notice boards in all TVP premises.

The Health & Safety Annual Report was taken back to JIAC in 2021 for scrutiny and was signed off along with the Wellbeing report. The report covered the key management areas specified within the revised 2013 publication HSG65 'Successful Health & Safety Management' (Appendix A) and documented the continuous improvement of Thames Valley Police policies and procedures for the effective management of health and safety.

Health & Safety considerations, requirements and issues were incorporated into the COVID-19 Silver command governance structure, and reported into the Gold Commander.

The Health and Safety Governance arrangements and structures are currently under review with changes likely to be implemented in 2022.

j) Ethics and Integrity

A protocol between the PCC and Chief Constable provides the PCC with overview and scrutiny of complaints handling by the Force. The Professional and Ethical Standards Panel (previously called Complaints, Integrity and Ethics Panel) meets every two months and reports jointly to the PCC and Chief Constable. The Panel conducts an assessment of how the Force deals with complaints and provides a challenge and support role in respect of how the Force respond to ethical issues.

During the last 12 months, some of the issues the Panel challenged were Taser use, in particular key improvements through learning taken in response to the IOPC report. The Panel also considered the key community policing challenges and issues faced, including disproportionality in the BAME community. Other matters include TVP perspective on HMIC Stop & Search being that statistics show that in 2019/20, Black, Asian and Minority Ethnic (BAME) people were over four times more likely to be stopped and searched than White people; for Black people it was nearly 9 times higher. Disproportionality of complaints against BAME officers and the ethical issues regarding the prosecution of rape were also discussed.

The Panel's Annual Assurance Report for 2021 was presented at the Performance Accountability meeting on XXXXXXXX . This 2021 Report highlighted that the Panel had scrutinised matters including the following themes:

- Ethics of relationships within TVP.
- Wellbeing of officers subject to misconduct hearings.
- Protective monitoring of police computer use.
- Dismissal of a former officer for Covid breach and dishonesty.
- Proportionality of severity assessments.
- Use of social media by officers.

The Panel was able to provide an assurance to the PCC and Chief Constable that the complaints handling and management arrangements in place within TVP are operating efficiently and effectively.

The Force also has an internal Ethics & Integrity Board, chaired by the Head of the Professional Standards Department (PSD), which meets quarterly. The Force has recruited a dedicated Ethics Researcher, supporting the Ethics & Integrity Board. The Ethics Champions network has been rejuvenated, and now meet regularly to discuss ethical considerations or concerns raised from across the Force.

Policies are reviewed by the Strategic Independent Advisory Group to provide feedback on accessibility and raise ethical considerations. These are then taken to the Professional Ethical Standards Panel as necessary and appropriate.

The Chief Constable continues to promote the fundamental importance of TVP officers and staff employing the highest professional standards, principles that are embodied and enforced through the Code of Ethics. All police officers and staff have been required to complete an on-line training package and attend a dedicated Code of Ethics training session. All new Officers and staff receive training on the Code of Ethics as part of their induction.

During 2021/2022, 2 Panel members have resigned and 2 new Panel members appointed. As such, the Panel now consists of 8 members and no further recruitment is anticipated during the coming year.

During 2020/21 the PSD received and processed XXXX complaints and XXXX conduct matters, and held XXX misconduct meetings and XXX misconduct hearings in accordance with the statutory scheme. From 1st February 2020, following implementation of the new Regulations, as per the Policing and Crime Act 2017, the criteria for recording complaints and the definition of a complaint has changed and this change will be reflected in the above figures. In addition, the OPCC itself handled XXX complaints made against the Chief Constable and received XXXX request for complaint reviews in accordance with the statutory police complaints scheme.

k) Thames Valley Police and Crime Panel

During 2021/22 the independent Police and Crime Panel (PCP) met on 4 occasions. Key activities undertaken by the Panel during the year included reviewing and scrutinising the PCC's Annual Report for the 2020/21 year, and scrutiny and consideration of the PCC's 2022/23 budget and council tax precept proposals. Over and above these specific activities, the Panel continued to receive and consider regular reports on the delivery of the previous PCC's Police and Crime Plan strategic priorities and key aims, including the contribution made by other partner agencies, and updates on matters of topical interest to the Panel.

In addition, the Panel operates a permanent Complaints Sub-Committee as well as ad-hoc task and finish working groups. During 2021/22 the Chief Executive of the OPCC, acting under delegated authority on behalf of the PCP, referred 17 complaints against the PCC/Deputy PCC to the PCP for consideration by them under the statutory scheme. None of these complaints were upheld.

The Panel itself published its own 2020/21 Annual Report in June 2021.

l) Collaboration and partnership working

The joint TVP and HC Bi-lateral Collaboration Governance Board formally met twice during 2021/22. This Board oversees and scrutinises the work of the existing collaborative functions (i.e. Contact Management, Joint Operations Unit, Joint ICT and Joint Information Management) as well as development of collaborated change programmes. Updates are provided on new collaborative opportunities being explored. These formal meetings were supplemented by specific briefings for the PCCs and senior officers as appropriate on the Contact Management Platform (CMP) programme. In addition to the Governance Board, the Joint Chief Officer Group met three times during 2020/21.

Governance of collaboration between forces across the South East region is undertaken by chief police officers at the SE Regional Integrated Policing (SERIP) Board, and by PCCs and chief constables at the Regional Governance Board. The respective Deputy Chief Constables (DCCs) specifically govern this meeting (with one of them chairing and the others attending). Four meetings of the regional governance board were held during 2021/22. The South East Regional Organised Crime Unit, hosted by TVP, brings together the regional organised crime units under one structure. It is operationally aligned with the Counter Terrorism Policing South East unit. A regional Assistant Chief Constable (ACC), who reports directly to the Chief Constable of TVP, exercises overall command of the regional crime and counter terrorism functions. This ACC also represents serious organised crime at the South East Regional Governance Board and nationally with the National Crime Agency and other key stakeholders.

m) Conclusion

Framework itself, and how it has been applied in practice over the financial year 2021/22, has informed the latest review of the Framework which was approved in March 2022. Consequently, the PCC and Chief Constable will be able to satisfy themselves that key governance structures supporting the discharge of their responsibilities have and continue to receive effective scrutiny.

SIGNIFICANT GOVERNANCE ISSUES

It should be noted that significant operational issues facing the organisation are not necessarily a result of weaknesses within the internal control and governance framework.

There were no significant actual or potential governance issues identified in respect of the 2020/21 year AGS which were due to be monitored during 2021/22.

There are currently no significant actual or potential governance issues identified in respect of 2021/22 'business as usual' activities. Accordingly, the Governance Advisory Group is satisfied to

the best of its knowledge that no material breaches of the governance arrangements occurred in 2021/22 and there are no significant weaknesses in the internal control and governance environment.

The coronavirus pandemic (COVID-19) impacted on operational and governance arrangements initially in March 2020 but remedial business continuity measures and alternative operational management arrangements are now bedded in as 'business as usual'. Nevertheless, as we need to ensure that the AGS is current at the time of publication, it is essential that the AGS also reflects any residual ongoing impact of COVID-19 on the adequacy and effectiveness of our governance framework and arrangements.

To that end, the Addendum to the AGS specifically addresses the challenges and impact of COVID-19 on our governance and our response to it. No significant governance issues were identified in respect of 2021/22 and no potential significant governance issues have been identified for specific monitoring during 2022/23.

However, as identified in the attached Addendum, the impact on governance arising from the COVID-19 crisis, and from the changed environment in which TVP is operating, remains ongoing at the time of publication of this document.

In any event the governance arrangements of the PCC and the Chief Constable will remain under review at least annually over forthcoming financial years.

Matthew Barber
Police and Crime Commissioner

Paul Hammond
Chief Executive
(Monitoring Officer)

Ian Thompson
Chief Finance Officer and
Deputy Chief Executive

REFLECTING THE CHALLENGES FROM CORONAVIRUS

The organisational response to COVID-19 has meant that there have been no significant changes or impacts on existing governance arrangements. The two organisations have adjusted the way that services and governance have been managed and delivered, but not substantially changed the framework of delivery and the range and quality of services delivered.

a) Impact on business as usual in the delivery of services

TVP

Business Continuity was a central strand of the structure, quickly establishing critical functions for each policing function (operational and organisational). Resilience and abstraction rates were reported into the Gold Commander on a daily basis, alongside the operating status for each business area. An assessment of each business area's ability to deliver its critical functions was produced using the following scale:

- Blue – business as usual - no functions disrupted other than normal demand deviations and levels of sickness.
- Green – moderate temporary impact - there are some occasions where demand is exceeding capacity or where there are abnormal levels of sickness and absenteeism.
- Amber – moderate sustained impact – crucial activities cannot be sustained due to demand being exceeded or where there are levels of sickness which require non-critical activities being re-deployed for a sustained period of time.
- Red – severe impact – inability to meet demand or there are significant levels of sickness / absenteeism, resulting in officers and staff being deployed from 'desirable' critical services.

Policies and processes were reviewed to enable a more agile approach to delivering services. Widespread roll-out of mobile devices and improvements to the ICT network enabled a significant proportion of the workforce, where it was possible to do so, to keep working from home to achieve social-distancing or when in self-isolation.

In conjunction with the Local Resilience Forum and the Force Procurement Department, the Silver Commander oversaw the sourcing of increased amounts of Personal Protective Equipment (including facemasks, disposable gloves, hand sanitiser and wipes) for all staff and officers not able to work from home.

Operational Guidance, and health, safety and wellbeing advice, were shared Force-wide with senior leaders and directly with staff via Corporate Communication messages.

Weekly demand and impact assessments were completed, alongside intelligence briefings, indicate that there has not been an impact on the Force's ability to respond to calls for service or victims of crime. Whilst some non-critical services were initially impacted, service delivery has now returned to normal.

A Gold and Silver structure are currently still in place with regular meetings and monthly reports on operating status, risks and issues that come back into CCMT. TVP will soon be moving in to a post-Op Restore environment in line with UK Government policy.

OPCC

OPCC services and functions were reviewed and prioritised by the Strategic Management Group (SMG) when the national COVID-19 'lockdown' restrictions were implemented in late March 2020.

Following that prioritisation review, OPCC staff have been allocated a laptop computer so they can work remotely from home where possible, in line with Government advice and local TVP policy in place at the time during 2020/21 and 2021/22, whilst delivering services remotely with a minimised impact on 'business as usual'.

The OPCC SMG have maintained regular, twice-weekly, video conference calls during the pandemic period, as well as formal monthly meetings, to monitor service delivery performance and address practical problems and issues affecting the effectiveness and productivity of staff. Furthermore, in line with the TVP Welfare Policy to manage the impact of COVID-19, OPCC managers and supervisors have engaged in regular weekly telephone contact with staff to monitor their welfare and wellbeing.

As a result, key service delivery (including closure of accounts, victim support services and the independent custody visiting scheme) has largely continued on a 'business as usual' basis, albeit having adopted alternative 'remote' or office-based 'safe-working' arrangements and practices, as necessary.

b) New areas of activity as part of the national response to coronavirus and any governance issues arising, e.g.

- Implementation of new policies and processes
- Emergency assistance

TVP

The introduction of emergency legislation and policing powers was managed through the Gold Command structure, with clear guidance being issued to officers and staff, alongside a review of policy / procedure to ensure all areas relevant to policing were captured. The enforcement of the legislation was closely monitored and regularly reported into Gold Command and CCMT. The issuing of Fixed Penalty Notices for breaching lockdown measures was further reported nationally.

Thames Valley Gold Commander played an active role in the Strategic Co-ordination Group of the Thames Valley Local Resilience Forum (LRF), and the Thames Valley Police Silver Commander chaired the LRF Tactical Co-ordination Group.

In terms of 'emergency assistance', TVP, together with a handful of other forces across the country, took the lead nationally in the procurement and distribution of personal protective equipment (PPE) on behalf of other police forces.

OPCC

The PCC has publicly supported the Force in terms of its local operational policing response to COVID-19. However, this necessary change to operational policing priorities does not appear to have had any material adverse impact on the Force's ability and capacity to maintain delivery of the PCC's strategic policing priorities, as set out in the current Police and Criminal Justice Plan 2021-2025.

From a governance perspective, throughout 2021/22 the PCC has engaged with the Force's 'Gold' group overseeing and managing the Force's overall response to COVID-19 in a coordinated fashion and has maintained regular communications with the Chief Constable. This approach has enabled the PCC to continue to exercise effective governance and oversight of the Force's activities, decision-making processes, operational policing tactics and performance during a challenging (from an operational management perspective) period of time, whether in respect of COVID-19 or 'business as usual' related activities.

- c) **The funding and logistical consequences of delivering the local policing response, e.g.**
- Changes to statutory meetings and decision making arrangements
 - New collaborative arrangements
 - Funding and cash flow challenges

TVP

The Force has continued to produce audit and performance reports to inform existing governance forums and provide assurance; for example, the Risk Management and Business Continuity Progress reports to the Joint Independent Audit Committee each quarter. .

The Chief Constables Management Team has met more regularly to enable swift decision-making and suitable oversight of the Force response to COVID-19.

Gold Command convened a daily management meeting in the initial phase, moving to three times per week once the Force response was established, and now once a week, with the option of increasing frequency in response to operational or organisational need.

Telephone conferences and Microsoft Teams have enabled forums to continue through the pandemic. Whilst some operational improvement functions were temporarily suspended to allow officers and staff to focus on immediate requirements, Force Performance Group and the DCC Joint Collaboration Board has continued

In mid-May2020, the Force Recovery strategy was developed and signed-off by CCMT, but the second and third national lockdowns have delayed implementation.

Organisational learning has been proactively sought and captured throughout the Force's response to COVID-19. Learning is being used to inform decision-making concerning the Force's ongoing response to COVID-19 and the recovery phase.

The financial impact of COVID-19 on TVP has been closely monitored and managed during the year through the normal reporting mechanisms. Fortunately the Government's support to the police service has mitigated the impact of the additional expenditure and lost income and enabled TVP to report a small underspend position for the 2020/21 year.

OPCC

The PCC is not required to hold public decision-making meetings but he is required to publish 'significant' decisions on his website. The OPCC has continued to discharge that requirement during the COVID-19 crisis. In addition, meetings that would normally have taken place in public (e.g. the Joint Independent Audit Committee and the PCC's Performance and Accountability public meetings) were held as 'virtual' video conference meetings, and the agenda, papers and minutes for them have been published on the OPCC website to facilitate transparency and accountability to the public.

The Thames Valley Police and Crime Panel, which has responsibility for scrutinising the decisions and actions of the PCC, has also adopted 'virtual' video conference meetings during this pandemic period.

The scrutiny and oversight by relevant partner PCCs of policing functions being developed or discharged by TVP in collaboration with other police forces has continued but undertaken in virtual form, usually by way of video conference call arrangements.

Regarding the consequential financial implications of delivering the local policing response to COVID-19, this continues to be monitored and managed by a combination of the ongoing close working of the PCC and Chief Constable's chief finance officers and their respective teams.

At this time, it is considered that the financial reserves currently held by the PCC are sufficient to avoid any critical funding and cash flow challenges over the immediate future.

d) **Assessment of the longer term disruption and consequences arising from the coronavirus pandemic, e.g.**

- Existing projects and programmes that may have been put on hold
- New priorities and objectives introduced
- New risks identified or existing risks escalated

TVP

The TVP Change Delivery Unit, Hampshire Constabulary Force Development Departments and the Joint ICT Department have worked together throughout the pandemic to reprioritise the change portfolio. Whilst some projects have been accelerated (e.g. laptop roll-out and Windows 10) others have been paused. The three Departments have also re-baselined starting quarters and co-ordinated risks, interdependencies and resource requirements. Programme Boards have continued to be held to assess impacts.

A more agile approach to change has been introduced to meet the needs of the organisation during the emergency response phase. The learning and experience has been captured to retain the positives of the agile methodology post-recovery.

Of particular note is the accelerated introduction of more agile working practices, supported by the roll-out of digital devices and capabilities. These working practices have been advantageous across the whole organisation and will now be incorporated into business-as-usual practice through the Working Smart programme.

A number of strategic risks specific to COVID-19 have been identified and incorporated into the Force Strategic Risk Register. These include welfare & wellbeing, the provision of critical functions, reputational risk and legitimacy, unintended legal or regulatory breaches, meeting demand and achieving recovery. These risks are being managed through Gold Command and also report into CCMT monthly.

All new risks have identified risk-leads and mitigating actions to treat them.

OPCC

At this time, no significant and/or critical existing projects and work programmes have been put on hold and no new COVID-19 related priorities and objectives have been introduced by the OPCC.

e) **Reviewing lessons learned from our response to COVID-19.**

The impact on governance arising from the COVID-19 crisis, and the changed environment in which TVP and the OPCC will be operating, remains ongoing at the time of publication of this document.

However, TVP have been capturing and chronicling organisational and operational learning throughout the pandemic, which will be used to inform the recovery phase and post-incident reviews. An early finding is that the Gold structure and regular access to CCMT through increasing the frequency of governance meetings, together with the active engagement of the PCC in these arrangements, has enabled fast and co-ordinated decision-making in response to the challenges presented by the pandemic.

CIPFA Financial Management Code – Self-assessment March 2022

	Question	Answer	RAG	Areas for improvement
Section 1 - The Responsibilities of the Chief Finance Officer and Leadership Team				
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money			
1	Does the authority have a clear and consistent understanding of what value for money means to it and to its leadership team?	<p>We have clear references to achieving VFM in the annual financial strategy, the Procurement Strategy and the Force Strategic Plan</p> <p>Presentation to CCMT on FM Code compliance requirements</p> <p>CIPFA review of VFM arrangements in TVP commencing in March 2022. Action Plan will be developed and implemented</p>	A	Review documentation to make VFM more explicit
2	Does the authority have suitable mechanisms in place to promote value for money at a corporate level and at the level of individual services?	<p>VFM is embedded in all procurement documentation and all procurement staff are fully au fait with the need to demonstrate VFM through tenders and contracts</p> <p>A corporate framework of management procedures and rules for securing value for money is incorporated in the PCC/Force 'Joint Corporate Governance Framework' and 'Financial Regulations'.</p>	G	

		<p>At individual service level, the DCC holds LPAs to account for effective operational performance through regular service reviews throughout the year</p> <p>The Chief Constable chairs the monthly Force Performance Group which is also attended by the PCC and a member of the Joint Independent Audit Committee (JIAC).</p>		
3	Is the authority able to demonstrate the action that it has taken to promote value for money and what it has achieved?	<p>Actions are taken from the DCC service reviews and Force Performance Group meetings and are followed up</p> <p>Procurement savings are reported to Blue Light Commercial on a quarterly basis</p> <p>Contract management is undertaken by service stakeholders, with strategic oversight from the Procurement department</p> <p>Cash savings removed from the annual revenue budget are monitored for delivery and reported to CCMT and the PCCs Level 1 public meeting on a regular basis</p>	G	
B	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government			
1	Is the authority's CFO a key member of the leadership team, involved in, and able to bring influence to bear on, all material business decisions?	Both CFOs (Force and OPCC) are members of their respective leadership teams	G	
2	Does the CFO lead and champion the promotion and delivery of good financial management across the authority?	Yes, both CFOs champion and lead the promotion and delivery of good financial management in the Force and OPCC	G	

3	Is the CFO suitably qualified and experienced?	Yes, both CFOs are suitably qualified and experienced	G	
4	Is the finance team suitably resourced and fit for purpose?	In an ideal world all managers would like more staff but both finance teams are properly resourced in terms of capacity and capability, and annual external audit opinions over many years demonstrate that the two respective finance teams are fit for purpose.	G	
Section 2 - Governance and Financial Management Style				
C The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control				
1	Does the leadership team espouse the Nolan principles?	Yes, the code of ethics is a key feature for all police officers and staff and is promoted during induction training and courses where every police officer and member of staff has to sign up to the national code of ethics in the presence of a chief officer. Regular online refresher training is also provide and followed up to ensure compliance All force policies and procedures embed the key principles from the Code of Ethics	G	
2	Does the authority have in place a clear framework for governance and internal control?]	Yes, the PCC and Chief Constable review and update their joint corporate governance framework on an annual basis	G	
3	Has the leadership put in place effective arrangements for assurance, internal audit and internal accountability?	Good behaviour is discussed during all staff and officer PDRs	G	

		<p>There is a whistleblowing policy which is managed and reports investigated by the Professional Standards Department (PSD)</p> <p>The PCC and Chief Constable have a joint internal audit team that reports to the CFO and Director of Finance. The Head of Internal Audit provides regular reports to each quarterly meeting of the JIAC</p> <p>Internal accountability is through individual PDRs with breaches being investigated through PSD</p> <p>Business interests are approved and recorded by PSD and then reviewed as part of the PDR process</p> <p>There is a force policy on gifts and hospitality, which is managed and promoted by PSD</p>		
4	Does the leadership team espouse high standards of governance and internal control?	<p>All key decisions are taken collectively by CCMT, with full backing documentation, rather than a single individual</p> <p>All key PCC decisions of significant public interest are published on his website including full supporting documentation</p> <p>Code of Conduct & business interests – see C1 and C3 above</p> <p>The Chief Constable’s monthly ‘headline call’ with all senior staff across TVP makes reference to</p>	G	

		governance issues where appropriate e.g. learning from PSD investigations, outcome from HMRC reports		
5	Does the leadership team nurture a culture of effective governance and robust internal control across the authority?	<p>The Joint Framework of Corporate Governance includes Finance Regulations. These are reviewed and updated annually. These are supported by more detailed Chief Constable Financial Instructions which provide guidance at the practitioner level.</p> <p>The operational data quality team reports directly to the DCC.</p> <p>HMICFRS undertake regular data quality audits and all recommendations are acted upon by TVP</p> <p>PSD publish a regular newsletter which promotes good governance arising from investigations to share best practice and learning</p>	G	
D	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)			
1	Has the authority sought to apply the principles, behaviour and actions set out in the Framework to its own governance arrangements?	Yes, as evidenced through the Annual Governance Statement	G	
2	Does the authority have in place a suitable local code of governance?	Yes, the PCC and Chief Constable publish a Joint Corporate Governance Framework, which includes a local, TVP code of corporate governance. This is reviewed by JIAC before the start of each financial year	G	
3	Does the authority have a robust assurance process to support its AGS?	The AGS is produced by the Governance Advisory Group, which comprises senior police staff from	G	

		the OPCC and force. A draft version of the AGS is presented to JIAC before publication		
E	The Financial Management Style of the authority supports financial sustainability			
1	Does the authority have in place an effective framework of financial accountability?	Yes, through the framework of corporate governance, including Financial Regulations and contract regulations, and supported by the Chief Constable Financial Instructions	G	
2	Is the authority committed to continuous improvement in terms of the economy, efficiency, effectiveness and equity of its services?	The Force maintains a Productivity Strategy which includes specific efficiency and effectiveness reviews across the force	G	
3	Does the authority's finance team have appropriate input into the development of strategic and operational plans?	The DoF is a member of CCMT which has collective decision making responsibility The CFO is a member of the PCC's Strategic Management Group Senior finance representatives sit on all key decision making and informative boards e.g. Change Board and Programme Boards	G	
4	Do managers across the authority possess sufficient financial literacy to deliver services cost effectively and to be held accountable for doing so?	Each key stakeholder in the organisation has a named finance contact. The Corporate Finance Department is currently being restructured to include specific finance business partner representation to strengthen the link between business and finance The transformation of finance will also include reviewing and enhancing the level of financial info provided to stakeholders	A	Complete the transformation of the accounts team in the force Finance Department. The iFinance Business partners will provide more engagement with stakeholders

		Good progress has been made in transforming the Finance department e.g. Finance Business Partners have been appointed but other issues have been slower than initially planned due to unforeseen personnel issues		
5	Has the authority sought an external view on its financial style, for example through a process of peer review?	No, but CIPFA have been commissioned to undertake a review of VFM arrangements in March 2022	A	Embed any actions from the VFM review
6	Do individuals with governance and financial management responsibilities have suitable delegated powers and appropriate skills and training to fulfil these responsibilities?	Yes, as set out in Financial Regulations and Financial Instructions Skills and training are reviewed as part of the PDR process	G	
Section 3 – Medium to Long Term Financial Management				
F	The authority has carried out a credible and transparent Financial Resilience Assessment			
1	Has the authority undertaken a Financial Resilience Assessment?	Yes	G	
2	Has the Assessment tested the resilience of the authority's financial plans to a broad range of alternative scenarios?	Different funding scenarios were presented to the PCC as part of the annual budget report. The budget risk assessment shows the impact of different budget assumptions e.g. pay awards	G	
3	Has the authority taken appropriate action to address any risks identified as part of the assessment	Yes	G	

G The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to Members				
1	Does the authority have a sufficiently robust understanding of the risks to its financial sustainability?	The key risks are highlighted in the financial strategy, annual budget and medium term financial plans	G	
2	Does the authority have a strategic plan and long-term financial strategy that address adequately these risks?	Yes, we have a financial strategy which is reviewed and updated annually. We also publish a separate report on reserves, balances and provisions	G	
3	Has the authority sought to understand the impact on its future financial sustainability of the strategic, operational and financial challenges that it might face (e.g. using a technique such as scenario planning)?	Scenario planning is used internally within CCMT to formulate the medium term financial plan. Published budget reports include a risk assessment which highlights the financial risk to key budget assumptions e.g. changes in future pay awards, precept levels etc.	G	
4	Has the authority reported effectively to the leadership team and to members its prospects for long-term financial sustainability, the associated risks and the impact of these for short- and medium-term decision making?	Regular reports to CCMT during the budget preparation process highlight the various risks and possible scenarios. The key strategic issues are then reported to the PCC at Level 1 public meetings During the year revenue and capital monitoring reports will highlight changes in significant risks and issues, and suggest appropriate action	G	
H The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities				
1	Has the authority prepared a suitable capital strategy?	Yes, this was approved by the PCC and Chief Constable at the Level 1 public meeting on 30-11-2020 and is also published on the PCCs website	G	

2	Has the authority set prudential indicators in line with the Prudential Code?	Yes, these are included in the Annual Treasury Management Strategy Statement	G	
3	Does the authority have in place suitable mechanisms for monitoring its performance against the prudential indicators that it has set?	Yes, these are monitored by OPCC staff and reported to the PCC's Level 1 meeting in the quarterly TM update reports	G	
1	The authority has a rolling multi-year Medium Term Financial Plan consistent with sustainable service plans			
1	Does the authority have in place an agreed medium-term financial plan?	Yes, we published our Financial Strategy in December. The MTFP covering the period 2021/22 to 2024/25 was published in January 2021 alongside the annual revenue budget	G	
2	Is the medium-term financial plan consistent with and integrated into relevant service plans and its capital strategy?	Yes	G	
3	Has the medium-term financial plan been prepared on the basis of a robust assessment of relevant drivers of cost and demand?	<p>Yes, CCMT consider information on current and future demand pressures (as currently known) including the implications for new technology and equipment</p> <p>The Force also considers relevant NPCC guidance and best practice e.g. stop & search, body worn video.</p> <p>Across CCMT, members are engaged in national forums which enables the potential financial implications of new national systems and changes to national guidelines and procedures to be identified early</p>	G	
4	Has the medium-term financial plan been tested for resilience against realistic potential variations in key drivers of cost and demand?	Yes, but in an emergency service employing omnicompetent police officers changes in	G	

		<p>demand can be accommodated by deployment policies and priorities.</p> <p>Cost drivers are included in the MTFP</p>		
5	Does the authority have in place a suitable asset management plan that seeks to ensure that its property, plant and equipment including infrastructure assets contribute effectively to the delivery of services and to the achievement of the authority's strategic aims?	<p>Yes, the Asset Management Plan is reviewed and updated regularly. The last published version is 2018. It was due to be reviewed and updated during 2020 but this deferred due to Covid-19 and the operational impact of a number of projects and programmes (e.g. Operational Uplift, Working Smart, E&E etc.)</p> <p>A separate ICT strategy for HC and TVP is prepared and presented to the bilateral governance board</p>	G	
Section 4 - The Annual Budget				
J The authority complies with its statutory obligations in respect of the budget setting process				
1	Is the authority aware of its statutory obligations in respect of the budget-setting process?	Yes, formal budget reports and presented to Level 1 public meetings and then the Police and Crime Panel	G	
2	Has the authority set a balanced budget for the current year?	Yes, as endorsed by the Police and Crime Panel and approved by the PCC	G	
3	Is the authority aware of the circumstances under which it should issue a Section 114 notice and how it would go about doing so?	Yes, both CFOs are fully aware of the s114 requirements but TVP is not remotely close to needing to issue one in the near future	G	

K	The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves			
1	Does the authority's most recent budget report include a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves?	Yes	G	
2	Does this report accurately identify and consider the most significant estimates used to prepare the budget, the potential for these estimates being incorrect and the impact should this be the case?	<p>Not specifically, although a separate risk assessment is produced which explains and quantifies the impact of variations to key budget assumptions</p> <p>A separate reserve provision (0.5% of annual paybill) has been included in 2022/23 revenue budget and MTFP as a contingency should the 2022 pay awards be higher than the 3% allowed for in the budget</p> <p>The Government has announced council tax limits for the next 3 years (i.e. up to £10 for a band D property in 2022/23, 2023/24 and 2025/26</p>	G	
3	Does the authority have sufficient reserves to ensure its financial sustainability for the foreseeable future?	Yes, a separate report on reserves, balances and provisions is produced to accompany the annual budget report and Medium Term Financial Plan (MTFP) and Medium Term Capital Plan (MTCP). This report is also published on the PCCs website	G	
4	Does the report set out the current level of the authority's reserves, whether these are sufficient to ensure the authority's ongoing financial sustainability and the action that the authority is to take to address any shortfall?	Yes, the report provides a forecast for the next 4 years which is fully compatible with the MTFP and MTCP	G	

Section 5 - Stakeholder Engagement and Business Plans				
L	The authority has engaged where appropriate with key stakeholders in developing its long term financial strategy, medium term financial plan and annual budget			
1	How has the authority sought to engage with key stakeholders in developing its long-term financial strategy, its medium-term financial plan and its annual budget?	<p>Relevant budget headings in the MTFP are developed with Hampshire Constabulary (e.g. ICT, information management & JOU).</p> <p>The development of the SEROCU budget is agreed with regional partners and agreed through the SE collaboration board</p> <p>The PCC undertakes public consultation on his proposed council tax precept increase as and when required</p> <p>Fleet charges are agreed through the CTC</p> <p>Aviation charges are agreed through the NPAS Strategic Board which includes PCC and CC representation</p> <p>The PCC's annual budget and precept proposals are subject to scrutiny by the independent Police and Crime Panel, on behalf of the public, the Councillor members of which represent all local authorities across the Thames Valley</p>	G	
2	How effective has this engagement been?	TVP and Hampshire budgets are aligned for all joint activities	G	

		<p>In recent years the PCC has consulted the public regarding his proposed increase in council tax precept. The response has always been positive.</p> <p>The Police and Crime Panel has always approved the PCCs proposed increase in council tax precept</p>		
3	What action does the authority plan to take to improve its engagement with key stakeholders?	<p>Members of CCMT continue to look for further collaborative opportunities</p> <p>The new PCC may have ideas of how to improve engagement with the public of financial and other matters</p>	G	
M	The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions			
1	Does the authority have a documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication 'Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal'?	<p>The degree of option appraisal reflects the level of investment required and the identified risks with the proposal/project</p> <p>The level of option appraisal used for estate and ICT schemes are different and reflect the number of realistic options available. A good example is the proposed Forensics new build which followed HM Treasury green Book guidance</p> <p>Most significant technology schemes are led nationally either by the service or HO, and we are not involved in the development and implementation of those schemes e.g. Emergency Services Network, National Monitoring Centre</p>	A	Awaiting outcome from the CIPFA review

		CIPFA has been commissioned to undertake a review of VFM arrangements in TVP		
2	Does the authority offer guidance to officers as to when an option appraisal should be undertaken?	Relevant staff within Finance, Procurement, ICT and Estates understand the need to produce an appropriate level of option appraisal to support new growth bids All new bids include some consideration of options	A	Awaiting outcome from CIPFA review of VFM arrangements
3	Does the authority's approach to option appraisal include appropriate techniques for the qualitative and quantitative assessment of options?	Where appropriate, qualitative and quantitative measures are included	A	Awaiting outcome from CIPFA review of VFM arrangements
4	Does the authority's approach to option appraisal include suitable mechanisms to address risk and uncertainty?	In some case depending on the value of the investment required and the associated risk e.g. selection of a new supplier and operational delivery for technology infrastructure	A	Awaiting outcome from CIPFA review of VFM arrangements
5	Does the authority report the results of option appraisals in a clear, robust and informative manner that gives clear recommendations and outlines the risk associated with any preferred option(s)?	Yes, when undertaken e.g. selection of new mobile phones	A	Awaiting outcome from CIPFA review of VFM arrangements
Section 6 - Monitoring Financial Performance				
N	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability			
1	Does the authority provide the leadership team with an appropriate suite of reports that allows it to identify and to correct emerging risks to its budget strategy and financial sustainability?	CCMT is provided with a monthly monitoring report which highlights emerging risks and issues. These are acted upon as necessary.	G	

		<p>Formal reports are presented to the PCC at his public Level 1 meetings</p> <p>The Joint ICT Board receives a monthly update on all ICT budgets. The DCCs Collaboration Board receives monthly reports on all collaborated units</p>		
2	Do the reports cover both forward and backward looking information in respect of financial and operational performance?	Yes	G	
3	Are there mechanisms in place to report the performance of the authority's significant delivery partnerships such a contract monitoring data?	The DoF financial report to CCMT each month includes any emerging issues with contracts or delivery of services from outsourced partners	G	
4	Are the reports provided to the leadership team in a timely manner and in a suitable format?	Yes, produced monthly and acted upon	G	
5	Is the leadership team happy with the reports that it receives and with its ability to use these reports to take appropriate action?	Yes	G	
O	The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability			
1	Has the authority identified the elements of its balance sheet that are most critical to its financial sustainability?	<p>Yes, trade debtors and creditors are monitored closely by Finance</p> <p>Cashflow, short and long-term borrowing, investments and the use of reserves and balances are monitored by the OPCC. These are reported to the PCC in the regular update on TM activity</p>	G	
2	Has the authority put in place suitable mechanisms to monitor the risk associated with these critical elements of its balance sheet?	Yes. Regular reviews are carried out across the 2 finance departments	G	
3	Is the authority taking action to mitigate any risks identified?	Yes, as risks are identified action is taken e.g. supplier information including credit checks is	G	

		undertaken regularly, particularly in the current economic environment with Covid-19		
4	Does the authority report unplanned use of its reserves to the leadership team in a timely manner?	Revenue and capital monitoring reports are presented to CCMT and the PCCs Strategic Management Group on a monthly basis. Formal budget monitoring reports are presented to all PCCs public Level 1 meetings. Any variation to the planned use of reserves is reported, with a formal recommendation to the PCC should additional monies be required to fund unplanned overspends.	G	
5	Is the monitoring of balance sheet risks integrated into the authority's management accounts reporting processes?	Yes, via CCMT and to the PCC, including through reports to Level 1 meetings	G	
Section 7 - External Financial Reporting				
P	The Chief Finance Officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom			
1	Is the authority's CFO aware of their responsibilities in terms of the preparation of the annual financial statements?	Yes, both CFOs are fully aware of their responsibilities in this areas	G	
2	Are these responsibilities included in the CFO's role description, personal objectives and other relevant performance management mechanisms?	They are included in both CFO job descriptions. Although closure of accounts may not be included in personal objectives, the PCC and Chief Constable are aware of its importance and regular updates are provided to JIAC	G	
3	Have the authority's financial statements hitherto been prepared on time and in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom?	Yes, TVP has a good track record of early closedown and external audit sign-off	G	

Q	The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions			
1	Is the authority's leadership team provided with a suitable suite of reports on the authority's financial outturn and on significant variations from budget?	An outturn report is presented to CCMT and the Level 1 meeting with clear explanations provided for each variation against budget	G	
2	Is the information in these reports presented effectively?	Yes. This information matches that provided in the formal Statement of Accounts	G	
3	Are these reports focused on information that is of interest and relevance to the leadership team?	Yes, it provides information on the full revenue budget and highlights variances which are both one-off and those that have an ongoing financial implication	G	
4	Does the leadership team feel that the reports support it in making strategic financial decisions?	Yes	G	

FINANCIAL RESILIENCE SELF-ASSESSMENT – FEBRUARY 2022

Introduction

Financial management (FM) is at the heart of ensuring an organisation's financial sustainability and the continued provision of public services. In February 2022 CIPFA issued a Financial resilience self-assessment and medium term financial planning toolkit for local policing bodies to use.

Financial resilience is a key component of CIPFA's Financial Management model and provides an assessment of the financial sustainability of the Force and its ability to withstand financial shocks.

Police finance has been under significant pressure for over a decade following the financial crisis in 2008/09 that triggered a severe worldwide recession. In response to this, forces have implemented significant cash savings in order to balance their annual budgets. In its review of the financial sustainability of police forces in England and Wales in 2018, the National Audit Office (NAO) reported that central government funding to PCCs had fallen by 30% in real terms since 2010/11. The Police Uplift Programme and recent increases in police grant settlements go some way to reversing this situation.

Some forces are much better placed than others to weather a financial challenge such as the Covid-19 pandemic. However, all forces will need to maintain financial sustainability against such significant funding pressures. This report aims to provide the local context in Thames Valley.

Financial strategy

Public service organisations operate in a challenging and potentially volatile environment in which strategies and plans can quickly be overtaken by events. It might seem that long-term planning under such circumstances is futile, but this is far from the case. High levels of uncertainty make long-term planning even more important.

A financial strategy is the link between an organisation's long-term service objectives and its financial capacity. It seeks to ensure the organisation's strategic objectives can be achieved within the confines of the financial resources that the organisation has at its disposal.

Sophisticated strategies will be of little value if they do not reflect the existing financial health of the organisation and emerging financial pressures it faces. Consequently, it is important that the organisation initiates the financial strategy development process with a comprehensive appraisal of its current financial position and the financial challenges that it faces.

A financial strategy can help improve the organisation's financial resilience by:

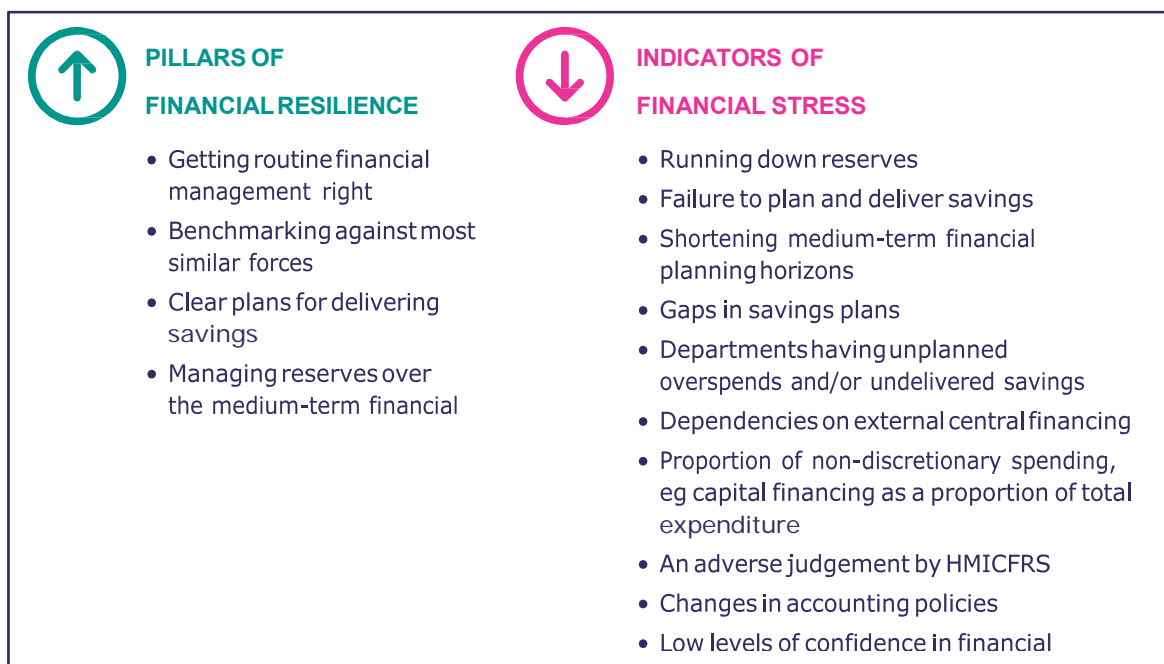
- helping to maintain and improve the organisation's financial solvency and/or liquidity
- increasing the value and diversity of income from public, commercial and other sources
- enhancing the organisation's ability to manage financial risk effectively

The TVP [Financial Strategy](#) for 2022/23 was approved by the PCC and Chief Constable at their public Performance and Accountability (PAM) meeting on 19 January 2022. Following approval, it has been published on the PCCs website at [Financial Strategy · Thames Valley Police & Crime Commissioner \(thamesvalley-pcc.gov.uk\)](#)

Financial Resilience

Financial resilience is the ability of police forces to remain viable, stable and effective in the medium to long term while facing pressures from growing demand, a tightening of funding and an increasingly complex and unpredictable financial environment.

CIPFA's report Building financial resilience: managing financial stress in local authorities (CIPFA 2017) sets out the pillars of financial resilience, which are summarised in the following chart.



The CIPFA Financial Management Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. For the first time, the FM Code sets out the standards of financial management for local authorities in the UK, including police and fire bodies.

Full compliance with the Financial Management Code is expected from 1 April 2021, part of which requires a financial resilience self-assessment to be completed by section 151 officers and shared with external auditors.

Key financial resilience indicators

The CIPFA toolkit outlines six public sector indicators of financial resilience. Previous publications relate primarily to local government authorities but the latest police specific toolkit puts these into a police context. The six indicators of public sector financial resilience are:

1. The funding gap as a percentage of net revenue expenditure (NRE) over the MTFP period
2. Savings delivered as a percentage of planned savings
3. Over/underspend relative to net expenditure
4. Useable reserves as a percentage of net revenue budget
5. Council tax as a percentage of income
6. The cost of total borrowing as a percentage of NRE

1. The funding gap as a percentage of Net Revenue Expenditure (NRE) over the Medium Term Financial Planning (MTFP) period

Forces should have a clear estimate of their funding gap over the MTFP, along with a robust savings plan to meet the gap.

The Financial Management Capability Review reported that all the CIPFA-assessed forces had medium-term financial plans and strategies, although the time horizon for these varied from three years (including the current financial year) to five years. The review found that some forces had well-developed savings planned, while others had very high-level plans where the focus tended to be on 'low-hanging fruit', including delivering savings through not filling posts. Some cited new systems implementation, business process re-engineering and wider transformative programmes, but there was little evidence of any more detailed plans. Some medium-term financial plans depended on unidentified savings.

It is important to distinguish savings between agreed, planned and aspirational targets. Targets or aspirational savings rather than firm plans pose a risk to financial resilience.

The situation in Thames Valley Police (TVP) is set out in Table 1 below.

Table 1: Estimated funding gap as a percentage of NRE

	2021/22	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m	£m
NRE	475.891	505.001	523.470	537.570	549.341
Estimated funding gap	0.000	0.000	11.550	4.843	6.672
Gap as a % of NRE	0.00%	0.00%	2.21%	0.90%	1.21%
Potential income from council tax at £10			9.760	10.157	
Annual surplus (-) / shortfall			1.790	-5.314	6.672
Cumulative budget shortfall			1.790	-3.524	1.358
Unidentified gap as a % of NRE			0.34%	-0.66%	0.25%

Explanation

In preparing the current MTFP for the period 2022/23 to 2025/26 the PCC approved a council tax increase of £10 (for a Band D property) for 2022/23 but was quite clear that, for planning purposes only at this stage, he wanted to show a nil increase in council tax in 2023/24 and later years. However, for the purposes of transparency the [budget book](#) also shows the financial implications of

increasing council tax by £10 in each of the next two financial years, in accordance with the flexibilities afforded to PCCs in the Spending Review and the Police Grant settlement for 2022/23.

Table 1 shows that without any further increase in council tax there is a potential funding gap of circa £23m, or 4.2%, by 2025/26. However, this situation changes to a potential budget surplus of circa £3.5m at the end 2024/25 should the PCC make maximum use of his precept flexibilities.

Cash releasing productivity savings

The Force has a strong history of identifying cash releasing savings and using these to balance annual budget or reinvesting them in frontline policing, a strategy that has been widely scrutinised and praised by HMICFRS during various inspections and reports. To date, total cash savings of £112.7m have been removed from base revenue budgets over the last 11 years (i.e. 2010/11 to 2021/22), however it is becoming increasingly more difficult to identify and deliver true efficiency savings as opposed to cuts.

The financial and operational demands facing the Force mean that it is more important than ever that the continuous review, challenge and improvement principles, underlying the Productivity Strategy, continue to ensure we focus our resources on our priority areas. However, it has to be acknowledged that we are currently constrained in our scope to deliver savings by the requirements to grow our police officer numbers in relation to the national Police Uplift Programme (PUP).

To continue the focus on productivity and efficiency a new piece of work is underway utilising the national value for money profiles to identify potential areas where there may be opportunities for us to reduce costs and bring ourselves in line with other forces. The use of benchmarking is only one piece of information and these results need to be considered by the professional leads and also alongside other programmes of work and changes already underway in TVP.

The savings incorporated within the MTFP are those initially rated as green or amber in relation to the risk and work required to implement. The savings identified for 2022/23 have been scrutinised and are felt to be safe in their delivery, however as the years progress the risks increase and not all the savings may deliver as required.

Table 2 below provides a high-level summary of the planned savings in coming years (£16.347m between 2022/23 and 2025/26). Detailed information is provided on pages 74 to 76 of the [budget book](#). These savings have already been included in the NRE figure in Table 1.

Table 2: Cash releasing savings in the MTFP

	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£m	£m	£m	£m	£m	£m
Savings						
Agreed	3.289	1.098	2.771			7.158
Agreed in principle	0.245	1.096	2.482	2.400		6.223
Proposed				3.250	3.250	6.500
Potential						
Total savings	3.534	2.194	5.253	5.650	3.250	19.881

2. Savings delivered as a percentage of planned savings

The ability to not only identify areas where specific financial savings can be made but to also deliver those savings in practice is a key aspect of ensuring ongoing financial sustainability against a backdrop of increasing financial pressures.

Where savings plans are not delivered, this can result in overspends that require the use of limited reserves, while increasing the level of savings required in future years to compensate for this. Where service areas are required to make unplanned savings, this increases the risk of savings not being aligned to strategic priorities, or of 'short-term' solutions that are not sustainable over the medium term such as a vacancy freeze.

A tendency to have unplanned overspends and/or carrying forward of undelivered savings into the following year creates a need for greater cuts in subsequent years. Unplanned overspends are a sign that a force is struggling to translate its policy decisions into actions. The situation in TVP is provided in Table 3 below

Table 3: Planned –vs – Actual savings

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	£m	£m	£m	£m	£m	£m
MTFP savings planned (cashable)	15.612	10.498	2.561	4.765	3.470	36.906
MTFP savings achieved	14.442	10.056	3.633	5.105	3.370	36.606
% of savings achieved	92.51%	95.79%	141.86%	107.14%	97.11%	99.19%

As explained above TVP has a strong history of delivering cash savings. The Productivity Strategy is revisited each year and updated to include new savings and remove aborted savings where, for various reasons, it has been agreed that the saving is not achievable or it is replaced with a more appropriate saving. The effect of this detailed scrutiny is that any potential over-reporting of actual savings is amended the following year hence the table above shows 99% of reported savings have been delivered.

3. Over/underspend relative to net revenue expenditure

The NAO's report on the financial sustainability of police forces in England and Wales 2018 found that while no police force has failed financially, there are signs emerging that forces are finding it harder to deliver an effective service.

It is important that overspending and underspending are kept under control and that actual expenditure is as close as possible to the levels planned. Inability to accurately forecast and plan expenditure risks creating unforeseen financial pressures and compromises the ability to set a balanced budget. Significant and recurring patterns of underspending may reduce the ability of a force to deliver its key objectives or meet its statutory responsibilities.

Overspends met from reserves is unlikely to be sustainable in the long-term, particularly if levels of usable reserves are already relatively low. Regular unplanned use of reserves to plug gaps in the

revenue budget reduces an organisation's resilience to fund unforeseen budget pressures in future years. The situation in TVP over the last five years is set out below

Table 4: Over/under spend as a percentage of NRE

	2016/17	2017/18	2018/19	2019/20	2020/21
	£m	£m	£m	£m	£m
NRE	360.634	379.257	391.471	419.914	448.929
Over/(under) spend	0.411	-0.773	0.307	-1.196	-0.199
Over/(under) spend as a % of NRE	0.11%	-0.20%	0.08%	-0.28%	-0.04%

TVP has a good record of delivering a financial outturn very close to the agreed budget, which reflects strong internal governance and good financial management.

4. Useable reserves as a percentage of net revenue budget

The Financial Management Capability Review reported that all PCCs had depleted reserves in recent years, though this was usually through a proactive strategy for the planned use of reserves.

There is significant variation between PCCs in the level of general reserves held as a proportion of spend. For some, there is little flexibility for any additional unforeseen financial challenges. Reserves allow financial uncertainty to be managed effectively. Healthy levels of useable reserves are an important safety net to support financial sustainability. As well as being available to fund unexpected funding pressures, useable reserves can also fund investments required to implement efficiency savings.

It is anticipated that the level of reserves will differ significantly across PCCs – for example, PCCs for larger forces are likely to hold higher levels of reserves. Although this is a relatively simplistic analysis, the level of usable reserves available to a PCC and their force is one of the key indicators of financial resilience and sustainability.

The current situation in TVP is set out below. Figures highlighted in yellow are future year estimates aligned to the MTFP, rather than actuals.

Table 5: Usable reserves as a % of NRE

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
NRE	360.634	379.257	391.471	419.914	448.929	475.891	505.001	523.470	537.570	549.341
Revenue reserves										
General	18.091	18.650	18.705	19.899	19.892	25.186	24.530	24.682	24.692	
Earmarked (excluding SEROCU & conditional funding)	28.350	21.532	19.609	16.433	18.135	20.184	10.516	10.117	9.917	
Total	46.441	40.182	38.314	36.332	38.027	45.370	35.046	34.799	34.609	0.000
General reserves as a % of NRE	5.02%	4.92%	4.78%	4.74%	4.43%	5.29%	4.86%	4.72%	4.59%	
Total revenue reserves as a % of NRE	12.88%	10.59%	9.79%	8.65%	8.47%	9.53%	6.94%	6.65%	6.44%	
Change in total reserve levels		-6.259	-1.868	-1.982	1.695	7.343	-10.324	-0.247	-0.190	

Despite the significant ongoing financial and operational challenges, TVP continues to hold a healthy level of general and earmarked revenue reserves. In accordance with good financial policy and practice we produce a detailed [reserves strategy](#) which is updated annually and published on the PCCs website [Reserves Strategy · Thames Valley Police & Crime Commissioner \(thamesvalley-pcc.gov.uk\)](#)

In addition to earmarked revenue reserves we also maintain an insurance provision (currently £9.1m) to ensure that our actuarially assessment insurance liabilities are fully cash-backed, as well as maintaining capital reserves to help fund future capital investment. Capital reserves are supplemented by income from capital receipts following the sale of finite capital assets. These receipts will be unusually high in coming years due, primarily, to the sale of Reading Police Station and other operational assets. On 1st April 2021, capital reserves amounted to £22.3m but are forecast to reduce to circa £11.7m by March 2025.

5. Council tax as a percentage of Force income

Due to various historical reasons, including the ongoing impact of the national police funding formula, there is a wide variation in the way that police forces are [funded](#) i.e. the split between core Home Office grants and local council tax income. For example, Northumbria Police receive over 80% of their income from Home Office grants, and less than 20% from local taxpayers, whereas in Surrey they receive less than 45% from Home Office but over 55% from council tax.

In 2021/22, the mean average source of funding across the 39 police forces in England was 63% from Home Office grant and 37% from Council Tax. TVP currently receives 55% from Home Office grant and 45% from council tax. However, in coming years the split is likely to be to 50/50.

The national police funding formula is currently being reviewed and updated. The timetable envisages formal consultation in the spring. Although an implementation date has yet to be announced by Government, this could be as early as 2023/24. As with any new formula there will be winners and losers, however those forces that receive most of their income from core Home Office grants will be affected (plus or minus) proportionately more heavily than those that receive most of their funding from council tax. Table 7 shows the current situation in TVP.

Table 7. Proportion of net revenue expenditure financed by council tax

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Council tax precept	143.505	149.500	162.321	186.558	198.840	212.800	226.286	230.812	235.619	240.718
Surplus on collection funds	2.018	2.375	1.768	1.520	2.046	0.376	1.574	1.000	1.000	1.000
Total council tax income	145.523	151.875	164.089	188.078	200.886	213.176	227.860	231.812	236.619	241.718
NRE	360.634	379.257	391.471	419.914	448.929	475.891	505.001	523.470	537.570	549.341
Council tax as a % of NRE	40.35%	40.05%	41.92%	44.79%	44.75%	44.80%	45.12%	44.28%	44.02%	44.00%

It can be seen that, since 2016/17, the proportion of NRE funded by local council taxpayers has increased from 40.3% to 45.1%.

Another important factor is the level of taxbase i.e. the number of Band D equivalent properties in each force area. A growing taxbase means that income from council tax will increase each year, even without an increase in the Band D tax level. Table 8 below shows the actual increase in recent

years, together with the assumed increase in coming years. For information, a 1% increase in taxbase in 2023/24 will generate additional council tax income of £2.263m

Table 8: Increase in Taxbase

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Taxbase	859,514	876,968	890,503	904,393	919,364	920,097	937,856	956,613	975,745	995,260
Annual increase		2.03%	1.54%	1.56%	1.66%	0.08%	1.93%	2.00%	2.00%	2.00%

In Spending Review 2021, the Government made the following assumptions about increases in taxbase and council tax precept in England. These are national averages and reflect the position across all classes of local authority, and all regions. The forecast increase in taxbase in TVP over the next few years is slightly above the national average, reflecting the expected increase in house building in the area, coupled with the relatively higher value of those properties compared to other parts of the country.

Table 9: Spending Review 2021 assumed increases in Taxbase and Precept

Council Taxbase and Precept Increases						
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
England – Taxbase	0.4%	1.1%	1.5%	1.4%	1.2%	0.0%
England - Precept	4.8%	3.0%	2.7%	2.6%	1.8%	3.0%

Spending Review 2021: Table 3 of the Supplementary Expenditure Tables

Nationally, [Band D council tax](#) levels ranged from £143.84 in Northumbria to £285.57 in Surrey, with the average being £237.75. The TVP figure of £231.28 is slightly below average but not significantly so. Table 10 shows the increase in Band D council tax in TVP since 2016/17. For information, in 2023/24 each £1 increase in band D council tax will generate additional income of £0.938m

Table 10: Band D tax levels

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£	£	£	£	£	£	£	£	£	£
Band D council tax	166.96	170.28	182.28	206.28	216.28	231.28	241.28	241.28	241.28	241.28
Annual increase		3.32	12.00	24.00	10.00	15.00	10.00	0.00	0.00	0.00
		1.99%	7.05%	13.17%	4.85%	6.94%	4.32%	0.00%	0.00%	0.00%

6. The cost of total borrowing as a percentage of NRE

Borrowing can be a valuable source of funding – for example, to fund large-scale capital projects such as new police stations. However, the cost of repaying borrowing, including interest costs, is ultimately funded from ongoing revenue budgets and can create a long-term commitment.

The cost of borrowing will vary significantly across individual force areas, depending on local circumstances, policies and risk appetite. Police Objective Analysis (POA) estimates for 2020/21 show a range from 0–8%. The cost of borrowing includes external interest payments and repayments in lieu of principal i.e. minimum revenue provision (MRP). In accordance with CIPFA policy, borrowing costs also include finance leases

The following table shows the current situation in TVP.

Table 11: Cost of borrowing

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	£m	£m	£m	£m	£m	£m	£m	£m	£m
NRE	360.634	379.257	391.471	419.914	448.929	475.891	505.001	523.47	537.57
Debt charges									
MRP on borrowing	0.741	0.710	0.863	0.863	1.107	1.123	1.242	1.242	1.242
Interest on external borrowings	0.699	0.753	0.881	1.353	1.434	1.440	1.494	1.541	1.534
MRP - Finance lease principal	0.210	0.261	0.283	0.434	1.152	1.534	1.614	1.679	1.736
Finance lease interest (including PFI)	0.499	0.479	0.457	0.434	0.525	0.483	0.431	0.376	0.316
Total cost of borrowing	2.149	2.203	2.484	3.084	4.218	4.580	4.781	4.838	4.828
Borrowing as a % of NRE	0.60%	0.58%	0.63%	0.73%	0.94%	0.96%	0.95%	0.92%	0.90%
Level of debt	20.650	27.956	32.673	56.858	60.862	59.328	57.715	56.037	54.300
Capital financing requirement	46.407	45.283	44.137	56.459	60.185	63.450	60.595	57.675	54.696
Debt as a % of NRE	5.73%	7.37%	8.35%	13.54%	13.56%	12.47%	11.43%	10.70%	10.10%

In accordance with our [Capital Strategy](#) we will only borrow for assets with a long-term life, such as land and buildings. Debt charges increased in 2020/21 due to the inclusion of finance leases for multi-functional photocopiers and a telecommunications contract with BT. However, overall borrowing as percentage of NRE remains very low, at less than 1%.

Debt, in both absolute terms and as a percentage of NRE, has increased in recent years due to external borrowing for the replacement Reading Police Station and our share of the Western Hub, but both are at reasonable levels and, more importantly, are affordable.

Further information on borrowing levels is provided in the [Treasury Management Strategy Statement](#) for 2022/23.

CONCLUSIONS

Based on the information and evidence in this financial resilience self-assessment we believe that TVP is a going concern because:

- We manage annual budgets very effectively. Since 2016/17, the largest variation against NRE has been 0.3%. The latest revenue monitoring for 2021/22 indicates an in-year underspend of circa £7.7m (1.6%) but this primarily reflects difficulties in recruiting and retaining police officers and staff, coupled with supply chain and contractor problems, rather than an inability to manage expenditure effectively.
- We have a proven history of delivering productivity savings to balance annual budgets and reinvesting these in frontline operational services. In the eleven years between 2010/11 and 2021/22, some £112.7m was removed from base revenue budgets, with a further £16.3m identified for delivery over the next four years. This work is ongoing through the Efficiency and Effectiveness Programme, driven by the Deputy Chief Constable and supported by the Director of Finance and other senior colleagues
- We produce and publish a detailed annual financial strategy, capital strategy, reserves strategy and a treasury management strategy statement
- We produce a very detailed 4-year medium term financial plan as well as a 4-year capital programme. Although the current MTFP is not balanced in 2023/24 and later years, this is because the PCC has instructed that the planning assumption should be no increase in

council tax in future years. However, as shown in Table 1 above, should the PCC make full use of the £10 precept flexibilities afforded to him in the Spending Review and the Police Grant Settlement 2022/23, there would be a small cumulative budget surplus of circa £3.5m at the end of 2024/25. This would be available to fund, as yet, unidentified cost pressures or new investment.

- We maintain a healthy level of cash reserves. General balances are forecast to remain above the agreed 3% of NRE level throughout the MTFP period. Although earmarked reserves are scheduled to reduce slightly over the next four years, as we utilise funding in support of one-off initiatives in the revenue budget and capital programme, they are still forecast to be close to £10m at the end of 2024/25.
- We maintain an insurance provision, currently £9.1m, which is sufficient to meet the actuarially assessed level of insurance liabilities at 31st March
- Due to significant capital receipts in coming years, capital reserves will still exceed £11m at the end of 2024/25.
- Borrowing costs when expressed as a percentage of NRE remain very low – less than 1% throughout the MTFP period.
- External debt peaked at £61m in 2021/22. According to current capital expenditure plans, overall debt should not rise above this level over the next four years. However, there may be a technical increase from 2022/23 onwards if IFRS 16 (leases) is implemented which will increase the value of assets held on the balance sheet, with a consequential increase in finance lease borrowing costs

Other information and evidence to support this going concern assessment includes:

- We have a history of strong and effective financial management which has been acknowledged by HMICFRS in various inspection reports. In the latest State of Policing report TVP was graded 'GOOD' for Efficiency, Effectiveness and Legitimacy
- We have carried out a self-assessment against the new CIPFA Financial Management Code and reported the results to the Joint Independent Audit Committee, who will also monitor implementation of agreed action plans
- We have an efficient and effective internal audit service that reports jointly to the PCC CFO and the Force Director of Finance. Quarterly update reports are presented to the Joint Internal Audit Committee. In his Annual Audit opinion for 2021/22 the Chief Internal Auditor is expected to issue an overall grade of 'Reasonable Assurance'.

Ian Thompson
PCC CFO & Deputy Chief Executive

Linda Waters
TVP Director of Finance



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Decision: 18th March 2022

Title: Joint Corporate Governance Framework

Executive Summary:

The Corporate Governance Framework provides clarity on the way the two corporations sole, i.e. the PCC and Chief Constable of Thames Valley, will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason and at the right time.

It consists of:

- Statement of corporate governance – statutory framework and local policy
- Code of corporate governance – sets out how the core principles will be implemented
- Scheme of corporate governance – defines the parameters within which the corporations sole will conduct their business
- Separate policy and procedures for each corporation sole, with protocols and other governance documents where they operate jointly.

The current version was approved by the Chief Constable and PCC at the Level 1 public meeting held on 30th March 2021.

The Framework has been reviewed and updated as appropriate.

Recommendation:

That the Committee scrutinises the draft Joint Corporate Governance framework for 2022/23 and recommends it to the PCC and Chief Constable for approval.

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL

1 Introduction and background

- 1.1 In a public sector context, good governance is about how those responsible for the service ensure they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems, processes, cultures and values by which all local government bodies are directed and controlled, and through which they account to, engage with and, where appropriate, lead their communities. These principles apply to equally the PCC and the Chief Constable of Thames Valley Police (TVP).
- 1.2 The PCC and Chief Constable approved the current joint corporate governance framework on 30th March 2021. The framework has been fully reviewed and the main changes are set in section 2 below.

2 Issues for consideration

- 2.1 The following paragraphs briefly explain the main changes that have been made to each of the four components of the joint corporate governance framework.
- 2.2 A tracked changes version has been provided to members of the Committee.

Statement of Corporate Governance

- 2.3 Change to the name of PCC public meetings with the Chief Constable

Code of Corporate Governance

- 2.4 Minor changes in the following sections or paragraph numbers: B3, B6, C5, D3, F4 and 3.12

Scheme of corporate governance

- 2.5 Minor changes in paragraphs 2a, 4.2, 4.3, 4.4, 4.5, 4.6, 6.1, 6.2, 6.4, 8.4 and 9.2
- 2.6 There are also minor updates in Appendices 1 and 2

Financial Regulations

- 2.7 Minor changes in sections 1.1.3, 2.1.10, 2.1.12, 2.1.17, 3.3.29, 3.6.4, 6.1.14, 6.2.23
- 2.8 Section 5.1.29, termination of contracts, is new

3 Financial Implications

- 3.1 There are no specific financial implications arising directly from this report.

4 Legal Implications

4.1 There are no specific legal implications arising directly from this report.

5 Equality Implications

5.1 There are none arising specifically from this report

Background papers

Report to the Level 1 meeting on 30 March 2021

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

Is there a Part 2 form? No


Name & Role	Officer
Head of Unit The Corporate Governance Framework has been reviewed and updated to ensure it remains consistent with national guidance and local policies, procedures and arrangements	Chief Executive
Legal Advice No specific issues arising.	Head of Governance and Compliance
Financial Advice No specific issues arising from this report.	PCC Chief Finance Officer
Equalities and Diversity No specific issues arising from this report	Chief Executive

PCC STATUTORY CHIEF OFFICERS' APPROVAL

We have been consulted about the report and confirm that appropriate financial and legal advice has been taken into account.

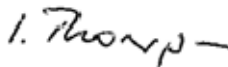
We are satisfied that this is an appropriate report to be submitted to the Joint Independent Audit Committee.

Chief Executive



Date 23 February 2022

Chief Finance Officer



Date 23 February 2022



JOINT CORPORATE GOVERNANCE FRAMEWORK

2022/23

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Statement of Corporate Governance for the Police and Crime Commissioner for Thames Valley and the Chief Constable of Thames Valley Police

Introduction

The purpose of this statement is to give clarity to the way the two corporations sole, the Police and Crime Commissioner for Thames Valley (PCC) and the Chief Constable of Thames Valley Police, will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason at the right time.

Context

The principal governance framework within which the corporations sole will operate is:

- Police Reform and Social Responsibility Act 2011
- The Policing Protocol Order 2011
- Standards in Public Life (known as ‘the Nolan Principles’)
- PCC Oath of Office
- PCC Code of Conduct
- The Good Governance Standard for Public Services¹
- Police Service Code of Ethics
- Home Office Strategic Policing Requirement
- Home Office Financial Management Code of Practice
- CIPFA Financial Management Code

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

In accordance with the CIPFA / SOLACE framework on corporate governance, the PCC and Chief Constable are required to produce separate annual governance statements to show how their respective organisations have complied with the joint code of corporate governance.

Principles

The Policing Protocol Order 2011 requires the PCC and Chief Constable to abide by the seven principles set out in ‘Standards in Public Life’ (commonly known as ‘the Nolan Principles’) which set out the personal conduct expectations of holders of a public office, i.e.

- Selflessness,
- Integrity,
- Objectivity,
- Accountability,
- Openness,
- Honesty, and
- Leadership.

These Nolan Principles are incorporated into the PCC Code of Conduct which, together with the PCC’s ‘Oath of Office’, are published on the OPCC website.

¹ The Independent Commission on Good Governance in Public Services 2005

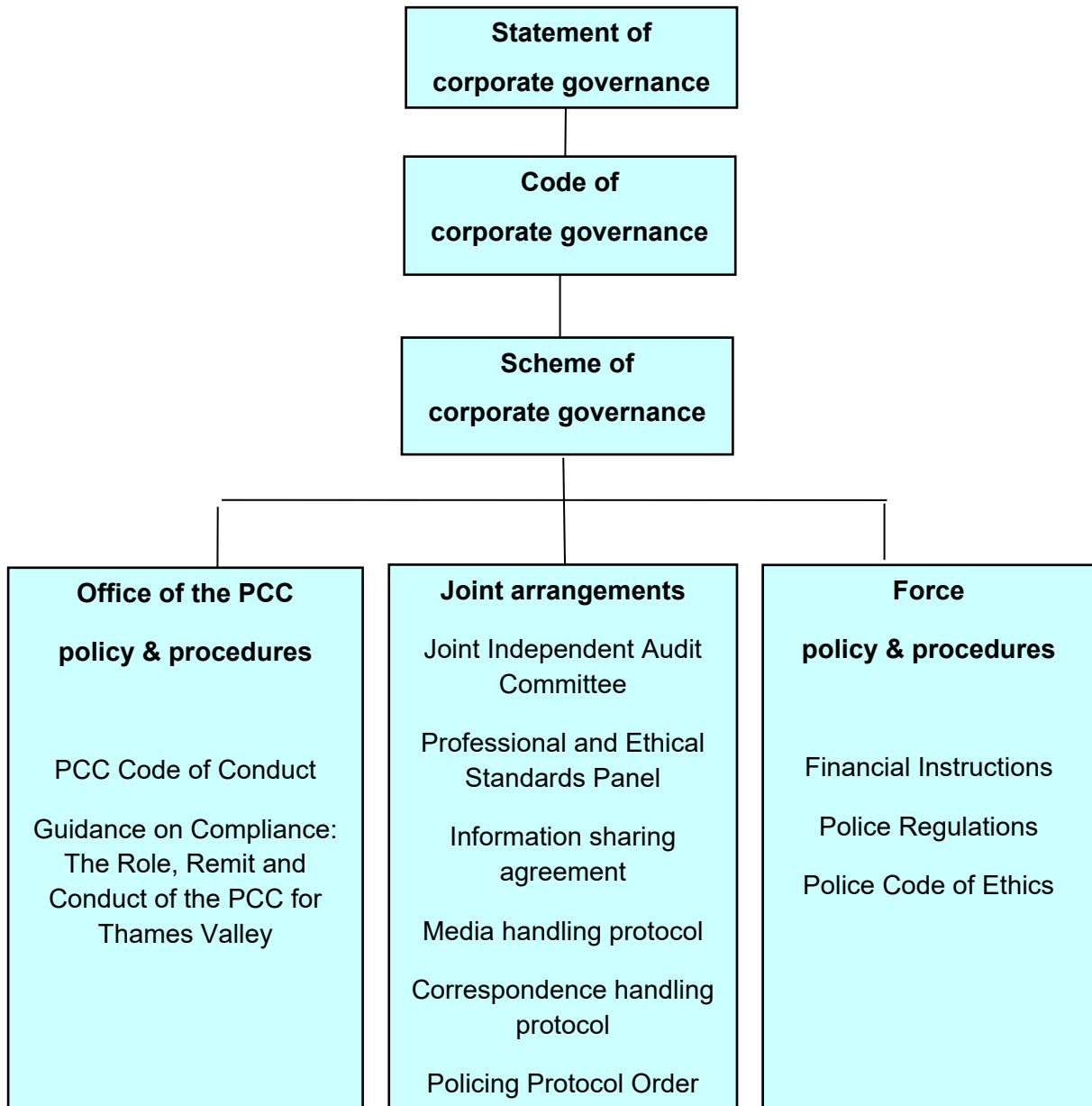
The above Nolan Principles, covering the personal conduct of public office holders, are supplemented by those organisational governance principles and management arrangements highlighted by CIPFA and SOLACE in their publication '*Delivering Good Governance in Local Government*':

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

Framework / Instruments of governance

The corporate governance framework within which the PCC and Chief Constable will govern, both jointly and separately, will consist of:

- Statement of corporate governance – statutory framework and local policy,
- Code of corporate governance – sets out how the core principles will be implemented,
- Scheme of corporate governance – defines the parameters within which the corporations sole will conduct their business,
- Separate policy and procedures for each corporation sole, with protocols and other governance documents where they operate jointly.



Leadership

The Governance Advisory Group reviews and updates the framework and oversees its implementation. An annual update is provided to the Joint Independent Audit Committee, which scrutinises the framework and makes recommendations to the PCC and Chief Constable who approve the final version at one of the PCC's public 'Performance and Accountability' meetings'.

Definitions used within this Joint Corporate Governance Framework

1. The Police and Crime Commissioner shall be referred to as the PCC
2. The PCC's Chief Finance Officer shall be referred to as the PCC CFO
3. The Chief Constable's Chief Finance Officer (CC CFO) is the Director of Finance

4. The 'Force' shall refer to the Chief Constable, police officers, police civilian staff, police community support officers (PCSO), special constabulary, volunteers and other members of the wider police family under the Chief Constable's direction and control
5. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders

CODE OF CORPORATE GOVERNANCE

for the Police and Crime Commissioner for Thames Valley and Chief Constable of Thames Valley Police

1 INTRODUCTION

- 1.1 Governance is about how organisations ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open and accountable manner. It comprises the system, processes, culture and values by which organisations are directed and controlled, and through which they account to, engage with and lead their communities.
- 1.2 This Code of Corporate Governance describes how the Police and Crime Commissioner (PCC) for the Thames Valley and the Chief Constable of Thames Valley Police discharge their responsibilities in this respect, reflecting their commitment to the statutory requirements. It should be read alongside the Scheme of Corporate Governance which defines the parameters for decision making, including schemes of delegations, consents and financial regulations, including contracts regulations.
- 1.3 The term “Thames Valley Police” is used throughout this document to reflect both the PCC and the Force.
- 1.4 The PCC has two key statutory responsibilities:
- To secure the maintenance of an efficient and effective local police force;
 - To hold to account the Chief Constable of Thames Valley Police for the exercise of his functions and those of persons under his direction and control.

In exercising these functions, the PCC is accountable to the electorate in the Thames Valley Police area.

- 1.5 The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services provided by the Force.
- 1.6 The Good Governance Standard for Public Services² sets out seven core principles on which effective corporate governance should be built:
- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
 - Ensuring openness and comprehensive stakeholder engagement
 - Defining outcomes in terms of sustainable service and economic benefits
 - Determining the interventions necessary to optimise the achievement of the intended outcomes
 - Developing the entity's capacity, including the capability of its leadership and the individuals within it
 - Managing risks and performance through robust internal control and strong public financial management
 - Implementing good practices in transparency, reporting, and audit to deliver effective accountability

² CIPFA: *Delivering good governance. Guidance Notes for Policing Bodies in England and Wales: 2016 Edition*

- 1.7 To achieve this, a local scheme has been formulated to ensure that these principles are fully integrated in the conduct of Thames Valley Police's business as well as establishing a means of demonstrating compliance.
- 1.8 Thames Valley Police must also demonstrate that the systems and processes in place are:
- Monitored for their effectiveness in practice
 - Subject to annual review to ensure they remain up to date
- 1.9 Underneath each of the seven sets of principles are a series of behaviours and outcomes that demonstrate good governance in practice.
- 1.10 Throughout this Code, the term "employees" refers to all police officers, police support staff, special constables, volunteers and other members of the wider policing family working for Thames Valley Police.
- 1.11 This Code applies to all employees, contractors and/or agents providing a direct service to Thames Valley Police.
- 1.12 The Code will be reviewed and updated as appropriate on an annual basis.

2. THE CODE OF CORPORATE GOVERNANCE

- 2.1 Effective governance relies on public confidence in the PCC, Chief Constable and their respective employees. Good governance strengthens credibility and confidence in our public services.
- 2.2 Thames Valley Police has developed a single joint Code of Corporate Governance which incorporates the core good governance principles, develops these in a local context, and sets out the arrangements for reviewing their effectiveness. At year-end the PCC and Chief Constable will produce Annual Governance Statements to show their compliance with this Code (see section 3).
- 2.3 The way in which each of the seven core principles of good governance is put into practice by Thames Valley Police is set out below, together with the expected behaviours and outcomes:

A BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

- 2.4 *Good governance flows from a shared ethos or culture, as well as from systems and structures. It cannot be reduced to a set of rules, or achieved fully by compliance with a set of requirements. This spirit or ethos of good governance can be expressed as values and demonstrated as behaviour. It depends on building a corporate environment where leaders and staff believe personally in acting in accordance with generally accepted values.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- A1 The Policing Protocol Order 2011 (the Protocol) requires all parties to abide by the seven principles set out in 'Standards in Public Life' (known as "*the Nolan Principles*") - *i.e.* Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership - and these will be central to the conduct and behaviour of all. It also highlights the expectation that the relationship between all parties will be based upon the principles of goodwill, professionalism, openness and trust

- A2 Additionally, the Home Office Financial Management Code of Practice requires the PCC and Chief Constable to ensure that the CIPFA '*Good Governance principles*' are embedded within the way the organisations operate. As such, the PCC and Chief Constable will set the tone for their respective organisations by creating a climate of openness, support and respect
- A3 The Police Service Code of Ethics, issued under the Police Act 1996, sets out principles and standards of professional behaviour for the policing profession of England and Wales. The Code applies to all police forces and, specifically, to chief officers in the discharge of their functions.
- A4 The PCC and Chief Constable will set out their values in the respective corporate and strategic plans and use them as a guide for decision making and as a basis for developing positive and trusting relationships
- A5 The PCC and Chief Constable will put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice. To that end, the PCC and Chief Constable have agreed to maintain jointly a 'Professional and Ethical Standards Panel' comprising members of the public. The purpose of this Panel is to monitor, challenge and make recommendations about the way complaints, ethics and integrity issues are handled by the Force and overseen by the PCC
- A6 The PCC and Chief Constable will recognise the limits of lawful action placed on them (e.g. the '*ultra vires doctrine*') and will observe both the specific requirements of legislation and the general responsibilities placed on the PCC and Chief Constable by public law
- A7 The Chief Constable will ensure compliance with relevant national standards and policies in terms of vetting

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Behaving with integrity

- A8 Ensuring that the PCC, chief officers and staff behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby promoting and upholding the reputation of the organisation amongst its stakeholders
- A9 Ensuring the PCC and chief officers lead in establishing a culture and specific values for their organisations and staff and that they are communicated and understood. The values should build on the *Nolan Principles*
- A10 Leading by example and using these values as a framework for decision making and other actions
- A11 Demonstrating, communicating and embedding values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively

Demonstrating strong commitment to ethical values

- A12 Seeking to understand, monitor and maintain the organisation's ethical performance
- A13 Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation
- A14 Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values
- A15 Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards

Respecting the rule of law

- A16 Ensuring the PCC, chief officers and staff demonstrate respect for the rule of law as well as adhering to relevant laws and regulations
- A17 Creating the conditions to ensure that statutory chief officers, other key postholders and (where appropriate) statutory committees are able to fulfil their responsibilities in accordance with best practice
- A18 Striving to use full powers for the benefit of citizens, communities and other stakeholders
- A19 Dealing with reported breaches of legal and regulatory provisions effectively
- A20 Ensuring reported corruption and misuse of power are dealt with effectively

B ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

- 2.5 *Local Government, including the Police service, is run for the public good. Organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders*
- 2.6 *The PCC and Chief Constable exist primarily to provide services that people need, and this will only be achieved if there is a consistent dialogue in both directions*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- B1 The Policing Protocol Order 2011 highlights that the PCC is accountable to local people and has a duty to set and shape the strategic direction and objectives for the force area in consultation with the Chief Constable, taking into account the Strategic Policing Requirement
- B2 The PCC and Chief Constable will ensure that a shared vision, strategic plans, priorities and targets are developed having regards to the views of the local community and other key stakeholders, and that they are clearly articulated and disseminated
- B3 The PCC's statutory police and crime plan for the period 2021-2025, locally titled the 'Police and Criminal Justice Plan' (and referred to as such hereon)

will clearly set out what the PCC's strategic priorities and objectives are and how they will be delivered

- B4 To complement this, the communication and engagement strategies will set out how local people will be involved with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction
- B5 The PCC and Chief Constable will develop arrangements for effective engagement with key stakeholders ensuring that, where appropriate, they inform decision making, accountability and future direction
- B6 The PCC, with the support of the Chief Constable, will engage with the independent Thames Valley Police and Crime Panel to facilitate scrutiny and public accountability of the PCC, over and above development of the annual budget and delivery of the objectives set out in the Police and Criminal Justice Plan
- B7 The PCC and Chief Constable will develop effective working relationships with constituent local authorities and other partners as necessary and appropriate
- B8 The PCC and Chief Constable will seek to ensure that when working in partnership that (a) there is clarity about the legal status of the partnership and that representatives, or organisations, both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions, and (b) that all employees are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the organisation

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Openness

- B9 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness
- B10 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action

Engaging comprehensively with institutional stakeholders

- B11 Engaging effectively with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably
- B12 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively
- B13 Ensuring that partnerships, including collaborations, are based on trust, a shared commitment to change, and a culture which promotes and accepts challenge amongst partners and that the added value of partnership working is explicit

Engaging stakeholders effectively, including individual citizens and service users

- B14 Ensuring that communication methods are effective and that the PCC and officers are clear about their roles with regard to community engagement
- B15 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs

C DEFINING OUTCOMES IN TERMS OF SUSTAINABLE SERVICE AND ECONOMIC BENEFITS

- 2.7 *The long term nature and impact of many of the PCC and Chief Constable's responsibilities mean that they should seek to define and plan outcomes and that these should be sustainable. Decisions should contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.*
- 2.8 *Public sector programmes will respond to changes in the current environment, but these responses should always be framed within the PCC and Chief Constable's long term objectives and aspirations for the service, and the resources available.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- C1 The Police Reform and Social Responsibility Act 2011 (PRSRA 2011) requires the PCC to issue a Police and Crime Plan covering a five year period, including one year beyond his/her term of office. It will outline the policing and crime priorities and objectives (outcomes) and the strategic direction for the policing of the Force area
- C2 Both the PCC and Chief Constable must have regard to the Plan and the PCC must have regard to the priorities of the responsible authorities during its development
- C3 Each organisation will have an annual plan which sets out how it will operate to support achievement of these outcomes
- C4 Collaboration agreements will set out those areas of business to be undertaken jointly with other forces, local policing bodies and other emergency services, whether it be to reduce cost, increase capability and/or increase resilience in order to protect local people
- C5 A financial strategy will be developed jointly by the CFO and Director of Finance for approval and adoption by the PCC and Chief Constable. This will be reviewed and refreshed at least annually to ensure delivery of the corporate aims and objectives. Detailed arrangements for financial management will be set out in financial regulations
- C6 The PCC is required to publish an annual report in relation to monitoring his own performance and that of the Chief Constable and Force
- C7 A commissioning and award of grants framework will be developed and maintained by the PCC, which will incorporate commissioning intentions and priorities

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Defining outcomes

- C8 Having a clear vision – an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators which provide the basis for the organisation's overall strategy, planning and other decisions
- C9 Specifying the intended impact on, or changes for stakeholders, including individual citizens and service users
- C10 Delivering defined outcomes on a sustainable basis within the resources that will be available while recognising that changing demands will place additional pressure on finite resources.
- C11 Identifying and managing risks to the achievement of outcomes as part of delivering goods and services
- C12 Managing expectations effectively with regard to determining priorities and making the best use of the resources available

Sustainable service and economic benefits

- C13 Considering and balancing the combined service and economic impact of policies and plans when taking decisions
- C14 Taking a longer term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the PCC and the Chief Constable's intended outcomes and short term factors such as the political cycle or financial constraints

D DETERMINING THE ACTIONS NECESSARY TO ACHIEVE THE INTENDED OUTCOMES

- 2.9 *Public bodies, including the Police, achieve their intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that the Police have to make to ensure intended outcomes are achieved. They need robust decision making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure the achievement of intended outcomes.*
- 2.10 *Policy implementation usually involves choice about the approach, the objectives, the priorities and the costs and benefits. PCCs and Chief Constables must ensure that they have access to the appropriate skills and techniques.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- D1 The PCC and the Chief Constable will maintain a medium term financial strategy, updated annually, which will form the basis of the annual budgets, and provide a framework for evaluating future proposals

- D2 There will be a comprehensive process of analysis and evaluation of plans, which will normally include option appraisal, techniques for assessing the impact of alternative approaches on the service's outcomes, and benefits realisation
- D3 The PCC and Chief Constable will jointly consider how best to achieve value for money and ensure that their agreed approach is reflected in the Police and Criminal Justice Plan objectives and associated delivery plans
- D4 The Force will maintain appropriate workforce development and asset management plans on behalf of the Chief Constable and the PCC
- D5 The PCC and Chief Constable will work together to provide clarity over the arrangements to respond to the breadth of concerns raised by local people, whether they be organisational or individual matters

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

The decision making process

- D6 Ensuring that decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore, ensuring that best value is achieved however services are provided
- D7 Making informed decisions in accordance with the National Decision Model
- D8 Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used, ensuring that the impact and consequences of those decisions is clear
- D9 The PCC and Chief Constable will decide jointly how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available
- D10 The Chief Constable will ensure that effective mechanisms and arrangements exist to monitor service delivery and deal with apparent under-performance or failings
- D11 Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets
- D12 Simultaneously engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered
- D13 Considering and monitoring shared risks when working collaboratively
- D14 Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances
- D15 Establishing appropriate performance measures as part of the planning process in order to assess and inform how the performance of the services and projects is to be measured, and service quality is reviewed

- D16 Preparing annual budgets in accordance with organisational objectives, strategies and the medium term financial plan
- D17 Informing medium and long term resource planning by drawing up realistic and robust estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy
- D18 Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets

Achieving intended outcomes

- D19 Ensuring the medium term financial strategy integrates and balances service priorities, affordability, and other resource constraints
- D20 Ensuring that the budgeting process is comprehensive, taking into account the full cost of operations over the medium and longer term
- D21 Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for the outcomes to be achieved while optimising resource usage

E DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

- 2.11 *The PCC and the Force need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A public organisation must ensure that it has both the capacity and capability to fulfil its own mandate. Both the individuals involved and the environment in which the police operate will change over time, and there will be a continuous need to develop its capacity as well as the skills and experience of the leadership and individual staff members. Leadership in the Police service is strengthened by the participation of people with many different types of background, reflecting the diversity of communities we serve.*
- 2.12 *Successful outcomes depend on the calibre of the people within the organisation, and it is essential that they have the appropriate skills and support*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- E1 The Office of the PCC and the Force's people priorities, as set out in the Force Strategic Plan, set the climate for continued development of individuals. The respective performance development review processes will ensure that these strategies are turned into reality for officers and members of staff
- E2 To develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed
- E3 To ensure that effective arrangements are in place for reviewing performance and agreeing an action plan(s) which would include any training or development needs

- E4 To ensure that effective arrangements are designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the PCC and police force
- E5 To ensure that career structures are in place to encourage participation and development of employees

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Developing the entity's capacity

- E6 Reviewing operations, performance and asset management on a regular basis to ensure their continuing effectiveness
- E7 Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how policing resources are allocated so that outcomes are achieved effectively and efficiently
- E8 Recognising and promoting the benefits of collaborative working where added value can be achieved through partnerships
- E9 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources

Developing the capability of the entity's leadership and other individuals

- E10 Ensuring the PCC and chief officers have clearly defined and distinctive leadership roles within a structure whereby the chief officers lead by implementing strategy and managing the delivery of services and other outputs set by the PCC and/or Chief Constable, and each provides a check and balance for each other's responsibility
- E11 Developing the capabilities of the PCC and chief officers to achieve effective shared leadership where appropriate, and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political, and environmental changes and risks
- E12 Ensuring the PCC, chief officers and staff receive appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.
- E13 Ensuring that the PCC, chief officers and staff have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis
- E14 Ensuring personal, organisation and system-wide development through shared learning including lessons learnt from governance failures both internal and external
- E15 Ensuring the PCC is independent of Force management and free from relationships that would materially interfere with their role
- E16 The Office of the PCC, in conjunction with the Force, should ensure that appropriate information is available for potential PCC candidates

- E17 Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections
- E18 Holding staff to account through regular performance reviews which take account of training or development needs
- E19 Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

F MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

- 2.13 Public bodies need to ensure that the organisation's governance structures can sustain an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving outcomes. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.*
- 2.14 All public bodies spend money raised from taxpayers and use assets which have been paid for by taxpayers in order to deliver and maintain services. The public is entitled to expect high standards of control and the continuous oversight of performance to correct shortfalls and to identify factors which could undermine achievement*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- F1 The PCC will develop and maintain effective arrangements to hold the Chief Constable to account for Force performance, for the exercise of the functions of the Chief Constable and the functions of persons under the direction and control of the Chief Constable, and compliance with other statutory requirements.
- F2 The PCC will develop and maintain effective arrangements to hold to account his two statutory officers, being the Chief Executive and Chief Finance Officer, for the exercise of their respective functions and the performance of the Office of the PCC.
- F3 The Office of the PCC decision making policy sets out principles behind how decisions will be taken by the PCC and the standards to be adopted. This will ensure that those making decisions are provided with information that is fit for the purpose – relevant, timely and accurate and gives clear explanations of technical issues and their implications.
- F4 It requires a combined forward plan of key decisions, which brings together the business planning cycles for the Police and Criminal Justice Plan, the Office of the PCC and the Force corporate planning process. This will ensure proper governance by bringing together the right information at the right time, e.g. strategic needs assessments, costs, budgets, etc.
- F5 The National Decision Model (NDM) is suitable for all material decisions and should be used by everyone in policing where appropriate. It can be

applied to spontaneous incidents or planned events, by an individual or team of people, and to both operational and non-operational situations.

- F6 The Scheme of Corporate Governance defines the parameters for key roles in the corporations sole, including schemes of delegations and/or consents from the PCC or Chief Constable and financial regulations, including contract regulations.
- F7 The risk management strategy establishes how risk and decision management is embedded throughout Thames Valley Police, with the PCC and Chief Constable and their respective staff and officers all recognising that risk management is an integral part of their job
- F8 Information relating to decisions will be made readily available to local people, with those of greater public interest receiving the highest level of transparency, except where operational and legal constraints exist.

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Managing risk

- F8 Recognising that risk management is an integral part of all activities and must be regarded as a continuous process
- F9 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively
- F10 Ensuring that the organisation is risk aware and that its risk appetite is defined and communicated clearly to those responsible for making decisions

Managing performance

- F11 Monitoring service delivery effectively including planning, specification, execution and independent post implementation review
- F12 Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible
- F13 Providing the PCC and chief officers with regular reports on service delivery plans and on progress towards outcome achievement
- F14 Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements)

Robust internal control

- F15 Aligning the risk management strategy and policies on internal control with achieving the organisation's objectives
- F16 Evaluating and monitoring the organisation's risk management and internal control on a regular basis

- F17 Ensuring effective anti-fraud, bribery and corruption arrangements are in place
- F18 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the Joint Internal Audit Team
- F19 Ensuring an audit committee or equivalent group or function, which is independent of the executive, provides a further source of effective assurance to the PCC and Chief Constable regarding arrangements for managing risks and maintaining an effective control environment and that its recommendations are listened to and acted upon as appropriate

Managing information

- F20 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data in accordance with GDPR and Data Protection legislation
- F21 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies
- F22 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring

Strong public financial management

- F23 Ensuring financial management supports both long term achievement of outcomes and short term financial and operational performance
- F24 Ensuring well developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

G IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

- 2.15 *Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.*
- 2.16 *It is easy to pay lip service to the principles of accountability. Aspirations which are not followed through, and actions which are not explained to those who are affected by them, undermine confidence.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- G1 The PRSRA 2011 and the Policing Protocol Order clearly sets out the functions of the PCC and Chief Constable and the protocol sets out how these functions will be undertaken to discharge their respective responsibilities.
- G2 The PCC may appoint a Deputy who will be a member of his staff as highlighted in the PRSRA 2011. The role description approved by the PCC

may incorporate functions delegated within the Scheme of Corporate Governance.

- G3 The PRSRA 2011 requires the PCC to have a Chief Executive and Chief Finance Officer. The Chief Executive will be the head of paid service and undertake the statutory responsibilities of Monitoring Officer.
- G4 The PRSRA 2011 requires the Chief Constable to appoint a Chief Finance Officer.
- G5 The Home Office Financial Management Code of Practice sets out the responsibilities of Chief Finance Officers for both the PCC and Chief Constable.
- G6 The CIPFA Financial Management Code identifies the risks to financial sustainability and introduces an overarching framework of assurance which builds on existing financial management good practice.
- G7 The PCC and Chief Constable will put in place appropriate arrangements to help ensure that the PCC, Deputy PCC (if appointed) and all employees are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice
- G8 The Scheme of Corporate Governance defines the parameters for decision making, including delegations, consents and financial regulations, including contract regulations.
- G9 The PCC, Chief Constable and all employees will operate within relevant:
 - a. Office of the PCC and Force policy and procedures,
 - b. corporate governance framework,
 - c. disciplinary regulations and codes of conduct.
- G10 A Joint Independent Audit Committee will operate in accordance with CIPFA guidance and the Home Office Financial Management Code of Practice.
- G11 The independent Thames Valley Police and Crime Panel provides checks and balances in relation to the performance of the PCC. It does this by reviewing and scrutinising the decisions and actions of the PCC. However, the Panel does not scrutinise the Chief Constable.
- G12 The PCC and Chief Constable will ensure that arrangements are in place for whistle blowing to which employees and all those contracting with Thames Valley Police have access

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Implementing good practice in transparency

- G13 Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring they are easy to access and interrogate in accordance with accessibility regulations.
- G14 Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny whilst not being too onerous to provide and for users to understand in compliance with the

Elected Local Policing Bodies (Specified Information) Order 2011 and the Freedom of Information Act 2000.

Implementing good practices in reporting

- G15 Reporting at least annually on performance, value for money and the stewardship of resources to stakeholders in a timely and understandable way
- G16 Assessing the extent that the organisation is applying the principles contained in the Framework and publishing the results of this assessment annually including an action plan for improvement and evidence to demonstrate good governance in action (the Annual Governance Statement)
- G17 Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar entities
- G18 The PCC and the Chief Constable will assess the adequacy and effectiveness of the governance arrangements for jointly managed functions as part of the annual arrangement for the review of governance.

Assurance and effective accountability

- G19 Ensuring that recommendations for corrective action made by external audit are acted upon
- G20 Ensuring an effective Internal Audit Service exists with direct access to the PCC, Chief Constable, and the Joint Independent Audit Committee, which provides assurance with regard to the organisation's governance and risk management arrangements, and whose reports are acted upon by management
- G21 Utilising peer challenge, reviews and inspections from regulatory bodies, and implementing recommendations
- G22 Gaining assurance on risks associated with delivering services through third party suppliers, and subjecting these arrangements to regular review
- G23 Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised

3 ARRANGEMENTS FOR REVIEW OF GOVERNANCE

- 3.1 The PCC and Chief Constable are committed to maintaining a joint local Code of Corporate Governance and a Scheme of Corporate Governance, and for carrying out an annual review of their effectiveness.
- 3.2 The PCC and Chief Constable have put in place the following arrangements to review the effectiveness of the Code of Corporate Governance:
- a) The PCC and Chief Constable will jointly produce an Annual Governance Statement (AGS) which will be published on the PCC and Force websites within the annual Statement of Accounts.
 - b) The AGS will include an Action Plan, as necessary and appropriate, to rectify any significant areas of weakness in internal control and/or corporate governance.

The Force

- 3.3 The Deputy Chief Constable, under delegated authority from the Chief Constable, is responsible for corporate governance issues affecting the Force, ensuring that appropriate reviews, both proactively and reactively, are carried out into key areas and highlighted, including:
- Professional standards and performance
 - Strategic co-ordination and planning, including risk management and business continuity, and Force Management Statement.
 - Crime recording
- 3.4 The Chief Information Officer is responsible for the management of information, including information security and data protection

The Joint Independent Audit Committee

- 3.5 The Committee's operating principles include the following key requirements in respect of corporate governance:
- To consider and endorse the local Code of Corporate Governance.
 - To consider and endorse the Annual Governance Statements (AGS).
 - To monitor implementation and delivery of the agreed AGS Action Plan(s).
 - To consider the arrangements to secure value for money and review assurances and assessments of the effectiveness of these arrangements.
 - To consider and comment upon the adequacy and effectiveness of the assurance framework, and the specific governance and accountability policies, systems and controls in place, such as the Corporate Governance Framework; anti-fraud, bribery and corruption; whistle-blowing, and declarations of interest, gifts and hospitality.
 - To review arrangements for the assessment of fraud risks and potential harm from fraud and corruption, and monitor the effectiveness of the counter-fraud strategy, actions and resources.
 - To consider the governance and assurance arrangements for significant partnerships or collaborations.

The Governance Advisory Group

- 3.6 The Governance Advisory Group, which comprises senior officers from the Office of the PCC and Force, is responsible for:
- Reviewing and updating the local Joint Corporate Governance Framework;

- monitoring compliance with the Code during the year, including the system of internal control;
- preparing the draft Annual Governance Statement(s);
- recommending an AGS Action Plan(s) to rectify significant areas of weakness;
- monitoring the implementation of agreed action plans.

3.7 Reports from the Governance Advisory Group will be presented to the Joint Independent Audit Committee, where appropriate, prior to approval by the PCC and Chief Constable.

Internal Audit

3.8 The primary role of internal audit is to give an assurance to the PCC and Chief Constable, through their two respective Chief Finance Officers, on the adequacy and effectiveness of the governance arrangements and internal controls in place to manage and mitigate risk. To this end the Chief Internal Auditor delivers an annual opinion on the effectiveness of the controls reviewed by the Joint Internal Audit Team. This annual opinion, set out in the Annual Report of the Chief Internal Auditor, is one of the key sources of evidence in support of the Annual Governance Statement(s).

3.9 The Chief Internal Auditor provides regular update reports to the Joint Independent Audit Committee on the delivery of the Annual Audit Plan and any outstanding management actions.

3.10 Major control weaknesses are reported to the Force Risk Management Group and to the Joint Independent Audit Committee.

3.11 Reviews of both the corporate governance framework and risk management arrangements periodically feature in the Annual Audit Plan. Corporate governance and risk management issues may arise through other reviews carried out by the Joint Internal Audit Team. In this case the issues will be dealt with initially in the relevant audit report. Significant governance failures identified through general audit work will also be referred to the Governance Advisory Group.

External Audit

3.12 The external auditor will audit the financial statements of the PCC and Chief Constable, as well as the Group accounts, and will also review the Annual Governance Statement(s). The external auditor also provides a Value for Money opinion which includes a review and assessment of going concern and financial sustainability. External audit plans and reports, including the Annual Audit Report, are considered by the Joint Independent Audit Committee at appropriate times in the annual cycle of meetings.

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS)

3.13 The role of HMICFRS is to independently assess the effectiveness and efficiency of police forces and fire and rescue services – in the public interest. In respect of the national police service, it also provides advice and support to the tripartite partners (Home Secretary, PCCs and police forces).

3.14 HMICFRS reports are sent to the Chief Constable and the PCC for consideration and appropriate action. HMICFRS, working alongside external audit, will play a key role in informing the PCC and the public on the efficiency and effectiveness of

their forces and, in so doing, will facilitate the accountability of chief constables to their PCCs, and PCCs to the public.

- 3.15 The PCC shall invite the Chief Constable to submit comments to him on any report published by HMICFRS that makes recommendations that apply to Thames Valley Police.
- 3.16 The PCC is required to publish his response to any relevant report issued by HMICFRS under section 55(1) of the Police Act 1996, together with any comments submitted by the Chief Constable and any response that the PCC has to the comments submitted to him by the Chief Constable, within 56 days of publication of the report by HMICFRS. The PCC will publish all such relevant reports and responses on his website. The PCC is also required to send a copy of any such published documents to the Secretary of State and HMICFRS.
- 3.17 Relevant information (reports and responses) shall also be provided to members of the Joint Independent Audit Committee and the Professional and Ethical Standards Panel.

Scheme of Corporate Governance 2020/21

This Scheme sets out the common understanding and agreement of the PCC and Chief Constable as to the ways in which certain functions will be governed and managed.

The Scheme includes, but is not limited to, formal delegations by the PCC and the Chief Constable. It also includes activities where the Chief Constable acts in his own right and/or pursuant to the duty to exercise his power of direction and control in such a way as is reasonable to assist the PCC to exercise his functions.

Delegation

The PCC may not arrange for any constable or any person employed by the Chief Constable to exercise any of the PCC's functions (section 18 PRSRA). Under this scheme, there is no formal delegation of any function from the PCC to any constable or member of police staff. Where this scheme refers to a delegation, that is a reference to a delegation of a function or power:

- (a) By the PCC to the Deputy PCC or to a member of his own staff; or
- (b) By the Chief Constable to another police officer or member of police civilian staff.

Chief Constable's own functions

The statutory restriction on delegation does not prevent the Chief Constable carrying out functions in his own right. That is a wide-ranging power: in addition to broad functions of keeping the peace and enforcing the law, the Chief Constable also has the power "to do anything which is calculated to facilitate, or is conducive or incidental to, to the exercise of [his] functions". This scheme also deals with the ways in which certain of the Chief Constable's functions will be exercised in such a way as is reasonable to assist the PCC to exercise his functions. For the avoidance of doubt, these are not delegations from the PCC. Nothing in this scheme is intended to fetter the Chief Constable's operational independence.

Consent

There are certain statutory restrictions on the Chief Constable's power to exercise certain functions in his own right: the Chief Constable may not acquire or dispose of land, and needs the consent of the PCC to enter into contracts and to acquire or dispose of property. This scheme also sets out the conditions on which the PCC has given consent to the Chief Constable to enter into contracts and to acquire or dispose of property (other than land³). For the avoidance of doubt, this is not a delegation from the PCC – it is the PCC giving consent to the Chief Constable to exercise certain functions in his own right, subject to compliance with this Scheme.

The PCC for Thames Valley has given consent to the Chief Constable of TVP to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations, including Contract Regulations

³ Land includes the buildings thereon

Key Principles

Officers and staff of the Chief Constable may assist the PCC to exercise his functions; indeed, the Chief Constable is under a statutory duty to exercise direction and control in such a way as is reasonable to give that assistance. This scheme sets out some of the ways in which that assistance will be given. For the avoidance of doubt, these are not delegations from the PCC.

The statutory officers are responsible for ensuring that members of staff they supervise are aware of and comply with the provisions and obligations of this Scheme of Delegation

The PCC must not restrict the operational independence of the police force and the Chief Constable who leads it.

To enable the PCC to exercise the functions of his office effectively he will need reasonable access to information held by the Force and police officers and civilian staff employed by the Chief Constable. This access must not be unreasonably withheld or obstructed by the Chief Constable or any of his employees. The importance of this requirement is reflected in the Information Sharing Agreement.

1. Introduction

- 1.1 The Statement of Corporate Governance gives clarity to the way the two corporations sole (i.e. PCC and Chief Constable) will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason at the right time.
- 1.2 The Code of Corporate Governance describes the strategies, arrangements, instruments and controls to ensure good governance in the two corporations sole.
- 1.3 This Scheme of Corporate Governance sets out the delegations from the PCC and the Chief Constable to their respective staff, and should be read alongside the aforementioned Statement and Code. In addition, it incorporates other instruments such as the financial regulations and standing orders relating to contracts.
- 1.4 This Scheme aims to clarify those powers which, for the benefit of good business practice, are given to the statutory officers. The PCC and Chief Constable may limit these powers and/or remove delegation.
- 1.5 This Scheme provides a framework which ensures business is carried out lawfully and efficiently, ensuring that decisions are not unnecessarily delayed and are taken at the appropriate level. It forms part of the overall corporate governance framework of the two corporations sole.
- 1.6 Powers are given to the PCC and Chief Constable by laws, orders, rules or regulations. Also, national conditions of employment give powers to the PCC and/or the Chief Constable or, as in the case of police regulations, the Secretary of State for the Home Department.
- 1.7 Any powers or duties placed on other statutory officers should be exercised lawfully in accordance with the PCC's and Chief Constable's respective delegations, standing orders and financial regulations, and also relevant policies, procedures, plans, strategies and budgets.
- 1.8 This Scheme does not identify all the statutory duties which are contained in specific laws and regulations; however, it provides the framework in which the various duties and powers are exercised.

2. General principles of delegation

- a. The persons appointed as the PCC's Chief Executive (who will also be the Monitoring Officer), the PCC's Chief Finance Officer and the Chief Constable's Director of Finance have statutory powers and duties relating to their positions and, therefore, do not rely on matters being delegated to them to carry out these specific powers and duties.
- b. This scheme provides an officer with the legal authority to carry out appropriate duties of the PCC and/or Chief Constable. In carrying out these duties the officer must comply with all other statutory and regulatory requirements and relevant professional guidance including:
 - The Police Reform and Social Responsibility Act 2011 and other relevant legislation issued under this Act (e.g. The Policing Protocol Order 2011)
 - Home Office Financial Management Code of Practice
 - CIPFA Statement on the role of the Chief Financial Officer of the PCC and the Chief Finance Officer of the Chief Constable
 - CIPFA Financial Management Code

- The PCC and Chief Constable's Joint Corporate Governance Framework, including Financial Regulations and Contract Regulations
 - The PCC's and Thames Valley Police policies and procedures.
 - All data protection legislation including the Data Protection Act 2018 together with the General Data Protection Regulation and the Freedom of Information Act 2000
 - Health and safety at work legislation and codes
 - The Police Service Code of Ethics
- c. This Scheme is a record of the formal delegations that are in effect at the time of its publication. The PCC and Chief Constable's joint governance framework, including this Scheme, will be reviewed at least annually. With the exception of those matters listed in paragraph 4.6, any person to whom a power is delegated under this scheme may sub-delegate that power as they deem appropriate. The formal responsibility and accountability to the PCC or Chief Constable for the effective discharge of such sub-delegated powers remains in law with the person to whom the power was delegated by the PCC or Chief Constable.
- d. The PCC and/or Chief Constable may ask that a specific matter be referred to them for a decision and not be dealt with under powers of delegation.
- e. The scheme does not attempt to list all matters which form part of everyday management responsibilities.
- f. Giving delegation to officers under this scheme does not prevent an officer from referring the matter to the PCC and/or Chief Constable for a decision if the officer thinks this is appropriate (for example, because of sensitive community and/or stakeholder issues or any matter which may have a significant operational, political, reputational or financial implications).
- g. All decisions officers make under formal powers delegated to them by the PCC and/or Chief Constable must be recorded and be available for inspection.
- h. The PCC and Chief Constable may set out their reporting arrangements on actions undertaken by their own staff in respect of the use of powers delegated to them.

3. Financial Regulations, including Contract Regulations

- 3.1 Financial regulations explain the working financial relationship between the PCC, the Chief Constable and their respective chief finance officers, having regard also to the role played by the Chief Executive. A copy is attached at Appendix 3.
- 3.2 Financial Regulations ensure that financial dealings are conducted properly and in a way which incorporates recognised best practice, and focuses on bringing operational and financial management together with timely and accurate financial information. They also include sufficient safeguards for both chief finance officers who are responsible for ensuring that the financial affairs of the PCC and police force are properly administered to discharge their statutory obligations.
- 3.3 Embedded within Financial Regulations are the Contract Regulations, which is a single set of standing orders relating to contracts. These regulations explain the procedures to be followed for procurement, tenders and contracts, including tender thresholds and authorisation levels.

4. Role of the PCC

4.1 The details of the role of the PCC can be found in the Code of Corporate Governance.

4.2 The primary responsibilities of the PCC include:

- Providing a link between the police and the community, which involves obtaining and representing the views and priorities of local people, councils and other criminal justice organisations
- Setting out the strategic policing, crime and community safety priorities and objectives through the publication of a Police and Crime Plan
- Setting out the Force's budget and community safety grants
- Setting the council tax precept for policing and crime reduction
- Overseeing community safety, the reduction of crime and delivering value for money in policing
- Commissioning victims and witness support services
- Handling complaints made against the personal conduct of the Chief Constable
- Undertaking formal reviews (formerly known as 'appeals') of the handling and outcome of complaints made against the Force
- Holding the Chief Constable to account for the performance of the Force, including that of police officers and civilian staff under his direction and control
- Appointing the Chief Constable (and dismissing them when necessary)
- Preparing and publishing an annual report on progress in the delivery of the Police and Criminal Justice Plan

4.3 The PCC owns all land and buildings and will sign contracts in accordance with the requirements of financial regulations. In approving the annual treasury management strategy statement he approves borrowing limits for both his own office and the Force.

4.4 The PCC will receive government grants and the council tax precept. Other sources of income received by the Force will be paid into the police fund. How this funding is allocated to operational activities is for the Chief Constable to decide in consultation with the PCC, and in accordance with the priorities and objectives set out in the Police and Criminal Justice Plan, the Strategic Policing Requirement, and any Government grant terms and conditions.

4.5 When exercising his duties and functions, the PCC must have regard to the following:

- The views of the people in Thames Valley, including victims of crime
- Any report or recommendation made by the Police and Crime Panel in respect of the Police and Criminal Justice Plan, the proposed annual precept, and the annual report for the previous financial year.
- The Police and Criminal Justice Plan and any guidance issued by the Secretary of State, including specifically the Strategic Policing Requirement.

(Note: this list is a summary and is not exhaustive)

4.6 The PCC may arrange for any person (who is not the Deputy PCC) to exercise any of his functions, with the exception of those listed below:

- Determining the strategic policing and crime reduction priorities and objectives to be set out in the PCC's Police and Criminal Justice Plan
- Issuing the Police and Criminal Justice Plan
- Calculation of the budget requirement
- Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign

- Attendance at the Police and Crime Panel in compliance with a requirement by the Panel for the PCC to do so
- Attendance at, and presenting the PCC's annual report to, the Police and Crime Panel.

4.7 The Police and Crime Panel is a check and balance on the PCC through reviewing and/or scrutinising his decisions and actions, but not those of the Chief Constable.

4.8 The PCC will be responsible for handling complaints and conduct matters in relation to the Chief Constable, holding the Chief Constable to account for the Force's handling and investigation of complaints against police officers and civilian staff, and complying with the requirements of the Independent Office for Police Conduct.

4.9 The PCC has wider community safety, crime reduction and criminal justice responsibilities than those solely relating to the responsibilities and activities of the police force and this is referred to in the Code of Corporate Governance.

5. Role of the deputy PCC

5.1 The PCC may appoint a deputy to exercise his functions, with the exception of those which cannot be delegated as defined by the Police Reform and Social Responsibility Act 2011, as listed below:

- Issuing the Police and Crime Plan
- Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
- Calculation of the budget requirement.

5.2 The formal delegation from the PCC to the Deputy PCC, where appointed, is set out in Appendix 1

6. Role of the PCC's Chief Executive

Introduction

6.1 The PCC will appoint, under paragraph 6, Schedule 1 of the Police Reform and Social Responsibility Act 2011 (PRSRA 2011), a person to be the head of the PCC's staff (referred to as the Commissioner's 'Chief Executive') and who will act as the head of the body's paid service. Under Section 5(1C) of the Local Government and Housing Act 1989, as amended by Schedule 16 of the PRSRA 2011, the Chief Executive is also designated to undertake the role of statutory Monitoring Officer for the PCC.

6.2 Accordingly, the Code of Corporate Governance identifies the role of the Chief Executive as the head of the PCC's paid service and Monitoring Officer.

6.3 The formal delegations from the PCC to the Chief Executive, which are in effect at the time of the publication of this scheme, are listed in Appendix 1. Other key responsibilities are set out below.

General

- 6.4 To prepare the Police and Criminal Justice Plan, in consultation with the Chief Constable, for submission to the PCC, including:
- obtaining the views of the public
 - identifying the strategic policing and crime reduction priorities and objectives
 - planning how resources will be used
 - how services will be commissioned
 - development and implementation of performance monitoring and reporting arrangements.
- 6.5 To prepare an Annual Report on behalf of and for submission to the PCC.
- 6.6 To provide information to the Police and Crime Panel, as reasonably required to enable the Panel to carry out its functions.
- 6.7 To consider whether, in consultation with the PCC's CFO, to provide indemnity to the PCC (and Deputy PCC) in accordance with appropriate statutory provisions and to deal with or make provision to deal with other matters arising from any proceedings relating to them.
- 6.8 To consider and approve, in consultation with the PCC's CFO, provision of indemnity and/or insurance to individual staff of the Commissioner in accordance with appropriate statutory provisions.

Financial

- 6.9 The financial management responsibilities of the Chief Executive are set out in the financial regulations.
- 6.10 To manage the budget of the PCC's office, in consultation with PCC CFO, particularly to:
- order goods and services and spend on items provided for in the revenue budget.
 - ask for and accept quotations and tenders for goods and services provided for in the revenue budget

Human Resources

- 6.11 To appoint, in consultation with the PCC, staff in the Office of the PCC (OPCC)
- 6.12 To make recommendations to the PCC with regard to OPCC staff terms and conditions of service, in consultation with the PCC CFO as necessary.
- 6.13 To appoint Independent Custody Visitors and terminate appointments if necessary.

Other

- 6.14 To affix the common seal of the PCC to all relevant contracts, agreements or transactions, where sealing is necessary.
- 6.15 To consider and advise the PCC on the handling of any complaint or conduct matter in respect of the Chief Constable including, in consultation with the PCC's Head of Governance and Compliance, determining whether to record such a complaint on behalf of the PCC and

determine whether it meets the threshold to be referred to the Independent Office for Police Conduct (IOPC)

- 6.16 To exercise such powers of the Thames Valley Police and Crime Panel as may be delegated by that Panel and accepted by the Chief Executive. A police and crime panel may delegate all or any of the powers or duties conferred or imposed on it by The Elected Local Policing Bodies (Complaints and Misconduct) Regulations 2012, with the exception of Part 4 (resolution of other complaints), to the PCC's Chief Executive. The Thames Valley Police and Crime Panel has currently delegated to the Chief Executive, and the Chief Executive has accepted, the initial requirement to record and assess complaints made against the PCC to determine whether it is a 'conduct matter' or 'serious complaint' that must be referred to the Independent Office for Police Conduct (IOPC) or if it is a 'non-serious' complaint that is appropriate to be handled by the Police and Crime Panel itself, under Part 4 of the Regulations, i.e. under the 'informal resolution of other complaints' process.
- 6.17 To respond to consultations on proposals affecting the PCC, if necessary, after first taking the views of the Commissioner, the PCC's CFO and/or the Chief Constable, as necessary and appropriate.
- 6.18 To obtain legal or other expert advice and to appoint legal professionals whenever this is considered to be in the PCC's best interests in the exercise of his functions.
- 6.19 To make appropriate arrangements to gather the community's views on the policing of Thames Valley and preventing crime.
- 6.20 In accordance with the Vetting Code of Practice and Authorised Professional Practice (APP) issued by the College of Policing, and in the chief executive's statutory capacity as the PCC's 'Monitoring Officer', to act:
- a) as decision-maker for vetting clearance in respect of the Chief Constable, and
 - b) as appeal body in respect of vetting decisions taken by the Chief Constable in respect of other chief officers.

In both cases, the Chief Executive will be advised by, and receive a recommendation from, the Force Vetting Manager (FVM), or the FVM of another force in circumstances where reciprocal arrangements are in place.

7. Role of the PCC's Chief Finance Officer (CFO)

- 7.1 The PCC must appoint a person to be responsible for the proper administration of the PCC's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office.
- 7.2 As the Chief Finance Officer to the PCC, the post-holder has a statutory responsibility to manage the PCC's financial affairs in accordance with sections 113 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2015.
- 7.3 The detailed financial management responsibilities of the PCC's CFO, which includes a number of delegated powers, are set out in the Financial Regulations – see Appendix 3.

8. Role of the Chief Constable

- 8.1 The role of the Chief Constable is referred to in the Code of Corporate Governance but, essentially, the Chief Constable is responsible for maintaining the Queen's peace and for the direction and control of the Force.
- 8.2 The Chief Constable is accountable to the law for the exercise of police powers, and to the PCC for the delivery of efficient and effective policing, and management of resources and expenditure by the police force.
- 8.3 The list of delegations from the Chief Constable to key Force personnel is attached at Appendix 2.
- 8.4 The Chief Constable shall appoint suitably qualified and experienced heads of department.

9. Role of the Director of Finance

- 9.1 The Chief Constable must appoint a person to be responsible for the proper administration of the Force's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office.
- 9.2 As the Chief Finance Officer appointed by the Chief Constable there is a statutory responsibility for the post-holder to manage the Force's financial affairs, in accordance with sections 113 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2015 (as amended).
- 9.3 The detailed financial management responsibilities of the Director of Finance, which includes a number of delegated powers, are set out in the Financial Regulations – see Appendix 3.

10. Role of the Director of People

- 10.1 To lead the development and implementation of strategies and policies to ensure the effective recruitment, development, deployment and management of police officers and staff, and undertake the day to day management of the People Directorate and services in accordance with the Financial Regulations – Appendix 3.
- 10.2 To arrange and/or provide strategic and tactical advice and assistance to the PCC and PCC's Chief Executive on all matters relating to employment of staff, except that where responsibility to both the PCC and the CC may lead to a conflict of interest, the PCC may seek assistance from an independent advisor.

11. Role of the Head of Legal Services

- 11.1 To provide advice to and institute, defend or participate in legal actions on behalf of the Chief Constable.
- 11.2 To provide advice to, and institute, defend or participate in legal actions on behalf of, the PCC when requested to do so and where there is no identifiable conflict of interest between the PCC and the Chief Constable.
- 11.3 Specific delegations from the Chief Constable are set out in Appendix 2

12. Role of the Head of Property Services

- 12.1 Although the PCC owns all Force land and buildings, the Head of Property Services will undertake the day to day management of the property function subject to the provision of financial regulations, and in accordance with the agreed asset management strategy.

13. Role of the Chief Information Officer

- 13.1 The effective delivery of the Joint ICT Department and the Joint Information Management Unit, providing information assurance, access and security services across Thames Valley Police and Hampshire Constabulary.
- 13.2 To provide governance, oversight and decisions as the Senior Information Risk Owner on behalf of the Chief Constable Data Controllers.

14. Heads of Department

- 14.1 In addition to those mentioned above the Chief Constable will appoint appropriate Heads of Department to assist with the governance of the Force including but not limited to:
- Head of Chiltern Transport Consortium
 - Head of ICT
 - Head of Information Management
 - Head of Procurement
 - Head of Professional Standards

15. Urgency provisions

PCC

- 15.1 If any matter which would normally be referred to the PCC (or Deputy PCC where appointed) for a decision which arises and cannot be delayed, in the absence of the PCC or Deputy PCC the matter may be decided by the appropriate chief officer.
- 15.2 The appropriate chief officers authorised to decide urgent matters are:
- the Chief Executive (all issues);
 - the PCC's Chief Finance Officer (financial and related issues, and all issues in the absence of the Chief Executive in the post-holder's capacity as the designated Deputy Chief Executive)

- 15.3 Urgent decisions taken must be reported to the PCC as soon as practicably possible.

Police Force

- 15.4 If any matter which would normally be referred to the Chief Constable (or Deputy Chief Constable) for a decision arises and cannot be delayed, in the absence of the Chief Constable (or Deputy Chief Constable as the case may be), the matter may be decided by an appropriate member of the Chief Constable's Management Team (save always that any

function of the chief constable which must as a matter of law normally be performed by the chief constable personally, may only be performed by another officer in accordance with the provisions of section 41 of the Police Reform and Social Responsibility Act 2011)

Delegations from the PCC

To the Deputy PCC (where appointed)

- 1 To exercise any function of the PCC, with the exception of those referred to in section 18 (7) (a) (e) and (f) of the Police Reform and Social Responsibility Act 2011, i.e.
 - a) Issuing the Police and Criminal Justice Plan
 - e) Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - f) Calculation of the budget requirement.

To the Chief Executive

- 2 To sign relevant contracts or deeds on behalf of the PCC, irrespective of value, once they have been properly approved, except those which are required to be executed under the common seal of the PCC. In these cases, the Chief Executive is authorised to sign and affix the seal. In the Chief Executive's absence, the PCC's CFO (deputy Chief Executive) and/or the Head of Governance and Compliance (deputy Monitoring Officer) can sign contracts or deeds as well as signing and affixing the seal.
- 3 To dismiss, in consultation with the Director of People, staff employed by the PCC (Note: Appeals will be heard by the PCC, sitting with an independent person).
- 4 To settle employment tribunal cases and grievances of staff working in the OPCC, in consultation with the Head of Legal Services and the Director of People, with the exception of those cases felt to be exceptional because:-
 - they involve a high profile claimant
 - there is a particular public interest in the case
- 5 To exercise the statutory powers of the PCC as "appropriate authority" for complaints and conduct matters in respect of the Chief Constable including, in consultation with the PCC's Head of Governance and Compliance, making a recording decision, referral to the Independent Office for Police Conduct (the IOPC) and appointing an officer to resolve or investigate the complaint where necessary
6. To approve the settlement of any claim (including Employment Tribunal claims) brought against the Chief Constable or the PCC, or the making of any ex gratia payment, subject to the following limits:
 - £30,000 in the case of any damages payment (where payments are to be made to more than one claimant in the case of any claim, they shall be aggregated for the purposes of calculating the level of payment)
 - £10,000 in the case of any ex gratia payment
7. To approve the payment of damages or legal costs incurred personally by police officers and staff in connection with legal proceedings, in consultation with the Chief Constable's Head of Legal Services (subject, in the case of damages payments, to the limits set out in paragraph 6

above). Decisions on approval shall be made in accordance with Home Office Circular 10/2017, or any circular or guidance replacing or supplementing that circular.

8. To arrange for the institution of, withdrawal of, defence of, or participation in, legal proceedings on behalf of the PCC.
9. To make temporary appointments as necessary and appropriate to the independent panel members list for police misconduct hearings. In the Chief Executive's absence, the PCC's Head of Governance and Compliance (deputy Monitoring Officer) can make these temporary appointments.
10. To make decisions as to the exercise of discretion under the Local Government Pension Scheme, in cases where the PCC is the relevant scheme employer.

To the Head of Governance and Compliance

1. Where the PCC is the relevant review body for police complaints matters, to carry out the functions of that review body.
2. Where the PCC has the responsibility to appoint Legally Qualified Chairs and Independent Panel Members for misconduct hearings, to make such appointments.
3. Where, in accordance with the General Data Protection Regulation (UK-GDPR), and the Data Protection Act 2018, the PCC has a statutory responsibility to appoint a Data Protection Officer, to undertake that role and function.

Delegations from the Chief Constable

It is recognised that, unless a power or function of the Chief Constable must, as a matter of law, be exercised personally by him, such functions or powers need not be exercised by the Chief Constable personally but may be exercised on his behalf by such officers and staff as the Chief Constable thinks fit. There are numerous functions and powers of the Chief Constable which, as a matter of inevitable everyday practice, are in fact exercised on his behalf by other officers and members of staff. Case law recognises that where the responsibilities of an office created by statute are such that delegation is inevitable, there is an implied power to delegate. In such circumstances, there is a presumption that, where statutory powers and duties are conferred, there is a power to delegate the same unless the statute conferring them expressly or by implication provides to the contrary.

The specific delegations set out in this Appendix are not, therefore, intended to be an exhaustive list of the functions and powers of the Chief Constable which may be exercised on his behalf by another person. However, where the delegation of a specific function or power is set out in this Appendix, it must only be exercised as provided for in this Appendix (unless specifically agreed otherwise by both Chief Constable and PCC) and in accordance with any relevant Force policy. For the avoidance of doubt, however, nothing in this Appendix precludes any function or power being exercised by the Chief Constable personally, or by the Deputy Chief Constable on his behalf (to whom the functions and powers below are delegated in so far as it is necessary to do so). Also for the avoidance of doubt, any person to whom the functions and powers below are delegated may sub-delegate as they deem appropriate in accordance with the provisions of paragraph 2c of this Scheme of Governance

The delegation by the Chief Constable of his functions as “appropriate authority” for the purposes of legislation relating to complaints and conduct matters is dealt with in a separate document entitled “Chief Constable’s Scheme of Delegation: Professional Standards”, held by the Head of Professional Standards and dated 10th December 2021, as reviewed and amended from time to time.

To the Director of People

1. To make decisions on behalf of the Chief Constable under Police Pensions Regulations (except in relation to Regulation A20 (retention)), Police (Injury Benefits) Regulations and any equivalent or related regulations in respect of police pension schemes, subject to the concurrence of the Director of Finance in relation to any decision that may result in additional cost to the Force.
Note: The Deputy Chief Constable will continue to have delegated authority to take decisions in respect of Regulation A20 (retention), or any equivalent regulation dealing with retention.
2. Managing posting, secondment and corporate special leave decisions
3. Extending the payment of sick pay beyond the contractual entitlement (in the case of police staff) or beyond the entitlement in Police Regulations (in the case of police officers) in accordance with (as applicable) police staff terms and conditions, Police Regulations and Home Office Guidance
4. Decisions relating to Police Staff suspensions and dismissal from employment
5. The exercise of discretion in relation to police officer and police staff payments in accordance with Police Regulations, PNB, TVP policy and legislation

6. Determination of Job Evaluation appeals
7. The payment of removal allowances, housing and relocation costs for senior officers and staff and hard to recruit specialist roles.
8. To make decisions as to the exercise of discretion under the Local Government Pension Scheme, in cases where the Chief Constable is the relevant scheme employer.

To the Force Head of Legal Services

9. The authority to approve the settlement of any claim (including Employment Tribunal claims) brought against the Chief Constable or the PCC, or the making of any ex gratia payment by or on behalf of the Chief Constable, subject to the following conditions
 - a. Any damages payment of more than £10,000 must be approved by the PCC's Chief Executive or Chief Finance Officer
 - b. Any damages payment of more than £30,000 must be approved by the PCC
 - c. Any ex gratia payment of more than £10,000 must be approved by the PCC
 - d. Where the prior approval of insurers is required, this is obtained prior to the approval of any settlement

Note: for the purposes of section 88(2)(b) of the Police Act 1996, and paragraph 8(c) of Schedule 2 to the Police Reform and Social Responsibility Act 2011, the PCC approves the settlement of any claim made in accordance with the above authority and conditions

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INTRODUCTION

Overview

1. Public sector accounting is covered by a range of government legislation and accounting standards that are designed to ensure proper accountability for public funds. In addition, the Home Office has issued a Financial Management Code of Practice under section 17 of the Police Reform and Social Responsibility Act 2011 and section 39 of the Police Act 1996 which permit the Secretary of State to issue codes of practice to all Police and Crime Commissioners (PCCs) and Chief Constables. The CIFPA Financial Management Code provides guidance for good and sustainable financial management in local authorities, including the police service. By complying with the principles and standards, local authorities will be able to demonstrate effective and sustainable financial stewardship.
2. Each PCC and their respective Chief Constable is established in law as a corporation sole within the 2011 Act. As such, both are enabled by law to employ staff and hold funds in their official capacity. Chief Constables are charged with the impartial direction and control of all constables and staff within the police force that they lead. Staff of the PCC are accountable to the directly elected holder of that office.
3. The public accountability for the delivery and performance of the police service is placed into the hands of the PCC on behalf of their electorate. The PCC draws on their mandate to set and shape the strategic objectives of their force area in consultation with the Chief Constable. They are accountable to the electorate; the Chief Constable is accountable to their PCC. The Police and Crime Panel within each force area is empowered to maintain a regular check and balance on the performance of the PCC in that context.
4. The PCC within each force area has a statutory duty and electoral mandate to hold the police to account on behalf of the public.
5. The PCC may appoint a Deputy PCC who may exercise any function of the PCC (with the exception of those referred to in section 18 (7) (a) (e) and (f) of the Police Reform and Social Responsibility Act 2011 – see Appendix 1, above).
6. The PCC is the recipient of all funding, including the government grant, council tax precept and other sources of income, related to policing and crime reduction and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, or in accordance with any grant terms. The Chief Constable will provide professional advice and recommendations.
7. The PCC and the Chief Constable are both required to appoint a chief finance officer.
8. To conduct its business effectively, TVP needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is to adopt and implement Financial Regulations. The Regulations contained herein have been drawn up in such a way as to ensure that the financial matters of TVP are conducted properly and in compliance with all necessary requirements.

9. The Regulations are designed to establish overarching financial responsibilities, to confer duties, rights and powers upon the PCC, the Chief Constable and their officers and to provide clarity about the financial accountabilities of groups or individuals. They apply to every member and officer of the service and anyone acting on their behalf.
10. A modern organisation should also be committed to innovation, within the regulatory framework, providing that the necessary risk assessment and approval safeguards are in place.

Definitions within the Regulations

11. For the purposes of these Regulations TVP, when used as a generic term, shall refer to:
 - The PCC
 - The Chief Constable
 - The Office of the PCC (OPCC)
 - The Force
12. The PCC's chief finance officer is referred to as the PCC CFO.
13. The Chief Constable's chief finance officer is the Director of Finance
14. The Chief Executive also fulfils the monitoring officer role
15. The OPCC shall refer to the PCC, Deputy PCC and all members of staff employed by and under the direction and control of the PCC.
16. The 'Force' shall refer to the Chief Constable, police officers, police staff, police community support officers (PCSO), special constabulary, volunteers and other members of the wider police family under his direction.
17. Chief Officers when referred to as a generic term shall mean the Chief Executive, PCC CFO, Chief Constable, Director of Finance and all other members of the Chief Constable's Management Team.
18. 'Employees' when referred to as a generic term shall refer to police officers, police staff (Force and OPCC) and other members of the wider police family.
19. The expression 'authorised officer' refers to employees authorised by a chief officer.
20. The expression 'contract' refers to any commitment (including purchase orders, memoranda of understanding, leases and service level agreements) to acquire, purchase or sell goods, services or building works made on behalf of the PCC, the Force or their affiliated bodies.
21. The expression 'best value for money' shall mean the most cost effective means of meeting the need and takes account of whole life costs.
22. The expression 'he' shall refer to both male and female.

23. Within these Regulations, most of the references have been made to the responsibilities of the Chief Constable since most of the day to day financial management is vested with that post. However, where resources are under the control of the Chief Executive or PCC CFO, the duties, rights and powers as detailed for the Chief Constable shall apply equally to the Chief Executive or PCC CFO.
24. The terms Chief Constable, Director of Finance, Chief Executive and PCC CFO include any member of staff, contractors or agents to whom particular responsibilities may be delegated. However, the level of such delegated responsibility must be evidenced clearly, made to an appropriate level, and the member of staff given sufficient authority, training and resources to undertake the duty in hand.

Status

25. These Financial Regulations should not be seen in isolation, but rather as part of the overall regulatory and governance framework of TVP that includes the Policing Protocol, codes of conduct and the scheme of governance.
26. The PCC, Chief Constable and all employees have a general duty to take reasonable action to provide for the security of assets under their control and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
27. Financial Regulations explain the working financial relationship between the PCC and the Chief Constable and their respective chief financial officers, having regard also to the role played by the PCCs Chief Executive.
28. The PCC and Chief Constable are jointly responsible for approving or amending Financial Regulations. The PCC CFO and Director of Finance are jointly responsible for maintaining a review of Financial Regulations and submitting any additions or amendments to the PCC and Chief Constable, after consulting with the Chief Executive.
29. More detailed Financial Instructions to supplement these Regulations, shall be issued by the Chief Constable after consultation with the PCC CFO and Chief Executive.
30. Chief Officers are responsible for ensuring that all employees, contractors and agents are aware of the existence and content of these Financial Regulations and that they are complied with.
31. Breaches of Financial Regulations of a serious nature may result in disciplinary proceedings and, potentially, criminal action. Such cases shall be reported to the PCC CFO and/or Director of Finance who shall determine, after consulting with the Chief Executive, whether the matter shall be reported to the PCC and/or Chief Constable.
32. The PCC, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues – also see section 2 in the Scheme of Corporate Governance.
33. These Financial Regulations (including contract regulations) apply to all activities undertaken by TVP including those where TVP is the lead force in a collaboration or partnership activity, irrespective of where the funding for the activity comes from (e.g. Government grants, contributions from partners, fees and charges etc.)

Content

34. The Financial Regulations are divided into a number of sections, each with detailed requirements relating to the section heading. References are made throughout the individual sections to delegated limits of authority. These are also summarised in Section 7.

- Section 1 - Financial management
- Section 2 - Financial planning
- Section 3 - Management of risk and resources
- Section 4 - Systems and procedures
- Section 5 - External arrangements
- Section 6 - Contract regulations
- Section 7 - Summary of delegated limits

1.1 FINANCIAL MANAGEMENT

The Police and Crime Commissioner (PCC)

- 1.1.1 The PCC has a statutory duty and electoral mandate to ensure an efficient and effective police service and to hold the police to account on behalf of the public. The PCC is the recipient of funding relating to policing and crime reduction, including government grant, council tax precept and other sources of income. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, or in accordance with any grant terms. The statutory officers of the Chief Constable and the PCC will provide professional advice and recommendations.
- 1.1.2 The PCC shall appoint a Chief Financial Officer (the PCC CFO) to be responsible for the proper administration of the commissioner's financial affairs. He shall also appoint a Chief Executive who shall act as the PCC's monitoring officer.
- 1.1.3 The PCC is responsible for approving the policy framework and budget, monitoring financial outcomes and the approval of medium term financial plans in consultation with the Chief Constable. He is responsible for approving the overall framework of accountability and control, and monitoring compliance. In relation to these Financial Regulations this includes:
- Police and Criminal Justice Plan
 - Financial strategy
 - Capital strategy
 - Annual revenue budget
 - Capital programme
 - Medium term financial forecasts
 - Treasury management strategy, including the annual investment strategy
 - Reserves strategy and usage of reserves
 - Asset management strategy
 - Risk management strategy
 - Governance policies
- 1.1.4 The PCC is responsible for approving procedures for recording and reporting decisions taken and for monitoring compliance with agreed policy and related executive decisions.
- 1.1.5 The PCC is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework.
- 1.1.6 The PCC shall provide his chief finance officer with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed
- 1.1.7 The PCC may appoint a Deputy PCC (DPCC) for that area and arrange for the DPCC to exercise any function of the PCC

The Deputy Police and Crime Commissioner (DPCC)

- 1.1.8 The DPCC may exercise any function lawfully conferred on him by the PCC. Under the Police Reform and Social Responsibility Act 2011, the DPCC may not:

- Issue the Police and Crime Plan
- Appoint or suspend the Chief Constable, or call upon the Chief Constable to retire or resign
- Calculate the budget requirement

The Chief Constable

- 1.1.9 The Chief Constable is responsible for maintaining the Queen's Peace and has direction and control over the Force's officers and staff. The Chief Constable holds office under the Crown, but is appointed by the PCC.
- 1.1.10 The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, his constables and staff remain operationally independent in the service of the public.
- 1.1.11 To help ensure the effective delivery of policing services the Chief Constable employs all constables and staff within the force and has day to day responsibility for financial management of the force within the framework of the agreed budget allocation and levels of authorisation issued by the PCC.
- 1.1.12 The Chief Constable shall appoint a Chief Finance Officer (Director of Finance) to be responsible for the proper administration of the Chief Constable's financial affairs.
- 1.1.13 The Chief Constable must ensure that the financial management of their allocated budget remains consistent with the objectives and conditions set by the PCC. The Chief Constable will discharge this through the Director of Finance who will lead for the force on financial management.
- 1.1.14 When the Chief Constable intends to make significant change of policy or seeks to move significant sums of their budget then the approval of the PCC should be sought.
- 1.1.15 The Chief Constable shall provide the Director of Finance with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed
- 1.1.16 The Chief Constable is responsible for the day-to-day financial management of the Force within the framework of the budget, rules of virement and reporting arrangements. In operating day-to-day financial management, the Chief Constable shall comply with the approved policies and framework of accountability.
- 1.1.17 The Chief Constable shall prepare Financial Instructions to supplement the Financial Regulations and provide detailed instructions on the operation of the specific financial processes delegated to the Chief Constable. The Chief Constable shall ensure that all employees are made aware of the existence of these Regulations and are given access to them. Where appropriate, training shall be provided to ensure that the Regulations can be complied with.

The Joint Independent Audit Committee

- 1.1.18 The Home Office Financial Management Code of Practice states that the PCC and Chief Constable should establish an independent audit committee. This should be a combined body which will consider the internal and external audit reports of both the PCC and the Chief Constable. This committee will advise the PCC and the Chief Constable according to good governance principles and will adopt appropriate risk management arrangements in accordance with proper practices. In establishing the Audit Committee, the PCC and Chief Constable shall have regard to CIPFA Guidance on Audit Committees.
- 1.1.19 The Audit Committee shall comprise between three and five members who are independent of the PCC and the Force.
- 1.1.20 The Audit Committee shall establish formal terms of reference, covering its core functions, which shall be formally adopted and reviewed on an annual basis
- 1.1.21 The PCC and Chief Constable shall be represented at all meetings of the Audit Committee.

The PCC CFO

- 1.1.22 The PCC CFO has a statutory responsibility for proper financial administration and a personal fiduciary responsibility to the local council taxpayer.
- 1.1.23 The PCC CFO's statutory responsibilities are set out in:
- Paragraph 6 of Schedule 1 to the Police Reform and Social Responsibility Act 2011
 - Section 114 Local Government Finance Act 1988 (formal powers to safeguard lawfulness and propriety in expenditure)
 - The Accounts and Audit Regulations 2015
- 1.1.24 The PCC CFO is the PCC's professional adviser on financial matters and shall be responsible for:
- ensuring that the financial affairs of the PCC are properly administered and that financial regulations are observed and kept up to date;
 - ensuring regularity, propriety and Value for Money (VfM) in the use of public funds;
 - ensuring that the funding required to finance agreed programmes is available from central Government, council tax precept, other contributions and recharges;
 - Reporting to the PCC, the Police and Crime Panel and to the external auditor (s114):
 - any unlawful, or potentially unlawful, expenditure by the PCC or officers of the PCC;
 - when it appears that any expenditure is likely to exceed the resources available to it to meet that expenditure;
 - advising the PCC on the robustness of the estimates and the adequacy of financial reserves (s25 LG Act 2003);
 - preparing the annual statement of accounts for the PCC and Group, in conjunction with the Director of Finance
 - ensuring the provision of an effective internal audit service, in conjunction with the Director of Finance;
 - securing the treasury management function, including loans and investments;

- advising, in consultation with the Chief Executive on the safeguarding of assets, including risk management and insurance
 - arranging for the determination and issue of the precept
 - liaising with the external auditor; advising the PCC on the application of value for money principles by the police force to support the PCC in holding the chief constable to account for efficient and effective financial management; and.
 - ensuring compliance with the CIPFA Financial Management Code
- 1.1.25 The PCC CFO, in consultation with the Chief Executive, Director of Finance and/or Chief Constable as appropriate, shall be given powers to institute any proceedings or take any action necessary to safeguard the finances of TVP.
- 1.1.26 The PCC CFO has certain statutory duties which cannot be delegated, namely, reporting any potentially unlawful decisions by the PCC on expenditure and preparing each year, in accordance with proper practices in relation to accounts, a statement of the PCC's accounts, including group accounts.
- 1.1.27 The PCC CFO is the PCC's professional adviser on financial matters. To enable him to fulfil these duties and to ensure the PCC is provided with adequate financial advice the PCC CFO:
- must be a key member of the PCC's Leadership Team, working closely with the Chief Executive, helping the team to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest;
 - must be actively involved in, and able to bring influence to bear on, all strategic business decisions, of the PCC, to ensure that the financial aspects of immediate and longer term implications, opportunities and risks are fully considered, and alignment with the PCC's financial strategy;
 - must lead the promotion and delivery by the PCC of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively; and
 - must ensure that the finance function is resourced to be fit for purpose.

The Director of Finance

- 1.1.28 The Director of Finance is the Chief Constable's Chief Finance Officer with responsibility for proper financial administration and a personal fiduciary responsibility to the local council taxpayer
- 1.1.29 The Director of Finance is responsible to the Chief Constable for all financial activities within the Force or contracted out under the supervision of the Force.
- 1.1.30 The Director of Finance's responsibilities are set out in:
- Paragraph 4 of Schedule 2 and paragraph 1 of Schedule 4 to the Police Reform and Social Responsibility Act 2011
 - Section 114 Local Government Finance Act 1988 (formal powers to safeguard lawfulness and propriety in expenditure)
 - The Accounts and Audit Regulations 2015

- 1.1.31 The Director of Finance is responsible for:
- ensuring that the financial affairs of the force are properly administered and that these financial regulations are observed and kept up to date;
 - Reporting to the Chief Constable, the PCC, the PCC CFO and to the external auditor (s114):
 - any unlawful, or potentially unlawful, expenditure by the Chief Constable or officers of the Chief Constable;
 - when it appears that any expenditure of the Chief Constable is likely to exceed the resources available to it to meet that expenditure
 - advising the Chief Constable on value for money in relation to all aspects of the force's expenditure;
 - advising the Chief Constable and the PCC on the soundness of the budget in relation to the force;
 - liaising with the external auditor;
 - working with the PCC CFO's staff to produce the statement of accounts for the Chief Constable and to assist in the production of group accounts for TVP;
 - ensuring compliance with the CIPFA Financial management Code.
- 1.1.32 The Director of Finance has certain statutory duties which cannot be delegated, namely, reporting any potentially unlawful decisions by the force on expenditure and preparing each year, in accordance with proper practices in relation to accounts, a statement of the Chief Constable's accounts. The Director of Finance will need to observe the locally agreed timetable for the compilation of the group accounts by the PCC CFO.
- 1.1.33 The Director of Finance is the Chief Constable's professional adviser on financial matters. To enable her to fulfil these duties the Director of Finance:
- must be a key member of the Chief Constable's Management Team, helping it to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest;
 - must be actively involved in, and able to bring influence to bear on, all strategic business decisions of the Chief Constable to ensure immediate and longer term implications, opportunities and risks are fully considered;
 - must lead the promotion and delivery by the Chief Constable of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively; and
 - must ensure that the finance function is resourced to be fit for purpose.
- 1.1.34 It must be recognised that financial regulations cannot foresee every eventuality. The Director of Finance, in consultation with the PCC CFO, shall be responsible for interpreting these regulations so as to ensure the efficient and effective operation of services.

The Chief Executive

- 1.1.35 The Chief Executive is responsible for the leadership and general administration of the PCC's office.
- 1.1.36 The Chief Executive is also the PCC's designated monitoring officer, appointed under section 5(1) of the Local Government and Housing Act 1989.

1.1.37 The monitoring officer is responsible for:

- ensuring the legality of the actions of the PCC and his officers.
- ensuring that procedures for recording and reporting key decisions are operating effectively
- advising the PCC and officers about who has authority to take a particular decision
- advising the PCC about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework
- advising the PCC on matters relating to standards of conduct

1.2 FINANCIAL MANAGEMENT STANDARDS

Why is this important?

- 1.2.1 The PCC, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues. This is facilitated by ensuring that everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

Responsibilities of the PCC CFO and Director of Finance

- 1.2.2 To ensure the proper administration of the financial affairs of TVP
- 1.2.3 To ensure that proper practices are adhered to
- 1.2.4 To advise on the key strategic controls necessary to secure sound financial management
- 1.2.5 To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators
- 1.2.6 To ensure that all staff are aware of, and comply with, proper financial management standards, including these Financial Regulations.
- 1.2.7 To ensure that all staff are properly managed, developed, trained and have adequate support to carry out their financial duties effectively.

1.3 ACCOUNTING RECORDS AND RETURNS

Why is this important?

- 1.3.1 The PCC and Chief Constable will help discharge their responsibility for stewardship of public resources by maintaining proper accounting records and effective reporting arrangements. The PCC and Chief Constable have a statutory responsibility to prepare their own annual accounts to present fairly their operations during the year. These are subject to external audit. This audit provides assurance that the two separate sets of accounts have been prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of TVP resources.

Joint Responsibilities of the PCC CFO and Director of Finance

- 1.3.2 To determine the accounting procedures and records for TVP, in accordance with recognised accounting practices, and approve the strategic accounting systems and procedures employed by the Chief Constable. All employees shall operate within the required accounting policies and published timetables.
- 1.3.3 To make proper arrangements for the audit of the PCC, Force and Group accounts in accordance with the Accounts and Audit Regulations 2015.
- 1.3.4 To ensure that all claims for funds including grants are made by the due date
- 1.3.5 To ensure that bank reconciliations and other key control accounts are reconciled on a timely and accurate basis
- 1.3.6 To prepare and publish the audited accounts in accordance with the statutory timetable.

Responsibilities of the Director of Finance

- 1.3.7 To obtain the approval of the PCC CFO before making any fundamental changes to accounting records and procedures or accounting systems
- 1.3.8 To ensure that all transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis
- 1.3.9 To maintain adequate records to provide a management trail leading from the source of income and expenditure through to the accounting statements

1.4 THE ANNUAL STATEMENT OF ACCOUNTS

Why is this important?

- 1.4.1 The PCC and Chief Constable have a statutory responsibility to prepare their own accounts to present fairly their operations during the year. They must be prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The accounts will comprise separate statements for the PCC, Chief Constable as well as group accounts covering both entities.
- 1.4.2 The accounts are subject to detailed independent review by the external auditor. This audit provides assurance that the accounts are prepared correctly, that proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of TVP resources.

Joint Responsibilities of the PCC CFO and Director of Finance

- 1.4.3 To agree and publish the timetable for final accounts preparation
- 1.4.4 To select suitable accounting policies and apply them consistently
- 1.4.5 To make judgements and estimates that are reasonable and prudent
- 1.4.6 To comply with the Code of Practice on Local Authority Accounting
- 1.4.7 To prepare, sign and date the separate statement of accounts, stating that they present fairly the financial position of the PCC, Force and Group at the accounting date and their income and expenditure for the financial year just ended
- 1.4.8 To publish the audited accounts each year, in accordance with the statutory timetable
- 1.4.9 To produce summary accounts for inclusion in the PCC's annual report

Responsibilities of the PCC and Chief Constable

- 1.4.10 To consider and approve their annual accounts in accordance with the statutory timetable.

2.1 FINANCIAL PLANNING

Why is this important?

- 2.1.1 TVP is a complex organisation responsible for delivering a range of policing activities. It needs to develop systems to enable resources to be allocated in accordance with priorities. Financial planning is essential if it is to function effectively
- 2.1.2 The financial planning process should be directed by the approved policy framework, the business planning process and the need to meet key objectives
- 2.1.3 The planning process should be continuous and the planning period should cover at least 3 years. The process should include a more detailed annual plan - the budget, covering the forthcoming financial year. This allows the PCC and Force to plan, monitor and manage the way funds are allocated and spent.
- 2.1.4 It is recognised that the impact of financial planning in the police service will be constrained by the quality and timeliness of information made available by central government on resource allocation.

Financial Strategies

- 2.1.5 The financial strategy explains how the PCC and Chief Constable will structure and manage their finances to support delivery of the aims and objectives of the service, as set out in the PCC's Police and Crime Plan and the Strategic Plan, and to ensure sound financial management and good stewardship of public money.
- 2.1.6 The capital strategy is intended to give a high level overview of how capital expenditure, capital finance and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

Responsibilities of the PCC CFO and Director of Finance

- 2.1.7 To review and update, on an annual basis, the financial strategy and the capital strategy.

Responsibility of the PCC

- 2.1.8 To approve the annual financial strategy and the separate capital strategy.

Medium Term Financial Planning

- 2.1.9 The PCC and Chief Constable share a responsibility to provide effective financial and budget planning for the short, medium and longer term. They achieve this by preparing a medium term (3-5 years) financial plan (revenue) and medium term capital plan.

Responsibilities of the PCC

- 2.1.10 To identify and agree, in consultation with the Chief Constable and other relevant partners and stakeholders, a medium term financial strategy which includes funding and spending plans for both revenue and capital. The strategy should take into account multiple years, the inter-dependencies of revenue budgets and capital investment, the role of reserves and consideration of risks. It should have regard to affordability and also to CIPFA's Prudential Code for Capital Finance in Local authorities. The strategy should be aligned with the Police and Criminal Justice Plan.

Responsibilities of the PCC CFO and Director of Finance

- 2.1.11 To determine the format and timing of the medium term financial plans to be presented to the Chief Constable and PCC. The format is to comply with all legal requirements and with latest guidance issued by CIPFA.
- 2.1.12 To prepare a medium term forecast of proposed income and expenditure for submission, initially to the Chief Constable's Management Team, and then to the PCC. When preparing the forecast, the PCC CFO and Director of Finance shall have regard to:
- the police and criminal Justice plan
 - Strategic Plan
 - policy requirements approved by the PCC as part of the policy framework
 - the strategic policing requirement
 - unavoidable, expected future commitments, including legislative requirements
 - initiatives planned/already underway including the local implications of national initiatives
 - funding of the draft medium term capital plan
 - proposed service developments and plans which reflect public consultation
 - the need to deliver efficiency and/or productivity savings
 - government grant allocations
 - potential implications for local taxpayers
- 2.1.13 To prepare a medium term forecast of potential resources, including options for the use of general balances, reserves and provisions, and an assumption about future levels of government funding and council tax precept income.
- 2.1.14 A gap may be identified between available resources and required resources. Requirements should be prioritised by the Chief Constable to enable the PCC to make informed judgements as to future funding levels and planning the use of resources.

Annual Revenue Budget

- 2.1.15 The revenue budget provides an estimate of the annual income and expenditure requirements for the police service and sets out the financial implications of the PCCs strategic policies. It provides Chief Officers with authority to incur expenditure and a basis on which to monitor the financial performance of both the PCC and the Force.

- 2.1.16 The PCC should consult with the Chief Constable and other relevant partners and stakeholders in planning the overall annual budget which will include a separate force budget allocation. This will take into consideration funding from government and from other sources, and balance the expenditure needs of the policing service, community safety and victims and witnesses against the level of local taxation. This should meet the statutory requirements to achieve a balanced budget (Local Government Act 2003) and be completed in accordance with the statutory timeframe.
- 2.1.17 The impact of the annual budget on the priorities and funding of future years as set out in the Police and Criminal Justice Plan and the medium term financial strategy should be clearly identified.

Responsibilities of the PCC

- 2.1.18 To agree the planning timetable with the Chief Constable
- 2.1.19 To obtain the views of the people and relevant ratepayers' representatives in the Force area on the proposed expenditure (including capital expenditure) in the financial year ahead of the financial year to which the proposed expenditure relates
- 2.1.20 To present his proposed council tax precept to the Police and Crime Panel each year and to have regard to any report or recommendation that the Panel makes in response

Responsibilities of the PCC CFO

- 2.1.21 To determine the format of the revenue budget to be presented to the PCC. The format is to comply with all legal requirements and with latest guidance issued by CIPFA
- 2.1.22 To obtain timely and accurate information from billing authorities on the council taxbase and the latest surplus/deficit position on collection funds to inform budget deliberations
- 2.1.23 To advise the PCC on the appropriate level of general balances, earmarked reserves and provisions to be held.
- 2.1.24 To submit a report to the PCC on (1) the robustness of the estimates and the adequacy of reserves and (2) the suite of prudential indicators for the next three years, arising from the Prudential Code for Capital Finance in Local Authorities. These indicators shall be consistent with the annual revenue budget and capital programme approved by the PCC.
- 2.1.25 Upon approval of the annual budget, to submit the council tax requirement return to central government and precept requests to appropriate bodies in accordance with the legal requirement.
- 2.1.26 To produce and publish, in accordance with statutory requirements and timescales, the council tax information leaflet and send a web-link to the billing authorities.

Responsibilities of the Director of Finance

- 2.1.27 To prepare detailed budget estimates for the forthcoming financial year in accordance with the timetable agreed with the PCC CFO.

- 2.1.28 To submit draft budget proposals to the Chief Constable's Management Team to obtain approval from the Chief Constable
- 2.1.29 To submit estimates in the agreed format to the PCC for approval, including details of council tax implications and precept requirements.

2.2 BUDGETARY CONTROL

Why is this important?

- 2.2.1 Budget management ensures that once the PCC has approved the budget, resources allocated are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, enabling both the Chief Constable and PCC to review and adjust their budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.
- 2.2.2 The key controls for managing and controlling the revenue budget are that:
- a) there is a nominated budget manager for each cost centre heading who is accountable for the budgets under his direct control; and
 - b) the management of budgets must not be seen in isolation. It should be measured in conjunction with service outputs and performance measures

Revenue Monitoring

Why is this important?

- 2.2.3 By continuously identifying and explaining variances against budgetary targets, TVP can identify changes in trends and resource requirements at the earliest opportunity. The PCC and Chief Constable both operate within an annual cash limit, approved when setting the annual budget. To ensure that TVP in total does not overspend, the Director of Finance and PCC CFO are required to manage expenditure within their budget allocations, subject to the rules of virement.

Responsibilities of the Director of Finance

- 2.2.4 To provide appropriate financial information to enable budgets to be monitored effectively.
- 2.2.5 To ensure that each element of income or expenditure has a nominated budget manager to take responsibility for that part of the budget. Budget responsibility should be aligned as closely as possible to the decision making process that commits expenditure.
- 2.2.6 To ensure that total spending for operational policing remains within the overall allocation of resources and takes corrective action where significant variations from the approved budget are forecast. Where total projected expenditure exceeds the total allocation of resources due to circumstances beyond the control of the Chief Constable, both the PCC CFO and PCC shall be alerted immediately and proposals for remedy should be put forward as part of the regular reporting process to the PCC. The same responsibilities apply to the Chief Executive and the PCC CFO for their budgets.
- 2.2.7 To submit a budget monitoring report to the Chief Constable's Management Team and the PCC on a regular basis throughout the year, containing the most recently available financial information.

Virement

Why is this important?

- 2.2.8 A virement is an approved reallocation of resources between budgets or heads of expenditure. A budget head is a line in the approved budget report. The scheme of virement is intended to enable chief officers to manage their budgets with a degree of flexibility within the overall policy framework determined by the PCC and, therefore, to provide the opportunity to optimise the use of resources to emerging needs.
- 2.2.9 The Chief Constable should only be required to refer back to the PCC when virement would incur substantive changes in the policy of the PCC or where a virement might create a future year or continuing commitment. Revenue expenditure can only be funded from revenue funding.
- 2.2.10 Key controls for the scheme of virement are:
- a) it is administered by chief officers in accordance within the limits set out in Financial Regulations. Any variation from this scheme requires the approval of the PCC
 - b) the overall budget is agreed by the PCC. Chief officers and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget
 - c) virement does not create additional overall budget liability.
 - d) each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring.

Responsibilities

- 2.2.11 The Chief Constable may use revenue provision to purchase capital items or carry out capital works subject to obtaining PCC approval where the proposed transfer exceeds £250,000.
- 2.2.12 The Director of Finance can approve any virement where the additional costs are fully reimbursed by other bodies.
- 2.2.13 For all other budgets each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring, subject to the following approval levels

Force Budget

Up to £1,000,000

Over £1,000,000

Director of Finance

PCC or PCC CFO

PCC's own budget

Up to £250,000

Over £250,000

PCC CFO

PCC

- 2.2.14 The approval of the PCC CFO (or PCC depending on value) is required if an appropriation to/from earmarked revenue reserves or general revenue reserves is being sought, or the value of an existing appropriation is being amended.

2.2.15 The approval of the PCC shall be required if the virement involves:

- a) a substantial change in policy
- b) a significant addition to commitments in future years

2.3 CAPITAL PROGRAMME

Why is this important?

- 2.3.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to TVP such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and may create financial commitments in the form of financing costs and revenue running costs.
- 2.3.2 TVP is able to undertake capital investment providing the spending plans are affordable, prudent and sustainable. CIPFA's Prudential code sets out the framework under which the Force and PCC will consider their spending plans.
- 2.3.3 The capital programme is linked to both the approved financial strategy and the capital strategy.
- 2.3.4 A medium term capital plan will be produced, in accordance with the financial strategy and the capital strategy, which shows all planned capital investment over the next 3-4 years. This plan will include a schedule to show how the planned expenditure will be funded.
- 2.3.5 A separate annual capital budget will be produced before the start of the financial year. Initially, this budget will include ongoing schemes from previous years as well as annual provisions such as vehicles, plant and equipment. Additional schemes from the medium term capital plan will be included in the annual budget after tenders have been accepted and timescales are known.
- 2.3.6 Although TVP procures capital items on behalf of consortium partners, only TVP related expenditure which will be included in the fixed asset register (i.e. including CTPSE) will be included in the medium term capital plan and the annual capital budget.

Responsibilities of the Chief Constable

- 2.3.7 To develop and implement asset management plans. These will inform the medium term and annual capital programmes.

Responsibilities of the PCC

- 2.3.8 To approve the estates asset management plan

Medium Term Capital Plan

Responsibilities of the Director of Finance

- 2.3.9 To prepare a rolling programme of proposed capital expenditure, in accordance with the agreed financial strategy and the capital strategy, for initial consideration by the Chief Constable's Management Team and then for presentation to the PCC. Each scheme shall identify the total capital cost of the project and any additional revenue commitments.

- 2.3.10 To prepare project appraisals (i.e. the Business Proposal Form) for all schemes in the draft medium term capital plan. Where appropriate these will be developed jointly with Hampshire Constabulary and/or other partners, and will include an appropriate element for optimism bias. These shall be submitted to the PCC CFO and PCC for consideration and scheme approval. This will include all additional revenue and capital costs.
- 2.3.11 To identify, in consultation with the PCC CFO, available sources of funding for the medium term capital plan, including the identification of potential capital receipts from disposal of assets and the level of Direct Revenue Funding required.
- 2.3.12 A gap may be identified between available resources and required capital investment. Requirements should be prioritised by the Chief Constable to enable the PCC to make informed judgements as to which schemes should be included in the capital plan, the minimum level of funding required for each scheme and the potential phasing of capital expenditure.
- 2.3.13 A fully funded medium term capital plan shall, on an annual basis, be presented to the PCC for consideration and approval
- 2.3.14 Approval of the medium term capital plan by the PCC in January / February each year authorises the Chief Constable to seek planning permissions, incur professional fees and preliminary expenses as appropriate.

Responsibilities of the PCC CFO

- 2.3.15 To make recommendations to the PCC on the most appropriate level and application of revenue support, reserves and borrowing, under the Prudential Code, to support the capital plan.

Responsibilities of the PCC

- 2.3.16 To approve a fully funded medium term capital plan.

Annual Capital Budget

Responsibilities of the PCC

- 2.3.17 To agree the annual capital budget, and how it is to be financed.
- 2.3.18 To hold the Chief Constable to account for delivery of effective capital schemes within budget.

Responsibilities of the Chief Constable

- 2.3.19 To present an annual capital budget to the PCC for approval
- 2.3.20 To ensure expenditure on individual schemes does not exceed the approved scheme budget by more than 10% or £250,000 whichever is the lower amount
- 2.3.21 To ensure that finance leases or other credit arrangements are not entered into without the prior approval of the PCC CFO.

- 2.3.22 To ensure that, apart from professional fees (e.g. feasibility studies and planning fees) no other capital expenditure is incurred before the contract is let and the scheme is included in the annual capital budget.

Monitoring of Capital Expenditure

Responsibilities of the Director of Finance

- 2.3.23 To ensure that adequate records are maintained for all capital contracts
- 2.3.24 To monitor expenditure throughout the year against the approved capital budget.
- 2.3.25 To submit capital monitoring reports to both the Chief Constable's Management Team and the PCC on a regular basis throughout the year. These reports are to be based on the most recently available financial information. The monitoring reports will show spending to date and compare projected income and expenditure with the approved budget.
- 2.3.26 For proposed in-year amendments to the annual capital budget, for schemes not already included in the medium term capital plan, to prepare a business case for submission to the PCC for consideration and approval, including details on how the new scheme is to be funded.

Responsibilities of the PCC CFO and Director of Finance

- 2.3.27 To report on the outturn of capital expenditure as part of the annual report on the statutory accounts.

2.4 MAINTENANCE OF BALANCES AND RESERVES

Why is this important?

- 2.4.1 The PCC must decide the level of general reserves he wishes to retain before he can decide the level of council tax. Reserves are maintained as a matter of prudence. They enable the organisation to provide for cash flow fluctuations and unexpected costly events and thereby help protect it from overspending the annual budget, should such events occur. Reserves for specific purposes may also be maintained where it is likely that a spending requirement will occur in the future.

Responsibilities of the PCC CFO

- 2.4.2 To advise the PCC on reasonable levels of balances and reserves.
- 2.4.3 To report to the PCC on the adequacy of reserves and balances before he approves the annual budget and council tax (s25, LG Act 2003).
- 2.4.4 To approve appropriations to and from each earmarked reserve. These will be separately identified in the Annual Statement of Accounts.
- 2.4.5 To ensure the Annual Reserves Strategy is published on the PCC's website in accordance with Home Office requirements.

Responsibilities of the Director of Finance

- 2.4.6 To ensure that the annual revenue budget is sufficient to finance foreseeable operational needs without having to request additional approval.
- 2.4.7 To present a business case to the PCC CFO and PCC for one-off expenditure items to be funded from earmarked and/or general reserves.

Responsibilities of the PCC

- 2.4.8 To approve a policy on reserves and balances, including lower and upper parameters for the level of general balances
- 2.4.9 To approve the creation of each earmarked reserve. The purpose, usage and basis of transactions should be clearly identified for each reserve established.
- 2.4.10 To approve the allocation of monies to and from general and earmarked reserves, as part of the annual budget setting process.

3.1 RISK MANAGEMENT AND BUSINESS CONTINUITY

Why is this important?

- 3.1.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all potential significant corporate and operational risks. This should include the proactive participation of all those associated with planning and delivering services.
- 3.1.2 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk cannot be eliminated altogether. However, risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of TVP and to ensure the continued corporate and financial wellbeing of TVP. In essence it is, therefore, an integral part of good business practice.
- 3.1.3 Business continuity is a key part of the risk management agenda and is concerned with ensuring that the organisation can continue to operate and deliver its critical services during a period of disruption.

Responsibilities of the PCC and Chief Constable

- 3.1.4 The PCC and Chief Constable are jointly responsible for approving the risk management policy statement and strategy, and for reviewing the effectiveness of risk management.

Responsibilities of Chief Officers

- 3.1.5 To prepare the TVP risk management policy statement and for promoting a culture of risk management awareness throughout TVP and reviewing risk as an ongoing process.
- 3.1.6 To maintain and/or implement new procedures, as necessary and appropriate, to identify, assess, prevent or contain material known risks, with a monitoring process in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be formalised and conducted on a continuing basis
- 3.1.7 To ensure that appropriate business continuity plans are developed, implemented and tested on a regular basis

Responsibilities of the PCC CFO and Director of Finance

- 3.1.8 To advise the PCC and Chief Constable on appropriate arrangements for insurance. Acceptable levels of risk should be determined and insured against where appropriate. Activities leading to levels of risk assessed as unacceptable should not be undertaken.
- 3.1.9 To arrange for an actuary to undertake a regular review of TVP's own self-insurance fund and, following that review, to recommend to the Chief Constable and PCC a course of action to ensure that, over the medium term, the fund is able to meet all known liabilities.
- 3.1.10 To ensure that appropriate insurance cover is provided.
- 3.1.11 To ensure that claims made by TVP against insurance policies are made promptly

Responsibilities of the Chief Constable

- 3.1.12 To make all appropriate employees aware of their responsibilities for managing relevant risks
- 3.1.13 To ensure that employees, or anyone covered by TVP insurance, is instructed not to admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim
- 3.1.14 To ensure that a comprehensive risk register is produced and updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk

Responsibilities of the Chief Executive

- 3.1.15 To ensure that a comprehensive risk register is produced for the OPCC and is updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk

Responsibilities of the Chief Executive and Head of Legal Services

- 3.1.16 To evaluate and authorise any terms of indemnity that TVP is requested to give by external parties.

3.2 INTERNAL CONTROL SYSTEM

Why is this important?

- 3.2.1 Internal control refers to the systems of control devised by management to help ensure TVP objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that TVP assets and interests are safeguarded.
- 3.2.2 TVP is complex and requires an internal control framework to manage and monitor progress towards strategic objectives. TVP has statutory obligations and therefore requires a system of internal control to identify, meet and monitor compliance with these obligations.
- 3.2.3 TVP faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. A system of internal control is necessary to manage these risks. The system of internal control is established in order to provide achievement of:
- efficient and effective operations
 - reliable financial information and reporting
 - compliance with laws and regulations
 - risk management

Responsibilities of Chief Officers

- 3.2.4 To implement effective systems of internal control, in accordance with advice from the PCC CFO and Director of Finance. These arrangements shall ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They shall ensure that public resources are properly safeguarded and used economically, efficiently and effectively.
- 3.2.5 To ensure that effective key controls are operating in managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance information and taking appropriate anticipatory and remedial action where necessary. The key objective of these control systems is to define roles and responsibilities.
- 3.2.6 To ensure that effective key controls are operating in financial and operational systems and procedures. This includes physical safeguard of assets, segregation of duties, authorisation and approval procedures and robust information systems.
- 3.2.7 To produce Annual Governance Statements for consideration and approval by the PCC and Chief Constable.
- 3.2.8 To consider and respond promptly to control weaknesses and issues in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

3.3 AUDIT REQUIREMENTS

Joint Independent Audit Committee

Why is this important?

- 3.3.1 The purpose of an audit committee is to provide those charged with governance (i.e. the PCC and Chief Constable) independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place

Responsibilities of the PCC and Chief Constable

- 3.3.2 To recruit and appoint 3-5 members of the Committee. These members should be independent of both the PCC and the Force
- 3.3.3 To determine the Committee Terms of Reference (or Operating Principles)
- 3.3.4 To prepare and sign annual letters of representation and submit to the external auditor
- 3.3.5 To receive and act upon the annual assurance statement from the Committee

Internal Audit

Why is this important?

- 3.3.6 Internal audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment, by evaluating the adequacy and effectiveness of internal controls that are in place to manage and mitigate financial and non-financial risk to support delivery of the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 3.3.7 The requirement for an internal audit function for local authorities is either explicit or implied in the relevant local government legislation (section 151 of the Local Government Act 1972), which requires that authorities "make arrangements for the proper administration of their financial affairs". In the Police Service, the PCC and Chief Constable are required to maintain an effective audit of their affairs by virtue of the Accounts and Audit Regulations 2015 (as amended) which state that a "relevant body must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control". The guidance accompanying the legislation states that proper internal control practices for internal audit are those contained in the Public Sector Internal Audit Standards.
- 3.3.8 In fulfilling this requirement, the PCC and Chief Constable should have regard to the Public Sector Internal Audit Standards.

- 3.3.9 In addition to enabling the PCC and the Chief Constable to fulfil their requirements in relation to the relevant Accounts and Audit Regulations, internal Audit is needed to satisfy the PCC and the Chief Constable that effective internal control systems are in place.

Responsibilities of the Joint Independent Audit Committee

- 3.3.10 In terms of internal audit, the Joint Independent Audit Committee's operating principles will include the following key activities and responsibilities:

- Annually review the internal audit charter and resource
- Receive and consider the adequacy and effectiveness of the arrangements for the provision of the internal audit service
- Consider and comment on the Internal Audit Strategy and Plan.
- Receive and review internal audit reports and monitor progress of implementing agreed actions
- To consider the Head of Internal Audit's statement on the level of conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that support the statement
- Consider and comment upon the annual report of the Head of Internal Audit
- Obtain assurance that an annual review of the effectiveness of the internal audit function takes place

- 3.3.11 To note and endorse the Internal Audit Strategy and Joint Internal Audit Plan, which sets out the joint Internal Audit Team's:

- objectives and outcomes;
- Planning methodology;
- Resources;
- Annual Plan; and
- Performance measurements.

Responsibilities of the PCC, Chief Constable, PCC CFO and Director of Finance

- 3.3.12 To ensure the provision of an adequate and effective internal audit service.

- 3.3.13 To ensure that internal auditors, having been security cleared, have the authority to:

- access TVP premises at reasonable times
- access all assets, records, documents, correspondence, control systems and appropriate personnel, subject to appropriate security clearance
- receive any information and explanation considered necessary concerning any matter under consideration
- require any employee to account for cash, stores or any other TVP asset under their control
- access records belonging to contractors, when required. This shall be achieved by including an appropriate clause in all contracts.

- 3.3.14 Internal Audit shall have direct access to all Chief Officers and employees, where necessary, to discharge their responsibilities.

Responsibilities of the PCC CFO and the Director of Finance

- 3.3.15 To approve the annual internal audit plan, having considered the views expressed by stakeholders, including the Joint Independent Audit Committee.
- 3.3.16 To approve in-year variations to the annual internal audit plan.

Responsibilities of the Chief Internal Auditor

- 3.3.17 To prepare - in consultation with the PCC, Chief Constable, PCC CFO and Director of Finance - an annual audit plan that conforms to the Public Sector Internal Audit Standards, for consideration by the Joint Independent Audit Committee.
- 3.3.18 To attend meetings of the Joint Independent Audit Committee and to present to each Committee a report on the progress in delivering the annual plan, the matters arising from audits, and the extent to which agreed actions in response to issues raised in the audit reports have been delivered.
- 3.3.19 To present an annual report to the Joint Independent Audit Committee, including an opinion on the effectiveness of the internal control environment in TVP.

Responsibilities of Chief Officers

- 3.3.20 To consider and respond promptly to control weaknesses and issues in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

Responsibilities of the Director of Finance

- 3.3.21 To ensure that new systems for maintaining financial records or records of assets, or significant changes to existing systems, are discussed with and agreed by the PCC CFO and internal audit prior to implementation.
- 3.3.22 To notify the PCC CFO immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of TVP property or resources. Pending investigation and reporting, the Chief Constable should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration. Investigation of internal financial irregularities shall normally be carried out by the Professional Standards Department, who shall consult with the Chief Internal Auditor as appropriate and keep him informed of progress. At the conclusion of the investigation the Chief Internal Auditor shall be informed of the outcome and agree with the Head of Professional Standards and the Director of Finance whether any internal audit review of the internal controls would be beneficial. The operation of this Regulation shall be in accordance with the agreed protocol between the Head of Professional Standards, the Director of Finance and the Chief Internal Auditor.

External Audit

Why is this important?

- 3.3.23 The PCC and the Chief Constable are responsible for selecting and appointing their own external auditor. They may choose to do this by using the Public Sector Audit Appointments (PSAA) Ltd.
- 3.3.24 The external auditor has rights of access to all documents and information necessary for audit purposes.
- 3.3.25 The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, the Audit Commission Act 1998 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires the National Audit Office to prepare a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice sets out the auditor's objectives to review and report upon:
- the audited body's financial statements
 - aspects of the audited body's arrangements to secure Value for Money.
- 3.3.26 In auditing the annual accounts, the external auditor must satisfy themselves, in accordance with Section 5 of the 1998 Act, that:
- the accounts are prepared in accordance with the relevant regulations;
 - they comply with the requirements of all other statutory provisions applicable to the accounts;
 - proper practices have been observed in the compilation of the accounts; and
 - the body whose accounts are being audited has made proper arrangements for securing economy, efficiency and effectiveness.
- 3.3.27 The 1998 Act sets out other specific responsibilities of the auditor, for example under the section on financial reporting.

Responsibilities of the Joint Independent Audit Committee

- 3.3.28 To approve the annual work plan and fee
- 3.5.1 To receive and respond to the ISA 260 Audit Results report on the financial statements and value for money
- 3.3.29 To receive the annual audit report

Responsibilities of the PCC CFO and Director of Finance

- 3.3.30 To liaise with the external auditor and advise the PCC and Chief Constable on their responsibilities in relation to external audit and ensure there is effective liaison between external and internal audit.
- 3.3.31 To ensure that for the purposes of their work the external auditors are given the access to which they are statutorily entitled in relation to TVP premises, assets, records, documents, correspondence, control systems and personnel, subject to appropriate security clearance.

- 3.3.32 To respond to draft action plans and to ensure that agreed recommendations are implemented in a timely manner

Responsibilities of the PCC and Chief Constable

- 3.3.33 To select and appoint the external auditor

3.4 PREVENTING FRAUD AND CORRUPTION

Why is this important?

- 3.4.1 TVP will not tolerate fraud or corruption in the administration of its responsibilities, whether from inside or outside TVP.
- 3.4.2 TVP expectation of propriety and accountability is that the PCC, Chief Constable and employees at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 3.4.3 TVP also expects that individuals and organisations (e.g. suppliers, contractors, and service providers) with whom it comes into contact will act with honesty and integrity.

Responsibilities of the PCC and Chief Constable

- 3.4.4 To approve and adopt a policy on registering of interests and the receipt of hospitality and gifts
- 3.4.5 To maintain an effective anti-fraud, bribery and corruption policy, including relevant provisions in the Bribery Act 2010.
- 3.4.6 To ensure that adequate and effective internal control arrangements are in place
- 3.4.7 To maintain a policy for the registering of interests and the receipt of hospitality and gifts covering the PCC, Chief Constable and all employees. A register of interests and a register of hospitality and gifts shall be maintained for the PCC and employees.
- 3.4.8 To adopt and maintain a whistle blowing policy to provide a facility that enables employees, the general public and contractors to make allegations of fraud, misuse and corruption in confidence, and without recrimination, to an independent contact. Procedures shall ensure that allegations are investigated robustly as to their validity, that they are not malicious and that appropriate action is taken to address any concerns identified. The Chief Constable shall ensure that all employees are aware of any approved whistle blowing policy.
- 3.4.9 To implement and maintain a clear internal financial control framework setting out the approved financial systems to be followed by the PCC, Chief Constable and all employees.
- 3.4.10 To investigate, as appropriate, all allegations of bribery, fraud and corruption.

3.5 ASSETS - Acquisition, Ownership and Disposal

Why is this important?

- 3.5.1 TVP holds assets in the form of land, property, vehicles, equipment, furniture and other items, together worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, that there are arrangements for the security of both assets and information required for service operations and that proper arrangements exist for the disposal of assets. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.
- 3.5.2 It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the policies and regulations of the PCC and Chief Constable.

Context

- 3.5.3 The PCC will own all estate assets i.e. land and buildings.
- 3.5.4 The Chief Constable is responsible for the direction and control of the Force and therefore has day-to-day management of all assets used by the Force.
- 3.5.5 The PCC has given consent to the Chief Constable to own, operate and dispose of all non-estate assets (i.e. vehicles, plant and equipment).
- 3.5.6 The Chief Constable should formally consult the PCC in planning the draft budget and developing the medium term financial strategy. Both these processes should involve a full assessment of the assets required to meet operational requirements, including in terms of human resources, infrastructure, land, property and equipment.

Responsibilities of the Chief Constable

- 3.5.7 To ensure that the medium term financial plan is reliable and robust and, in particular, to ensure that:
- a) an estates asset management plan is produced and presented to the PCC for approval
 - b) the property portfolio is managed in accordance with the agreed estates asset management plan and within budgetary provisions, in consultation with the Chief Executive and PCC CFO as appropriate
 - c) lessees and other prospective occupiers of TVP land are not allowed to take possession or enter the land until a lease or agreement has been established as appropriate
 - d) an overview of the ICT strategy is produced and presented to the PCC for consideration and endorsement each year

Responsibilities of the PCC

- 3.5.8 To approve an estates asset management plan, including disposals.

- 3.5.9 To approve the purchase of all land and buildings
- 3.5.10 To ensure that the title deeds to TVP property are held securely

Joint responsibilities of the Chief Constable and PCC

- 3.5.11 To ensure that:
- a) an asset register is maintained to provide TVP with information about fixed assets so that they are safeguarded, used efficiently and effectively, adequately maintained and valued in accordance with statutory and management requirements
 - b) assets and records of assets are properly maintained and securely held and that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place
 - c) all employees are aware of their responsibilities with regard to safeguarding TVP assets and information, including the requirements of the Data Protection Act and software copyright legislation
 - d) assets no longer required are disposed of in accordance with the law and the regulations of the TVP
 - e) all employees are aware of their responsibilities with regard to safeguarding the security of TVP ICT systems, including maintaining restricted access to the information held on them and compliance with the information and security policies.

Asset Disposal

Consent from the PCC

- 3.5.12 The PCC has given consent to the Chief Constable to dispose of all non-estate assets (e.g. vehicles, plant and equipment) in accordance with the Financial Strategy.

Responsibilities of the Chief Constable

- 3.5.13 To arrange for the disposal of (without the specific approval of the PCC):
- a) To ensure the secure and appropriate disposal of assets
 - b) Non-estate assets at the appropriate time and at the most advantageous price. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.
 - c) Police houses and other surplus land and buildings with an estimated sale value of less than £500,000. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.

Responsibilities of the PCC

- 3.5.14 To approve the disposal of police houses and other surplus land and buildings with an estimated sale value of over £500,000

Responsibilities of the Director of Finance

- 3.5.15 To record all asset disposals in the asset register and/or appropriate inventory lists.

Responsibilities of the PCC CFO and Director of Finance

- 3.5.16 To ensure that income received for the disposal of an asset is properly banked and accounted for.
- 3.5.17 To ensure that appropriate accounting entries are made to remove the value of disposed assets from TVP records and to include the sale proceed if appropriate.

Interests in Land

Responsibilities of the Chief Constable

- 3.5.18 The Chief Constable, shall:
- a) Arrange to grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, without the specific approval of the PCC, up to an annual rental of £100,000;
 - b) take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms

Responsibilities of the PCC and Chief Executive

- 3.5.19 The Chief Executive shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £100,000 but below £500,000.
- 3.5.20 The PCC shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £500,000.

Valuation

Responsibilities of the Director of Finance

- 3.5.21 To maintain an asset register for all fixed assets with a value in excess of the limits shown below, in a form approved by the PCC CFO. Assets are to be recorded when they are acquired by TVP. Assets shall remain on the asset register until disposal. Assets are to be valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* and the requirements specified by the PCC CFO

<i>Land & Buildings</i>	<i>All values</i>
<i>Vehicles</i>	<i>All values</i>
<i>ICT hardware</i>	<i>All values</i>
<i>Plant & Equipment</i>	<i>£100,000</i>

Stocks and Stores

Responsibilities of the Director of Finance

- 3.5.22 To make arrangements for the care, custody and control of the stocks and stores of TVP and to maintain detailed stores accounts.
- 3.5.23 To undertake a complete stock check at least once per year either by means of continuous or annual stocktake. The stocktake shall be undertaken and certified by an authorised member of staff who is independent of the stock keeping function. This procedure shall be followed and a complete stock check undertaken whenever stock keeping duties change.
- 3.5.24 To write-off any discrepancies between the actual level of stock and the book value of stock up to £25,000 in value. Any items over £25,000 require the approval of the PCC CFO
- 3.5.25 To write-off obsolete stock up to the value of £25,000. Any write-offs over £25,000 require the approval of the PCC CFO

Intellectual Property

Why is this important?

- 3.5.26 Intellectual property is a generic term that includes inventions and writing e.g. computer software.
- 3.5.27 It is TVP policy that if any Intellectual Policy is created by the employee during the course of employment then, as a general rule, this will belong to the employer, not the employee. Various acts of Parliament cover different types of intellectual property. Certain activities undertaken within TVP may give rise to items that could be patented, for example, software development. These items are collectively known as intellectual property.
- 3.5.28 In the event that TVP decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with an intellectual property policy. Matters should only proceed after legal advice

Responsibilities of the Chief Constable

- 3.5.29 To prepare guidance on intellectual property procedures and ensuring that employees are aware of these procedures.

Responsibilities of the Chief Constable and PCC

- 3.5.30 To approve the intellectual property policy

3.6 TREASURY MANAGEMENT AND BANKING ARRANGEMENTS

Treasury Management

Why is this important?

3.6.1 TVP is a large organisation that handles hundreds of millions of pounds in each financial year. It is important that TVP money is managed properly, in a way that balances risk with return, but with the prime consideration being given to the security of the TVP capital sum.

3.6.2 TVP will create and maintain, as the cornerstones for effective treasury management:

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
- Suitable Treasury Management Practices (TMPs) setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

Responsibilities of the PCC

3.6.3 To adopt the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code).

3.6.4 To approve the annual treasury management strategy statement, including the annual investment strategy

3.6.5 To receive and approve quarterly treasury management performance monitoring reports

Responsibilities of the PCC CFO

3.6.6 To implement and monitor treasury management policies and practices in line with the CIPFA Code and other professional guidance

3.6.7 To prepare reports on the PCC's treasury management policies, practices and activities, including, as a minimum, an annual strategy, quarterly performance monitoring reports and an annual report.

3.6.8 To execute and administer treasury management in accordance with the CIPFA Code and the PCC's policy.

3.6.9 To arrange borrowing and investments, in compliance with the CIPFA Code

3.6.10 To ensure that all investments and borrowings are made in the name of TVP.

Banking Arrangements

Why is this important?

- 3.6.11 Our banking activities are controlled by a single contract which aims to provide a wide range of complex and specialist banking services to TVP departments, establishments and staff. A consistent and secure approach to banking services is essential in order to achieve optimum performance from TVP bankers and the best possible value for money. To minimise administration and costs the PCC and Chief Constable will share bank accounts.

Responsibilities of the PCC CFO

- 3.6.12 To have overall responsibility for the banking arrangements for TVP.
- 3.6.13 To authorise the opening and closing of all TVP bank accounts. With the exception of 3.6.17 below no other employee shall open a bank account unless they are performing a statutory function (e.g. treasurer of a charitable body) in their own right
- 3.6.14 To undertake bank reconciliations on a timely and accurate basis.
- 3.6.15 To determine signatories on all TVP bank accounts
- 3.6.16 To authorise the opening and closing of the digital apprenticeship levy accounts

Responsibilities of the Director of Finance

- 3.6.17 To authorise the opening and closing of TVP bank accounts, for specific purposes, as agreed with the PCC CFO.
- 3.6.18 To undertake bank reconciliations on a timely and accurate basis for these specific bank accounts.
- 3.6.19 To determine signatories on these specific TVP bank accounts
- 3.6.20 To determine appropriate internal control arrangements for operating the digital apprenticeship levy accounts

Imprest Accounts / Petty Cash

Why is this important?

- 3.6.21 Cash advances may be made to an individual in a department / establishment in order that relatively small incidental payments may be made quickly. A record of disbursements from the account should be maintained to control the account and so that the expenditure may be substantiated, accurately reflected in the TVP accounts and correctly reimbursed to the account holder.

Responsibilities of the Chief Constable

- 3.6.22 To provide appropriate employees of TVP with cash, bank imprests or pre-paid cash cards to meet minor expenditure on behalf of TVP. The Chief Constable shall determine reasonable petty cash limits and maintain a record of all transactions and petty cash advances made, and periodically review the arrangements for the safe custody and control of these advances.
- 3.6.23 To prepare detailed Financial Instructions for dealing with petty cash, to be agreed with the PCC CFO, and these shall be issued to all appropriate employees.

Money Laundering

Why is this important?

- 3.6.24 TVP is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money.
- 3.6.25 Suspicious cash deposits in any currency in excess of €10,000 (or equivalent) should be reported to the National Crime Agency (NCA)
- 3.6.26 TVP will monitor its internal control procedures to ensure they are reliable and robust.

Responsibilities of the PCC CFO

- 3.6.27 To be the nominated Money Laundering Reporting Officer (MLRO) for TVP.
- 3.6.28 Upon receipt of a disclosure to consider, in the light of all information, whether it gives rise to such knowledge or suspicion.
- 3.6.29 To disclose relevant information to the National Crime Agency (NCA)

Responsibilities of Chief Officers

- 3.6.30 To undertake appropriate checks to ensure that all new suppliers and counterparties are bona fide

Responsibilities of employees

- 3.6.31 To notify the PCC CFO as soon as they receive information which may result in them knowing or having reasonable grounds for knowing or suspecting money laundering, fraud or use of the proceeds of crime
- 3.6.32 Cash bankings from a single source over €10,000 should be reported to the PCC CFO. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act (see Financial Regulation 3.9).

3.7 STAFFING

Why is this important?

- 3.7.1 Staffing costs form the largest element of the annual policing budget. An appropriate People strategy should exist, in which staffing requirements and budget allocations are matched. The Chief Constable is responsible for approving the overall People strategy.

Responsibilities of the Chief Constable

- 3.7.2 To ensure that employees are appointed, employed and dismissed in accordance with relevant statutory regulations, national agreements and personnel policies, budgets and strategies.
- 3.7.3 To advise the PCC on the budget necessary in any given year to cover estimated staffing levels
- 3.7.4 To adjust the staffing numbers to meet the approved budget provision, and varying the provision as necessary within policy constraints in order to meet changing operational needs
- 3.7.5 To have systems in place to record all matters affecting payments to staff, including appointments, resignations, dismissals, secondments, suspensions, transfers and all absences from work.
- 3.7.6 To approve policy arrangements for premature retirements on grounds of ill-health or efficiency for all staff and redundancy arrangements for support staff.

Responsibilities of the Chief Executive

- 3.7.7 To have the same responsibilities as above for staff employed directly by the PCC.

3.8 TRUST FUNDS

Why is this important?

- 3.8.1 Trust Funds have a formal legal status governed by a Deed of Trust. Employees and police officers acting as trustees must ensure that they are conversant with the requirements of the Trust Deed and the law and comply fully with them.
- 3.8.2 The TVP financial procedures and financial regulations should be viewed as best practice, which ought to be followed whenever practicable.
- 3.8.3 Examples include the TVP Benevolent Fund, TVP Civilian Staff Welfare Fund, TVP Welfare Fund, Thames Valley Special Constabulary Fund and the Sullhamstead Police College Trust Fund.
- 3.8.4 No employee shall open a trust fund without the specific approval of the Chief Constable or the PCC.

Responsibilities of Trustees

- 3.8.5 All employees acting as trustees by virtue of their official position shall ensure that accounts are audited as required by law and submitted annually to the appropriate body, and the PCC CFO and/or Director of Finance shall be entitled to verify that this has been done.

3.9 ADMINISTRATION OF EVIDENTIAL & NON-EVIDENTIAL PROPERTY

Why is this important?

- 3.9.1 The Chief Constable is required to exercise a duty of care and safeguard evidential or non-evidential property pending decisions on its ownership, or private property of an individual, e.g. a suspect in custody.

Responsibilities of the Chief Constable

- 3.9.2 To determine procedures for the safekeeping of the private property of a person, other than a member of staff, under his guardianship or supervision. These procedures shall be made available to all appropriate employees. For more detailed information, please refer to the Evidential and Non-Evidential Standard Operating Procedure (SOP).
- 3.9.3 To determine procedures for the safekeeping of evidential or non-evidential property. These procedures shall be made available to all appropriate employees and shall make specific reference to the need for insurance of valuable items.
- 3.9.4 To issue separate Financial Instructions for dealing with cash, including seized cash under the Proceeds of Crime Act

Responsibilities of all employees

- 3.9.5 To notify the Chief Constable immediately in the case of loss or diminution in value of such private property.

Police Property Act Fund

Why is this important?

- 3.9.6 The Police Property Act Fund consists of:
- (a) the proceeds of sale of property to which the Police (Property) Regulations 1997 apply (usually seized property where the owner has not been ascertained); and
 - (b) money to which those Regulations apply
- 3.9.7 The Fund may be used to:
- (a) Defray expenses connected with the custody and sale of the property
 - (b) Pay reasonable compensation to persons by whom property has been delivered to the police
 - (c) Make payments for charitable purposes
- 3.9.8 The Regulations also make provision for property to vest in the PCC (where it can be used for police purposes) or to be destroyed or disposed of (where the nature of the property is such that it is not in the public interest for it to be sold or retained)

Responsibilities of PCC and Chief Constable

- 3.9.9 The PCC and Chief Constable shall jointly determine the payments to be made in accordance with the Regulations, and the recipients thereof.
- 3.9.10 The PCC shall determine, on a recommendation made by or on behalf of the Chief Constable, whether any property to which the Regulations apply can be used for police purposes and, if so, whether such property shall be retained by and vest in the PCC.
- 3.9.11 The Chief Constable shall determine whether the nature of any property to which the Regulations apply is such that it is not in the public interest that it should be sold or retained and give directions as to the destruction or disposal of such property.

3.10 GIFTS, LOANS AND SPONSORSHIP

- 3.10.1 This does not include the receipt of hospitality and gifts – please see Section 3.4 ('Preventing Fraud and Corruption')

Why is this important?

- 3.10.2 In accordance with the Police Act 1996, the PCC may decide to accept gifts of money and gifts or loans of other property or services (e.g. car parking spaces) if they will enable the police either to enhance or extend the service which they would normally be expected to provide. The terms on which gifts or loans are accepted may allow commercial sponsorship of some police force activities.

Context

- 3.10.3 Gifts, loans and sponsorship are particularly suitable for multi-agency work such as crime prevention, community relations work, and victim support schemes.
- 3.10.4 Gifts, loans and sponsorship can be accepted from any source which has genuine and well intentioned reasons for wishing to support specific projects. In return, the provider may expect some publicity or other acknowledgement. It is acceptable to allow the provider to display the organisation's name or logo on publicity material, provided this does not dominate or detract from the purpose of the supported project.

Responsibilities of the PCC

- 3.10.5 To approve the policy on gifts, loans and sponsorship

Responsibilities of the Chief Constable

- 3.10.6 To accept gifts, loans or sponsorship within agreed policy guidelines.
- 3.10.7 To refer all gifts, loans and sponsorship above £50,000 to the PCC for approval before they are accepted.

Responsibilities of the Director of Finance

- 3.10.8 To present an annual report to the PCC listing all gifts, loans and sponsorship.
- 3.10.9 To maintain a central register, in a format agreed by the PCC CFO, of all sponsorship initiatives and agreements including their true market value, and to provide an annual certified statement of all such initiatives and agreements. The register will be made available to the PCC CFO, who shall satisfy himself that it provides a suitable account of the extent to which such additional resources have been received.
- 3.10.10 To bank cash from sponsorship activity in accordance with normal income procedures.

4.1 SYSTEMS & PROCESSES - INTRODUCTION

Why is this important?

- 4.1.1 There are many systems and procedures relating to the control of TVP assets, including purchasing, costing and management systems. TVP is reliant on computers for financial management information. This information must be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.
- 4.1.2 The PCC CFO and Director of Finance both have a statutory responsibility to ensure that TVP financial systems are sound and should therefore be notified of any proposed new developments or changes.

Responsibilities of the PCC CFO and Director of Finance

- 4.1.3 To make arrangements for the proper administration of TVP financial affairs, including to:
- issue advice, guidance and procedures for officers and others acting on behalf of TVP
 - determine the accounting systems, form of accounts and supporting financial records
 - establish arrangements for the audit of TVP financial affairs
 - approve any new financial systems to be introduced
 - approve any changes to existing financial systems.
- 4.1.4 To ensure, in respect of systems and processes, that
- systems are secure, adequate internal control exist and accounting records (e.g. invoices, income documentation) are properly maintained and held securely. This is to include an appropriate segregation of duties to minimise the risk of error, fraud or other malpractice.
 - appropriate controls exist to ensure that all systems input, processing and output is genuine, complete, accurate, timely and not processed previously
 - a complete audit trail is maintained, allowing financial transactions to be traced from the accounting records to the original document and vice versa
 - systems are documented and staff trained in operations
- 4.1.5 To ensure that there is a documented and tested business continuity plan to allow key system processing to resume quickly in the event of an interruption. Effective contingency arrangements, including back up procedures, are to be in place in the event of a failure in computer systems
- 4.1.6 To establish and maintain Financial Instructions identifying staff authorised to act on their behalf in respect of income collection, placing orders, making payments and employing staff.

4.2 INCOME

Why is this important?

- 4.2.1 Income is vital to TVP and effective systems are necessary to ensure that all income due is identified, collected, receipted and banked promptly.

Context

- 4.2.2 The PCC and Chief Constable should adopt the NPCC national charging policies and national guidance when applying charges for services and goods, including special services (section 25 Police Act), Mutual Aid (section 26 Police Act) and Goods & Services (section 18 Local Government Act). They should keep in mind that the purpose of charging is to ensure that, wherever appropriate, those using the services pay for them.
- 4.2.3 When specifying resource requirements, the Chief Constable will identify the expected income from charging. The Chief Constable should adopt NPCC charging policies in respect of mutual aid.
- 4.2.4 The PCC and Chief Constable should ensure that there are arrangements in place to ensure that expected charges are clearly identified in their budgets and that costs are accurately attributed and charged. When considering budget levels, the PCC and Chief Constable should ensure that ongoing resource requirements are not dependant on a significant number of uncertain or volatile income sources and should have due regard to sustainable and future year service delivery.

Responsibilities of the Chief Constable and PCC

- 4.2.5 To adopt the NPCC national charging policies and national guidance

Responsibilities of the Director of Finance and PCC CFO

- 4.2.6 To make arrangements for the collection of all income and approve the procedures, systems and documentation for its collection, including the correct charging of VAT
- 4.2.7 To agree a charging policy for the supply of goods and services, including the appropriate charging of VAT, and to review it regularly in line with corporate policies. All charges should be at full cost recovery except where regulations require otherwise or with the express approval of the PCC.
- 4.2.8 To ensure that all income is paid fully and promptly into the TVP Income Bank Account. Appropriate details should be recorded on to paying-in slips to provide an audit trail.
- 4.2.9 To ensure income is not used to cash personal cheques or make other payments.
- 4.2.10 To order and supply to appropriate employees all receipt forms, books or tickets and similar items and be satisfied as to the arrangements for their control. Official receipts or other suitable documentation shall be issued for all income received.
- 4.2.11 To operate effective debt collection and recovery procedures.

- 4.2.12 To approve the write-off of bad debts up to the level shown below. Amounts for write-off above this value must be referred to the PCC for approval, supported by a written report explaining the reason(s) for the write-off.

<i>Up to £20,000</i>	<i>Director of Finance and/or PCC CFO</i>
<i>£20,000- £50,000</i>	<i>Director of Finance and/or PCC CFO in consultation with the Chief Executive</i>
<i>Over £50,000</i>	<i>PCC</i>

Responsibilities of the Director of Finance

- 4.2.13 To prepare detailed Financial Instructions for dealing with income, to be agreed with the PCC CFO, and to issue them to all appropriate employees.

4.3 ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

Why is this required?

- 4.3.1 TVP has a statutory duty to ensure financial probity and best value. The PCC and Chief Constable's joint financial regulations and purchasing procedures help to ensure that the public can receive value for money. These procedures should be read in conjunction with the contract regulations in Section 5.

Responsibilities of the Director of Finance

- 4.3.2 To maintain a procurement policy covering the principles to be followed for the purchase of goods and services.
- 4.3.3 To issue official orders for all work, goods or services to be supplied to TVP, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions approved by the PCC CFO. Orders must be in a form approved by the PCC CFO.
- 4.3.4 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of TVP contracts.
- 4.3.5 Goods and services ordered must be appropriate and there must be adequate budgetary provision. Quotations or tenders must be obtained where necessary, in accordance with these regulations.
- 4.3.6 Payments are not to be made unless goods and services have been received by TVP at the correct price, quantity and quality in accordance with any official order.
- 4.3.7 To ensure that payments are made to the correct person, for the correct amount, on time (i.e. within 28 days) and are recorded properly, regardless of the method of payment.
- 4.3.8 To ensure that VAT is recovered where appropriate
- 4.3.9 To ensure that all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected
- 4.3.10 To ensure that all purchases made through e-procurement follow the rules, regulations and procedures, as set out in the Contract Regulations – see section 5.
- 4.3.11 To prepare, in consultation with the PCC CFO, detailed Financial Instructions for dealing with the ordering and payment of goods and services, and to issue these to all appropriate employees

Responsibilities of the Chief Officers

- 4.3.12 To ensure that every employee is made aware of the need to declare any links or personal interests that they may have with purchasers, suppliers and contractors if they are engaged in contractual or purchasing decisions on behalf of TVP and that such persons take no part in the selection of a supplier or contract with which they are connected.

4.4 PAYMENTS TO EMPLOYEES

Why is this required?

- 4.4.1 Employee costs are the largest item of expenditure for most police forces. It is therefore important that there are controls in place to ensure accurate, timely and valid payments are made in accordance with individuals' conditions of employment.

Responsibilities of the Director of Finance

- 4.4.2 To ensure, in consultation with the PCC CFO, the secure and reliable payment of salaries, overtime, pensions, compensation and other emoluments to existing and former employees.
- 4.4.3 To ensure that tax, superannuation and other deductions are made correctly and paid over at the right time to the relevant body.
- 4.4.4 To pay all valid travel and subsistence claims or financial loss allowance.
- 4.4.5 To pay salaries, wages, pensions and reimbursements by the most economical means.
- 4.4.6 To ensure that payroll transactions are processed only through the payroll system. Payments to individuals employed on a self-employed consultant or subcontract basis shall only be made in accordance with HM Revenue & Customs (HMRC) requirements. The HMRC applies a tight definition of employee status, and in cases of doubt, advice should be sought from them.
- 4.4.7 To ensure that full records are maintained of payments in kind and properly accounted for in any returns to the HMRC.
- 4.4.8 To prepare detailed Financial Instructions for dealing with payments to employees, to be agreed with the PCC CFO, and these shall be issued to all appropriate employees.

4.5 TAXATION

Why is this important?

- 4.5.1 Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe.

Responsibilities of the PCC CFO

- 4.5.2 To ensure the timely completion and submission of all HM Revenue & Customs (HMRC) returns regarding PAYE and that due payments are made in accordance with statutory requirements and deadlines
- 4.5.3 To ensure the timely completion and submission of VAT claims, inputs and outputs to HMRC

Responsibilities of the PCC CFO and Director of Finance

- 4.5.4 To ensure that the correct VAT liability is attached to all income due and that all VAT receivable on purchases complies with HMRC regulations
- 4.5.5 To provide details to the HMRC regarding the construction industry tax deduction scheme.
- 4.5.6 To ensure that appropriate technical staff have access to up to date guidance notes and professional advice.

4.6 CORPORATE CREDIT CARDS AND PURCHASING CARDS

Why is this important?

- 4.6.1 Credit cards provide an effective method for payment for designated officers who, in the course of their official business, have an immediate requirement for expenditure which is relevant to the discharge of their duties.
- 4.6.2 Purchase cards are an alternative method of buying and paying for relatively low value goods, which generate a high volume of invoices. This should generate an efficiency saving from lower transaction costs (i.e. fewer invoices processed and paid for through the integrated accounts payable system), as well as reducing the number of petty cash transactions
- 4.6.3 Commercial, credit and purchasing cards ['cards'] are only issued in TVP, where a clear business need is identified

Responsibilities of the Director of Finance

- 4.6.4 In conjunction with the PCC CFO to provide Financial Instructions to all cardholders.
- 4.6.5 To authorise and maintain control over the issue of cards.
- 4.6.6 To reconcile the 'card' account to the ledger on a monthly basis.

Responsibilities of credit card holders

- 4.6.7 To ensure that purchases are in accordance with approved TVP policies e.g. catering, hospitality
- 4.6.8 To provide receipted details of all payments made by 'card' each month to ensure that all expenditure is correctly reflected in the accounts and that VAT is recovered.
- 4.6.9 Card holders are responsible for ordering and paying for goods and services in accordance with the Force procurement policy, contract regulations and all procedures laid down by the Director of Finance.

4.7 EX GRATIA PAYMENTS

Why is this important?

- 4.7.1 An ex gratia payment is a payment made by TVP where no legal obligation has been established. An example may be recompense to a police officer for damage to personal property in the execution of duty or to a member of the public for providing assistance to a police officer in the execution of duty.

Responsibilities of the Chief Constable and PCC

- 4.7.2 To make ex gratia payments to members of the public up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of TVP
- 4.7.3 To make ex gratia payments up to the level shown below in any individual instance, for damage or loss of property or for personal injury to a police officer, police staff or any member of the extended police family, in the execution of duty.

Up to £10,000
Over £10,000

Head of Legal Services or Chief Executive
PCC

- 4.7.4 To maintain details of ex gratia payments in a register

5.1 CONTRACT REGULATIONS

What is a contract?

- 5.1.1 A contract is an agreement between two parties for the supply of goods and/or services. Employees should avoid giving verbal commitments to suppliers as this can constitute a contract.
- 5.1.2 The terms and conditions to be applied to the contract provide clarity and protection to the participants, and the specification of the requirement should be clearly understood by both parties. A contract's length and complexity is likely to depend on the extent of cost and complexity of the goods or services to be supplied.

Why are these important?

- 5.1.3 All employees engaged in the following activities, shall make every effort to ensure that the best value for money is achieved for the acquisition and delivery of:
- a) goods or materials;
 - b) services and consultancy;
 - c) building works;
 - d) the supply of goods or services to third parties which provide the TVP with an income.
- 5.1.4 Such efforts shall also continue throughout the lifetime of any contract to ensure that best value for money is maintained in the quality and standard of all goods, services and works supplied and in the review of proposals to change or vary any feature of any contract during its lifetime.

Key controls

- 5.1.5 These Regulations shall be read in conjunction with the Force Procurement Policy.
- 5.1.6 No contract or project shall be deliberately or artificially divided into a number of separate contracts in order to avoid the obligations set out in these Contract Regulations, or any statute or regulations.
- 5.1.7 Competition should be invited from potential providers to supply TVP with goods, services, building works, etc.
- 5.1.8 Every contract concluded on behalf of TVP shall comply with:
- a) the Public Contract Regulations;
 - b) relevant UK regulations and
 - c) the Code of Practice for Local Authorities on Data Transparency
- 5.1.9 Subject to compliance with 5.1.8, exemption from any of the following provisions of these Contract Regulations may only be made:
- a) by the written direction of the PCC; or
 - b) by a chief officer in an operational emergency.

- 5.1.10 The PCC shall be informed of the circumstances of every exemption made under 5.1.9(b) at the earliest opportunity.
- 5.1.11 In addition to adhering to the above, any employee who is engaged in any activities or processes leading to the award of a contract or in its subsequent delivery, shall:
- i. show no undue favour to or discriminate against any contractor or potential contractor or the goods, materials or services they produce;
 - ii. carry out their work in accordance with the highest standards of propriety and proper practice (including respecting the confidentiality of commercial information).
 - iii. not breach the requirements of the TVP Policy for Gifts and Gratuities, Hospitality, Discounts, Travel and other Potential Conflicts of Interest.
- 5.1.12 The contents of a contract shall be in accordance with the agreed Procurement Policy
- 5.1.13 The Commercial Governance Board includes representatives from the PCC and Force and provides oversight of the Force's compliance with these Contract Regulations.

Responsibilities

POWER TO DELEGATE

- 5.1.14 A chief officer may delegate his powers under these Contract Regulations to an authorised officer.

PURCHASING PROCEDURES AND THRESHOLDS

- 5.1.15 The procedure to be followed shall be in accordance with the Procurement Policy as well as the estimated value of the purchase as set out below (except for contracts for building construction contracts selected from the Approved List of Contractors for Small Construction Contracts - details are available from the Director of Finance and the Head of Property Services).

Value	Contract established by TVP	Framework Agreement managed by another body
<i>Less than £10,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£10,000 - £50,000</i>	<i>At least three written quotations shall be invited and responses recorded. A written specification/statement of requirements is necessary.</i>	<i>A written specification/statement of requirements is necessary Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>Over £50,000</i>	<i>Legal requirement to advertise via website</i>	<i>Contact must be made with the Procurement Department.</i>

	<p><i>Contact must be made with the Procurement Department.</i></p> <p><i>Public notice of tender shall be placed in one or more appropriate publications or other suitable media e.g. internet.</i></p>	<p><i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i></p>
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- 5.1.16 Unless specified otherwise the value of the contract is the estimated whole life cost for the duration of the contract including all extensions. Where a contract is collaborative its value shall be the cumulative estimated whole life cost of all the organisations eligible to use it.

ACQUISITIONS UNDER A FRAMEWORK CONTRACT

- 5.1.17 There are a number of buying consortia that provide framework contracts. Framework contracts provide an efficient and effective manner through which to purchase goods and/or services, including building works. In some cases, the use of a framework is mandated by government. Where there is an appropriate Framework covering the goods, services or building works concerned, the framework(s) shall be considered prior to any new procurement exercise being initiated, provided it offers best value and meets our operational requirements.

SELECTION CRITERIA

- 5.1.18 The selection of an organisation to be invited to quote or tender under these Contract Regulations shall be in accordance with the principles of any UK regulations.

INVITATIONS TO TENDER

- 5.1.19 The preferred method for obtaining quotations and tenders shall be the electronic system used by the Head of Procurement. Paper quotations and tenders shall be the exception.
- 5.1.20 All tenders issued by TVP shall consist of instructions to tenderers regarding submission information, terms, conditions and specification with a pricing schedule to be returned to TVP
- 5.1.21 Completed tenders shall be submitted through electronic tendering facilities by the date and time and in the manner stated in the instruction for invitation to tender.

OPENING OF TENDERS

- 5.1.22 Tenders submitted via the electronic system may be opened by a member of staff authorised by the Head of Procurement.

EVALUATION OF TENDERS

- 5.1.23 Those members of staff involved in the evaluation process should be mindful of the policy on gifts, loans and hospitality – see 3.4.8
- 5.1.24 Assessment criteria may be made on appropriate technical, qualitative and financial grounds which are appropriate to the contract concerned.

- 5.1.25 Evaluations of the tender submissions are to be carried out by an appropriate group associated with the contract. The Group shall have appropriate skills and be provided with relevant guidance.

ACCEPTANCE OF TENDERS / AWARD OF CONTRACT

- 5.1.26 Regardless of the route followed, the following procedures shall be applied when recommending the acceptance of a quotation or tender and prior to the award of a contract:
- i. Where a framework contract is utilised the Terms and Conditions of that framework will apply.
 - ii. Where applicable industry standard terms and conditions apply such as Joint Contracts Tribunal (JCT) and New Engineering Contracts (NEC) etc. will apply
 - iii. In all other instances the TVP's terms and conditions shall apply unless otherwise agreed by the Chief Executive (e.g. for a contract awarded under a framework agreement).
- 5.1.27 If, after a competitive tendering process, only one tender is received, unless there are exceptional circumstances which are documented by the business and agreed by the PCC, the contract will be reviewed and put back out to tender.
- 5.1.28 The approval of contract awards shall be based on the lowest or most economically advantageous quotation or tender subject to approval by:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC

Termination of Contracts

- 5.1.29 In extreme circumstances it may be appropriate to terminate a contract before it's expiration date. The authority to enact such a termination is the same as the original award of the contract.

Framework contracts – vs – non-framework contracts.

- 5.1.30 Where the contract under consideration is a framework contract which provides for a large number of forces but does not, in any way, place any obligation or commitment on any force, but merely provides a less resource intensive procurement option should forces wish to utilise it, then the value to be considered is the TVP total value, over the life of the framework. For all other contracts, including call-off contracts, the value is the maximum total value of the contract, including all extension periods for all forces named on the contract.
- 5.1.31 The successful tenderer shall be advised as soon as possible after the decision has been made on the award of a contract. At the same time unsuccessful tenderers shall be advised of the decision.

SIGNING OF CONTRACTS

- 5.1.32 The previous section explains who can approve the award of a contract. Appendix 1 sets out who can physically sign a contract after approval for award of the contract has been given.

CONTRACT MONITORING

- 5.1.33 All contracts shall be monitored and measured by the way of performance indicators and regular review meetings involving the Contractor and Practitioner representation, as appropriate to the contract.
- 5.1.34 The Business Owner shall manage the contract in consultation with the Procurement Department.
- 5.1.35 Where the contract terms provide for credits to be offset against payments due or otherwise enable payments to be reduced on account of failure by the contractor to deliver the contract to the specified standards, any decision to waive entitlement to the credit or reduced payment shall only be authorised by the Chief Officer in consultation with the Head of Procurement where the amount involved is less than £50,000. Above this amount the PCC shall approve all such waivers.
- 5.1.36 Where a contract provides for any sort of credit/fund which can be drawn upon in certain circumstances (for example a Tech Fund which can be used to purchase specific items) full details will be included in the procurement documentation approved by the Commercial Governance Board. "Expenditure" against the credit/fund will be subject to approval levels as specified in Financial Instructions.
- 5.1.37 Where a Contractor is failing to provide the agreed service evidence shall be required and considered during contract review meetings and escalated with the Contractor and the force prior to any early termination of the agreement.
- 5.1.38 Escalation processes include reporting any defaults during the Contract Review Meetings, which should include Procurement representation.
- 5.1.39 Consideration shall be given to notice periods and consequences of early termination where applied.

VARIATIONS TO CONTRACT

- 5.1.40 Where a contract has been awarded it is permissible under UK regulations to vary the terms of that contract providing it does not materially affect the conditions or scope of the contract. Where the variation increases the financial commitment then approval is required as per following:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC
- 5.1.41 If the Contract Change Notice (CCN) causes the total contract value to now mean that the contract should have been authorised at a higher level than the contract had originally been authorised to, the CCN should be authorised at the level appropriate to the new overall total contract value.

CONTRACT EXTENSION

- 5.1.42 Where a contract includes options to extend its period these may be taken up through the Procurement Department, with contract extensions in excess of £1m being reported through the Commercial Governance Board and approved by the Director of Finance and the PCC CFO.

- 5.1.43 Where a contract does not include options to extend its period or the options have been used up, a replacement contract should be made if the goods or services continue to be required. Should exceptional requirements bring about a case for contract extension in these circumstances, the Exceptional Circumstances (set out below) should be followed.

EXCEPTIONAL CIRCUMSTANCES

- 5.1.44 The requirements within these Contract Regulations that competition is required for tenders and quotations may be set aside when exceptional circumstances are incurred. By definition, the circumstances leading to this action must be exceptional to those normally experienced and the business owner must provide a written case supporting their conclusion to the Head of Procurement, prior to taking action. In these circumstances, a single tender may be awarded.

SINGLE SOURCE AGREEMENT (SSA) / CONCESSION

- 5.1.45 This is a contract awarded on the basis of a direct agreement with a contractor, without going through the competitive bidding process.
- 5.1.46 Contracts identified under this route are to be carried out in accordance with the Procurement Policy and supported by a written justification using the SSA process and form by the Business Owner in consultation with the Procurement Department.
- 5.1.47 A contract may be awarded having:
- a) only invited a single quotation or tender,
 - b) received or sought an offer from a current contractor to vary the goods, services or works supplied (e.g. variation to an existing contract); providing this is compliant with Financial Instructions and the Procurement Regulations.
- 5.1.48 Where it can be demonstrated that it is in the interests of TVP not to seek competitive tenders due to:
- a) Operational urgency
 - b) The item or service is a proprietary item
 - c) Unique factors are present in the market
 - d) The costs to change are disproportionately high
 - e) When the goods and/or services are mandated nationally
 - f) Security.
- 5.1.49 Where a contract exceeds £50,000 in value the chief officer shall present a subsequent report to the PCC.

CONTRACTS REGISTER

- 5.1.50 A record of all contracts let with a value in excess of £50,000 shall be maintained by the Head of Procurement.

6.1 JOINT WORKING ARRANGEMENTS

Why is this important?

- 6.1.1 Public bodies are increasingly encouraged to provide seamless service delivery through working closely with other public bodies, local authorities, agencies and private service providers.
- 6.1.2 Joint working arrangements can take a number of different forms, each with its own governance arrangements. In TVP these are grouped under the following headings:
- Partnerships
 - Consortia
 - Collaboration
- 6.1.3 Partners engaged in joint working arrangements have common responsibilities:
- to act in good faith at all times and in the best interests of the partnership's aims and objectives
 - to be willing to take on a role in the broader programme, appropriate to the skills and resources of the contributing organisation
 - to be open about any conflicts that might arise
 - to encourage joint working and promote the sharing of information, resources and skills
 - to keep secure any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature
 - to promote the project
- 6.1.4 In all joint working arrangements the following key principles must apply:
- before entering into the agreement, a risk assessment has been prepared
 - such agreements do not impact adversely upon the services provided by TVP
 - project appraisal is in place to assess the viability of the project in terms of resources, staffing and expertise
 - all arrangements are properly documented
 - regular communication is held with other partners throughout the project in order to achieve the most successful outcome
 - audit and control requirements are satisfied
 - accounting and taxation requirements, particularly VAT, are understood fully and complied with
 - an appropriate exit strategy has been produced
- 6.1.5 The TVP element of all joint working arrangements must comply with these Financial Regulations

PARTNERSHIPS

- 6.1.6 The term partnership refers to groups where members work together as equal partners with a shared vision for a geographic or themed policy area, and agree a strategy in which each partner contributes towards its delivery. A useful working definition of such a partnership is where the partners:
- are otherwise independent bodies;
 - agree to co-operate to achieve a common goal; and

- achieve it to create an organisational structure or process and agreed programme, and share information, risks and rewards

6.1.7 The number of partnerships, both locally and nationally, is expanding in response to central government requirements and local initiatives. This is in recognition of the fact that partnership working has the potential to:

- deliver strategic objectives;
- improve service quality and cost effectiveness;
- ensure the best use of scarce resources; and
- deal with issues which cut across agency and geographic boundaries, and where mainstream programmes alone cannot address the need.

6.1.8 Partnerships typically fall into three main categories i.e. statutory based, strategic, and ad-hoc.

Statutory based

6.1.9 These are partnerships that are governed by statute. They include, for example, Community Safety Partnerships (CSPs) and Local Strategic Partnerships (LSPs)

Strategic

6.1.10 These are partnerships set up to deliver core policing objectives. They can either be force-wide or local.

Ad-hoc

6.1.11 These are typically locally based informal arrangements agreed by the local police commander.

Context

6.1.12 As set out in section 10 of the Police Reform and Social Responsibility Act 2011, the PCC, in exercising his functions, must have regard to the relevant priorities of each responsible authority. Subject to the constraints that may be placed on individual funding streams, PCCs are free to pool funding as they and their local partners see fit. PCCs can enter into any local contract for services, individually or collectively with other local partners, including non-police bodies.

6.1.13 When the PCC acts as a commissioner of services, he will need to agree the shared priorities and outcomes expected to be delivered through the contract or grant agreement with each provider. The PCC is able to make crime and disorder grants in support of local priorities. The inclusion of detailed grant conditions directing local authorities how to spend funding need not be the default option. The power to make crime and disorder grants with conditions is contained in section 9 of the Police Reform and Social Responsibility Act 2011. The power to contract for services is set out in paragraph 14 of Schedule 1 and paragraph 7 of Schedule 3 to the Police Reform and Social Responsibility Act 2011.

Responsibilities of the PCC

6.1.14 To have regard to relevant priorities of local partners when considering, reviewing and updating the Police and Criminal Justice Plan.

- 6.1.15 To make appropriate arrangements to commission services from either the force or external providers

Responsibilities of Chief Officers

- 6.1.16 To have regard to the strategic Plan with regard to the Partnership aims and objectives.
- 6.1.17 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements

CONSORTIA ARRANGEMENTS

- 6.1.18 A consortium is a long-term joint working arrangement with other bodies, operating with a formal legal structure approved by the PCC.

Responsibilities of the PCC

- 6.1.19 To approve TVP participation in the consortium arrangement.

Responsibilities of Chief Officers

- 6.1.20 To contact the Chief Executive and the Head of Legal Services before entering into a formal consortium agreement, to establish the correct legal framework.
- 6.1.21 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements
- 6.1.22 To produce a business case to show the full economic benefits to be obtained from participation in the consortium.
- 6.1.23 To produce a Memorandum of Understanding (MOU) setting out the appropriate governance arrangements for the project. This document should be signed by the Chief Executive

COLLABORATION

- 6.1.24 Under sections 22A to 22C of the Police Act 1996, as amended by section 89 of the Police Reform and Social Responsibility Act 2011, chief constables and PCCs have a duty to keep collaboration agreements and opportunities under review and to collaborate where it is in the interests of the efficiency and effectiveness of one or more police forces or policing bodies. Where collaboration is judged to be the best option, they must collaborate even if they do not expect their own force or policing body to benefit directly. Any collaboration which relates to the functions of a police force (a "force collaboration provision") must first be agreed with the chief constables of the forces concerned and approved by each PCC responsible for maintaining each of the police forces to which the force collaboration provision relates. Any collaboration which relates to the provision of support by one PCC for another PCC (a "policing body collaboration provision") must be agreed by each PCC to which the policing body collaboration provision relates.
- 6.1.25 PCCs responsible for maintaining each of the police forces to which a force collaboration provision relates shall make arrangements for jointly holding their chief constables to account for the way functions are discharged under a force collaboration agreement.

- 6.1.26 To contact the Chief Executive and the Head of Legal Services before entering into a formal collaboration agreement, to establish the correct legal framework.
- 6.1.27 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements

6.2 EXTERNAL FUNDING

Why is this important?

- 6.2.1 External funding can be a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of TVP.
- 6.2.2 The main source of such funding for TVP will tend to be specific government grants, additional contributions from local authorities (e.g. for ANPR, CCTV and PCSOs) and donations from third parties (e.g. towards capital expenditure)

Responsibilities of Chief Officers

- 6.2.3 To pursue actively any opportunities for additional funding where this is considered to be in the best interests of TVP.

Responsibilities of the Chief Constable and the PCC

- 6.2.4 To ensure that the match-funding requirements and exit strategies are considered prior to entering into the agreements and that future medium term financial forecasts reflect these requirements.

Responsibilities of the PCC CFO and Director of Finance

- 6.2.5 To ensure that all funding notified by external bodies is received and properly accounted for, and that all claims for funds are made by the due date and that any audit requirements specified in the funding agreement are met.

Responsibilities of the Chief Constable

- 6.2.6 To ensure that funds are acquired only to meet policing needs and objectives
- 6.2.7 To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood
- 6.2.8 To ensure that any conditions placed on TVP in relation to external funding are in accordance with the approved policies of the PCC. If there is a conflict, this needs to be taken to the PCC for resolution.

6.3 WORK FOR EXTERNAL BODIES

Why is this required?

- 6.3.1 TVP provides services to other bodies outside of its normal obligations, for which charges are made, e.g. training, special services. Arrangements should be in place to ensure that any risks associated with this work are minimised and that such work is not ultra vires.

Responsibilities of the Chief Constable

- 6.3.2 To ensure that proposals for assistance are costed, that no contract is subsidised by TVP and that, where possible, payment is received in advance of the delivery of the service so that TVP is not put at risk from any liabilities such as bad debts.
- 6.3.3 To ensure that appropriate insurance arrangements are in place.
- 6.3.4 To ensure that all contracts are properly documented
- 6.3.5 To ensure that such contracts do not impact adversely on the services provided by TVP

Responsibilities of the Director of Finance

- 6.3.6 The submission of tenders for the supply of goods and/or services should be approved as follows:
- a) For tenders up to £500,000 - by the Director of Finance
 - b) Between £500,000 and £1,000,000 - by the Director of Finance in consultation with the PCC CFO
 - c) Over £1,000,000 - with the prior approval of the PCC is required.

7 SUMMARY OF FINANCIAL LIMITS

This section summarises, in one place, all those financial regulations that have a specific financial limit

Virement

- 2.2.11 The Chief Constable may use revenue provision to purchase capital items or carry out capital works subject to obtaining PCC approval where the proposed transfer exceeds £250,000.
- 2.2.12 The Director of Finance can approve any virement where the additional costs are fully reimbursed by other bodies
- 2.2.13 For all other budgets each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring, subject to the following approval levels

Force Budget

Up to £1,000,000

Over £1,000,000

Director of Finance

PCC or PCC CFO

PCC's own budget

Up to £250,000

Over £250,000

PCC CFO

PCC

Annual Capital Budget

Responsibilities of the Chief Constable

- 2.3.20 To ensure expenditure on individual schemes does not exceed the approved scheme budget by more than 10% or £250,000 whichever is the lower amount

Asset Disposal

Responsibilities of the Chief Constable

- 3.5.12 To arrange for the disposal of (without the specific approval of the PCC):
- a) Non-estate assets at the appropriate time and at the most advantageous price. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.
 - b) Police houses and other surplus land and buildings with an estimated sale value of less than £500,000

Responsibilities of the PCC

- 3.5.13 To approve the disposal of police houses and other surplus land and buildings with an estimated sale value of over £500,000

Interests in Land

Responsibilities of the Chief Constable

3.5.17 The Chief Constable, shall:

- a) Arrange to grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, without the specific approval of the PCC, up to an annual rental of £100,000;
- b) take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms

Responsibilities of the PCC and Chief Executive

3.5.18 The Chief Executive grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £100,000 but below £500,000.

3.5.19 The PCC shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £500,000.

Asset valuation

3.5.20 To maintain an asset register for all fixed assets with a value in excess of the limits shown below, in a form approved by the PCC CFO. Assets are to be recorded when they are acquired by TVP. Assets shall remain on the asset register until disposal. Assets are to be valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* and the requirements specified by the PCC CFO

<i>Land & Buildings</i>	<i>All values</i>
<i>Vehicles</i>	<i>All values</i>
<i>ICT hardware</i>	<i>All values</i>
<i>Plant & Equipment</i>	<i>£100,000</i>

Stocks and Stores

Responsibilities of the Director of Finance

3.5.23 To write-off any discrepancies between the actual level of stock and the book value of stock up to £25,000 in value. Any items over £25,000 require the approval of the PCC CFO

3.5.24 To write-off obsolete stock up to the value of £25,000. Any write-offs over £25,000 require the approval of the PCC CFO

Money Laundering

3.6.25 Suspicious cash deposits in any currency in excess of €15,000 (or equivalent) should be reported to the National Crime Agency (NCA)

- 3.6.32 Large cash bankings from a single source over €15,000 should be reported to the PCC CFO. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act (see Financial Regulation 3.9, 'Administration of Evidential & Non-Evidential Property').

Gifts, Loans and Sponsorship

- 3.10.7 To refer all gifts, loans and sponsorship above £50,000 to the PCC for approval before they are accepted.

Income

- 4.2.12 To approve the write-off of bad debts up to the level shown below. Amounts for write-off above this value must be referred to the PCC for approval, supported by a written report explaining the reason(s) for the write-off.

<i>Up to £20,000</i>	<i>Director of Finance and/or PCC CFO</i>
<i>£20,000 to £50,000</i>	<i>Director of Finance and/or PCC CFO in consultation with the Chief Executive</i>
<i>Over £50,000</i>	<i>PCC</i>

Ex-gratia Payments

- 4.7.2 To make ex gratia payments to members of the public up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of TVP

<i>Up to £10,000</i>	<i>Head of Legal Services or Chief Executive</i>
<i>Over £10,000</i>	<i>PCC</i>

- 4.7.3 To make ex gratia payments up to the level shown below in any individual instance, for damage or loss of property or for personal injury to a police officer, police staff or any member of the extended police family, in the execution of duty.

<i>Up to £10,000</i>	<i>Head of Legal Services or Chief Executive</i>
<i>Over £10,000</i>	<i>PCC</i>

Contract Regulations

- 5.1.15 The procedure to be followed shall be in accordance with the Procurement Policy as well as, the estimated value of the purchase as set out below (except for contracts for building construction contracts selected from the Approved List of Contractors for Small Construction Contracts - details are available from the Director of Finance and the Head of Property Services).

Value	Contract established by TVP	Framework Agreement managed by another body
<i>Less than £10,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£10,000-£50,000</i>	<i>At least three written quotations shall be invited and responses recorded.</i> <i>A written specification/statement of requirements is necessary</i>	<i>A written specification/statement of requirements is necessary</i> <i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>Over £50,000</i>	<i>Legal requirement to advertise via website</i> <i>Contact must be made with the Procurement Department.</i> <i>Public notice of tender shall be placed in one or more appropriate publications or other suitable media e.g. internet.</i>	<i>Contact must be made with the Procurement Department.</i> <i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>** This is to comply with the Transparency Agenda requirements.</i>		

- 5.1.15 Unless specified otherwise the value of the contract is the estimated whole life cost. Where a contract is collaborative its value shall be the cumulative estimated whole life cost of all the organisations eligible to use it.

ACCEPTANCE OF TENDERS / AWARD OF CONTRACT

- 5.1.28 The approval of contract awards shall be based on the lowest or most economically advantageous quotation or tender subject to approval by:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC

CONTRACT MONITORING

- 5.1.34 Where the contract terms provide for credits to be offset against payments due or otherwise enable payments to be reduced on account of failure by the contractor to deliver the contract to the specified standards, any decision to waive entitlement to the credit or reduced payment shall only be authorised by the Chief Officer in consultation with the Head of Procurement where the amount involved is less than £50,000. Above this amount the PCC shall approve all such waivers.

VARIATIONS TO CONTRACT

5.1.39 Where a contract has been awarded it is permissible under EU regulations to vary the terms of that contract providing it does not materially affect the conditions or scope of the contract. Where the variation increases the financial commitment then approval is required as per following:

- iii. Up to £1m - in accordance with the Force Financial Instructions.
- iv. Above £1m - by the PCC

SINGLE SOURCE AGREEMENT (SSA) / CONCESSION

5.1.48 Where a contract exceeds £50,000 in value the chief officer shall present a subsequent report to the PCC.

CONTRACTS REGISTER

5.1.50 A record of all contracts let with a value in excess of £50,000 shall be maintained by the Head of Procurement.

6.3 WORK FOR EXTERNAL BODIES

6.3.6 The submission of tenders for the supply of goods and/or services should be approved as follows:

- a) For tenders up to £500,000 - by the Chief Constable
- b) Between £500,000 and £1,000,000 - by the Chief Constable in consultation with the PCC CFO
- c) Over £1,000,000 - with the prior approval of the PCC is required.

TVP Contract Signatures

Introduction

This explanatory note details the individual who can physically sign a contract after approval for award of the contract has been given. Financial Regulations and Financial Instructions provide the authorisation levels as to who can authorise the award of a contract. This note provides details after that approval has been received and documented.

Statutory Guidance

Schedule 2, section 7 of the Police Reform and Social Responsibility Act 2011 states:

- (1) A chief constable may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the chief constable
- (2) That includes:
 - a) entering into contracts and other agreements (whether legally binding or not), but only with the consent of the relevant police and crime commissioner (PCC);
 - b) acquiring and disposing of property, apart from land, but only with the consent of the relevant PCC

TVP Framework for Corporate Governance

At the PCC's 'level 1' Policy, Planning and Performance meeting on 1st April 2014 the PCC gave formal consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations

Acquisition and disposal of land

As stated above the Chief Constable cannot acquire or dispose of land. As such, all contracts in connection with the acquisition and disposal of land must be approved and signed by the PCC, Chief Executive or Chief Finance Officer as necessary and appropriate.

Notwithstanding the above requirement, it is recognised that most of the detailed preparatory work in connection with land transactions will be undertaken by Property Services staff and in most cases in order to deliver the TVP Asset Management Plan once approved by the PCC. Accordingly, Financial Regulations enable the Chief Constable and his staff:

- To arrange for the disposal of (without the prior approval of the PCC) police houses and other surplus land and buildings with an estimated sale value of less than £500,000 - Fin Reg 3.5.12(b)

- to grant or take or terminate leases or tenancies in land, or approve any assignment or sub-letting thereof, without the specific approval of the PCC up to an annual rental of £100,000 - Fin Reg 3.5.17(a)

All land transactions, including title deeds, must be in the name of the PCC and signed by the PCC or his Chief Executive or Chief Finance Officer.

Appendix 2 sets out who can accept tenders in connection with the acquisition and disposal of land, and who should sign the relevant contracts. This is high level. Further information is provided in Force Financial Instructions

Other property contracts

As stated above the PCC has given consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations. This is because the PCC considers and approves:

- the annual financial strategy
- the capital strategy
- the asset management plan
- the annual revenue budget and capital programme
- the medium term financial plans
- the corporate governance arrangements

Furthermore, Financial Regulations enable the Chief Constable and his staff to take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms – Financial Regulation 3.5.17(b).

In practical terms the key decision is the acceptance of the tender and the subsequent award of the contract. These acceptance and award rules and procedures are clearly set out in section 5.1 of both Financial Regulations and Financial Instructions.

After the tender has been accepted and approval given for the award of a contract the actual contract document will need to be reviewed and agreed by the relevant lead specialist within Property Services. Once the details of the contract have been agreed with the supplier to the satisfaction of TVP, then the actual contract document needs to be signed.

To minimise the number of contracts that need to be signed by the OPCC a risk based approach will be used. The risk to the organisation largely, but not wholly, increases with the contract value: larger contracts generally are for more complex projects and if there is a dispute the size of the contract would make the formal legal approach to contract resolution more attractive than alternative means.

This risk based approach is already implicit within the tender approval limits within Financial Regulations, and these will also determine who should sign the contract documents.

To assist the signatory a covering note should be produced which outlines the contract and the main parts along with any relevant details on changes. Each contract would have the points where initialling or a signature is required highlighted to ease the physical process.

The lead officer within Property Services will therefore provide a short statement to confirm they have reviewed the terms of the contract and are content that they are accurate, correct and in the best interests of TVP. For straightforward contracts this can be in the form of a one-line email whereas for the more detailed contracts which may include numerous appendices, technical specifications and amendments, the report will need to confirm that the contract has been checked and is deemed to be correct, including all the detailed appendices, amendments and additional details.

The person authorised to sign the physical contract is set out in Appendix 2, with further information provided in Force Financial Instructions

Other (non-property) contracts

The PCC has given consent for the Chief Constable to enter into contracts. As such, all general contracts are legally in the name of the Chief Constable of TVP although for practical purposes the contract itself will normally refer to Thames Valley Police.

In practical terms the key decision is the acceptance of the tender and the subsequent award of the contract. These acceptance and award rules and procedures are clearly set out in section 5.1 in both Financial Regulations and Financial Instructions. Having accepted the tender and awarded the contract the person authorised to sign the physical contract is set out in Appendix 2, with further information provided in Force Financial Instructions.

After approval has been given for the award of a contract the actual contract document will need to be reviewed and agreed by the relevant lead specialist department(s) involved. This might be ICT, Corporate Finance or Procurement. Once the details of the contract have been agreed with the supplier to the satisfaction of TVP, then the actual contract document needs to be signed.

The principle for who signs the contract follows who has authority to approve that contract, e.g. contracts below £1m are designated within Force Financial Instructions. All contracts above £1m must be signed by the PCC or his Chief Executive, and the Director of Finance.

As with property contracts a risk based approach will be used. The risk to the organisation largely, but not wholly, increases with the contract value: larger contracts generally are for more complex projects and if there is a dispute the size of the contract would make the formal legal approach to contract resolution more attractive than alternative means.

This risk based approach is already implicit within the tender approval limits within Financial Regulations, and these will also determine who should sign the contract documents.

Suppliers will be managed throughout the life of a contract in a manner appropriate to the importance of the supplier to the force.

To assist the signatory a covering note should be produced which outlines the contract and the main parts along with any relevant details on changes. Each contract would have the points where initialling or a signature is required highlighted to ease the physical process.

The lead department will therefore provide a short statement to confirm they have reviewed the terms of the contract and are content that they are accurate, correct and in the best interests of TVP. For straightforward contracts this can be in the form of a one-line email whereas for more complex ICT contracts which may include numerous appendices, technical specifications and amendments, the report will need to confirm that the report has been checked and is deemed to be correct, including all the detailed appendices, amendments and additional details.

Storage of contracts

All original contracts currently stored by the OPCC in the Farmhouse will continue to be stored in the Farmhouse.

The PCC will, in future, store all contracts for the acquisition and disposal of land, as well as all other contracts signed by the PCC, Chief Executive or Chief Finance Officer.

The Chief Constable shall store all contracts over £50,000 on the (national) BlueLight database and all contracts below £50,000 will be stored locally.

Contracts under Seal

Only contracts that need to be a deed should be sealed. In practical terms this only relates to those land and building contracts that are processed through the Office of the PCC

CONTRACT SIGNING

Contract Type	Contract Value	Tender Approval – Most Economic Advantage	Tender Approval – Not Most Economic Advantage /Single Quote	Contract Signatory
Acquisition & Disposal of Land	<£1 million	As per Financial Instructions	As per Financial Instructions	Chief Executive
Acquisition & Disposal of Land	£1m and over	Police and Crime Commissioner	Police and Crime Commissioner	Chief Executive and Director of Finance
Building Works and Other Services	<£1 million	As per Financial Instructions	As per Financial Instructions	Director of Finance
Building Works and Other Services	£1 million and over	Police and Crime Commissioner	Police and Crime Commissioner	Chief Executive and Director of Finance
Non-Property Contracts	<£1 million	As per Financial Instructions	As per Financial Instructions	As per Financial Instructions
Non-Property Contracts	£1 million and over	Police and Crime Commissioner	Police and Crime Commissioner	Chief Executive and Director of Finance



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Information

Title: Progress on 2021/22 Joint Internal Audit Plan delivery and summary of matters arising from completed audits

Executive Summary:

The report provides details on the progress made in delivering the 2021/22 Joint Internal Audit Plan and on the findings arising from the audits that have been completed.

Recommendation:

The Committee is requested to note the progress and any changes in delivering the 2021/22 Joint Internal Audit Plan and audit service for Thames Valley Police (TVP) and the Office of the Police and Crime Commissioner (OPCC).

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL

1 Introduction and Background

- 1.1 The report provides details on the progress made in delivering the 2021/22 Joint Internal Audit Plan for TVP and the OPCC and any findings arising from the audits that have been completed.

2 Issues for Consideration

Audit Resources

- 2.1 There have been no changes to the Joint Internal Audit Team's resource plan for 2021/22, with the plan being delivered by the Chief Internal Auditor, Principal Auditor and TIAA Ltd (ICT audit provider).

2021/22 Audit Plan Status and Changes

- 2.2 The progress made in delivering the 2021/22 Joint Internal Audit Plan, as at the 28 February 2022, is detailed in Appendix A.
- 2.3 The following changes have been made to the 2021/22 Joint Internal Audit Plan since the December JIAC meeting:
- ICT Management of Microsoft 365 Security – replaced.
 - Contact Management Platform Performance – replaced.
- 2.4 In relation to the Management of Microsoft 365 Security audit, ICT requested that the audit not take place in 2021/22 for two main reasons: availability of the technical resources required to support the audit and the products not being fully deployed. As mitigation, current risks are being managed via the project team and access is being monitored by the National Monitoring Centre and Azure based tools.
- 2.5 The scope of the Contact Management Platform Performance audit was proposed to cover the platform's Performance / Risk Information and Management, as well as Governance and Future Developments. A draft brief was collated, but the exact scope was queried by the Force as there are changes being made to the governance of the platform. Additionally, the Force have allocated funds within the 2022/23 budget to continue to develop the system and address some minor issues with the platform. It was therefore agreed to delay the audit until the changes have been implemented.
- 2.6 Both audit areas will be carried forward and included within the 2022/23 Joint Internal Audit Plan.
- 2.7 In terms of the additional capacity in not completing these two audits, the ICT Management of Microsoft 365 Security audit was due to be completed by TIAA as an additional audit. Delaying this audit has no impact on the original planned coverage of ICT audits for 2021/22.
- 2.8 The Contact Management Platform Performance audit was scheduled to take 12 days. Two days were spent scoping and researching the review, leaving ten days to be reallocated. Two days have been added to the Key Financial Controls audit looking at changes to the Overtime process. Two days have been allocated to oversee the response to the Management of Contractors issue, as reported in the 2020/21 Contractor Appointment and Monitoring (limited assurance) audit. The

remaining six days have been spread across the remaining 13 audits that are ongoing during quarter four.

- 2.9 In addition to these changes, there have also been some minor audit title updates and day allocation alterations made.

2021/22 Completed Audits

- 2.10 Appendix B contains the details of each completed audit since the previous JIAC meeting on the 17 December 2021. The appendix contains details on the scope, assurance rating and key findings. Since the previous meeting and as at 28 February 2022, the following audits have been completed:

- Electronic Device Management (Losses) – limited assurance.
- ICT Cyber Security (Resilience) – reasonable assurance.
- ICT Financial Management – reasonable assurance.
- Force Wellbeing Arrangements and Approach - reasonable assurance.
- Data Breaches Mitigation – reasonable assurance.
- Protective Monitoring (Vigilance Pro) – reasonable assurance.

- 2.11 Copies of Section 2 (Executive Summary) of the final reports have been circulated to the JIAC members, in advance of the meeting.

2021/22 Performance Indicators

- 2.12 Local performance indicators are used by the section to ensure audits are completed promptly and to an acceptable standard. The table below summarises current performance against each indicator.

Ref.	Performance Indicator	Measurement and Target	Current Status	R/A/G
1	Testing completed.	By July: 10% By November: 40% By February: 70% By May: 100%	64%	↔
<p>Key: Blue (actual) / Red (target)</p>				
2	Final Report issued.	By July: 0% By November: 25% By February: 45% By May: 100%	44%	↑

Ref.	Performance Indicator	Measurement and Target	Current Status	R/A/G
<p>Key: Blue (actual) / Red (target)</p>				
3	Joint Internal Audit Plan delivered.	Each audit review completed, excluding any agreed changes (i.e. removed audits): 100%	Year-end reporting	N/A
4	Annual Internal Audit Quality Questionnaire outcome.	Responses who strongly or tended to agree with the statements: 95%	Year-end reporting	N/A

2.13 The details to support the current performance levels are:

- In terms of testing completion, the graph is showing the plan slightly behind schedule, but based on the status of the plan and the number of audits that have started scoping or testing, the plan is on track to be delivered by April 2022.
- In relation to issued final reports, the plan is slightly behind schedule, but again, on track to have all reports issued by April 2022.
- The remaining two performance indicators will be reported at year-end.

2.14 The team continue to track performance measures around the timeliness in completing audits. Of the 16 audits where testing is complete, ten were within target, with six over by an average of 18 days (resolving final audit queries). Of the 11 where a final report has been issued, eight were within expected performance levels. The three that were not were over by an average of seven days (agreeing the final report content and actions). All 11 audits that have been completed have been done so within their agreed day allocation.

2.15 CiPFA are currently conducting a review of public sector internal audit. The team have completed the online survey and contributed to the review by attending workshops. The project have shown interest in our approach to additional sources of assurance and will be including the following quotation as part of their review:

- As a small internal audit team covering both the police force and office of the police and crime commissioner, I proactively seek out other independent assurances and feedback that are relevant to the framework of governance, risk management and control. The annual opinion I give each year is based on the internal audit work my team has delivered. I use the other assurances available to support and sense check that opinion; it is a useful triangulation and also provides the Joint Independent Audit Committee with a view of the broader assurances and feedback from external parties during the year. This may include a report by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services or assurance from another organisation's internal audit function where a service is outsourced or whom the Force collaborates.

Fraud

- 2.16 The data matches from the 2020/21 National Fraud Initiative (NFI) exercise continue to be reviewed with no issues having been found that the Force or OPCC were not already aware of. Work is ongoing to review the data matches.
- 2.17 The Joint Internal Audit Team have liaised with the Professional Standards Department (PSD) and Corporate Finance and there have not been any instances of fraud that have needed to be notified to the team since the previous JIAC meeting in December. These matters are now discussed at the quarterly Fraud Group, which is attended by PSD, Corporate Finance, Internal Audit and the OPCC. The group's latest meeting was on the 7 March 2022.

3 Financial comments

- 3.1 The Joint Internal Audit Plan can be delivered within existing budgetary provisions.
- 3.2 The cost of the additional ICT audit was due to be £4,100. However, this audit is no longer taking place.

4 Legal comments

- 4.1 No known legal issues arise from the contents of this report.

5 Equality comments

- 5.1 No known equality issues arise from the contents of this report.

6 Background papers

- 6.1 Final Internal Audit Strategy and Annual Plan 2021/22.
- 6.2 October and December Internal Audit Plan Progress Reports.

<p>Public access to information Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website as soon as practicable after approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.</p>
<p>Is the publication of this form to be deferred? No</p>
<p>Is there a Part 2 form? No</p>

Name & Role	Officer
<p>Head of Unit This report provides the Committee with management information on the progress of delivery of the 2021/22 Joint Internal Audit Plan.</p> <p>This report has been produced in compliance with United Kingdom Public Sector Internal Audit Standards (PSIAS).</p>	Chief Internal Auditor
<p>Legal Advice No known legal issues arise from the contents of this report.</p>	PCC Head of Governance and Compliance
<p>Financial Advice</p>	

No known financial issues arise from the contents of this report.	PCC Chief Finance Officer
Equalities and Diversity No known equality issues arise from the contents of this report.	Chief Internal Auditor

OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.

PCC Chief Finance Officer (OPCC)

Date: 24 February 2022

Director of Finance (TVP)

Date: 7 March 2022

APPENDIX A

2021/22 Joint Internal Audit Plan – Current Status (February 2022)

Organisation	Audit Review	Area	To Start	Scoping	Fieldwork / Ongoing	Exit Meeting	Draft Report	Final Report / Complete	Replaced	
TVP	Data Breaches Mitigation	Force Wide						Reasonable Assurance		
	Electronic Device Management (Losses)							Limited Assurance		
	SIR Crime Review Improvements (Themes A)							Reasonable Assurance		
	SIR Crime Review Improvements (Themes B)				✓					
	Partnership Data Sharing – Probation Service								Limited Assurance	
	Protective Monitoring (Vigilance Pro)	DCC						Reasonable Assurance		
	Anti-Fraud and Corruption / Bribery							Reasonable Assurance		
	Business Continuity						✓			
	Emergency Services Mobile Communications Programme							✓		
	Telematics Information and Reporting					✓				
	ICT Service Desk Operations (Incident / Problem Management)	Information						✓		
	ICT Cyber Security (Resilience)								Reasonable Assurance	
	ICT Management of Microsoft 365 Security									✓
	ICT Financial Management								Reasonable Assurance	
Health and Safety	People					✓				

Organisation	Audit Review	Area	To Start	Scoping	Fieldwork / Ongoing	Exit Meeting	Draft Report	Final Report / Complete	Replaced
	Force Wellbeing Arrangements and Approach							Reasonable Assurance	
	Management of Contractors				✓				
	Key Financial Controls	Finance				✓			
	JOU Non-Collaborated Units	Operations						Reasonable Assurance	
	Contact Management Platform Performance								✓
	Niche Data Quality (Part 1)	Crime and Criminal Justice						Limited Assurance	
	Niche Data Quality (Part 2)				✓				
Forensic Improvement Plan						✓			
OPCC	Violence Reduction Unit Governance and Performance	Partnerships and Community Safety							✓
	Major Projects – PCC Governance and Oversight	Chief Executive			✓				
	Complaints Review Process	Governance and Compliance			✓				
N/A	Sources of Assurance	General			✓				
	Limited Assurance Follow Up	General			✓				
Number of Audits			0	0	8	4	2	11	2
% of Audits			0%	0%	32%	16%	8%	44%	-
N/A	JIAC Days	Other	Yet to be commissioned.						

APPENDIX B

2021/22 Joint Internal Audit Plan - Completed Audits

Below are the audits that have been complete since the previous JIAC meeting. The key to the assurance ratings is:

Substantial	The governance, risk management and control arrangements are strong, although some minor action may be required to improve efficiency or effectiveness.
Reasonable	The governance, risk management and control arrangements are good, although some action is required to improve efficiency or effectiveness.
Limited	The governance, risk management and control arrangements are limited and action is required to improve efficiency or effectiveness.
Minimal	The governance, risk management and control arrangements are weak and significant action is required to improve efficiency or effectiveness.

Audit Review	Electronic Device Management (Losses)		Force CCMT Leads	DCC Jason Hogg T/ACO Mike Lattanzio (Chief Information Officer)
Scope	Guidance and Advice	Reasonable	Planned Days	12 days
	Learning from Reported Losses	Limited		
Overall Assurance			Actual Days	12 days

The key issues arising from the audit are as follows:

- The approach to issuing security and loss reporting guidance to new device users varies for each device type. However, none of the approaches reference the ICT owned 'Use of a Mobile Data Device' policy, and there is also some useful information that is not replicated in every set of guidance that could perhaps be combined.
- The various Teams involved in processing the loss/theft reports will look at the circumstances and liaise with the individual where necessary to ensure all possible avenues of investigation have been followed to locate the item before a new device is issued. However, as the Teams reviewing the losses do not routinely notify line managers, it is unclear if the line manager is made aware of losses in every case and at present there is no system for logging each loss against an overall record per individual, which would build up an ongoing record per person to highlight any 'bigger picture' issues.
- A system of regular checks is to be put in place to check on pool BWV cameras but this has not yet been introduced, although LPA SPOCs are required to regularly check on the cameras and report any losses.
- Whilst walking through the processes that are followed by the various Teams across the organisation who are involved in dealing with loss/stolen reports, it was noted that the processes are not all documented and/or the documentation may need extending.

- Audit review of a small sample of lost/stolen tickets identified some delays in both initial reporting of the losses and processing of those losses once reported.
- The responsibility for dealing with the return of devices when staff leave the organisation sits with the leaver's Line Manager. This is known to be a problem area, with some possible under-reporting as well, although it was not possible during the audit to quantify the overall % of recorded losses that are due to leavers not returning their devices. There is already work underway to put an improved leavers process in place but this is yet to be completed.
- Review of a monitoring spreadsheet for radio losses identified that some losses were showing more than once and it was confirmed during the audit that an error with the input on the spreadsheet was the cause. This has now been reviewed and corrected accordingly. It was also noted that the figures on the spreadsheet for total losses, and found devices, did not exactly correspond with the figures being reported by the IT Security Officer. Whilst this may be due to the input error identified, it was not possible to confirm this during the audit.
- Some general reminders have been issued in recent months regarding ensuring devices are kept securely. However, no targeted communications have been sent out regarding the reasons for losses and any trends arising. Reports to show overall numbers of lost/stolen devices and the amount these have cost the organisation are considered on a monthly basis within ICT and on a quarterly basis at the Information and Physical Security Sub Group and the Force Security Committee. However, no more detailed reporting is currently collated to split out lost and stolen figures, or to look at the circumstances of losses/thefts and any preventative advice that could be issued organisation wide. This has been identified as an issue and work is underway to develop the reporting available but this is not yet complete.
- Loss figures are considered by the Information and Physical Security Sub Group, and the Force Security Committee. Both groups have terms of reference in place but these have not been reviewed since 2016 and 2019 respectively and would benefit from a refresh.

Audit Review	ICT Cyber Security (Resilience)		Force CCMT Lead	T/ACO Lattanzio Mike (Chief Information Officer)
Scope	Procedures and Governance	Reasonable	Planned Days	10 days
	Response, Recovery Planning and Lessons Learned	Reasonable		
Overall Assurance		Reasonable	Actual Days	10 days

The key issues arising from the audit are as follows:

- The critical systems list was found to be out of date and not contain an adequate system restore order, to prioritise systems of most importance when restoring them.
- Disaster Recovery plans were found to be up to three years out of date and are not currently reviewed annually.
- Business Continuity Plan (BCP) hard copies are not tracked and as such, key staff members may have outdated copies.
- Alternative emergency contacts have not been established for key members of the recovery and continuity teams.
- Testing of the disaster recovery capabilities of the Force does not yet include walkthrough or simulation tests, which would better test staff and processes in a realistic scenario.

The review identified the following good practice areas:

- Strategic management of the response and recovery to a Business Continuity incident is executed by the ICT Emergency Management Team (EMT). The EMT provides overall direction and considers the bigger picture. A Recovery Team (RT) will also be created whose role is to implement the instructions of the EMT and convert them into actions.
- An overarching Disaster Recovery Strategy is in place to ensure that a risk based approach is adopted for service level Disaster Recovery (DR) Plans. This includes the requirement to test key services recovery with measures in place to assess the effectiveness of the plans. The Joint ICT DR strategy and process seeks to complement and align to the wider Forces DR approach.
- A Force-wide IT incident management policy and corresponding process is in place, detailing what first actions are, who it should be escalated to and management actions.
- Role and responsibilities are included within BCPs. This includes the definition and terms of reference for each type of team, including the Gold team, Emergency Management Team, Recovery Team and Business Continuity Management.
- Follow-up updates are included within each incident and test debrief to include updates to process and recommendations and ensure these are carried forward to future incidents.
- CommVault performs routine sampling of backup files to ensure they can be restored. Additionally, the maintenance schedule for the backup service includes dip testing of random files for integrity and validity.
- Full system restores are tested via a virtual machine system to ensure they are capable of recovery, upon backup.

Audit Review	ICT Financial Management		Force CCMT Lead	T/ACO Lattanzio Mike (Chief Information Officer)
Scope	Budget Setting Arrangements	Reasonable	Planned Days	11 days
	Budget Monitoring	Reasonable		
	Financial Reporting	Reasonable		
Overall Assurance		Reasonable	Actual Days	11 days

The key issues arising from the audit are as follows:

- As part of the audit, the budget setting process for ICT's supplies and services budgets was reviewed. Historically, a budget setting process of a "% increase on the previous year's budget has been applied, also factoring in any significant changes that may be known. This has been acknowledged by ICT Senior Management Team (SMT) and Corporate Finance and recent improvements in the process have included enhanced working relationships between ICT, Corporate Finance and Procurement, which have improved financial management arrangements and visibility. It was also commented that the approach for developing the overall 2022/23 ICT budget will involve building the budget from a "zero base". This process will be a collaborative exercise between ICT, Corporate Finance and Procurement.
- The budget setting approach for staffing budgets was also reviewed. Unlike the Supplies and Services budgets, the Staffing budgets are built using the current ICT structure and resources based on actual salary costs, unless there are vacancies, in which case the median cost is used. The audit

discussed, and was provided with examples, of potential discrepancies in the staffing budget build, which could lead to an inaccurate starting position for the ICT Staffing budgets.

- Although draft 2021/22 budgets were shared during late 2020 for visibility, the final budget was not available at the commencement of the 2020/21 financial year. Additionally, ICT SMT were not asked to sign off on or endorse the annual budget.
- In relation to budget monitoring, individual SMT level spreadsheets are produced, as well as an overarching ICT report. Due to the original budget build not being zero based and reflecting known contract cost increases or future costs, in year budget monitoring and predictions can be a challenge. Additionally, outturn variances are reported at a high level for the whole ICT budget, but not at an individual SMT level and in year changes to the budget position are not always governed, controlled and agreed in a transparent way.
- In reviewing the availability and approach to budget monitoring, it was commented during the audit that it would be beneficial for ICT to receive budget and spend information at a contract level, as well as at a cost centre and subjective level.
- The audit tested the detail of each SMT level Excel spreadsheet budget report for period four. In reviewing the reports, it was found that the total of the report was £46,615,429, against an agreed ICT budget of £49,689,000. In querying this with Corporate Finance, it was found that certain SMT level spend (IRQ, IRX and IRY codes) had been missed off the individual reports. This was raised and corrected during the audit for the September 2021 reporting cycle.

Audit Review	Force Wellbeing Arrangements and Approach		Force CCMT Lead	T/ACO Christine Kirby (Director of People)
Scope	Strategic Oversight and Monitoring	Reasonable	Planned Days	12 days
	Awareness and Communications	Reasonable		
	Lessons learned and Feedback	Reasonable		
Overall Assurance		Reasonable	Actual Days	12 days

The key issues arising from the audit are as follows:

- The People Strategy is to be underpinned by a Wellbeing Plan which is in progress but not yet finalised.
- The terms of reference for the Wellbeing, Health, Safety and Environment Board and the Op Renew People Task and Finish Group require updating.
- In the People Directorate, to complement the various discussions/meetings held by the two senior managers to review and report upon their teams' progress against the actions in the People Strategy and Force Delivery Plan, an overarching performance framework for the Directorate is under development.
- The Wellbeing Plan is to be underpinned by a communications plan, the aim of which is to further highlight the provisions in place to ensure employees know what is on offer and how it can be accessed, as well as sharing information on what has been achieved.
- The Wellbeing Team are in the process of refreshing the Wellbeing Champions network with a view to 're-energising' the role, providing clarity on who is doing what and aiming to have more consistency. Whilst contacting a sample of LPAs and Departments, it was noted that not all Departments have nominated Wellbeing Champions and some Champions are not on the central list or are shown against a different LPA. There is

no role profile in place, no list of Champions or further details available on the intranet pages and an example was given during the audit which suggested a possible lack of awareness of the Champions role.

- Whilst there is no corporate requirement for LPAs/Departments to have a local wellbeing plan or wellbeing meetings, of the sample LPAs/Departments contacted five had a local plan/strategy. However, the long-term aim is for those plans/strategies that are in place to be reviewed and updated to incorporate the corporate wellbeing framework to support a more joined up approach. It was also noted that whilst the majority of the sampled LPAs/Departments regularly discuss wellbeing at either wellbeing meetings/staff forums and/or management team meetings, one LPA often covers wellbeing at their management meeting but it is not a standing agenda item and they do not hold wellbeing meetings at present.
- There is a wellbeing section on the current intranet site. However upon review it does not seem to be particularly intuitive or user friendly. This has already been identified by the Wellbeing Team as an issue, in particular with regard to the need for improved content and usability, and an additional Wellbeing Team member has been seconded in to develop the content of a wellbeing page for the new Force intranet system which is due to be in place in mid-2022.
- Whilst each of the new employee induction/initial training processes reviewed include some wellbeing content there is a review currently underway of the Police Staff induction session content, the offering for Police Officer recruits is to be enhanced with a new Wellbeing Day and Police Volunteers do not appear to attend a formal induction session and their handbook wellbeing content is limited.
- In terms of management training, the Core Leadership Programme includes content on wellbeing, however the Wellbeing Team are looking to refresh and enhance the content as Line Managers are a key element of addressing wellbeing and it has already been identified that there is some inconsistency in the way they are dealing with/promoting wellbeing.
- There is a wellbeing budget in place, the guidance for which requires updating.
- Identifying what wellbeing activity has been effective, and what has not worked or has been less successful, has been highlighted as a key challenge that needs further work. Steps are taken to obtain feedback on many of the individual wellbeing initiatives and to action any learning. However, in terms of feedback on overall wellbeing and any gaps in provision, there has not been an internal staff survey since 2017 and only the national overview data was obtained for the 2020 National Wellbeing Survey, although this has been used in general to guide the work of the Wellbeing Team. Going forward the intention is to obtain the Force level data for the 2021 National Wellbeing Survey when it is published and there is also work underway with the London School of Economics to establish an overall view on the wellbeing of the TVP workforce. Both of these sources will then be used to more specifically tailor and guide the provision within TVP to address any identified issues.

Audit Review	Data Breaches Mitigation	Force CCMT Lead	T/ACO Lattanzio Mike (Chief Information Officer)
Scope	Proactive Review	Reasonable	Planned Days 13 days
	Organisational Learning from Breaches	Reasonable	
Overall Assurance		Reasonable	Actual Days 13 days
The key issues arising from the audit are as follows:			

- Review of the guidance available on the Information Management section of the Knowzone identified that whilst there is information around how to report a security incident, upon review it was not possible to identify a definition of what constitutes personal data within this. Also the guidance around avoiding various types of common breaches included a security standard dated March 2017.
- There are two key online training modules in place with regard to managing information. Whilst the overall completion rate for the GDPR Managing Information module is 87%, the completion rate for the 'Managing Information Refresher Module' is only 67% with a lowest individual department rate of 20%.
- A sample of Data Guardians (DGs) were contacted to ascertain what steps they take to minimise the likelihood of data breaches within their areas. The five responses received indicated that review of controls tends to occur as a reactive rather than proactive process following a data breach, although in some cases it was stated that general reminders around areas such as accuracy of data are periodically included in management/team meetings. Also, as part of the Horizon Scanning reports sent out to Information Asset Owners (IAOs) and DGs on a four-monthly basis, in May 2021 guidance around identifying and reporting data breaches was included with a request to the DGs to circulate this amongst their teams but this had not been circulated by all the sampled DGs.
- When an individual logs a breach on Service Now they are required to select a classification for the breach, which is then reviewed by the assigned Information Governance Officer (IGO) and revised if appropriate. It was noted however that there is no prompt that IGOs, as a final check prior to marking the incident as resolved on the system, should review the classification (and indeed all other fields) to ensure they reflect the final situation rather than the initial understanding. It was also identified, through review of a sample of breach data, that there appears to be some confusion on use of the category 'other'.
- High level review of a sample of breaches identified one incident where no recommendations had been recorded and the actions did not appear to be complete, although it was thought that further action was taken/recommendations made but they had not been fully recorded. The review also identified two breaches relating to information being sent to the wrong recipient by the same individual two months apart. After both incidents the recommendation was that the individual turn off their email autocomplete so it appeared that this recommendation was not actioned after the first incident.
- The Information Governance Team produce four monthly DG updates which are sent to/discussed with the DGs and include data on the number and severity of data breaches, along with further detail of incidents classed as 'more complex' or reported to the ICO. As line managers and DGs are not routinely notified of data breaches, unless they are of a more serious nature, this report is the key source of information for the DGs on the types of breach that are occurring in their areas to assist them in deciding whether any review of processes might be required. Review of a sample of these update reports identified a number of issues around incidents being missed out, being classified as not a breach under the gravity rating but not having had their 'type' reclassified to reflect this, not being reflected as the same type as that shown on Service Now and summary data not being included where incidents were classified as 'more complex'.
- Consideration is currently being given to what data will be given to the IAOs in future as at present they are only notified of the breaches reported to the ICO.
- The 2020 SIRO report showed that TVP had lost 52 unencrypted devices suggesting that a considerable amount of these devices may be in use, although their use is supposed to be limited. Also, according to data provided by the JIMU for the same period there were only 18 incidents classified as 'Loss of/damage to electronic data', with only two incidents included within both sets of data. It was thought this could be due to incorrect classification of incidents and the lost devices not always containing any personal data but this could not be confirmed during the audit.

Audit Review	Protective Monitoring (Vigilance Pro)		Force CCMT Lead	DCC Jason Hogg
Scope	Vigilance Pro System Set Up	Reasonable	Planned Days	11 days
	Vigilance Pro System Utilisation and Reporting	Reasonable		
Overall Assurance		Reasonable	Actual Days	11 days
Final report summary not included due to the report classification of "Official – Sensitive".				

Disclaimer: Any matters arising as a result of the audits are only those which have been identified during the course of the work undertaken and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that could be made. It is emphasised that the responsibility for the maintenance of a sound system of management control rests with management and that the work performed by the Joint Internal Audit Team on the internal control system should not be relied upon to identify all system weaknesses that may exist. However, audit procedures are designed so that any material weaknesses in management control have a reasonable chance of discovery. Effective implementation of management actions is important for the maintenance of a reliable management control system.



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Information

Title: Progress on delivery of agreed actions in Internal Audit reports

Executive Summary:

The report provides details of the progress made by managers in delivering the agreed actions in internal audit reports.

Recommendation:

The Committee is requested to note the report.

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL

1 Introduction and background

- 1.1 The report provides details of the progress made by managers in delivering the agreed actions in internal audit reports.
- 1.2 This report details progress made to date and target implementation dates for any current overdue actions. Of the 13 actions that are currently overdue:
 - 1 action is due for completion by the end of February 2022;
 - 5 actions are due for completion by the end of March 2022;
 - 1 action is due for completion by the end of April 2022;
 - 1 action is due for completion by the beginning of May 2022;
 - 2 actions are due for completion by the beginning of June 2022;
 - 2 actions are due for completion by the end of July 2022; and
 - An update is awaited for 1 action.

2 Issues for consideration

- 2.1 Appendix 1 sets out an analysis of the position with regard to the number of overdue actions as at 31st January 2022 in relation to audits conducted during the years 2019/20 to 2021/22. It shows that in total there were 13 overdue actions at 31st January, arising from 6 separate audits. The overdue actions are split by priority. Also shown is the number of overdue actions that had previously been reported, which has risen from 7 to 8 since the last report to this Committee in December 2021.
- 2.2 Appendix 2 shows the changes in the number of overdue actions since the previous report to this Committee in December 2021. The total number of outstanding overdue actions reported has remained at 13.
- 2.3 Appendix 3 sets out the information provided by managers in respect of those actions that are now overdue. It includes all agreed actions that should have been completed by 31st January 2022. The information is based on responses from managers received up to and including 7th March 2021. If required, a verbal update will be provided to the Committee on any further information received since this report was written.

Priority 1 rated overdue actions

- 2.4 Of the five priority 1 overdue actions, one action from the 2019/20 Concealed Drug SOP – Process audit is more than 12 months overdue.
- 2.5 Appendix 1 sets out details of which audits these actions relate to and further details of each of the actions can be found in appendix 3 of this report.

Priority 2 rated overdue actions

- 2.6 Of the priority 2 actions, none are more than 12 months overdue.

3 Financial comments

3.1 No known financial issues arise from the contents of this report.

4 Legal comments

4.1 No known legal issues arise from the contents of this report.

5 Equality comments

5.1 No known equality issues arise from the contents of this report.

6 Background papers

6.1 None.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website as soon as practicable after approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

Is there a Part 2 form? No

Name & Role	Officer
Head of Unit This report provides the Committee with essential management information on the number and status of current overdue actions from internal audit reports.	Chief Internal Auditor
Legal Advice No known legal issues arise from the contents of this report.	PCC Head of Governance and Compliance
Financial Advice No known financial issues arise from the contents of this report.	PCC Chief Finance Officer
Equalities and Diversity No known equality issues arise from the contents of this report.	Chief Internal Auditor

OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.

PCC Chief Finance Officer (OPCC)

Date: 28/02/22

Director of Finance (TVP)

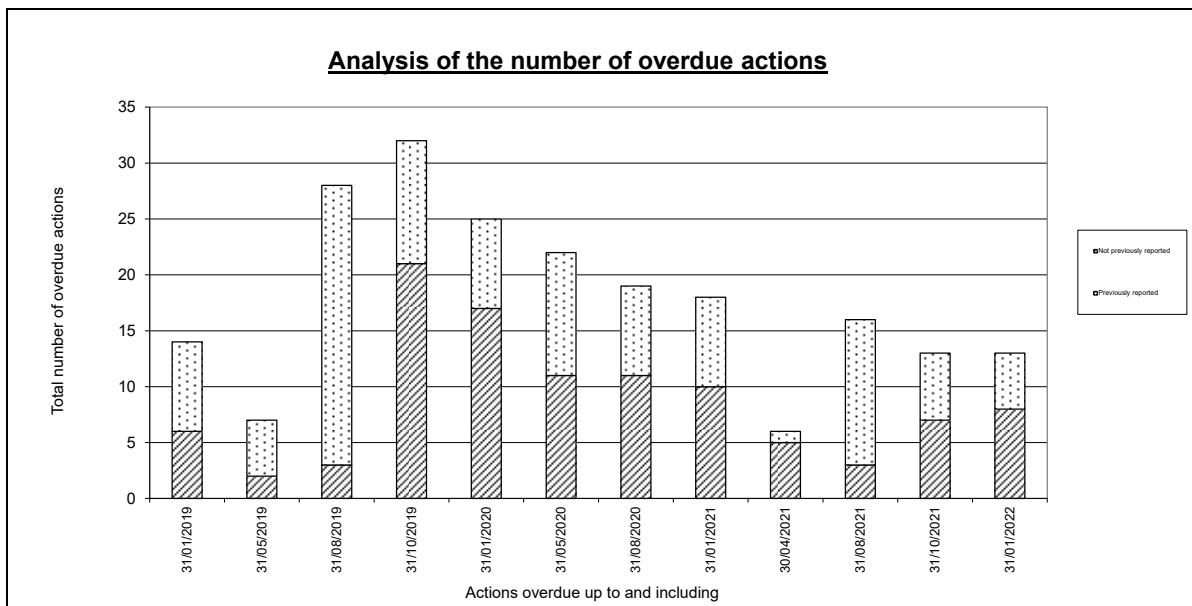
Date: 08/03/22

Appendix 1

ANALYSIS OF OVERDUE ACTIONS AS AT 31st JANUARY 2022

Audit Subject/Location	Outstanding Overdue	Priority 1	Priority 2	Previously Reported
2019/20				
Concealed Drug SOP - Process	1	1	-	1
TOTAL	1	1	0	1
2020/21				
Counter Terrorism	4	-	4	3
Digital Investigations and Intelligence	2	2	-	2
Limited and Minimal Assurance Follow Up	2	1	1	1
Payroll	1	-	1	1
TOTAL	9	3	6	7
2021/22				
Electronic Device Management (Losses)	3	1	2	-
TOTAL	3	1	2	0
OVERALL TOTAL	13	5	8	8

Appendix 2



UPDATE ON PROGRESS IN DELIVERING OVERDUE AGREED ACTIONS

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Concealed Drug SOP – Process		Final report issued on: 01/06/20		CCMT Lead: ACC Tim De Meyer		
Total number of agreed actions: 5	Number completed: 4 (80%)	Number not yet due: 0 (0%)		Number overdue: 1 (20%)		
Data and Measurement Information		The necessary performance and resource management information will be identified and produced.	30/11/20	1	In relation to the monitoring of resilience / cost tracking (resource management), this has been investigated but the relevant / accurate data is unable to be produced.	31/07/22
<p>Two actions related to data and measurements and although noted as closed, did not appear to be fully implemented or embedded as “business as usual”:</p> <ul style="list-style-type: none"> - Action 37 (Data and Measurement – performance information): Information has been requested, but to date, no data has been provided. - Action 38 (Data and Measurement – resource management): No data is being provided or monitored. <p>It was commented that the Service Improvement Unit is currently working on a toolkit to monitor the required performance aspects of the Drugs SOP.</p> <p>During the audit, governance arrangements in place for ongoing monitoring of the SOP and any related performance information were discussed. Once it is business as usual, it was suggested that although CJ SMT will have some oversight, it is likely that governance will be via the Custody Strategy Group.</p> <p>Risk: Relevant performance and management information is not received, leading to the potential for management to be unaware of any issues or lacking ability to take appropriate action.</p>		Appropriate governance arrangements for receiving and monitoring the information will also be agreed and introduced.			For the recording and monitoring of Drugs SOP cases, these are raised at the Custody DMM, but further work will be completed on the performance monitoring and oversight of cases.	
Counter Terrorism		Final report issued on: 27/04/21		CCMT Lead: ACC Tim Metcalfe		
Total number of agreed actions: 13	Number completed: 9 (70%)	Number not yet due: 0 (0%)		Number overdue: 4 (30%)		
Action 1.1			30/06/21	2	N/A	31/03/22
Action 2.1			31/12/21	2	N/A	31/03/22
Action 6.1			30/09/21	2	N/A	31/03/22
Action 12.1			31/07/21	2	N/A	31/03/22
Digital Investigations and Intelligence		Final report issued on: 08/02/21		CCMT Lead: ACC Tim De Meyer		
Total number of agreed actions: 7	Number completed: 5 (71%)	Number not yet due: 0 (0%)		Number overdue: 2 (29%)		
DII Strategic Objectives		Now there is a resourced DII Team, consideration will be given to future DII strategic objectives and priorities for the Force.	30/09/21	1	This work is ongoing and will continue under a further change of Head of Department.	01/06/22
<p>During the review, it was commented that as there is now greater focus on DII, as well as a resourced DII Team, there is a need to develop strategic objectives for DII within TVP.</p> <p>This will ensure that the current focus continues and focuses on the aims for TVP.</p> <p>Risk: Lack of an agreed strategic direction, leading to a lack of buy in</p>						

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
or DII work not being focussed on the appropriate areas.					
<p>DII Performance Monitoring</p> <p>During the audit, there have been discussions around performance monitoring and oversight of any DII work. This has been raised at the Joint DII Board as an area for TVP to develop to provide assurance to senior management and HMICFRS on any DII work and related outcomes.</p> <p>Conversations were due to take place with the Service Improvement Unit on how this can be captured, tracked and monitored.</p> <p>Risk: DII outcomes are not monitored, leading to a lack of assurance on DII work or visibility of areas for further development.</p>	<p>An external company has proposed an option for DII performance tracking.</p> <p>The DII Team will review this solution, with a view to implement the tool and provide corporate oversight of DII work and outcomes.</p>	30/09/21	1	We are progressing this review now with support from ICT to add further value. We will consider a full 12 months of data since the DII Team have been operational and report into the DII Governance Board.	01/06/22
Electronic Device Management (Losses)	Final report issued on: 03/12/21			CCMT Lead: DCC Jason Hogg/Mike Lattanzio	
Total number of agreed actions: 12	Number completed: 4 (33%)	Number not yet due: 5 (42%)		Number overdue: 3 (25%)	
<p>Process notes for dealing with loss/stolen reports</p> <p>Whilst walking through the processes that are followed by the various Teams across the organisation who are involved in dealing with loss/stolen reports, it was noted that:</p> <p>- The ICT Security Team process is not documented at present, although the Team are currently reviewing all of their processes and mapping these in flowcharts so there will be a flowchart for the process in the near future.</p> <p>Risk: Lack of clearly documented procedures leading to incorrect processes being followed and losses not fully or promptly dealt with.</p>	The ICT Security Team flowcharts will be completed.	31/01/22	2	There has been a delay in completing this action due to staff changes within the IT Security Team. This is currently in progress and will be completed by the end of March.	31/03/22
<p>Leavers process</p> <p>At present the responsibility for dealing with the return of devices where staff are leaving the organisation sits with the leaver's Line Manager. This is known to be a problem area, with some possible under-reporting as well, although it was not possible during the audit to quantify the overall % of recorded losses that are due to leavers not returning their devices.</p> <p>There is already work underway to put an improved leavers process in place in order to ensure that devices are returned to ICT when individuals leave and to eliminate the practice of line managers passing devices from leavers on to other team members/new starters (this is known to be an issue and was also identified during audit sampling). The new process is designed to include escalation via senior management, if necessary, to ensure the equipment comes back in to the ICT Department.</p> <p>Risk: Lack of an effective process to ensure return of devices by staff leaving the organisation, leading to increased and unnecessary levels</p>	The request for this work has been submitted to the development team and it is hoped that it should be complete by the end of December.	31/12/21	1	The development work for the automated leavers process has been delayed. This is now scheduled for April 22.	01/05/22
	The Force Security Manager will liaise with Learning and Development to discuss highlighting the importance of the leaver process within the Core Leadership courses.	31/12/21	2	Update awaited	TBC

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
of loss.					
Limited and Minimal Assurance Follow Up	Final report issued on: 11/05/21		CCMT Lead: DCC Jason Hogg		
Total number of agreed actions: 5	Number completed: 2 (40%)	Number not yet due: 1 (20%)		Number overdue: 2 (40%)	
<p><u>CCTV Ownership</u></p> <p>During 2019/20, an audit of CCTV was completed. When the final audit report was issued in July 2020, due to the Covid-19 pandemic, no action dates were agreed. Having liaised with the action owners during this review, the current status of the actions is as follows:</p> <ul style="list-style-type: none"> - In six cases action holders gave verbal and/or documentary confirmation of completion. - Five actions were marked as complete in the final report when issued. - Seven actions are yet to be completed (3.1, 4.1, 8.1, 8.2, 9.1, 10.1 and 11.1). <p>Since the CCTV audit work was undertaken as part of the 2019/20 audit plan, ownership of CCTV moved from Local Policing to the Governance and Service Improvement Team although the person with responsibility for CCTV was then heavily involved in the Silver Covid Response before moving to another role in January 2021. There had been agreement that, as of April 2021, it would move again to Criminal Justice. However, due to the changing technology/collaboration landscape, this move is being reviewed and in the meantime a CCTV Manager is being recruited to sit within the Policing Strategy Team. The role, which will be on a secondment basis, will cover Phase 1 and 2 arrangements as well the compilation of a report to CCMT putting forward recommendations for where CCTV should sit long term.</p> <p>Risk: Force-level roles and responsibilities are unclear or inadequate, resulting in a lack of strategic and corporate accountability and oversight.</p>	<p>The outstanding actions will be reviewed by the CCTV Manager, once in post, and actions will be planned or taken to address any remaining issues. This will be in conjunction with relevant Teams (for example the Head of Procurement for action 3.1).</p>	31/12/21	1	<p>The SRO for CCTV is now the Head of Policing Strategy Unit.</p> <p>A new Public Space CCTV Strategy is being devised, in conjunction with the OPCC. A CCMT paper will be written to get agreement for the strategy.</p> <p>CCTV Ops Manager post is currently being advertised.</p> <p>A bid is to be made to the Change Team to get project support to deliver the strategy later in 2022 to ensure there is delivery.</p> <p>LPA Commanders and the OPCC are supporting the partnership engagement.</p>	31/07/22
<p><u>Vetting Standard Operating Procedures</u></p> <p>An overall review is underway of the policies/standards in place to confirm whether they are still needed. Those that are retained will then be reviewed and updated as necessary.</p> <p>The Vetting intranet pages will also be reviewed and updated where necessary.</p> <p><u>Follow Up Testing</u></p> <p>Testing found that some, but not all of the team's Standard Operating Procedures (SOPs) have been reviewed and updated. The work has been captured via the Vetting Team's tasking process for completion by May 2021.</p>	<p>The review and update of the team's SOPs will be completed.</p>	30/06/21	2	<p>There continues to be significant demand within the Department. In addition some required work around compliance with the Authorized Professional Practice for Vetting was required prior to being in a position to update the local policies and procedures.</p> <p>As it has recently been identified that, following the move to SharePoint, some documents that were previously open to all staff are now in an area whereby they cannot be viewed, work is underway to go through and relocate these documents. As part of this work each document will be reviewed and updated where necessary.</p>	01/04/22

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Risk: Out of date or incomplete procedures, leading to the team applying incorrect or inconsistent processes.						
Payroll		Final report issued on: 18/05/21			CCMT Lead: Linda Waters	
Total number of agreed actions: 18		Number completed: 14 (78%)		Number not yet due: 3 (17%)		Number overdue: 1 (5%)
<p>Parental leave calculations</p> <p>Whilst in general parental leave must be taken in week blocks, there is an exception within the policy which permits individual days to be taken if the employee has a child with a disability. At present, the process for calculating the deduction for these individual days disadvantages:</p> <ul style="list-style-type: none"> - Individuals who work different hours each day. - Individuals who have to take a week of parental leave compared to those who can take individual days. <p>With this in mind the Additional Leave and Time Off Work policy, which is dated 2014 and which has recently passed from People Services to Resource Management, would benefit from a review as it appears it has not kept up with the changing ways of working that are now commonplace within the Force.</p> <p>Risk: Failure to review policies against current ways of working leads to deductions being calculated in inconsistent ways for different employees.</p>		<p>The policy is currently under review and will be updated to address this area in consultation with the Payroll Manager.</p>	31/07/21	2	<p>The Policy is being rewritten again as a consequence of changes to pandemic rules, and a recent representation from the Federation about Home Office Guidance that has required a further review and consultation over Parental Leave for Officers.</p>	28/02/22



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Information

Title: Internal Audit Strategy and Joint Internal Audit Plan 2022/23

Executive Summary:

This report details the Internal Audit Strategy and Joint Internal Audit Plan 2022/23, including the methodology for collating the plan and the audit areas included for 2022/23.

Recommendation:

The Committee is requested to note and endorse the Internal Audit Strategy and Joint Internal Audit Plan 2022/23.

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL**1 Introduction and background**

- 1.1 The report details the Internal Audit Strategy and Joint Internal Audit Plan 2022/23, including the methodology for collating the plan and the audit areas included for 2022/23.

2 Issues for consideration

- 2.1 The report attached is the Internal Audit Strategy and Joint Internal Audit Plan 2022/23. The document includes details on the:
- Strategy for delivering the Joint Internal Audit Service for Thames Valley Police (TVP) and the Office of the Police and Crime Commissioner for Thames Valley (OPCC).
 - Methodology applied in collating the plan of audit work.
 - Resources available for delivering the audit service.
 - Details of each area that will be reviewed during the year and the days allocated.
 - Service performance indicators that will be monitored and reported on during the year.

3 Financial comments

- 3.1 An additional 17 audit days are required to deliver the Joint Internal Audit Plan. Approval has been obtained from the PCC to increase the team's Principal Auditor's hours to cover this requirement, at a cost of £5,300.

4 Legal comments

- 4.1 No known legal issues arise from the contents of this report.

5 Equality comments

- 5.1 No known equality issues arise from the contents of this report.

6 Background papers

- 6.1 None.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website as soon as practicable after approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

Is there a Part 2 form? No

Name & Role	Officer
<p>Head of Unit This report provides the Committee with details of the Internal Audit Strategy and Annual Plan 2022/23, including the methodology for collating the Audit Plan and the audit areas included for 2022/23.</p> <p>This report has been produced in compliance with United Kingdom Public Sector Internal Audit Standards (PSIAS).</p>	Chief Internal Auditor
<p>Legal Advice No known legal issues arise from the contents of this report.</p>	PCC Head of Governance and Compliance
<p>Financial Advice The audit plan is fully resourced through the 2022/23 revenue budget.</p>	PCC Chief Finance Officer
<p>Equalities and Diversity No known equality issues arise from the contents of this report.</p>	Chief Internal Auditor

OFFICER'S APPROVAL

<p>We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.</p>	
<p>We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.</p>	
<p>PCC Chief Finance Officer (OPCC)</p>	<p>Date: 24 February 2022</p>
<p>Director of Finance (TVP)</p>	<p>Date: 7 March 2022</p>



JOINT INTERNAL AUDIT SERVICE

**INTERNAL AUDIT STRATEGY AND
JOINT INTERNAL AUDIT PLAN 2022/23**

1. Internal Audit Strategy

- 1.1 This document sets out the Joint Internal Audit Service's strategy and work plan for 2022/23.
- 1.2 The Police and Crime Commissioner (PCC) and the Chief Constable are required to maintain effective internal audit of their affairs by the Accounts and Audit (England) Regulations 2015. The Financial Management Code of Practice for the Police Forces of England and Wales (2018) recommends a joint Internal Audit function to cover both bodies.
- 1.3 The Joint Internal Audit Service is governed by the framework and guidance set out in the Public Sector Internal Audit Standards (PSIAS). The PSIAS defines Internal Audit as an "independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes".
- 1.4 Standard 1312 of the PSIAS relates to "External Assessments" and that these "must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation". The Joint Internal Audit Team was externally assessed by the Chartered Institute of Public Finance and Accountancy (CIPFA) during October 2017. The opinion of the external assessor for the Joint Internal Audit Team is that *"the service generally conforms to all the requirements of the PSIAS and Local Government Application Note"*, which is the best outcome the team could have achieved. The next review will take place during the 2022/23 financial year.
- 1.5 In accordance with the PSIAS, the Chief Internal Auditor must produce a risk-based Audit Plan, which details the priorities of the Joint Internal Audit Service and is consistent with the organisation's priorities and objectives. In collating the Joint Internal Audit Plan, Internal Audit seek input from their customers to determine the risks and scope of each assignment. However, Internal Audit retain overall control of the process and content of the plan.
- 1.6 The Joint Internal Audit Plan is designed to enable an Annual Internal Audit opinion to be produced, which comments on the adequacy and effectiveness of the governance arrangements and internal controls in place to manage and mitigate risk. The Chief Internal Auditor provides this opinion in an annual report, which is used to inform the PCC's and Chief Constable's separate Annual Governance Statements.
- 1.7 For 2022/23, the Joint Internal Audit Service will be delivered by:
 - Chief Internal Auditor.
 - Principal Auditor.
 - TIAA Ltd (ICT Audit Contractor).
- 1.8 The audit methodology will utilise electronic working papers and reports.
- 1.9 Consistent with previous years, the strategy supports a flexible service that can react to changes in the organisation's risk profile and the customer's needs.
- 1.10 The PSIAS requires all internal audit activities to implement and retain an Internal Audit Charter. The purpose of the Internal Audit Charter is to formally define the internal audit activity's purpose, authority and responsibility. The Joint Internal Audit Service has adopted an Internal Audit Charter, which is subject to an

annual review. The review has been completed with only a few minor wording changes needed. The current version has been attached at Appendix D.

2. Audit Planning Methodology

2.1 The consultation process for developing the Joint Internal Audit Plan included the following:

- Discussions and correspondence with the Force's Chief Constable's Management Team (CCMT) and their direct reports.
- Discussions and correspondence with the PCC's Senior Officer Group (SOG).
- Additional meetings and correspondence with the Deputy Chief Constable, Assistant Chief Constables, Assistant Chief Officers, Heads of Department and Senior Managers at TVP and the PCC, OPCC Chief Executive and Chief Finance Officer.
- For TVP, review of the Strategic Plan, Force Management Statement, Annual Governance Statement, Force Risk Registers, Horizon Scanning documentation and any relevant external assessments.
- Liaison with the Force Governance and Service Improvement Team.
- For the OPCC, review of the Police and Criminal Justice Plan, OPCC Strategic Risk Register, Annual Governance Statement, OPCC Strategic Delivery Plan and any relevant external assessments.
- Review of other sources of information including national and local strategies and policies, organisational changes and collaborative arrangements.

2.2 Having completed the process detailed in paragraph 2.1, the 2022/23 Joint Internal Audit Plan has been collated (attached as Appendix A to this report). The plan lists the identified audit reviews, CCMT / SOG lead, high level scope, planned days and audit timing. The detailed scope of each review will be agreed at the beginning of each audit.

2.3 The Joint Internal Audit Plan provides a good level of coverage across both organisations. Details of the areas being covered within TVP are:

- There are three Force wide audits being completed relating to Contact Management Platform Performance, Force Demand Management and overall Retention Processes.
- Within the Deputy Chief Constable's portfolio, two audits are being completed which will focus on the Working Smart Implementation and the Management of Volunteers and Specials.
- Within Information, four ICT audits are being completed focussing on the implementation of the Force's ICT and Digital Strategies, Asset Management, the management of Windows Licensing and the approach to Enterprise / M365 Security Management.
- Within People, one audit is being completed which will focus on the Sickness Management Arrangements.

- Two audits will take place within Finance, one looking at the application of Key Financial Controls and the other on the effectiveness of the Commercial Governance Board.
 - Within Operations, one audit is being completed looking at the Operations (TVP Gatherings and Protests) response.
 - Within Crime and Criminal Justice, four reviews are being completed which will focus on Custody Risk Management, the Indecent Images of Children (IIOC) processes, Missing Persons arrangements and the Force's response to Rape investigations.
 - Within Local Policing, six audits are being completed, with three audits focussing on the Domestic Abuse arrangements, Victims Satisfaction processes and Mental Health demand management. The other audits will focus on the implementation of three key programmes, the Legitimacy Programme, the ICR Programme and the Neighbourhood Policing Programme.
 - Within Regional Crime and Counter Terrorism, one audit is being completed on Economic and Cyber Crime.
- 2.4 Within the OPCC, the following audits are being completed:
- Treasury Management processes and controls.
 - The allocation and monitoring of the Community Safety Fund.
- 2.5 There is one audit that will test the implementation of actions agreed as part of any 2021/22 Limited or Minimal assurance rated audits, as well as one further review which will continue to develop the external Sources of Assurance work, which complements the Annual Internal Audit Report and Chief Internal Auditor's Annual Opinion Statement.
- 2.6 A number of days have also been allocated in the plan to:
- Supervise and oversee individual audit completion.
 - Provide any advice or consultancy to the Force or OPCC.
 - Administer the quarterly management action follow up process.
 - Maintain an overview of any fraud investigations and general fraud liaison with the Professional Standards Department (PSD), as well as administration of the quarterly Fraud Group.
 - Complete the Internal Audit Annual Report and contribute to the Annual Governance Statement process.
 - Review Internal Audit's compliance with the PSIAS and support the team's external assessment.
 - Support the Force and OPCC's contribution to the bi-annual NFI exercise.
 - Finalise any 2021/22 audit reviews.
- 2.7 In collating the plan, a number of audit areas were suggested, but did not make the final version. For transparency, these have been listed below:
- Victims Services (Apricot System).
 - Prison Leavers Scheme.
 - Savings Target Delivery.

- IR35 Arrangements.
 - Service Improvement Review Improvements.
 - Risk Management.
 - Project Prioritisation Process.
 - Staff Recruitment.
 - Staff Induction Processes.
 - Forensic Improvement Plan.
- 2.8 Additionally, an allocation of 10 days has been agreed for the Joint Independent Audit Committee (JIAC) to utilise, should they request a specific piece of audit work be completed. These days are not currently resourced within the Joint Internal Audit Plan.
- 2.9 In terms of Hampshire Constabulary (HC) led collaborations, the Audit Team for HC and the OPCC have confirmed that they will be completing two Joint Operations Unit audits for 2022/23:
- Public Order Training.
 - JOU Financial Management.

3. Resources

- 3.1 The Joint Internal Audit Service is resourced as follows:

Officer	Employing Organisation	Available Resources
Chief Internal Auditor	OPCC	261 days
Principal Auditor	OPCC	197 days
ICT Auditors	External Contractor	30 days
TOTAL DAYS		488 days

- 3.2 Appendix B details an analysis of the overall resources available for 2022/23. The total amount of days available for delivering the service is 488. Following the exclusion of overheads, team administration and corporate work in delivering the service, the total number of days available for assurance activity is 350. This includes the additional 17 audit days that are required to deliver the Joint Internal Audit Plan. Approval has been obtained from the PCC to increase the team's Principal Auditor's hours to cover this requirement.
- 3.3 The available days have been allocated as follows:

TVP (CCMT) / OPCC Area	Total Days	Plan %
TVP - Force Wide	33 days	9%
TVP - Deputy Chief Constable	20 days	6%
TVP - Information	40 days	11%

TVP (CCMT) / OPCC Area	Total Days	Plan %
TVP - People	10 days	3%
TVP - Finance	19 days	5%
TVP - Operations	10 days	3%
TVP - Crime and Criminal Justice	42 days	12%
TVP - Local Policing	60 days	17%
TVP - Regional Crime and Counter Terrorism	10 days	3%
OPCC	20 days	6%
General	13 days	4%
Other	73 days	21%
TOTAL PLANNED DAYS	350 days	100%

4. Risks

- 4.1 The key risks to the achievement of the 2022/23 Joint Internal Audit Plan are:
- Internal team staff retention and / or health and wellbeing.
 - External contractor performance.
 - Operational demands placed on the Force or OPCC due to the impacts of the ongoing Covid-19 pandemic.

5. Performance Monitoring

- 5.1 The Joint Internal Audit Team's 2022/23 Performance Indicators are attached at Appendix C.
- 5.2 Progress in delivering the Joint Internal Audit Plan, as well as an update on the team's overall performance against the noted indicators, will be presented at every meeting of the JIAC.

Chief Internal Auditor

March 2022

APPENDIX A: JOINT INTERNAL AUDIT PLAN 2022/23

Listed below are the audit reviews currently included within the 2022/23 Joint Internal Audit Plan. The specific scope and risks included within each review will be agreed when the audit commences, but in general, will include a review of the governance framework, key internal controls and management of risk.

Force CCMT / OPCC SOG Lead	Audit Review	High Level Scope	Planned Days	Timing
Thames Valley Police				
Force Wide	Contact Management Platform Performance	The audit will focus on the performance and development of the Contact Management Platform and its related governance and oversight arrangements.	11 days	Q2
Force Wide	Force Demand Management	The review will focus on how the Force manages, prioritises and reacts to demand for its services.	12 days	Q2
Force Wide	Retention Processes	The audit will evaluate the effectiveness of the Force's retention arrangements.	10 days	Q1
DCC	Working Smart Implementation	The review will test the implementation of the Working Smart initiatives.	10 days	Q2
DCC	Management of Volunteers and Specials	The audit will focus on the induction and management of the Force's Volunteers and Specials.	10 days	Q1
ICT and IM	ICT / Digital Strategy	The review will test the collation and implementation of the Force's overall ICT and Digital strategies.	10 days	Q2
ICT and IM	Asset Management	The audit will review ICT's asset management processes and controls.	10 days	Q4
ICT and IM	Windows Licensing	The review will test the approach to managing and overseeing Windows Licensing arrangements.	10 days	Q3
ICT and IM	Enterprise / M365 Security Management	The audit will review the controls and arrangements to manage Enterprise and Microsoft 365 Security.	10 days	Q2
People	Sickness Management Arrangements	The review will test the Force's processes for managing and mitigating workforce sickness.	10 days	Q3
Finance	Key Financial Controls	The audit will test the Force's key financial control arrangements.	12 days	Q3 – 4
Finance	Commercial Governance Board	The review will evaluate the operation and effectiveness of the Commercial Governance Board.	7 days	Q1
Operations	Operations (TVP Gatherings and Protests)	The audit will focus on the arrangements for identifying and responding to Force wide gatherings and protests that require an operational response.	10 days	Q1
Crime and CJ	Custody Risk Management	The review will test the management and mitigation of any key custody risks the Force is facing.	12 days	Q2

Force CCMT / OPCC SOG Lead	Audit Review	High Level Scope	Planned Days	Timing
Crime and CJ	IIOC Referrals	The audit will test the key controls within the Indecent Images of Children (IIOC) processes.	10 days	Q4
Crime and CJ	Missing Persons	The review will evaluate the processes and controls for managing Missing Persons.	10 days	Q1
Crime and CJ	Rape	The audit will test the improvements and actions being taken to improve the Force's response to Rape investigations.	10 days	Q3
Local Policing	Domestic Abuse	The review will evaluate the processes and controls for responding to Domestic Abuse cases.	10 days	Q1
Local Policing	Legitimacy Programme	The audit will test the implementation and delivery of the Legitimacy Programme.	10 days	Q1
Local Policing	ICR Programme	The review will test the implementation and delivery of the ICR Programme.	10 days	Q1
Local Policing	Neighbourhood Policing Programme	The audit will test the implementation and delivery of the Neighbourhood Policing Programme.	10 days	Q3
Local Policing	Victim Satisfaction	The review will evaluate the Force's Victim Satisfaction processes and arrangements.	10 days	Q4
Local Policing	Mental Health	The audit will focus on the Force's response and processes for managing Mental Health demand.	10 days	Q1
Regional Crime and Counter Terrorism	Economic and Cyber Crime	The review will test the Force's approach to economic and cyber crime, managed within the Regional Organised Crime Unit.	10 days	Q4
Office of the Police and Crime Commissioner (Thames Valley)				
Finance	Treasury Management	The audit will test the OPCC's Treasury Management processes and key controls.	10 days	Q3
Partnerships & Community Safety Finance	Community Safety Fund	The review will evaluate the Community Safety Fund allocation and monitoring arrangements.	10 days	Q1
General				
N/A	Limited Assurance Follow Up	The review will follow up on any actions agreed as part of limited or minimal assurance audits completed during 2021/22.	8 days	Q4
N/A	Sources of Assurance	This work captures any external sources of assurance that can be included within the Annual Internal Audit Report.	5 days	Q1 - 4
TOTAL			277 days	
N/A	Audit Supervision	Days allocated to supervise and review the planned audits.	24 days	N/A
N/A	Advice and Consultancy	A number of days to provide advice and consultancy work for	8 days	N/A

Force CCMT / OPCC SOG Lead	Audit Review	High Level Scope	Planned Days	Timing
		the Force and OPCC.		
N/A	Follow Up	Days to administer the quarterly follow up process for the JIAC.	12 days	N/A
N/A	Fraud Liaison	Resources to liaise with Corporate Finance and the Professional Standards Department on any relevant fraud matters, as well as administration of the quarterly Fraud Group.	3 days	N/A
N/A	Annual Report and AGS	A small number of days to collate the Annual Internal Audit Report and Annual Governance Statement details.	3 days	N/A
N/A	PSIAS Assessment	Days to complete the annual internal PSIAS assessment and support the team's external assessment.	6 days	N/A
N/A	National Fraud Initiative	Resources to support the Force and OPCC's contribution to the bi-annual NFI exercise.	7 days	N/A
N/A	2021/22 Carry Forward	A number of days to complete the 2021/22 planned audits.	10 days	N/A
TOTAL			73 days	
GRAND TOTAL			350 days	
N/A	JIAC Resource Allocation	Days allocated for specific use by the JIAC. These days are not resourced within the plan, but will be made available, if required.	10 days	N/A

APPENDIX B: ANALYSIS OF RESOURCES FOR 2022/23

	OPCC	OPCC	External	
	Chief Internal Auditor	Principal Auditor	ICT Auditor	TOTAL
	Days	Days	Days	Days
GROSS RESOURCES	261	197	30	488
OVERHEADS				
Leave (Annual and Public)	43	29		72
Sick Leave	5	3		8
Training	4	4		8
TOTAL	52	36	0	88
NET RESOURCES	209	161	30	400
TEAM ADMINISTRATION				
Administration	3	2		5
Staff PDR	2	1		3
Team Meetings	4	3		7
TEAM ADMINISTRATION TOTAL	9	6	0	15
AVAILABLE TIME	200	155	30	385
CORPORATE WORK				
Audit Service and Plan Monitoring	10			10
Audit Plan Development	5	2		7
External Audit and External Bodies	1	1		2
Collaboration Governance Board	2			2
Internal Assurance Liaison	2			2
Joint Independent Audit Committee	7	5		12
CORPORATE WORK TOTAL	27	8		35
OPCC/TVP AUDIT WORK	173	147	30	350

APPENDIX C: PERFORMANCE INDICATORS 2022/23

Ref.	Performance Indicator	Measure	Target	Frequency of Reporting
1	Testing completed.	By July: By November: By February: By May:	10% 40% 70% 100%	Each JIAC meeting.
2	Final Report issued.	By July: By November: By February: By May:	0% 25% 45% 100%	Each JIAC meeting.
3	Joint Internal Audit Plan delivered.	Each audit review completed, excluding any agreed changes (i.e. removed audits).	100%	Annually to the JIAC. Included within the Annual Internal Audit Report.
4	Annual Internal Audit Quality Questionnaire outcome.	Responses who strongly or tended to agree with the statements.	95%	Annually to the JIAC. Included within the Annual Internal Audit Report.

APPENDIX D



**JOINT INTERNAL AUDIT TEAM
AUDIT CHARTER**

1. Statutory Requirement

- 1.1 The Police and Crime Commissioner (PCC) for Thames Valley and the Chief Constable (Thames Valley Police) are required to maintain an effective internal audit of their affairs by the Accounts and Audit (England) Regulations 2015, which states that a relevant body must “undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control”.
- 1.2 The PCC’s Chief Finance Officer (CFO) and Thames Valley Police’s (TVP) Director of Finance (DoF) have statutory responsibility under Section 151 of the Local Government Act 1972 for ensuring an effective system of internal financial control and proper financial administration of the PCC’s and TVP’s affairs.
- 1.3 The Financial Management Code of Practice for the Police Forces of England and Wales (2018) recommends a Joint Internal Audit Service to cover both the OPCC and TVP.

2. Roles and Responsibilities (including the Joint Internal Audit Team’s position within both organisations)

- 2.1 The PCC and the Chief Constable have adopted a Joint Corporate Governance Framework, which includes the Statement of Corporate Governance, Code of Corporate Governance, Scheme of Corporate Governance and Financial Regulations.
- 2.2 The framework includes the role of the PCC, PCC’s Chief Executive, PCC’s CFO, Chief Constable and Force DoF. The framework states that the PCC, Chief Constable, CFO and DoF are responsible for the provision of an adequate and effective Internal Audit service and provides detail on how the Joint Internal Audit Service is delivered within Thames Valley.
- 2.3 The Joint Independent Audit Committee (JIAC) is a key component of the PCC’s and Chief Constable’s arrangements for corporate governance. The JIAC have a set of Operating Principles, which include their Statement of Purpose, Committee Composition and Structure, Methods of Working and Specific Responsibilities.
- 2.4 The Joint Internal Audit Service Governance Structure (TVP / OPCC) is documented at Annex 1. The Chief Internal Auditor (CIA) is line managed by the CFO and DoF, but has direct access to the PCC, Chief Constable, and JIAC Chair and members, as appropriate.

3. Definitions (The Board and Senior Management)

- 3.1 For the purposes of this charter, the following definitions shall apply:
 - The Board: the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting. For the OPCC and TVP, this is the JIAC.
 - Senior Management: those charged with responsibility for the leadership and direction of the OPCC and TVP. For the OPCC, this is the Strategic Officer Group (SOG) and for TVP, this is the Chief Constable’s Management Team (CCMT), with operational oversight of the audit service being provided by the Internal Audit Oversight Group (which is attended by the DoF, CFO and CIA).

4. Standards

- 4.1 The Joint Internal Audit Team is governed by the framework and guidance set out in the Public Sector Internal Audit Standards (PSIAS). The mandatory elements of the PSIAS are the Core

Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards and the Definition of Internal Auditing. The PSIAS defines Internal Audit as an "independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes".

- 4.2 The PSIAS requires the Joint Internal Audit Team to implement and maintain an Audit Charter. The purpose of the Audit Charter is to formally define the service's purpose, authority and responsibility.

5. Purpose, Authority and Responsibility

- 5.1 The mission of the Joint Internal Audit Team is to "add value by providing risk-based and objective assurance and advice on the organisation's risk management, control and governance arrangements for the benefit of both organisation's internal and external customers".

- 5.2 The Joint Internal Audit Team's authority, including their right of access to records and authority to obtain information, is detailed in section 9 of this charter.

- 5.3 The responsibility of the Joint Internal Audit Team is to:

- Provide an internal audit service in accordance with the PSIAS.
- Develop and deliver a risk based Joint Internal Audit Plan.
- Provide an independent and objective annual assurance opinion on how the application of risk management, control and governance arrangements have supported the achievement of the organisation's objectives.

- 5.4 The responsibility of management at the OPCC and TVP is to:

- Ensure that risk management, internal control and governance arrangements are sufficient to manage the risks facing the delivery of the OPCC's and TVP's priorities and objectives.
- Respond to and act upon the Joint Internal Audit Team's reports and advice.
- Identify and implement appropriate management actions to mitigate the risks reported or to recognise and accept risks resulting from not taking action.

6. Independence, Objectivity and Due Professional Care

- 6.1 Internal Auditors must be sufficiently independent of the activities they audit to enable them to provide impartial, unbiased and effective professional judgements and advice. Internal Auditors must maintain an unbiased attitude and be free from interference in determining the scope of activity, performing the work and communicating results.

- 6.2 To achieve the level of independence and objectivity needed, the Joint Internal Audit Team:

- Retains no executive or operational responsibilities.
- Operates in a framework that allows unrestricted access to Senior Management, the Internal Audit Oversight Group and the JIAC.
- Reports functionally to the Internal Audit Oversight Group and JIAC.
- Reports in their own name on individual assignments and to the JIAC.
- Rotates responsibilities for audit assignments within the Joint Internal Audit Team, where possible.

- Completes annual Audit Professional Declaration Records, confirming compliance with rules on independence, conflicts of interest and acceptance of inducements and compliance with their Code of Ethics.
 - Ensures the planning process recognises and addresses any potential conflicts of interest.
 - Does not undertake an audit for at least two years in an area where they have had previous operational roles.
- 6.3 If independence or objectivity is affected, the details will be presented to the Internal Audit Oversight Group and the JIAC.
- 6.4 Internal Auditors have a duty to develop and maintain their professional skills, knowledge and judgement based on appropriate training, ability, integrity, objectivity and respect. Internal Auditors will perform their work with due professional care, competence and diligence.
- 6.5 Internal Auditors will treat any information they receive as confidential in accordance with the Government Security Classification (GSC) policy. There will be no unauthorised disclosure of information, unless there is a legal or professional requirement to do so. Information gained in the course of internal audit work will not be used for personal gain.

7. Internal Audit Strategy and Joint Internal Audit Plan

- 7.1 The Joint Internal Audit Team will develop and maintain an Internal Audit Strategy and Joint Internal Audit Plan for delivering the service, which will be designed to complement the PCC's Police and Criminal Justice Plan and TVP's Force Strategic Plan. The CFO and DoF will provide the CIA with the budget and resources necessary to fulfil the OPCC's and TVP's requirements and expectations. The CIA will ensure that the Joint Internal Audit Team has access to an appropriate range of knowledge, skills, qualifications and experience.
- 7.2 The Annual Internal Audit Strategy and Joint Internal Audit Plan will include:
- Internal Audit Strategy.
 - Audit Planning Methodology.
 - Resources.
 - Performance Monitoring.
 - Joint Internal Audit Plan.
 - Performance Indicators.
- 7.3 The strategy and plan will be kept under review to ensure it remains responsive to the changing priorities and risks of the OPCC and TVP. Significant matters that jeopardise the delivery of the plan or require changes to the plan will be identified, addressed and reported to Senior Management, the Internal Audit Oversight Group and JIAC.

8. Scope of Internal Audit Activities

- 8.1 The Joint Internal Audit Team may review any aspect of the OPCC's or TVP's activities to enable the CIA to produce an Annual Report and Opinion Statement. To support this, the Joint Internal Audit Team undertake a range of risk-based activity to provide assurance on the organisation's governance, risk and control arrangements. The PSIAS includes the following definitions:
- Assurance: An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes for the organisation.

Examples may include financial, performance, compliance, system security and due diligence engagements.

- Consulting Services: Advisory and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organisation's governance, risk management and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation and training.

8.2 The different types of services provided by the team are listed in Annex 3.

8.3 The approach for each piece of work will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

8.4 The Joint Internal Audit Team maintains an Audit Manual, which guides the daily operations of the service. The Audit Manual details the team's processes and procedures in the following areas:

<ul style="list-style-type: none"> • Relationships with Customers. • Audit Planning. • Risk Management. • Fraud and Irregularity. • Consultancy. • Audit Process (i.e. File Structure, Scoping Meeting, Brief, System Notes, Programme, Exit Meeting and File Review). • Follow up of Management Actions. 	<ul style="list-style-type: none"> • Performance Monitoring / Reporting. • Training. • File Retention. • Working with External Audit. • External Clients. • Internal Audit Team. • Data Protection. • Health and Safety.
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9. Right of Access to Records and Authority to Obtain Information

9.1 In carrying out their duties, the Joint Internal Audit Team (subject to the appropriate vetting and security requirements for access and on production of identification) shall have unrestricted right of access to all records, assets, personnel and premises, belonging to the OPCC and TVP. Access extends to partner bodies and external contractors working on behalf of both organisations.

9.2 The Joint Internal Audit Team has authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities. Such access shall be granted when requested and not always subject to prior notice.

10. Chief Internal Auditor's Annual Report and Opinion Statement

10.1 The CIA is responsible for producing an Annual Internal Audit Report, which includes the CIA's Annual Opinion Statement. The annual opinion will conclude on the overall adequacy and effectiveness of the organisations' framework of governance, risk management and control.

10.2 The CIA's Annual Report and Opinion Statement will include the following:

- Responsibilities.
- Joint Internal Audit Plan Coverage.

- Audit Methodology.
- Audit Team.
- Opinion on the Organisation's Framework of Governance, Risk Management and Control, including the CIA's Annual Opinion Statement.
- Internal Audit Performance.
- Resource Allocation and Utilisation.
- Summary of Audit Outcomes.
- Effectiveness of Internal Audit Questionnaire Results.

10.3 This report and opinion is used by Senior Management at the OPCC and TVP to inform their respective Annual Governance Statements.

11. Reporting

11.1 The Joint Internal Audit Service Governance Structure (TVP / OPCC) is at Annex 1 and the Board and Senior Management Reporting Framework is at Annex 2.

12. Quality Assurance

12.1 The team perform an annual self-assessment against the requirements of the PSIAS, which aims to identify any areas for improvement or of non-conformance. The outcome of the self-assessment is reported to the Internal Audit Oversight Group and JIAC, with a Quality Assurance Improvement Programme (QAIP) being collated of areas for improvement. Progress in implementing the actions is also presented to the Internal Audit Oversight Group and JIAC.

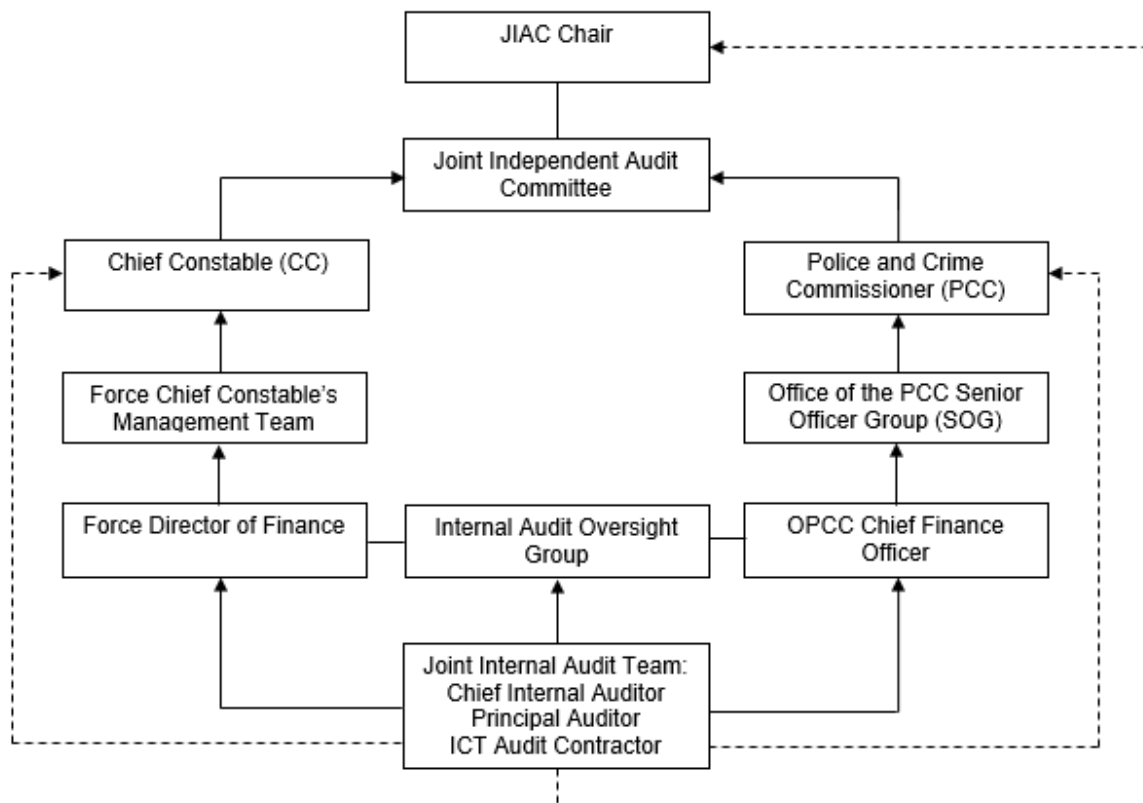
12.2 An external assessment of the Joint Internal Audit Team's compliance with the PSIAS will be completed at least once every five years.

Chief Internal Auditor

Date Produced: March 2022

Date for Review: March 2023

Joint Internal Audit Service Governance Structure (TVP / OPCC)



Board and Senior Management Reporting Framework

		"Board"		"Senior Management"					
		JIAC		Internal Audit Oversight Group		TVP Chief Constable's Management Team		OPCC Senior Officer Group	
PSIAS Ref.	PSIAS Requirement	Note and Endorse	Receive Information / Reports	Approve	Receive Information / Reports	Approve	Contribute	Approve	Contribute
1000	Internal Audit Charter (which defines the purpose, authority, responsibility and Mission of Internal Audit as well as the function's position within the organisation and reporting).	✓		✓					
1000	Mandatory elements of the International Professional Practices Framework.		✓		✓				
1100	The Chief Internal Auditor has direct and unrestricted access to members of the JIAC and Internal Audit Oversight Group.	✓		✓					
1100	The organisational independence of the internal audit activity (annually).	✓		✓					
1112	Any additional roles / responsibilities, outside of internal auditing, which has the potential or perceived impairment to independence and objectivity and receive assurance relating to any safeguards put in place to limit impairments to independence and objectivity.	✓		✓					
1130	Any significant additional consulting services not already included in the audit plan, prior to accepting the engagement.	✓		✓					
1312	The form of any external assessments and the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest.	✓		✓					
1312	The outcome of any external assessment.		✓		✓				
1320	The Quality Assurance and Improvement Programme.		✓		✓				
1322	Any non-conformance with the Code of Ethics or the Standards and how this impacts the overall scope or operation of the internal audit activity.	✓		✓					
2010	Annual Internal Audit Strategy and Joint Internal Audit Plan (which takes into consideration the organisation's strategies, key business objectives, associated risks and risk management processes).	✓		✓			✓		✓
2010	Internal audit opinions and management action priority wordings.	✓		✓					
2030	Internal Audit budget and resource plan.	✓		✓					

		"Board"		"Senior Management"					
		JIAC		Internal Audit Oversight Group		TVP Chief Constable's Management Team		OPCC Senior Officer Group	
PSIAS Ref.	PSIAS Requirement	Note and Endorse	Receive Information / Reports	Approve	Receive Information / Reports	Approve	Contribute	Approve	Contribute
2030	Resource requirements or impacts, including any significant interim changes.	✓		✓					
2060	Joint Internal Audit Plan Progress and Performance (including the internal audit activity's purpose, authority, responsibility and performance relative to its plan and on its conformance with the <i>Code of Ethics</i> and the <i>Standards</i> . Reporting must also include significant risk and control issues, including fraud risks, governance issues and other matters).		✓		✓		✓		✓
2330	The release of any engagement records to external parties, as appropriate.			✓		✓		✓	
2450	Annual Internal Audit Report, which includes Chief Internal Auditor's Annual Opinion Statement.	✓		✓					
2500	Follow up of overdue and outstanding audit report actions or where management have accepted the risk of not taking action.		✓		✓		✓		✓
2600	Any unacceptable risk exposure that has been accepted by management, based on the Chief Internal Auditor's opinion.		✓		✓	✓		✓	

Joint Internal Audit Team Services

- a) **Risk based audit:** Risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of management's objectives.
- b) **Developing systems, process or function audit:**
- the plans and designs of systems under development are assessed to identify the potential weaknesses in internal control and risk management.
 - programme / project management controls are assessed to ascertain whether the system is likely to be delivered efficiently, effectively and economically.
- c) **Consultancy / advisory services:** Advice can be provided, either through formal review and reporting or more informally through discussion or briefing, on the framework of internal control, risk management and governance. It is not appropriate for an Internal Auditor to become involved in establishing or implementing controls or to assume any operational responsibilities and any advisory work undertaken must not prejudice the scope, objectivity and quality of future audit work.
- d) **Compliance audit:** A review covering the operation of controls in place to fulfil statutory, good practice or policy compliance obligations.
- e) **Quality assurance review:** The approach of other reviewers / assurance providers are assessed in order to form an opinion on the reliance that can be placed on the findings and conclusions arising from their work.
- f) **Follow up review:** The Joint Internal Audit Team facilitate the organisation's monitoring of implementation of agreed management actions, reporting on progress quarterly to the JIAC. If required, individual follow up assignments will be commissioned to review areas that receive a "limited" or "minimal" assurance rating.
- g) **Fraud and irregularity investigations:** The Joint Internal Audit Team may provide specialist skills and knowledge to assist in fraud or irregularity investigations, or to ascertain the effectiveness of fraud prevention controls and detection processes. At TVP, the responsibility for undertaking fraud investigations sits with the Professional Standards Department.
- h) **Additional assurance:** The availability of objective assurance from other independent internal review functions or external review bodies will be considered to support the Chief Internal Auditor's Annual Report and Opinion Statement.

The Police and Crime Commissioner for Thames Valley Group

Year ended 31 March 2022

Outline audit planning report

March 2022

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Private and Confidential

March 2022

The Office of Police and Crime Commissioner and Chief Constable
Thames Valley Police
Kidlington, OX5 2NX

Dear Matthew and John

We are pleased to attach our Outline Audit Plan which sets out how we intend to carry out our responsibilities as auditor. Its purpose is to provide the Joint Independent Audit Committee (JIAC) with a basis to review our proposed audit approach and scope for the 2021/22 audit in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2020 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards and other professional requirements. It is also to ensure that our audit is aligned with the Committee's service expectations.

This Plan summarises our initial assessment of the key risks driving the development of an effective audit for the Police and Crime Commissioner (PCC) and the Chief Constable (CC) of Thames Valley, and outlines our planned audit strategy in response to those risks. We have yet to complete our detailed audit planning and will report any changes to risks and areas of focus to the next Committee meeting.

This report is intended solely for the information and use of the JIAC and management, and is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 18 March 2022 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Andrew Brittain
Associate Partner
For and on behalf of Ernst & Young LLP
Enc

Contents



Public Sector Audit Appointments Ltd (PSAA) issued the "Statement of responsibilities of auditors and audited bodies". It is available from the PSAA website (<https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The "Terms of Appointment and further guidance (updated July 2021)" issued by the PSAA (<https://www.psa.co.uk/managing-audit-quality/terms-of-appointment/terms-of-appointment-and-further-guidance-1-july-2021/>) sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the JIAC and management of the Thames Valley Police in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the JIAC and management of Thames Valley Police those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the JIAC and management of Thames Valley Police for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01

Overview of our 2021/22 audit strategy





Overview of our 2021/22 audit strategy

The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the Joint Independent Audit Committee with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Audit risks and areas of focus

Risk / area of focus	Risk identified	Change from PY	Details
Misstatements due to fraud or error	Fraud risk	No change in risk or focus	There is a risk that the financial statements as a whole are not free from material misstatement whether caused by fraud or error. We perform mandatory procedures, regardless of specifically identified fraud risks.
Incorrect capitalisation of revenue expenditure	Fraud risk	No change in risk or focus	Under ISA 240, there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.
Valuation of land and buildings	Inherent risk	No change in risk or focus	The fair value of land and buildings represents a significant balance in the PCC's accounts and is subject to valuation changes, impairment reviews and depreciation charges. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet. The valuation of land and buildings remains an inherent audit risk.
Pension liability valuation	Inherent risk	No change in risk or focus	The pension fund deficit is a material estimate that is disclosed on the balance sheet. It involves significant estimation and judgement which management engages an actuary to undertake.

Overview of our 2021/22 audit strategy

The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the Joint Independent Audit Committee with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Audit risks and areas of focus

Risk / area of focus	Risk identified	Change from PY	Details
Going concern disclosure	Inherent risk	No change in risk or focus	The financial landscape for the PCC and CC remains challenging and they will need to undertake a going concern assessment covering a period up to 12 months from the expected date of final authorisation. They will also need to make an appropriate disclosure in the financial statements. In addition, the auditing standard on going concern requires a challenge from auditors on the assertions being made by management.
Implementation of IFRS16 Leases	Inherent risk	New inherent risk	<p>The implementation of IFRS 16 has currently been deferred to the 2022/23 Code and will apply from 1 April 2022, subject to a live consultation as to whether defer an additional year. The standard is expected to have significant practical and financial impact due to the prevalence of leasing and the risk that the changes could have a budgetary impact if not managed effectively.</p> <p>Although IFRS 16 will not come into effect before 1 April 2022, the Code of Practice on Local Authority Accounting will require local authorities to disclose information relating to the impact of the accounting change, where a new standard has been published but has not yet been adopted by the Code.</p>



Overview of our 2021/22 audit strategy

Materiality

£m	Group	CC	PCC
Planning materiality - 1.8% gross revenue spend / gross assets of PC	£12.6m	£12.2m	£7m
Performance materiality - 75% above	£9.45m	£9.16m	£5.2m
Audit differences - 5% of planning materiality	£0.63m	£0.61m	£0.35m

We have made no changes to the basis of determining materiality or the percentages used. This assumes there have been no changes from the prior year and reflects our view that PCC and CC's financial statements are not under increased scrutiny from stakeholders (such as the Home Office) and we expect the quality of the financial statements to be good and that they will be free from material misstatement.

We will keep materiality under review and update our calculations on receipt of the draft statement of accounts.

We will report all uncorrected misstatements relating to the primary statements (comprehensive income and expenditure statement, balance sheet, movement in reserves statement, cash flow statement and police pension fund financial statements) greater than the audit difference figures quoted above. Other misstatements identified will be communicated to the extent that they merit the attention of the Joint Independent Audit Committee.

Overview of our 2021/22 audit strategy

Audit scope

This Audit Plan covers the work that we plan to perform to provide you with:

- Our audit opinion on whether the financial statements of the PCC and CC give a true and fair view of the financial position as at 31 March 2022 and of the income and expenditure for the year then ended; and
- Our commentary on your arrangements to secure value for money in your use of resources for the relevant period. We include further details on VFM in Section 03.

We will also review and report to the National Audit Office (NAO), to the extent and in the form required by them, on the PCC and CC's Whole of Government Accounts return.

Our audit will also include the mandatory procedures that we are required to perform in accordance with applicable laws and auditing standards.

When planning the audit we take into account several key inputs:

- Strategic, operational and financial risks relevant to the financial statements;
- Developments in financial reporting and auditing standards;
- The quality of systems and processes;
- Changes in the business and regulatory environment; and,
- Management's views on all of the above.

By considering these inputs, our audit is focused on the areas that matter and our feedback is more likely to be relevant to the PCC and CC.

Taking the above into account, and as articulated in this Audit Plan, our professional responsibilities require us to independently assess the risks associated with providing an audit opinion and undertake appropriate procedures in response to that. Our Terms of Appointment with PSAA allow them to vary the fee dependent on "the auditors assessment of risk and the work needed to meet their professional responsibilities". PSAA are aware that the setting of scale fees has not kept pace with the changing requirements of external audit with increased focus on, for example, the valuations of land and buildings, the auditing of groups, the valuation of pension obligations, the introduction of new accounting standards such as IFRS 9 and 15 in recent years as well as the expansion of factors impacting ISA 540 (revised) and the value for money conclusion. Therefore to the extent any of these or any other risks are relevant in the context of the PCC and CC's audit, we will discuss these with management as to the impact on the scale fee.

Effects of climate-related matters on financial statements and Value for Money arrangements

Public interest in climate change is increasing. We are mindful that climate-related risks may have a long timeframe and therefore while risks exist, the impact on the current period financial statements may not be immediately material to an entity. It is nevertheless important to understand the relevant risks to make this evaluation. In addition, understanding climate-related risks may be relevant in the context of qualitative disclosures in the notes to the financial statements and value for money arrangements.

We make inquiries regarding climate-related risks on every audit as part of understanding the entity and its environment. As we re-evaluate our risk assessments throughout the audit, we continually consider the information that we have obtained to help us assess the level of inherent risk.

Overview of our 2021/22 audit strategy

Value for money conclusion

We include details in Section 03, but in summary:

- We are required to consider whether the PCC and CC have made 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources.
- Planning on value for money and the associated risk assessment is focused on gathering sufficient evidence to enable us to document our evaluation of the PCC and CC's arrangements, to enable us to draft a commentary under three reporting criteria (see below). This includes identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations.
- We will provide a commentary on the PCC and CC's arrangements against three reporting criteria:
 - **Financial sustainability** - How the PCC and CC plans and manages its resources to ensure it can continue to deliver its services;
 - **Governance** - How the PCC and CC ensures that it makes informed decisions and properly manages its risks; and
 - **Improving economy, efficiency and effectiveness** - How the PCC and CC uses information about its costs and performance to improve the way it manages and delivers its services.
- The commentary on VFM arrangements will be included in the Auditor's Annual Report.

Timeline

The Ministry of Housing, Communities and Local Government established regulations to extend the target date for publishing audited local authority accounts from 31 July to 30 September, for a period of two years (i.e. covering the audit of the 2020/21 and 2021/22 accounting years).

In December 2021, the Department for Levelling Up, Housing and Communities (DLUHC) announced proposals to extend the deadline for the publication of audited accounts to 30 November for 2021/22.

We are working with the PCC and CC to deliver the audit ahead of 30 November. In Section 07 we include a provisional timeline for the audit.



02

Audit risks



Audit risks

Our response to significant risks

We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

<p>Misstatements due to fraud or error*</p>	<p>What is the risk?</p>	<p>What will we do?</p>
	<p>The financial statements as a whole are not free of material misstatements whether caused by fraud or error.</p> <p>As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.</p>	<ul style="list-style-type: none"> ▶ Identifying fraud risks during the planning stages. ▶ Inquiry of management about risks of fraud and the controls put in place to address those risks ▶ Understanding the oversight given by those charged with governance of management's processes over fraud ▶ Consideration of the effectiveness of management's controls designed to address the risk of fraud ▶ Determining an appropriate strategy to address those identified risks of fraud. <p>Perform mandatory procedures regardless of specifically identified fraud risks, including:</p> <ul style="list-style-type: none"> ▶ Testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements ▶ Assessing accounting estimates for evidence of management bias, and ▶ Evaluating the business rationale for significant unusual transactions. <p>We will utilise our data analytics capabilities to assist with our work.</p> <p>Having evaluated this risk we have considered whether we need to perform other audit procedures not referred to above. We concluded that only those procedures included under 'Inappropriate capitalisation of revenue expenditure' are required.</p>

Audit risks

Our response to significant risks (continued)

We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

Incorrect capitalisation of revenue expenditure*

Financial statement impact

We have assessed that the risk of misreporting revenue outturn in the financial statements is most likely to be achieved through:

- ▶ Revenue expenditure being inappropriately recognised as capital expenditure at the point it is posted to the general ledger.
- ▶ Expenditure being inappropriately transferred by journal from revenue to capital codes on the general ledger at the end of the year.

If this were to happen it would have the impact of understating revenue expenditure and overstating property, plant and equipment (PPE) additions and/or Revenue Expenditure Financed as Capital Under Statute (REFCUS) in the financial statements.

What is the risk?

Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We have identified an opportunity and incentive to capitalise expenditure under the accounting framework, to remove it from the general fund. In arriving at this conclusion we have considered the continuing pressure on the revenue budget and the financial value of the annual capital programme, which is many times our materiality level.

This could result in funding of expenditure that should properly be defined as revenue, through inappropriate sources such as capital receipts, capital grants or borrowing.

What will we do?

We will:

- ▶ Test property plant and equipment (PPE) additions, and REFCUS if material, to ensure that the expenditure incurred and capitalised is clearly capital in nature or appropriate to be treated as REFCUS.
- ▶ Seek to identify and understand the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.

We will utilise our data analytics capabilities to assist with our work, including journal entry testing. We will assess journal entries more generally for evidence of management bias and evaluate for business rationale.

Audit risks

Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures and therefore may be key audit matters we will include in our audit report.

What is the risk/area of focus?

Valuation of land and buildings (including investment properties)

At 31 March 2021, the value of PCC and CC's land and buildings was £210 million and represents the largest balance in the accounts. It is subject to valuation changes, impairment reviews and depreciation charges. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.

For 2021/22, the PCC and CC continue to engage an external valuation expert to support the valuation of these assets. As this is one of the largest accounting estimates on the balance sheet, and one dependent on a high degree of subjectivity, we deem the valuation of property, plant and equipment to represent an inherent risk of material misstatement.

At the time of writing this report, CIPFA has an emergency consultation in place to allow local authorities to pause professional valuations for operational property, plant and equipment. We will amend our audit approach accordingly if this is approved.

Pension liability valuation

The Local Authority Accounting Code of Practice and IAS19 requires the CC to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by Buckinghamshire Council. The PCC must also do similar in respect of the Police Pension Fund.

The PCC and CC's pension fund deficit is a material estimated balance and the Code requires that this liability be disclosed on the PCC and CC's balance sheet. At 31 March 2021, this totalled £5,062 million.

The information disclosed is based on the IAS 19 report issued to the PCC and CC by the actuary to Buckinghamshire Council and also the Police Pension Fund.

Accounting for these schemes involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.

What will we do?

We will:

- ▶ Consider the work performed by the PCC and CC's valuers, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work;
- ▶ Sample testing key asset information used by the valuers in performing their valuation (e.g. floor plans to support valuations based on price per square metre);
- ▶ Consider the annual cycle of valuations to ensure that assets have been valued within a 5 year rolling programme as required by the Code for PPE and annually for investment properties. We will consider if there are any specific changes to assets that have occurred and that these have been communicated to the valuer;
- ▶ Review assets not subject to valuation in 2021/22 to confirm that the remaining asset base is not materially misstated;
- ▶ Consider changes to useful economic lives as a result of the most recent valuation; and
- ▶ Test accounting entries have been correctly processed in the financial statements
- ▶ Consider using our EY Real Estates team if we believe it is necessary.

We will:

- ▶ Liaise with the auditors of Buckinghamshire Council Pension Fund, to obtain assurances over the information supplied to the actuary in relation to Thames Valley Police;
- ▶ Assess the work of the Pension Fund actuary (Barnet Waddingham) and the Police Pension actuary (GAD) including the assumptions they have used by relying on the work of PWC - Consulting Actuaries commissioned by the National Audit Office for all Local Government sector auditors, and considering any relevant reviews by the EY actuarial team including the review of the PwC report;
- ▶ Evaluate the reasonableness of the Pension Fund actuary's calculations by comparing them to the outputs of our own auditor's actuarial model; and
- ▶ Review and test the accounting entries and disclosures made within the PCC and CC's financial statements in relation to IAS19.



Audit risks

Other areas of audit focus (continued)

What is the risk/area of focus?

Going concern disclosure

There is a presumption that the PCC and CC will continue as a going concern for the foreseeable future. However, both the PCC and CC are required to carry out a going concern assessment that is proportionate to the risks they face. In light of the continued impact of Covid-19 on day to day finances, annual budgets, cashflow and the medium term financial strategy, there is a need for the PCC and CC to ensure their going concern assessments are thorough and appropriately comprehensive.

The PCC and CC are then required to ensure that their going concern disclosures within the statement of accounts adequately reflects their going concern assessment and in particular highlights any uncertainties identified. The auditing standard in relation to going concern (ISA570) requires a challenge from auditors on the assertions being made by management.

What will we do?

We will meet the requirements of the revised auditing standard on going concern (ISA 570) and consider the adequacy of the PCC and CC's going concern assessment and its disclosure in the accounts by:

- ▶ Challenging management's identification of events or conditions impacting going concern.
- ▶ Testing management's resulting assessment of going concern by evaluating supporting evidence (including consideration of the risk of management bias).
- ▶ Reviewing the cashflow forecast covering the foreseeable future, to ensure that it has sufficient liquidity to continue to operate as a going concern.
- ▶ Undertaking a 'stand back' review to consider all of the evidence obtained, whether corroborative or contradictory, when we draw our conclusions on going concern.
- ▶ Challenging the disclosure made in the accounts in respect of going concern and any material uncertainties.



Audit risks

Other areas of audit focus (continued)

What is the risk/area of focus?

Adoption of IFRS 16 leases in 2022/23

The Financial Reporting Standard IFRS 16 Leases, will become effective for local authorities from 1 April 2022 to replace the existing IAS 17.

The new standard will eliminate the traditional distinction between operating and finance leases and to bring in a single approach under which all substantial leases are recognised on the balance sheet.

Finance leases have effectively been accounted for as acquisitions (with the asset on the balance sheet, together with a liability to pay for the asset acquired). In contrast, operating leases have been treated as “pay as you go” arrangements, with rentals expensed in the year they are paid. IFRS 16 requires all substantial leases to be accounted for using the acquisition approach, recognising the rights acquired to use an asset.

An appendix to the 2021/22 Code, sets out the changes agreed by CIPFA/LASAAC in relation to the adoption of IFRS 16, including:

- ▶ the identification of leases
- ▶ the recognition of right-of-use assets and liabilities and their subsequent measurement
- ▶ derecognition and presentation and disclosure in the financial statements
- ▶ the consequential changes to other sections of the Code.

The guidance also covers the transitional arrangements for moving to these new requirements, such as:

- ▶ the recognition of right-of-use assets and liabilities for leases previously accounted for as operating leases by lessees
- ▶ the mechanics of making the transition in the 2021/22 financial statements (including the application of transitional provisions and the preparation of relevant disclosure notes).

The new accounting standard introduces a number of significant changes which go beyond accounting technicalities. For example, the changes have the potential to impact on procurement processes as more information becomes available on the real cost of leases.

The key accounting impact is that assets and liabilities in relation to significant lease arrangements previously accounted for as operating leases will need to be recognised on the balance sheet. Hence, work will be necessary to secure the relevant information to enable local authorities to fully assess their leasing position and to ensure compliance with the standard from 1 April 2022.

Although IFRS 16 does not come into effect until 1 April 2022, the Code of Practice on Local Authority Accounting requires local authorities to disclose information relating to the impact of the accounting change, where a new standard has been published but has not yet been adopted by the Code.

What will we do?

We will review the PCC and CC’s preparations for implementation of IFRS 16 Leases. In particular, we will assess the PCC and CC’s arrangements to consider:

- ▶ all leases which need to be accounted for;
- ▶ the costs and lease term which apply to the lease;
- ▶ the policy choices adopted by the PCC and CC;
- ▶ the value of the asset and liability to be recognised as at 1 April 2022 where a lease has previously been accounted for as an operating lease;
- ▶ the ongoing accounting arrangements/models to ensure that the initial recognition and subsequent measurement of rights of use asserts and associated liabilities are properly accounted for; and,
- ▶ whether there is a system in place to distinguish between remeasurements and modifications of a lease.

We will consider the adequacy of the PCC and CC’s disclosure in the accounts and reasonableness of the impact estimated by management.

At the time of writing this report, there is a CIPFA emergency consultation taking place and one of the items relates to the possible further delay of the implementation of IFRS16. If this is actioned, we will amend our audit approach accordingly.



03

Value for Money Risks



Value for Money

PCC and CC's responsibilities for value for money

The PCC and CC are required to maintain an effective system of internal control that supports the achievement of their policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at their disposal.

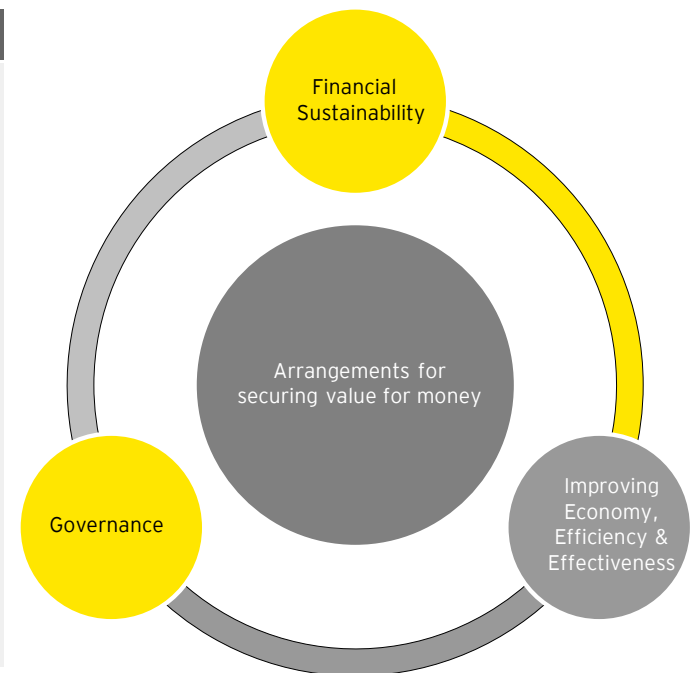
As part of the material published with the financial statements, both the PCC and CC are required to bring together commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the PCC and CC tailor the content to reflect their own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

Auditor responsibilities

Under the NAO Code of Audit Practice, we are required to consider whether the PCC and CC have put in place 'proper arrangements' to secure economy, efficiency and effectiveness in their use of resources. The Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the PCC and CC a commentary against specified reporting criteria (see below) on the arrangements the PCC and CC has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

- **Financial sustainability** - How the PCC and CC plan and manages their resources to ensure they can continue to deliver their services.
- **Governance** - How the PCC and CC ensures that they make informed decisions and properly manages risks.
- **Improving economy, efficiency and effectiveness** - How the PCC and CC use information about their costs and performance to improve the way they manages and delivers services.





Planning and identifying risks of significant weakness in VFM arrangements

The NAO's guidance notes requires us to carry out a risk assessment which gathers sufficient evidence to enable us to document our evaluation of the PCC and CC's arrangements, in order to enable us to draft a commentary under the three reporting criteria. This includes identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations.

In considering the PCC and CC's arrangements, we are required to consider:

- The PCC and CC's governance statement;
- Evidence that the PCC and CC's arrangements were in place during the reporting period;
- Evidence obtained from our work on the accounts;
- The work of inspectorates and other bodies; and
- Any other evidence source that we regards as necessary to facilitate the performance of our statutory duties.

We then consider whether there is evidence to suggest that there are significant weaknesses in arrangements. The NAO's guidance is clear that the assessment of what constitutes a significant weakness and the amount of additional audit work required to adequately respond to the risk of a significant weakness in arrangements is a matter of professional judgement. However, the NAO states that a weakness may be said to be significant if it:

- Exposes - or could reasonably be expected to expose - the PCC and CC to significant financial loss or risk;
- Leads to - or could reasonably be expected to lead to - significant impact on the quality or effectiveness of service or on the PCC and CC's reputation;
- Leads to - or could reasonably be expected to lead to - unlawful actions; or
- Identifies a failure to take action to address a previously identified significant weakness, such as failure to implement or achieve planned progress on action/improvement plans.

We should also be informed by a consideration of:

- The magnitude of the issue in relation to the size of the PCC and CC;
- Financial consequences in comparison to, for example, levels of income or expenditure, levels of reserves (where applicable), or impact on budgets or cashflow forecasts;
- The impact of the weakness on the PCC and CC's reported performance;
- Whether the issue has been identified by the PCC and CC's own internal arrangements and what corrective action has been taken or planned;
- Whether any legal judgements have been made including judicial review;
- Whether there has been any intervention by a regulator or Secretary of State;
- Whether the weakness could be considered significant when assessed against the nature, visibility or sensitivity of the issue;
- The impact on delivery of services to local taxpayers; and
- The length of time the PCC and CC has had to respond to the issue.



Value for Money

Responding to identified risks of significant weakness

Where our planning work has identified a risk of significant weakness, the NAO's guidance requires us to consider what additional evidence is needed to determine whether there is a significant weakness in arrangements and undertake additional procedures as necessary, including where appropriate, challenge of management's assumptions. We are required to report our planned procedures to the Joint Independent Audit Committee.

Reporting on VFM

Where we are not satisfied that the PCC and CC has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources the Code requires that we should refer to this by exception in the audit report on the financial statements.

In addition, the Code requires us to include the commentary on arrangements in the Auditor's Annual Report. The Code states that the commentary should be clear, readily understandable and highlight any issues we wish to draw to the PCC and CC's attention or the wider public. This should include details of any recommendations arising from the audit and follow-up of recommendations issued previously, along with our view as to whether they have been implemented satisfactorily.

Status of our 2021/22 VFM planning

We have yet to complete our detailed VFM planning.

We will update the next Joint Independent Audit Committee meeting on the outcome of our VFM planning and our planned response to any identified risks of significant weaknesses in arrangements.



04

Audit materiality

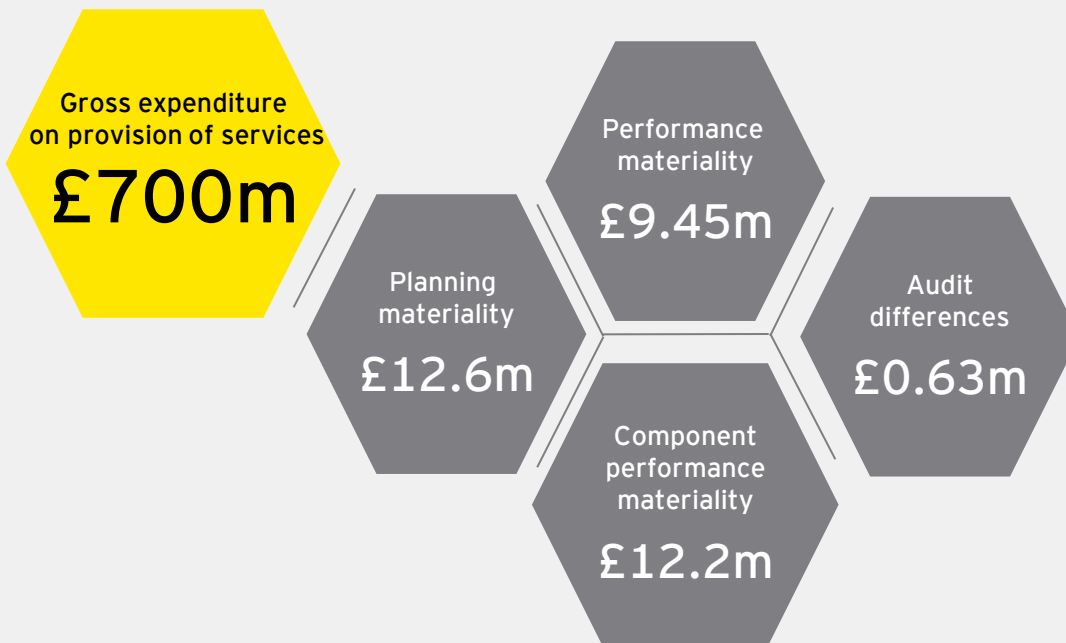


Audit materiality

Materiality

Materiality

For planning purposes, materiality for the PCC Group and CC Single Entity for 2021/22 has been set at £12.6 million and £12.2 million respectively. This represents 1.8% of the PCC Group and CC Single Entity's prior year gross expenditure on provision of services. We have set materiality for the PCC Single Entity at 1.8% of prior year net assets at £7 million. Materiality will be reassessed throughout the audit process. This is no change from the prior year on the basis PCC and CC meets the Local Audit & Accountability Act 2014 criteria for a major local audit based on its size. We have provided supplemental information about audit materiality in Appendix C.



We request that the Joint Independent Audit Committee confirm its understanding of, and agreement to, these materiality and reporting levels.

Key definitions

Planning materiality - the amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements.

Performance materiality - the amount we use to determine the extent of our audit procedures. We have used the same basis for assessment as the prior year.

Component performance materiality range - we determine component performance materiality as a percentage of Group performance materiality based on risk and relative size to the Group.

Audit difference threshold - we propose that misstatements identified below this threshold are deemed clearly trivial. The same threshold for misstatements is used for component reporting. We will report to you all uncorrected misstatements over this amount relating to the comprehensive income and expenditure statement, balance sheet and police pension fund financial statements that have an effect on income or that relate to other comprehensive income.

Other uncorrected misstatements, such as reclassifications and misstatements in the cashflow statement and movement in reserves statement or disclosures, and corrected misstatements will be communicated to the extent that they merit the attention of the Joint Independent Audit Committee, or are important from a qualitative perspective.

Specific materiality - We can set a lower materiality for specific account balance/disclosure e.g. remuneration disclosures, related party transactions and exit packages which reflects our understanding that an amount less than our materiality would influence the economic decisions of users of the financial statements in relation to this. Where we do this we will notify you.



05

Scope of our audit



Scope of our audit

Our Audit Process and Strategy

Objective and Scope of our Audit scoping

Under the Code of Audit Practice, our principal objectives are to undertake work to support the provision of our audit report to the audited body and to satisfy ourselves that the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources to the extent required by the relevant legislation and the requirements of the Code.

We issue an audit report that covers:

1. Financial statement audit

Our opinion on the financial statements:

- whether the 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
- whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

Our opinion on other matters:

- whether other information published together with the audited financial statements is consistent with the financial statements; and
- where required, whether the part of the remuneration report to be audited has been properly prepared in accordance with the relevant accounting and reporting framework.

Other procedures required by the Code:

- Examine and report on the consistency of the Whole of Government Accounts schedules or returns with the body's audited financial statements for the relevant reporting period in line with the instructions issued by the NAO.

2. Arrangements for securing economy, efficiency and effectiveness (value for money)

As outlined in Section 03, we are required to consider whether the PCC and CC has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

Scope of our audit

Our Audit Process and Strategy (continued)

Audit Process Overview

Our audit involves:

- ▶ Identifying and understanding the key processes and internal controls; and
- ▶ Substantive tests of detail of transactions and amounts.

For 2021/22, we plan to follow a substantive approach to the audit as we have concluded this is the most efficient way to obtain the level of audit assurance required to conclude that the financial statements are not materially misstated.

Analytics:

We will use our computer-based analytics tools to enable us to capture whole populations of your financial data, in particular journal entries. These tools:

- ▶ Help identify specific exceptions and anomalies which can then be subject to more traditional substantive audit tests; and
- ▶ Give greater likelihood of identifying errors than random sampling techniques.

We will report the findings from our process and analytics work, including any significant weaknesses or inefficiencies identified and recommendations for improvement, to management and the Joint Independent Audit Committee.

Internal audit:

We will review internal audit plans and the results of their work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our detailed audit plan, where they raise issues that could have an impact on the financial statements.



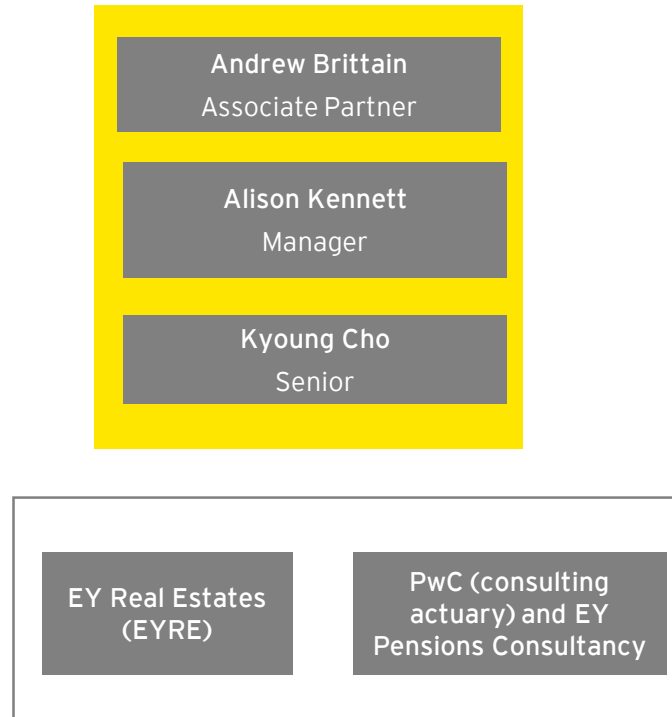
Audit team



Audit team

Audit team

Audit team structure:



Audit team

Use of specialists

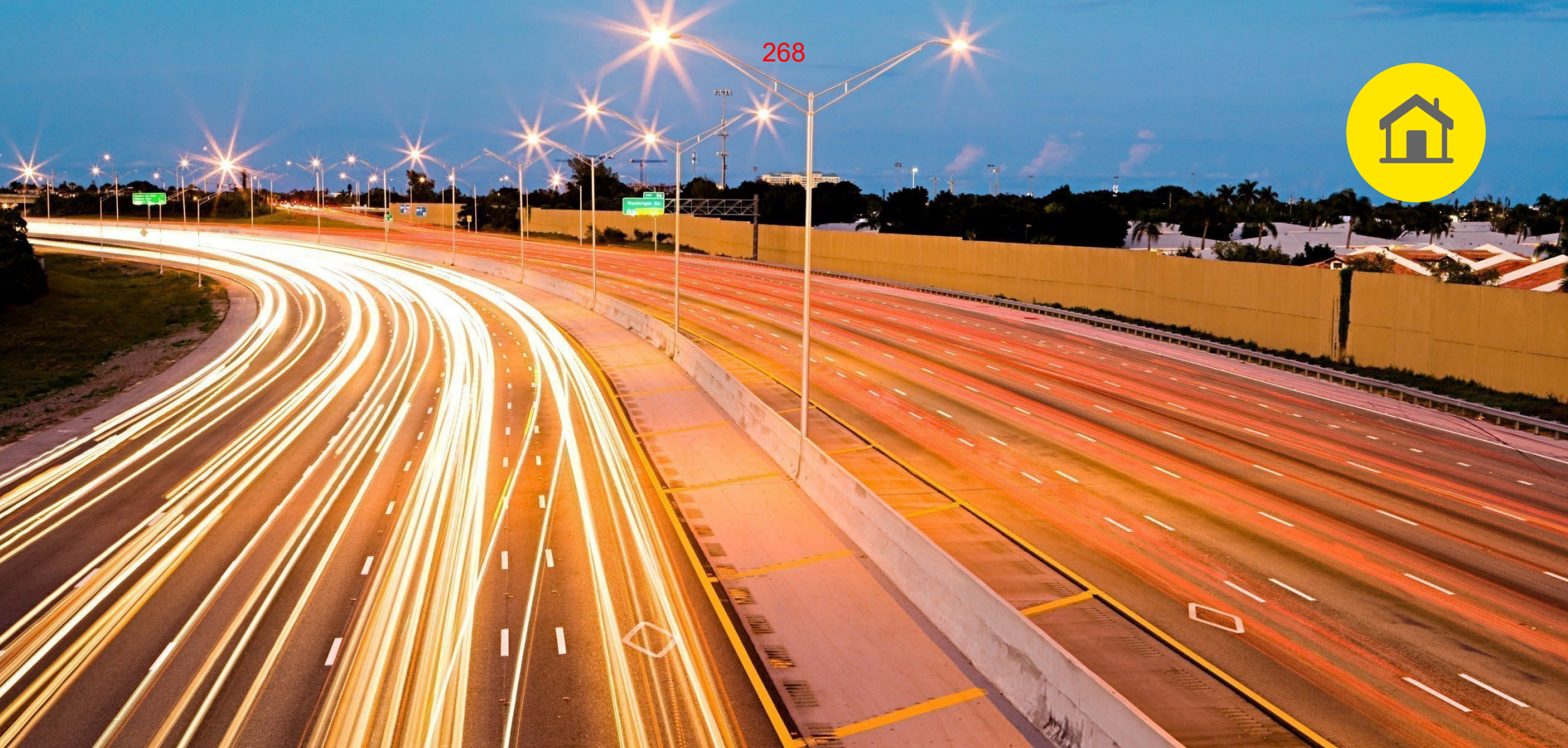
When auditing key judgements, we are often required to rely on the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where either EY or third party specialists provide input for the current year audit are:

Area	Specialists
Valuation of land and buildings	Management's third party specialists - Lambert Smith Hampton EY Valuations Team - EY Real Estates
Pensions disclosure	Management's third party specialists - Barnett Waddingham and Government Actuarial Department (GAD) Grant Thornton LLP - auditor at Buckinghamshire Council Pension Fund (administrators of the Local Government Pension Scheme of which the PCC and the CC is an admitted member) EY Pensions Consultancy and PWC (commissioned by the NAO to undertake a review of Local Government Actuaries)
Insurance fund valuation	Management's third party specialist - Marsh

In accordance with Auditing Standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the PCC and CC's business and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- ▶ Analyse source data and make inquiries as to the procedures used by the specialist to establish whether the source data is relevant and reliable;
- ▶ Assess the reasonableness of the assumptions and methods used;
- ▶ Consider the appropriateness of the timing of when the specialist carried out the work; and
- ▶ Assess whether the substance of the specialist's findings are properly reflected in the financial statements.



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07

Audit timeline



Audit timeline

Timetable of communication and deliverables

Timeline

Below is a timetable showing the key stages of the audit and the deliverables we have agreed to provide to you through the audit cycle in 201x/xx.

From time to time matters may arise that require immediate communication with the [Audit Committee](#) and we will discuss them with the [Audit Committee Chair](#) as appropriate. We will also provide updates on corporate governance and regulatory matters as necessary.

Audit phase	Timetable	Audit committee timetable	Deliverables
Initial Planning: Risk assessment and setting of scopes.	March 2022	Joint Independent Audit Committee Meeting	Outline Audit Plan
Completion of initial planning	March		
Interim audit testing	March		
	April		
	May		
Year end audit Audit Completion procedures	June	Joint Independent Audit Committee Meeting	Updated Audit Plan
Year end audit Audit Completion procedures	July	Joint Independent Audit Committee Meeting	Audit Results Report Audit opinions and completion certificates
	August		
	September		
	October	Joint Independent Audit Committee Meeting	Auditor's Annual Report
	November		



08

Independence



Introduction

The FRC Ethical Standard and ISA (UK) 260 “Communication of audit matters with those charged with governance”, requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard, as revised in December 2019, requires that we communicate formally both at the planning stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

Required communications

Planning stage	Final stage
<ul style="list-style-type: none"> ▶ The principal threats, if any, to objectivity and independence identified by Ernst & Young (EY) including consideration of all relationships between you, your affiliates and directors and us; ▶ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review; ▶ The overall assessment of threats and safeguards; ▶ Information about the general policies and process within EY to maintain objectivity and independence. 	<ul style="list-style-type: none"> ▶ In order for you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, its affiliates, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed; ▶ Details of non-audit/additional services provided and the fees charged in relation thereto; ▶ Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us; ▶ Details of any non-audit/additional services to a UK PIE audit client where there are differences of professional opinion concerning the engagement between the Ethics Partner and Engagement Partner and where the final conclusion differs from the professional opinion of the Ethics Partner ▶ Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy; ▶ Details of all breaches of the IESBA Code of Ethics, the FRC Ethical Standard and professional standards, and of any safeguards applied and actions taken by EY to address any threats to independence; and ▶ An opportunity to discuss auditor independence issues.

In addition, during the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period, analysed in appropriate categories, are disclosed.

Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including the principal threats, if any. We have adopted the safeguards noted below to mitigate these threats along with the reasons why they are considered to be effective. However we will only perform non-audit services if the service has been pre-approved in accordance with your policy.

Overall Assessment

Overall, we consider that the safeguards that have been adopted appropriately mitigate the principal threats identified and we therefore confirm that EY is independent and the objectivity and independence of Andrew Brittain, your audit engagement partner and the audit engagement team have not been compromised.

Self interest threats

A self interest threat arises when EY has financial or other interests in the PCC and CC. Examples include where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with you. At the time of writing, there are no long outstanding fees.

We believe that it is appropriate for us to undertake those permitted non-audit/additional services set out in Section 5.40 of the FRC Ethical Standard 2019 (FRC ES), and we will comply with the policies that you have approved.

When the ratio of non-audit fees to audit fees exceeds 1:1, we are required to discuss this with our Ethics Partner, as set out by the FRC ES, and if necessary agree additional safeguards or not accept the non-audit engagement. We will also discuss this with you.

A self interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to you. We confirm that no member of our audit engagement team, including those from other service lines, has objectives or is rewarded in relation to sales to you, in compliance with Ethical Standard part 4.

There are no self interest threats at the date of this report.

Self review threats

Self review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements.

There are no self review threats at the date of this report.

Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of the PCC and CC. Management threats may also arise during the provision of a non-audit service in relation to which management is required to make judgements or decision based on that work.

There are no management threats at the date of this report.

Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.



Other communications

EY Transparency Report 2021

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the year end 30 June 2021: https://www.ey.com/en_uk/about-us/transparency-report-2021



09

Appendices



Appendix A

Fees

The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

	Planned fee 2021/22	Final Fee 2020/21
	£	£
Total Fee - Code work	78,552 (Note 1)	78,552 (Note 1)
Additional fees: (Note 2)		
- Additional work on land & buildings	TBC	-
- VFM additional procedures	TBC	10,346
- Going concern assessment & disclosure	TBC	3,858
- EY internal consultation on audit report	TBC	2,364
- Revised auditing standards for estimates	TBC	4,578
- Accounting for C-19 related grants	TBC	1,703
Total audit	TBC	101,401
Other non-audit services not covered above	-	-
Total other non-audit services	-	-
Total fees	TBC	101,401

All fees exclude VAT

(1) The scale fee increase has been agreed with officers but is yet to be determined by the PSAA. (PSAA fee £45,652 + Agreed additional scale fee £32,900 = £78,552)

(2) The 2020/21 additional fees have been agreed with officers and remain subject to approval by PSAA.

We are driving greater innovation in the audit through the use of technology. The significant investment costs in this global technology continue to rise as we seek to provide enhanced assurance and insight in the audit.

The agreed fee presented is based on the following assumptions:

- Officers meeting the agreed timetable of deliverables;
- Our accounts opinion and value for money conclusion being unqualified;
- Appropriate quality of documentation is provided by the PCC and CC; and
- The PCC and CC has an effective control environment.





If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the PCC and CC in advance.

Fees for the auditor's consideration of correspondence from the public and formal objections will be charged in addition to the scale fee.

Appendix B





Required communications with the Joint Independent Audit Committee

We have detailed the communications that we must provide to the Joint independent Audit Committee.

		 Our Reporting to you
Required communications	 What is reported?	  When and where
Terms of engagement	Confirmation by the Joint Independent Audit Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Planning and audit approach	<p>Communication of the planned scope and timing of the audit, any limitations and the significant risks identified.</p> <p>When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team</p>	Outline Audit Plan, March 2022 meeting of the Joint Independent Audit Committee.
Significant findings from the audit	<ul style="list-style-type: none"> ▶ Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures ▶ Significant difficulties, if any, encountered during the audit ▶ Significant matters, if any, arising from the audit that were discussed with management ▶ Written representations that we are seeking ▶ Expected modifications to the audit report ▶ Other matters if any, significant to the oversight of the financial reporting process 	<p>Audit results report, July 2022 meeting of the Joint Independent Audit Committee.</p> <p>Auditor's Annual Report, October 2022 meeting of the Joint Independent Audit Committee.</p>

 Appendix B

Required communications with the Audit Committee (continued)

		 Our Reporting to you
Required communications	 What is reported?	  When and where
Going concern	Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including: <ul style="list-style-type: none"> ▶ Whether the events or conditions constitute a material uncertainty ▶ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▶ The adequacy of related disclosures in the financial statements 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Misstatements	<ul style="list-style-type: none"> ▶ Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation ▶ The effect of uncorrected misstatements related to prior periods ▶ A request that any uncorrected misstatement be corrected ▶ Material misstatements corrected by management 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Subsequent events	<ul style="list-style-type: none"> ▶ Enquiries of the Joint Independent Audit Committee where appropriate regarding whether any subsequent events have occurred that might affect the financial statements 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Fraud	<ul style="list-style-type: none"> ▶ Enquiries of the Joint Independent Audit Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity ▶ Any fraud that we have identified or information we have obtained that indicates that a fraud may exist ▶ Unless all of those charged with governance are involved in managing the entity, any identified or suspected fraud involving: <ol style="list-style-type: none"> a. Management; b. Employees who have significant roles in internal control; or c. Others where the fraud results in a material misstatement in the financial statements ▶ The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected ▶ Any other matters related to fraud, relevant to Joint Independent Audit Committee responsibility 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.

 Appendix B

Required communications with the Audit Committee (continued)

		Our Reporting to you
Required communications	What is reported?	When and where
Related parties	<ul style="list-style-type: none"> ▶ Significant matters arising during the audit in connection with the entity's related parties including, when applicable: ▶ Non-disclosure by management ▶ Inappropriate authorisation and approval of transactions ▶ Disagreement over disclosures ▶ Non-compliance with laws and regulations ▶ Difficulty in identifying the party that ultimately controls the entity 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Independence	<p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> ▶ The principal threats ▶ Safeguards adopted and their effectiveness ▶ An overall assessment of threats and safeguards ▶ Information about the general policies and process within the firm to maintain objectivity and independence <p>Communication whenever significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place.</p> <p>For public interest entities and listed companies, communication of minimum requirements as detailed in the FRC Revised Ethical Standard 2019:</p> <ul style="list-style-type: none"> ▶ Relationships between EY, the PCC and CC and senior management, its affiliates and its connected parties ▶ Services provided by EY that may reasonably bear on the auditors' objectivity and independence ▶ Related safeguards ▶ Fees charged by EY analysed into appropriate categories such as statutory audit fees, tax advisory fees, other non-audit service fees 	<p>Outline Audit Plan, March 2022 meeting of the Joint Independent Audit Committee.</p> <p>Audit Results Report, July 2022 meeting of the Joint Independent Audit Committee.</p>




 Appendix B

Required communications with the Audit Committee (continued)

		Our Reporting to you
Required communications	What is reported?	When and where
	<ul style="list-style-type: none"> ▶ A statement of compliance with the Ethical Standard, including any non-EY firms or external experts used in the audit ▶ Details of any inconsistencies between the Ethical Standard and Group's policy for the provision of non-audit services, and any apparent breach of that policy ▶ Details of any contingent fee arrangements for non-audit services ▶ Where EY has determined it is appropriate to apply more restrictive rules than permitted under the Ethical Standard ▶ The Joint Independent Audit Committee should also be provided an opportunity to discuss matters affecting auditor independence 	
External confirmations	<ul style="list-style-type: none"> ▶ Management's refusal for us to request confirmations ▶ Inability to obtain relevant and reliable audit evidence from other procedures 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Consideration of laws and regulations	<ul style="list-style-type: none"> ▶ Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur ▶ Enquiry of the Joint Independent Audit Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Joint Independent Audit Committee may be aware of 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Internal controls	<ul style="list-style-type: none"> ▶ Significant deficiencies in internal controls identified during the audit 	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.

Appendix B

Required communications with the Audit Committee (continued)

		 Our Reporting to you
Required communications	 What is reported?	 When and where
Representations	Written representations we are requesting from management and/or those charged with governance	Assurance Letter to be received shortly after year-end
Material inconsistencies and misstatements	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Audit results report, July 2022 meeting of the Joint Independent Audit Committee.
Auditors report	<ul style="list-style-type: none"> ▶ Any circumstances identified that affect the form and content of our auditor's report 	<p>Audit results report, July 2022 meeting of the Joint Independent Audit Committee.</p> <p>Auditor's Annual Report, October 2022 meeting of the Joint Independent Audit Committee.</p>
Fee Reporting	<ul style="list-style-type: none"> ▶ Breakdown of fee information when the audit plan is agreed ▶ Breakdown of fee information at the completion of the audit ▶ Any non-audit work 	<p>Outline Audit Plan, March 2022 meeting of the Joint Independent Audit Committee.</p> <p>Audit results report, July 2022 meeting of the Joint Independent Audit Committee.</p>
Value for Money	<ul style="list-style-type: none"> ▶ Risks of significant weakness identified in planning work ▶ Commentary against specified reporting criteria on the VFM arrangements, including any exception report on significant weaknesses. 	<p>Outline Audit Plan, March 2022 meeting of the Joint Independent Audit Committee.</p> <p>Audit results report, July 2022 meeting of the Joint Independent Audit Committee.</p> <p>Auditor's Annual Report, October 2022 meeting of the Joint Independent Audit Committee.</p>

 Appendix C

Additional audit information

Objective of our audit

Our objective is to form an opinion on the PCC and CC financial statements under International Standards on Auditing (UK) as prepared by you in accordance with with International Financial Reporting Standards as adopted by the EU, and as interpreted and adapted by the Code of Practice on Local Authority Accounting.

Our responsibilities in relation to the financial statement audit are set out in the formal terms of engagement between the PSAA's appointed auditors and audited bodies. We are responsible for forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of the Joint Independent Audit Committee. The audit does not relieve management or the Joint Independent Audit Committee of their responsibilities.

Other required procedures during the course of the audit

In addition to the key areas of audit focus outlined in section 2, we have to perform other procedures as required by auditing, ethical and independence standards and other regulations. We outline the procedures below that we will undertake during the course of our audit.

Our responsibilities required by auditing standards

- ▶ Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- ▶ Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the PCC and CC's internal control.
- ▶ Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Concluding on the appropriateness of management's use of the going concern basis of accounting.
- ▶ Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the PCC and CC to express an opinion on the consolidated financial statements. Reading other information contained in the financial statements, the Joint Independent Audit Committee reporting appropriately addresses matters communicated by us to the Joint Independent Audit Committee and reporting whether it is materially inconsistent with our understanding and the financial statements; and
- ▶ Maintaining auditor independence.

 Appendix C

Additional audit information (continued)

Other required procedures during the course of the audit (continued)

Procedures required by the Audit Code	<ul style="list-style-type: none"> ▶ Reviewing, and reporting on as appropriate, other information published with the financial statements, including the Annual Governance Statement. ▶ Examining and reporting on the consistency of consolidation schedules or returns with the PCC and CC's audited financial statements for the relevant reporting period
Other procedures	<ul style="list-style-type: none"> ▶ We are required to discharge our statutory duties and responsibilities as established by the Local Audit and Accountability Act 2014 and Code of Audit Practice

We have included in Appendix B a list of matters that we are required to communicate to you under professional standards.

Purpose and evaluation of materiality

For the purposes of determining whether the accounts are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements. Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.

Materiality determines the level of work performed on individual account balances and financial statement disclosures.

The amount we consider material at the end of the audit may differ from our initial determination. At this stage, however, it is not feasible to anticipate all of the circumstances that may ultimately influence our judgement about materiality. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the accounts, including the total effect of the audit misstatements we identify, and our evaluation of materiality at that date.

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JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT

**Risk Management & Business Continuity update
1 November 2021 – 31 January 2022**



OFFICIAL

Risk Management and Business Continuity Introduction

Effective risk management and business continuity management are parts of the foundations of good governance. A sound understanding of risks and their management is essential if Thames Valley Police (TVP) is to achieve its objectives, use resources effectively, and identify and exploit new business opportunities. Such risks include risks to the interruption of business continuity. Consequently, in common with all significant public and private sector bodies, the Force has established frameworks for ensuring that areas of risk and business continuity are identified and managed appropriately across its activities.

TVP's Risk Management approach derives from the principles and guidelines set out in ISO31000:2018 (Risk Management) and the National Decision Model. The key TVP governance documents are: Risk Management Strategy & Framework (October 2021); and Risk Management Policy (July 2021).

TVP's Business Continuity Management approach derives from the principles and guidelines set out in ISO22301:2019 (Security and Resilience – Business Continuity Management) and the National Decision Model. The key TVP governance documents are: Business Continuity Management Strategy & Framework (October 2021); and Business Continuity Management Policy (April 2021).

The Risk Management and Business Continuity central functions within the Strategic Governance Unit (SGU) form part of the Deputy Chief Constable's portfolio.

Ongoing scanning by SGU, including reviews of departmental and operational risk registers, enables the identification of strategic risks that are then assessed and scored with relevant business leads. The product of this process, including recommended actions, is presented to the CCMT Force Risk Management Group (FRMG). The FRMG considers and makes corporate decisions in relation to those risks and recommendations. Strategic risks can be either longer-term, fundamental risks of strategic importance or shorter-term, operational risks that have a very substantial impact or likelihood. In some instances, strategic risks may have crystallised and become issues. Such issues are customarily included in this report as risks.

On 9 February 2022, the Joint Terrorism Analysis Centre (JTAC) lowered the UK national Threat Level for terrorism to SUBSTANTIAL. This means that a terrorist attack is now considered "likely" (rather than "very likely", as it was under the SEVERE categorisation).

This report provides the information necessary for the Joint Independent Audit Committee (JIAC) to fulfil its function effectively. JIAC members are also welcome to review both the Force and local risk registers, or specific risk entries, by arrangement with the SGU team, who will arrange access to the live documents at Force headquarters.

Risk Scoring

All risks have been reviewed with input from the nominated risk owners (or risk leads where this responsibility has been delegated) and the SGU risk lead. Each risk has been assessed as to both its impact and its likelihood of crystallising using a simple four level scoring mechanism:

- Impact (I): Critical = 4; Major = 3; Moderate = 2; and Minimum = 1
- Likelihood (L): Probable (including where the risk has already crystallised and become an issue) = 4; Likely = 3; Possible = 2; and Unlikely = 1

A description is provided in the Appendix, for reference.

The overall risk score is the product of the Impact and Likelihood scores with the following broad classification:

	Critical	16
	Substantial	12
	Major	8 to 11
	Significant	4 to 8
	Moderate	3 to 4
	Minor	2
	Low	1

Overview of the Strategic Risks

The table below shows the direction of travel of each risk score and the current risk management status as considered by risk owners and subsequently reviewed and agreed by the FRMG.

The main movements since the last assessment as at end-October 2021 are as follows: SR 74 (Recruitment); SR 84 (Predicted Abstraction rates); SR 86 (Retention); and SR 89 (COVID-19 Welfare & Wellbeing). Former risk SR 97 (Missing & Exploitation) has been split into separate Missing Persons and People Exploitation risks (now SR 97a and SR 97b respectively) to help give more focus to each area going forward. Strategic risk SR 104 (HMRC 'Making Tax Digital') has been closed on the basis that the Aptos system upgrade went live in February and CCMT are confident that the system is performing effectively, sufficient to mitigate the risk. In addition, as agreed previously, strategic risk SR 56 (Livelink) has been closed and removed from this report.

Risk	Previous Risk Score (I x L)	Current Risk Score (I x L)	Trend	Risk Owner	Date raised	Current Risk Action
SR 81 – ESMCP (Emergency Services Mobile Communications Programme) Finance	12 (3x4)	12 (3x4)	↔	ACO Simkin / ACO Waters	Aug 2019	TREAT
SR 98 - Custody	11.2 (2.8x4)	11.2 (2.8x4)	↔	D/Supt. Kirby	Feb 2021	TREAT
SR 103 – Disclosure	11.2 (2.8x4)	11.2 (2.8x4)	↔	ACC De Meyer	July 2021	TREAT
SR 101 – IIOC Referrals	10.7 (2.7x4)	10.7 (2.7x4)	↔	C/Supt Weems	July 2021	TREAT
SR 100 – Court backlog	10 (2.5x4)	10 (2.5x4)	↔	D/Supt. Kirby	Apr 2021	TREAT
SR 85 - CSI Accreditation	9 (3x3)	9 (3x3)	↔	Kay Hannam	Feb 2020	TREAT
SR 89 - COVID-19 - Staff welfare and wellbeing	9 (3x3)	6 (3x2)	↓	T/ACO Kirby	Apr 2020	TREAT
SR 99 - Crime Data Integrity (CDI)	8.5 (2.8x3)	8.5 (2.8x3)	↔	DCC Hogg	Apr 2021	TREAT
SR 102 – Public Protection Unit (PPU) demand	8.4 (2.1x4)	8.4 (2.1x4)	↔	C/Supt Hunter	July 2021	TREAT
SR 84 – Predicted abstraction rates	8 (2x4)	8 (2x4)	↔	T/ACO Kirby / T/ACC Bunt	Aug 2019	TREAT
SR 95 - MASH backlog	7.5 (2.5x3)	7.5 (2.5x3)	↔	Supt. Knibbs	Aug 2020	TREAT
SR 69 - Funding	7.5 (3x2.5)	7.5 (3x2.5)	↔	ACO Waters	Jan 2015	TREAT
SR 97a – Missing Persons	7.5 (2.5x3)	7.5 (2.5x3)	↔	ACC De Meyer	Nov 2020	TREAT
SR 97b – People Exploitation	7.5 (2.5x3)	7.5 (2.5x3)	↔	ACC De Meyer	Nov 2020	TREAT
SR 86 - Retention	6	8	↑	T/ACO Kirby	Oct 2017	TREAT

Risk	Previous Risk Score (I x L)	Current Risk Score (I x L)	Trend	Risk Owner	Date raised	Current Risk Action
	(2x3)	(2x4)				
SR 77 - Released Under Investigation (RUI)	6 (2x3)	6 (2x3)	↔	ACC De Meyer	Sept 2018	TREAT
SR 82 - ESMCP Technical	6 (2x3)	6 (2x3)	↔	ACO Simkin / ACC Snuggs	Aug 2019	TREAT
SR 74 - Recruitment	6 (2x3)	8 (2x4)	↑	T/ACO Kirby	Oct 2017	TREAT
SR 105 – ICT Resourcing	6 (2x3)	6 (2x3)	↔	ACO Lattanzio	July 2021	TREAT
SR 87 - COVID-19 - Critical activities	4 (4x1)	3 (3x1)	↓	ACC Metcalfe	Apr 2020	TREAT
SR 91 - COVID-19 - Remote working	4.4 (2.2x2)	4.4 (2.2x2)	↔	ACO Lattanzio	Apr 2020	TREAT
SR 94 - COVID-19 - Reputation and public confidence damaged	4 (2x2)	4 (2x2)	↔	DCC Hogg	Apr 2020	TREAT
SR 92 - COVID-19 - Recovery of services	3 (3x1)	2 (2x1)	↔	T/ACC Metcalfe	Apr 2020	TREAT
SR 90 - COVID-19 - Change in policing demand	3 (3x1)	3 (3x1)	↔	C/Supt Kidman	Apr 2020	TREAT
SR 88 – COVID-19 BAU and Change activities	2 (2x1)	1.5 (1.5x1)	↔	T/ACC Metcalfe	Apr 2020	TREAT
SR 93 - COVID-19 - Unintended legal and regulatory breaches during COVID-19.	2 (2x1)	2 (2x1)	↔	DCC Hogg	Apr 2020	TREAT
SR 106 - Management of information assets in regional policing units		6.8 (1.7x4)	NEW	ACO Lattanzio	Dec 2021	TREAT

Strategic Risk Summary

This report contains updates for the period 1 November 2021 – 31 January 2022, the nearest quarter/month end to the February CCMT (including FRMG) meeting. The report reflect material points discussed at the FRMG meeting and other substantial updates. For noting, supporting documents (for example, Programme Board risk registers and additional papers) are available on request. The following three risks are highlighted for attention for this reporting period:

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
SR 98 – Custody	11.2 (2.8x4)	11.2 (2.8x4)	D/Supt Kirby	<p>The Custody resilience review was completed and presented to CCMT. The Force has moved to operating out of 6 suitable custody suites with a pop-up tactical option available. Overall, resilience is improving and there is less reliance on LPA resources. Operating an additional amended low risk custody model, diverting higher risk arrested persons to where HCPs are based and available.</p> <p>The Custody Sergeant position has improved since the last quarterly update. A new shift pattern was introduced on 1st February.</p> <p>In respect of Detention Officer resilience, there has been agreement to increasing the resources from a base of 120 up to a level of 140, and noting that five or six existing officers are due to leave the Force in the near future. It is estimated to take six months or so to reach 140 officers trained and in situ.</p>
SR 74 – Recruitment	6 (2x3)	8 (2x4)	T/ACO Kirby	<p>This risk has increased further due to the force's current vacancy position and difficulty in recruiting sufficient numbers of police staff.</p> <p>Due to the current labour market, the force is experiencing significant difficulties in recruiting to police staff roles, resulting in the force carrying 265 FTE excess police staff vacancies. Proportionally, the largest number of</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>vacancies are held in Finance, SEROCU/CTPSE, and LP (due to a reduction in PCSO and PSI numbers). The People Directorate is reviewing the force's approach reward and remuneration with a view to identifying changes that will improve attraction to the force.</p> <p>The force also continues to experience challenges in recruiting officers to meet its Uplift requirements. Our current pessimistic forecast is that, due to inclusion of regional numbers, the force would deliver a shortfall of 22 FTE at the end of this financial year. Candidate attrition has risen recently from a ratio of 4 applicants to every one successful new starter to 6 applicants to one new starter. Analysis of candidate attrition suggests that the length of the process is the biggest contributing factor. As a mitigation to this risk, the force has negotiated with the College of Policing to reduce the turnaround time for our Assessment Centre (OAP) results, by a further 3 weeks enabling us to start processing successful candidates more quickly. We have engaged with Police Now which has enabled us to increase the size of the March National Detective Programme (NDP) cohort from 15 to a maximum of 20.</p> <p>TVP is linking in with other Forces re any surplus recruits they have that may consider TVP rather than wait for the start dates in their host Force. Conversations are ongoing with both West Midlands and Northamptonshire Police in this regard. To meet 22/23 Uplift requirements, we have set our current intake plan at 29 PEQF intakes, 6 transferee/rejoiner intakes and two cohorts of Police Now delivering 675 new recruits. We also have two contingency PEQF intakes built into the plan delivering a further 40 recruits if required to</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>account for fluctuations in forecasted turnover or lower than predicted numbers on intakes. We will also continue with the IPLDP+ route of entry as long as the license allows. Our intention is to run at least 4 of these intakes (including a specialist Police Staff Investigator to DC intake) in the first quarter of 22/23 delivering a further 80 new recruits. Of these intakes 7 PEQF, 2 transferee/rejoiner and 4 IPLDP+ are scheduled for the first quarter of 22/23 delivering 240 new recruits, sufficient to make up the shortfall from 21/22 whilst keeping us on track to meet our 22/23 targets.</p> <p>The force continues to experience challenges in filling intakes due to applicant holidays, driving test backlogs and delays to medical clearances from GPs.</p>
SR 86 Retention	6 (2x3)	8 (2x4)	T/ACO Kirby	<p>The scoring of this risk has increased based on the impact that this risk is having on the force and the force's limited resources to mitigate retention losses.</p> <p>Following the easing of the majority of Covid restrictions in the summer of 2021, the force has seen an increase in officers and staff retiring, transferring or just leaving policing. Accordingly, we have revised our projections around officer turnover from 29 officers a month to 33. Total officer turnover increased to 40 officers per month in Sept, but has since decreased to an average of 26 officers per month in October and November, returning to just above Q1 levels.</p> <p>Total police staff turnover increased to 41 staff per month in August, but has since returned to an average of 25 staff per month, which is at Q1 levels. While staff terms and conditions were improved in 2021, the People</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>Directorate is reviewing the overall remuneration and reward package to identify other areas that may increase staff retention.</p> <p>This risk interacts closely with the force's deployability risk. Similarly, any decrease in turnover will improve the force's position in relation to Uplift and will provide greater opportunity to provide ongoing response services to the community. The current position is being closely monitored and will be continually assessed over the winter period. Actions are being taken within our internal remit. However, we have to recognise that there are external factors that will make opportunities outside the organisation more attractive.</p>

It has been determined that procedures and controls relating to the appointment of contractors and others who are not TVP employees are in need of heightened attention in order to ensure that TVP complies with relevant HMRC tax regulations (so-called off-payroll working, formerly referred to as IR35). This includes adequate record keeping of contractors and status declarations. The need for improvement was identified through Internal Audit and third party (Qdos) work in 2020 and 2021. CCMT has agreed to include includes the following as a new strategic risk to give additional focus.

Risk:	There is a risk that procedures relating to the appointment of contractors and application of HMRC off-payroll status regulations are not strengthened in a timely fashion.	Risk Owners:	ACO Waters/ T/ACO Kirby
		Risk score: <i>(impact x likelihood)</i>	8 (4x2)
Cause:		Consequences:	
	<ul style="list-style-type: none"> Whilst the findings and recommendations from audits have highlighted the actions necessary, progress has been hampered in part by a lack of resource, relative priority, and senior management oversight. Underlying causes, such as potentially a lack of clarity on accountabilities and governance, will be explored and addressed as part of the workstreams 		<ul style="list-style-type: none"> Systems and controls failures. Incorrect amounts of tax are deducted and passed on to HMRC. HMRC actions or sanctions.

Current Mitigations	Owner	Completion date
<p>Meeting was held on 16/02/220 to finalise the terms of reference, resourcing, and governance with the Risk Owners and Claire Widdison. Steering Group established to direct and oversee the controls improvement and remedial work, with meetings being arranged and work plans being drawn up. Ali Nicholls and Simon Godsavage have been tasked with supporting the Steering Group and facilitating the workstreams. Priority is being given to the procedures and controls for new contractor appointments. In addition, the extent to which current appointments and past appointments since 2017 (when the regulations last changed significantly for the public sector) need to be reviewed and remediated is being considered.</p>	<p>ACO Waters/ T/ACO Kirby</p>	<p>In progress</p>
<p>The workstreams under development are:</p> <ul style="list-style-type: none"> • Overall governance and oversight – including agency procedures and compliance and oversight in Professional Standards and the Professional and Ethical Standards Panel (PESP); • Contractor appointment and monitoring; • Finance and tax procedures and oversight; • Organisational responsibilities and procedures; • Communications and awareness – this will include good and bad examples; • Training and competence; • Data management; and • Review of current and past contractor appointments. 		
<p>Future Mitigations</p>		

Important areas to note

The table below identifies the additional strategic risks that are important to note for this reporting period. SR 74, SR 86, and SR 98 were covered earlier in the report).

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
SR 81 ESMCP Finance	12 (3x4)	12 (3x4)	ACO Simkin / ACO Waters	The Integrated Programme Plan (IPP) Version 5/6 from the national programme is due March 2022. This which is expected to provide details that will allow us to start planning mobilisation.
SR 102 – PPU Demand	8.4 (2.1x4)	8.4 (2.1x4)	C/Supt Hunter	Pressure continues within PPU and demand is exceeding capacity. A revised shift pattern has been introduced; at this stage, it is too early to understand the impact this may have on mitigating the risk.
SR 103 – Disclosure	11.2 (2.8x4)	11.2 (2.8x4)	ACC De Meyer	Work continues to be progressed by Criminal Justice to address this risk and the significant additional demand placed on crime investigation. An extensive operational guidance has been developed for staff to follow, and training for the Evidential Review Officers who act as a gateway to the CPS for our ICR staff to prevent non-compliant cases being submitted has been completed. The National Redaction Principles have now been published, and incorporated into the Data Protection Webinars and revised operational guidance. Current mitigations have been completed with the exception of one, the E-Disclosure project, and further work to reduce the impact and likelihood of this risk is dependent on the outcome from the Annual Planning Process.
SR 101 - Illicit Images of Children (IIOC) Referrals	10.7 (2.7x4)	10.7 (2.7x4)	C/Supt Weems	The capacity of the Force to deal with the volume of referrals remains a serious concern. There is a current backlog of 516 referrals. Currently, responses are overdue for 35 warrants that have been sent to LPAs.

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>Work continues to focus on putting in place the additional resources needed to manage this risk effectively, as the volume of IIOC referrals received by the NCA continue to apply pressure within the Force. CCMT has agreed for a resource uplift in the Force Intelligence Bureau and Covert Authorities Bureau, which will support early assessment and intelligence development and attribution work.</p>
SR 100 – Court backlog	10 (2.5x4)	10 (2.5x4)	D/Supt Kirby	<p>In summary, as the pandemic evolves TVP have been made aware that the courts across the Thames & Chiltern (TVP, Beds & Herts) area are recovering at a slower rate than the rest of the country. This slower rate of recovery is now improving and recent data shows the area being much closer to the national average. The rate in the Magistrates Courts will be further mitigated by an intensive Trial Blitz period during the first two weeks of November at High Wycombe and Reading. The wording of the risk was previously amended to include the Magistrates Court to reflect the backlog concern of a high volume of ongoing cases. A Recovery and Trial Blitz plan has driven many of the improvements necessary to address the backlog and this continues to be monitored through fortnightly CJS Bronze calls.</p> <p>Crown Court volumes have stabilised, now reducing and capacity has significantly increased from levels pre-COVID / Reduced Sitting Days to early 2019 levels. This is allowing far more trials to be listed and heard than previously was the case.</p> <p>There is high demand nationally on Judicial Recorder's (Judges) availability to sit in the extra Crown Court capacity, which in Thames Valley is hampering full trial loadings and impacting on the Witness Care Unit, who have warned all the relevant witnesses, but then have to cancel the witness attendance</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>when a trial is cancelled at late notice. The case is then having to be adjourned and re-listed.</p> <p>CPS had highlighted that the volume of repeated adjournments was contributing to the backlogs, which they had identified some being linked to the number of late files and further work submissions received from TVP. This has been a significant focus on Police teams with support through the relatively new Justice Gateway and improvements are being noted. CPS remain robust to avoid constantly chasing and reworking the case files and we continue to monitor the volume of case discontinuances with the associated impact on victim satisfaction, risk management and safeguarding.</p> <p>TVP continue to chair the weekly CJS Bronze Group which has been actively working on the multi-agency recovery action plan which is currently focusing on:</p> <ul style="list-style-type: none"> ○ Trial Blitz – Currently taking place - 1st – 12th November 2021 (week 1 HWMC and week 2 RMC) ○ Focus on prioritisation of vulnerable cases – included in the Trial Blitz and beyond. ○ Improving PSR writing and sentencing to reduce backlog of incomplete cases – TV Probation still struggling with ‘in court’ resources and timeliness of report writing. ○ Work to address adjournment culture – CPS being more robust in court. ○ Improve agencies understanding of the data – recent data (end of Sept) shows good progress of reducing the backlog in the Mags Court, with the Crown Court demonstrating good recent improvement. (See national court report for context and data table of MC cases).

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				The TVP Witness Care Unit has successfully recruited a dedicated RaSSO Witness Care Officer to provide focused support to victims and witnesses in these cases to mitigate the impact of delay and associated disengagement
SR 89 COVID-19 - Staff welfare and wellbeing	9 (3x3)	6 (3x2)	ACO Chase	The risk score has been reduced, in consideration of the experience of the past quarter (dominated by the Omicron variant) and with the widely shared perspective that the impact of the pandemic on the UK, society, policing and TVP has now reduced. Although sickness absence in TVP (and in particular psychological sickness absence) has increased, there is no evidence to support that this is primarily related to COVID-19 as opposed to the general pressures in policing and life.
SR 84 - Abstraction	8 (2x4)	8 (2x4)	T/ACO Kirby/ T/ACC Bunt	<p>The risk scoring for this risk has not changed. The risk that numbers of deployable officers will fall below sustainable levels is now manifesting and the Force is anticipated to experience a de facto reduction in deployable personnel at intervals throughout FY22/23. However, T&R now has a dynamic forecast model for all ICR abstractions across the force until Nov 2023 and is using this data to guide response actions.</p> <p>A range of immediate activities to increase deployable personnel and support response delivery to the public are being implemented via the ICR Programme T&R Stream. These include: A temporary hold on Local Policing uplift into non ICR function (Knife crime, DA); Temporary backfill into ICR from non-ICR functions with rotas being populated to Sept 22; Daily risk based assessment for the use of Op Reserve; The return of 29 seconded officers to ICR (Jan to Mar) with approximately 15 officers being posted back on ICR at the beginning of March; Consistent application of 90 day rule for movement off ICR with capacity to extend where necessary; Working with</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>JOU around various 'weeks of action' which require ICR support or overtime and training schedules where this is a draw on resilience. 8 Inspectors have also been returned to the PACE rota with approach changes being worked through to ensure further Inspectors are returned to the PACE rota in the future.</p> <p>T&R is currently working with Process Evolution to determine a minimum sustainable staffing level on ICRs and will then work to establish these levels. T&R is also working with the People Directorate on establishing a vacancy factor that can be applied to LP functions.</p> <p>Potential deployability risks to other parts of the organisation are being mitigated by the Uplift project and T&R through the prioritisation of the release of officers for Uplift posts.</p>
SR 69 Funding	7.5 (3 x 2.5)	7.5 (3 x 2.5)	ACO Waters	<p>The funding for 2022/23 has been agreed. With the increase in council tax precept of £10 and with continued government support for the PUP, the force is in a good position to continue to provide and improve the policing service to our communities over the next year. Hence the funding risk for the next 12 months has been removed and for the following 12 months the risk level is significantly reduced.</p> <p>The CSR has provided clarity on the level of government funding over the next 3 years and the flexibility for the PCC to increase council tax precept. The PCC has only approved the £10 increase in council tax precept of 2022/23, so there is a risk relating to the following 2 years if the full £10 increase is not again approved, with cuts/savings would consequentially be required. There are also potential significant risks going forward in relation to the level of inflation and particularly pay awards and the financial impact on</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
	7.5 (2.5 x 3)	7.5 (2.5 x 3)		<p>the organisation. This risk therefore increases with time as the level of uncertainty and the potential financial impact increases; 2023/24 sees a higher risk to our service levels than 2022/23, and likewise 2024/25. Beyond 2025/26, we do not have visibility of the level of Government funding or the flexibility the PCC may or may not have in relation to Council Tax hence the risk in year 4 onwards is significant.</p> <p>Depending on the level of the council tax precept approved, funding beyond 2022/23 may be inadequate to allow us to continue delivering all existing services to the same level of performance and may not accommodate additional demand, priority areas whether through increasing numbers, complexity or scope. Based on current assumptions, funds may not be sufficient beyond 2023 to avoid additional cuts. The savings required to mitigate any funding shortfalls may affect service level provision.</p>
SR 97a Missing Persons	7.5 (2.5 x 3)	7.5 (2.5 x 3)	ACC de Meyer	Strategic lead is with Supt Knibbs; DCI Glistler has taken the operational lead and has re-invigorated the operational working group. Fiona Didcock is the Missing manager and delivering on the action plan/SIR recommendations. The missing structure will be changing to two hubs – one north, one south from 1 July 2022. There is ongoing staff consultation, Hay panels and re-writing of job descriptions. E&E savings are on track for delivery earlier than predicted. All the SIR recommendations regarding Missing have been completed.
SR 97b People Exploitation	7.5 (2.5 x 3)	7.5 (2.5 x 3)	ACC de Meyer	DI Humphries from VIR is soon to present an options paper to CCMT. Anticipated that we will implement a local delivery model with LPAs. DI Humphries will lead the implementation phase, which aims to complete by 1

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				July 2022 to allow the missing hub to stop exploitation tasks. All on track and progressing well.
SR 95 MASH backlog	7.5 (2.5 x 3)	7.5 (2.5 x 3)	Supt Knibbs	<p>A bid for an additional six resources was agreed as part of the Annual Planning Process. Until the additional resources are in post, overtime is being offered to staff and a specific code has been set up to monitor the overtime expenditure of staff who are allocated to clearing the backlog. There has been significant work to reduce the likelihood of this risk which includes to the following:</p> <ul style="list-style-type: none"> • Whilst there are backlogs in adult safeguarding and difficulties in being able to consistently discharge our statutory duties in a timely manner, it is anticipated that this will become less common-place with the increase in resources becoming more established and experienced. • Domestic abuse referrals which contain a completed DOM5 are now within manageable ranges for the MASH since the implementation of robotic automation processes. • Service Improvement is supporting MASH to resolve challenges around those DA notifications that do not contain a completed DOM5. • Responsibility for Probation checks have been reallocated to PPU • Attendance rates at ICPCs has increased to 91% force-wide. Challenges around RCPC attendance are being reviewed by a MASH working group – as reflected in the MASH 2020 12 month review (only available in draft format currently) • Responsibility for DVDS has been reallocated to DAIU • Welfare and morale of the MASH is being managed with the introduction of learning sessions, newsletters, admin days for supervisors and POD systems. The outcomes of these introduced

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				actions are being monitored to assess if they would satisfy inspectorates (Ofsted/JTAI/HMIC)
SR 105 – ICT Resourcing	6 (2x3)	6 (2x3)	ACO Lattanzio	Noticeable increase in difficulty in recruiting due to widening salary gaps in some “hot skills” area mainly the technical areas. Some attrition due to much higher salaries available in private sector.
SR 87 - COVID-19 – Critical activities	4 (4x1)	3 (3x1)	T/ACC Metcalfe	<p>Operation Restore has continued to manage the Force’s response to COVID, and prepare for the potential disruption in resilience due to the combination of seasonal flu and COVID over the winter months. During the last quarter, the prevalence and impact of the Omicron variant (and to a lesser extent influenza) gave rise to additional operational pressures, but as at this time, the Force is in a manageable position in most areas. A few individual areas, such as Custody, were impacted more than others and have received attention. For noting, the Force Resilience State was increased to Amber for a period, but then reduced back to Green once abstraction rates had fallen back to near expected levels for the time of year. Consideration will be given over the coming weeks to the closure of Op Restore and moving any residual COVID-19 related matters solely to the business-as-usual management structure.</p> <p>With the effective implementation of preventative measures introduced by Op Restore, such as vaccination programme, availability of lateral flow testing and supporting departments with appropriate PPE provision and in addition the roll out of laptops enabling agile working, the risk has reduced and the Force is delivering adequately critical business as usual activities.</p> <p>The success of the UK vaccination programme generally and the impact on infections of the various restrictions imposed over the last quarter in particular have led the Government to remove most remaining COVID-19 restrictions.</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
	3	2		<p>The regular use of Lateral Flow test kits and guidance on self-isolation have helped keep asymptomatic and symptomatic COVID cases out of the workplace and protect the Force's resilience. The Government has decided that test kits will no longer be supplied to policing organisations and it is up to individual police officers and staff members to acquire their own supplies, typically through ordering on the NHS website.</p> <p>There has been political discussion as to whether certain categories of public sector and health & care workers should be subject to mandatory requirement to be fully vaccinated, or have official exemption from so doing. TVP has decided not to impose such a mandatory requirement and instead focus on ensuring adequate procedures and standards (e.g. PPE) for front-line policing to minimise the risk of infecting others or becoming infected.</p> <p>Those police staff and police officers who were required to work from home (remotely) all of the time due to COVID-19 restrictions and TVP policy are progressively returning to work at police locations for at least some of the time in business-as-usual situations. The Working Smart programme is setting policy, standards and requirements for future working arrangements – hybrid working (part home/remote working and part police office/location working) will be the norm for many organisational units.</p>
SR 92 - COVID-19 - Recovery of services	3 (3x1)	2 (2x1)	T/ACC Metcalfe	<p>Most services, operations, and activities have now recovered. During the last quarter, the prevalence and impact of the Omicron variant (and to a lesser extent influenza) gave rise to some additional resilience pressures, but as at this time, the Force is in a manageable position in most areas.</p> <p>The Force has responded accordingly to protect our most vulnerable employees, reviewing all new guidance and legislation, and internal practice to</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>ensure risk is mitigated but that critical business areas can continue. Op Renew has stood down, and all the key learning has been taken and developed further under Working Smart programme. There are two departments highlighted on the Force Operating Status with impacted resilience, Custody which red and Forensics which is amber, indicating that all other departments have recovered and operating normally. There is currently no end in sight for COVID, and the impact and demand on policing will reduce over the next few years. It is likely that after this Autumn / Winter it will be one of several respiratory diseases circulating and like the Influenza will have a BAU policing response.</p> <p>Op Renew has stood down and key learning and change has been either incorporated into BAU or shared with the Working Smart programme.</p>
SR 88 – COVID-19 BAU and Change activities	2 (2x1)	1.5 (1.5x1)	T/ACC Metcalfe	<p>When this risk was initial raised at the start of the pandemic, there were concerns that the Force would be unable maintain non-critical business as usual activities and change initiatives whilst the Force focused on maintaining critical activities as they prepared for staffing resilience to be impacted due to COVID. With the effective implementation of preventative measures introduced by Op Restore, such as vaccination programme, availability of lateral flow testing and supporting departments with appropriate PPE provision and in addition the roll out of laptops enabling agile working, the risk has reduced and the Force is delivering adequately most non-critical business as usual activities.</p> <p>During the last quarter, the prevalence and impact of the Omicron variant (and to a lesser extent influenza) gave rise to additional operational pressures, but as at this time, the Force is in a manageable position in most areas. A few individual areas, such as Custody, were impacted more than</p>

Risk	Previous risk score	Current risk score	Risk Owner / Lead	Latest Mitigation Status
				<p>others and have received attention. For noting, the Force Resilience State was increased to Amber for a period, but then reduced back to Green once abstraction rates had fallen back to near expected levels for the time of year. Consideration will be given over the coming weeks to the closure of Op Restore and moving any residual COVID-19 related matters solely to the business-as-usual management structure.</p> <p>Those police staff and police officers who were required to work from home (remotely) all of the time due to COVID-19 restrictions and TVP policy are progressively returning to work at police locations for at least some of the time in business-as-usual situations. The Working Smart programme is setting policy, standards and requirements for future working arrangements – hybrid working (part home/remote working and part police office/location working) will be the norm for many organisational units.</p>

Risk Radar

There are no particular additional risks from programmes, projects and local risk registers for noting at this time.



JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT

**Risk Management & Business Continuity update
1 November 2021 – 31 January 2022**



OFFICIAL

Business Continuity Introduction

Business continuity is about ensuring that, as an organisation, we are able to continue providing important public services in the event of some major disruption to our organisation. Clearly if the Force is unable to maintain its own services, it will not be in a position to best serve the public.

The Civil Contingencies Act 2004 provides the statutory framework which places a responsibility on the police service, as “Category 1 Responders”, to have in place effective Business Continuity Management (BCM) processes. Thames Valley Police (TVP) follows the principles within “ISO22301 Societal Security – Preparedness and Continuity Management Systems” which was published in May 2012.

Guidance on organisational resilience was published in November 2014 (BS65000:2014) which defines organisational resilience as the ability to anticipate, prepare for, respond and adapt to events – both sudden shocks and gradual change.

Oversight of the management of Business Continuity (BC) is provided by the Strategic Business Continuity Co-ordinating Group. This Group includes senior members from Property Services, ICT, Corporate Communications, HQ Operations, Health and Safety, and the Corporate Governance Officers.

Business Continuity Plans are maintained, tested and refreshed in respect of front line services and support functions. These are refreshed in order to reflect changes in personnel, dispositions, and core business processes. This proactive approach is supplemented by organisational learning from exercises and actual incidents.

This Report is provided to the CCMT for consideration and corporate decision making. It further provides the information necessary for the Joint Independent Audit Committee to fulfil their function effectively. Members are welcome to review the details of specific business continuity incidents or exercises by arrangement with the Strategic Governance team.

Force Business Continuity Incidents and Exercises

During this quarter the following incidents have occurred.

Airwave Outage

On 22 November 2021, Airwave went down across the Force. The initial reason for the outage was a total loss of power at the Luton site that serves the East Midlands Hub. The TVP established response for an Airwave outage was followed and delivered at pace. The correct procedure for recalling officers to their home station was put in place, in order to ensure safe crewing and the ability to deploy to G1 and G2 deployments using the mobile phone network and Teams. Command Structure was put in place which ensured appropriate BC arrangements were in place. In the aftermath, it was acknowledged that the contingency planning in place was not detailed enough to provide reassurance to the wider Force. As a result, Airwave Outage Fall-back process plan was drawn up which was informed by the learnings from the incident. The fall-back process plan was circulated around the TVP Control Rooms and is available to the FIMs.

Reading

Mid-January there was an intermittent loss of radio signal which caused minimal impact to officers in Reading LPA for a 24-hour period. This was due to a failure of a particular part of the radio mast which caused the loss of power to the mast. Although this was rectified by Airwave's engineers the outage identified some changes that were required to the airwaves fall back plan, in relation to contact between control room and Airwave's TacAds. The changes have now been made and the fall-back plan republished.

During this quarter SGU have conducted the following exercise:

- **Slough LPA** – the exercise was based on a suspicious fire that prompted the evacuation of Slough station. There was good identification of what actions need to be taken to maintain a level of service to the Force in the short, medium and long term and of the possible fall-back locations to continue those activities from. The LPA has a solid fire management plan in place and ICE Trak procedure establish to communicate with its staff effectively during a disruption. There was a good consideration for the LPA's supporting departments such as ICT, Health and Safety and Property Services both during the initial hours of disruption and in the planned recovery.
- **TWIF (CJ)** – The scenario was based on a full and partial loss of TWIF. There were also discussions on the impact if Niche went down. There are well-established process for the post charge submissions via TWIF, which have been tested and work smoothly. In terms of submission of pre-charge cases there was gap identified with contingency plans between TVP and Thames & Chiltern CPS. Criminal Justice are working with CPS to establish a process for submitting pre-charge cases for when TWIF is down, which will be reflected in Business Continuity plans once finalised.



JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT

Risk Management & Business Continuity update 1 November 2021 – 31 January 2022



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- **Milton Keynes LPA** – the exercise was based on a loss of power in the area due to bad weather, with the back-up generator at Milton Keynes station not kicking in. There was early identification of the impact on other residing departments at the station such as Contact Management, Firearms and the Dog section as well as identification of the key local partners, and later decision to stand up a Local Resilience Forum. The participants worked well to establish Emergency Management Team as well as recognising the welfare of staff both how the situation can affect their private arrangements such as childcare and working in adverse conditions at the station.
- **Chiltern and South Buckinghamshire LPA** – the exercise was based on a suspicious fire that prompted the evacuation of Amersham station that as a result was later unusable for eight months. The exercise had good representatives from the LPA's SMT, ICR, CID and Neighbourhood who led a good discussion regarding the impacts and contingencies that would be implemented by each area, and strong leadership and coordination by the LPA Commander and the Deputy. Alongside the good recognition of the welfare of the staff involved in the fire, there was a good engagement established with Health and Safety and JIMU in the aftermath of the incident.

Overall, there was excellent level of engagement from all the exercises conducted in this quarter. In all exercises staff welfare was discussed at length and there was good understanding of priority of communication both internally with personnel as well as with the public and local community. Since restarting exercising after the pause during the pandemic, we have tested several LPAs on fire and loss of power scenarios allowing to draw up comprehensive contingencies to be shared across the LPAs' Business Continuity Plans in the future.

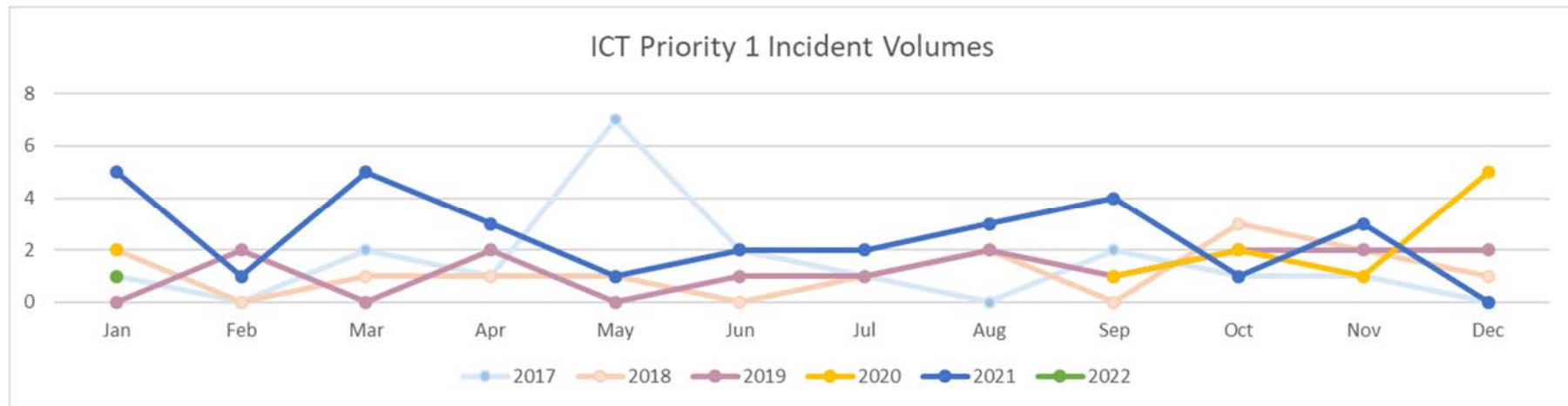
Also in quarter three, Business Continuity focused on developing an interactive tabletop exercise to test CCMT's response to a cyber incident. The scenario is inspired by a cyber-attack that targeted Redcar and Cleveland Borough Council in February 2020 and encrypted 95 per cent of the Council's data, including back-ups. The exercise is scheduled to take place next quarter and will feature a collaborative approach from across the Force including SGU and ICT.

ICT Priority Incidents

For the purposes of ICT incident reporting, a P1 incident is defined as “an ICT event which impacts the whole force, with a fix time required of less than 4 hours.” Whilst not all ICT events impact the whole Force, they are captured in this report because they involve a system which has been identified as critical by the Force.

ICT P1 Incident Volume Trend

During the last 3 months, ICT recorded 4 P1 incidents which is a decrease of 4 from the previous quarter.



A summary of the P1 incidents arising in this period.

Date & Time	P1 Incident Summary	Affected Force	Business Impact & Action Taken	Root Cause & Learning	Time to Restore	Resolved
Force-wide						
22/11/2021 03:05	Airwave outage	TVP	The TVP established response for an Airwave outage was followed. Officers were recalled to their home station in order to ensure safe crewing and the ability to deploy to G1 and G2 deployments using the mobile phone network and Teams. Command Structure was put in place which ensured appropriate BC arrangements were in place.	The initial reason for the outage was a total loss of power at the Luton site that serves the East Midlands Hub. Airwave are investigating the incident.	6hrs 25mins	Yes
Contact Management						
03/11/2021 15:27	CMP application and BWV unavailable	TVP & HC	IaaS was investigating. ICT invoked DR where TVP and HC were routing out of their local internet breakout points to secure access. Contact Management would not have access to key information on the CMP system such as markers identifying, risks, vulnerabilities or call history, which presents an officer safety risk. Calls from the public would still have been received however, a manual process would be invoked to transfer calls to the Control Room, and staff would	Investigations continue with Checkpoint and NTT for a permanent resolution plan	27h 4 mins	Yes

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
**Risk Management & Business Continuity update
1 November 2021 – 31 January 2022**

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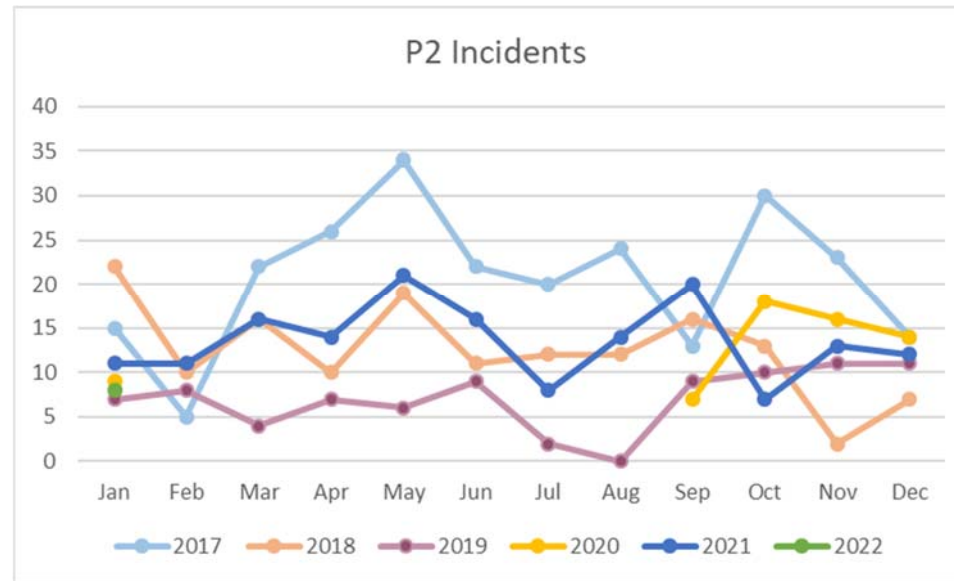
Date & Time	P1 Incident Summary	Affected Force	Business Impact & Action Taken	Root Cause & Learning	Time to Restore	Resolved
			record on paper officers who have been deployed.			
24/11/2021 14:25	CMP application unavailable. No access to ICT Portal and NICE DEMS	TVP & HC	Rooms have gone to paper. Connectivity to Azure was restored. This was achieved by forcing one of the Azure firewall clusters into a standby state and rolling back any changes made to those firewalls today.	Network Security and NTT will be working together to understand why these firewalls went into an inactive/active state.	26 mins	Yes
10/01/2022 05:28	CMP mapping on Windows 8 unavailable	HC & TVP	There was a BC consideration to move MK staff to Abingdon to use Windows 10 desktops. At the time MK only had a couple of machines using Windows 10.	Issue caused by the failure of ZScaler's London Data Centre which the Windows 8 machines all connect to.	2h 54mins	Yes

In this quarter, there have been four P1s impacting Contact Management as they experience CMP performance issues and Airwave outage. There is a dedicated CMP Silver Group managing changes and interactions with the suppliers to reduce the number of P1 and P2 incidents and reduce the disruption experienced by staff.

ICT P2 Incident Volume Trend

P2 incidents are reported in order to allow assessment of any underlying trend or issue that might, if not addressed, lead to a business continuity incident. For the purposes of ICT incident reporting, a P2 incident is defined as “an ICT event which impacts on a single department or site, with a fix time required of less than 8 hours.”

During the period 1 November 2021– 31 January 2022, ICT recorded 33 P2 incidents, which is eight less than in the previous quarter.



Business Continuity activities

In quarter three an internal Business Continuity audit took place. SGU are awaiting findings which will be actioned appropriately once published. To improve the process of capturing BC contingencies and lessons learnt, and to better inform the reporting of P1s in this report, SGU is producing an incident debrief form. Following an incident, responsible department will be advised to fill out the form and account whether the Business Continuity Plan was invoked, what were the BC actions taken and if there were any lessons learnt from the incident. The BC Practitioner Meeting is scheduled for the 21 February 2022 where ongoing BC developments and risks will be discussed, including the process of debriefing post incident to best capture learning. In quarter, SGU also participated in the newly formed ICT working group to address cyber threats and the joint forces' readiness to mitigate potential adversities. No items have been identified from this forum to be raised to CCMT.

**JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT****Risk Management & Business Continuity update
1 November 2021 – 31 January 2022**

OFFICIAL

OFFICERS' APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report. We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.

Chief Constable:

Date:

Director of Finance:

Date:

Appendix - Risk scoring matrix

likelihood score	simple description	guidance
4	Probable	80% to 100% chance this will happen or the matter has already become an issue
3	Likely	50% to 80% chance this will happen
2	Possible	10% to 50% chance this will happen
1	Unlikely	less than 10% chance this will happen

impact score	public impact	reputation	economic	legal	organisational resilience	disruption (based on the Force's ability to manage the risk with current resources)
4	Damage to critical systems, including loss of 999 service.	Failure to meet a number of local and national performance indicators - possibility of intervention or special measures. Picked up in the national media.	Financial impact over £10m	Potential corporate manslaughter charge. HSE brings charges or serves a Prohibition Notice. Home Office intervention. Loss/disclosure of information marked TOP SECRET and/or resulting in sustained reputational damage to the Force. Impact on national security or a serious breach of personal or human rights.	Significant impact on staffing levels which impacts on Force ability to deliver critical public facing services. Loss of technology which impacts on critical public facing services (long-term P1 system failure).	No existing processes in place to manage the risk. Significant levels of immediate investment in resources are required to mitigate the risk.
3	Major impact (1 to 3 days) on non-critical public facing services. Significant/long-term (more than 3 days) impact on central services, which affect public services	Failure to meet a series of critical targets which impacts on a number of performance indicators. Adverse external audit report prompting immediate action. Highlighted in the local media.	Financial impact from £5m to £10m	Temporary HSE intervention or an Improvement Notice issued due to a major incident. Force or PCC prosecution with significant financial cost. Intervention by the PCC. Loss or disclosure of information marked SECRET and/or resulting in serious reputational damage to the Force, threat to life, or threat to operational activity.	Significant impact on staffing levels which impacts on Force ability to deliver internal functions and services. Prevention of access to intelligence placing prosecutions, placing front line officers and staff at risk. ICT issue which impacts across the whole Force.	Existing processes have a limited impact on mitigating the issue, and significant new processes are required to manage similar risks in the future. Long-term planned investment in resources required to manage future risks.
2	Moderate impact (less than 1 day) on non-critical public facing services. Impact on central services across more than one area.	Failure to meet a series of operational targets or a critical target. Adverse internal audit report prompting timed improvement/action plan.	Financial impact from £1m to £5m	HSE involved in investigating a significant incident. Civil litigation receiving adverse publicity and financial cost to the Force or PCC. Loss or disclosure of information marked OFFICIAL-SENSITIVE.	Loss of non-critical internal ICT services across the Force.	Existing processes can mitigate the immediate elements of the issue, but some work is required to change processes for the future. Risk can be managed within existing Force resources and additional spending can be approved within existing budgets.
1	Minor impact on local or departmental services.	Failure to meet individual operational targets. Minor contravention of internal policies.	Financial impact up to £1m	Local incident - local review. No legal or regulatory breaches. Small scale loss or disclosure of information marked OFFICIAL.	Short-term loss of non-critical ICT locally. Short-term impact on local and departmental staffing levels.	Risk can be managed using existing processes. Risk can be managed within existing departmental resources.

**OPCC STRATEGIC RISK REGISTER
UPDATE**

JIAC Summary

In accordance with the Operating Principles of the Joint Independent Audit Committee (JIAC), the Committee has the following responsibilities in respect of the management of risk and business continuity:

- Consider and comment upon strategic risk management and business continuity management processes, and
- Receive and consider assurances that business continuity and organisational risks are being managed effectively and that published goals and objectives will be achieved efficiently and economically, making recommendations as necessary

The attached report provides an annual overview of risk management and business continuity management policy and processes adopted by the Office of the PCC (OPCC) together with the most recent quarterly progress update report.

Recommendation:
The Committee is invited to review and note the report as appropriate.
Chairman of the Joint Independent Audit Committee
I hereby approve the recommendation above.
Signature

Date

Risk Management Introduction

Effective risk management is one of the foundations of good governance. A sound understanding of risks and their management is essential if the PCC is to achieve his objectives, use resources effectively, and identify and exploit new business opportunities. Consequently, in common with all significant public and private sector bodies, the Office of the PCC has an established control framework - which mirrors that used by the Force - for ensuring that areas of risk are identified and managed appropriately across its activities.

OPCC Risk Scoring

Scoring is based on a 4 x 4 risk assessment matrix and the direction of travel, and the risk scores from the last quarter are included to provide a clear indication of the magnitude and direction of any change.

All risks have been reviewed and re-scored with input from the relevant OPCC risk owners.

Risk Scoring Matrix

likelihood score	simple description	guidance
4	Probable	80% to 100% chance this will happen or the matter has already become an issue
3	Likely	50% to 80% chance this will happen
2	Possible	10% to 50% chance this will happen
1	Unlikely	less than 10% chance this will happen

impact score	public impact	reputation	economic	legal	organisational resilience	disruption (based on the Force's ability to manage the risk with current resources)
4	Damage to critical systems, including loss of 999 service.	Failure to meet a number of local and national performance indicators - possibility of intervention or special measures. Picked up in the national media.	Financial impact over £10m	Potential corporate manslaughter charge. HSE brings charges or serves a Prohibition Notice. Home Office intervention. Loss/disclosure of information marked TOP SECRET and/or resulting in sustained reputational damage to the Force. Impact on national security or a serious breach of personal or human rights.	Significant impact on staffing levels which impacts on Force ability to deliver critical public facing services. Loss of technology which impacts on critical public facing services (long-term P1 system failure).	No existing processes in place to manage the risk. Significant levels of immediate investment in resources are required to mitigate the risk.
3	Major impact (1 to 3 days) on non-critical public facing services. Significant/long-term (more than 3 days) impact on central services, which affect public services	Failure to meet a series of critical targets which impacts on a number of performance indicators. Adverse external audit report prompting immediate action. Highlighted in the local media.	Financial impact from £5m to £10m	Temporary HSE intervention or an Improvement Notice issued due to a major incident. Force or PCC prosecution with significant financial cost. Intervention by the PCC. Loss or disclosure of information marked SECRET and/or resulting in serious reputational damage to the Force, threat to life, or threat to operational activity.	Significant impact on staffing levels which impacts on Force ability to deliver internal functions and services. Prevention of access to intelligence placing prosecutions, placing front line officers and staff at risk. ICT issue which impacts across the whole Force.	Existing processes have a limited impact on mitigating the issue, and significant new processes are required to manage similar risks in the future. Long-term planned investment in resources required to manage future risks.
2	Moderate impact (less than 1 day) on non-critical public facing services. Impact on central services across more than one area.	Failure to meet a series of operational targets or a critical target. Adverse internal audit report prompting timed improvement/action plan.	Financial impact from £1m to £5m	HSE involved in investigating a significant incident. Civil litigation receiving adverse publicity and financial cost to the Force or PCC. Loss or disclosure of information marked OFFICIAL-SENSITIVE.	Loss of non-critical internal ICT services across the Force.	Existing processes can mitigate the immediate elements of the issue, but some work is required to change processes for the future. Risk can be managed within existing Force resources and additional spending can be approved within existing budgets.
1	Minor impact on local or departmental services.	Failure to meet individual operational targets. Minor contravention of internal policies.	Financial impact up to £1m	Local incident - local review. No legal or regulatory breaches. Small scale loss or disclosure of information marked OFFICIAL.	Short-term loss of non-critical ICT locally. Short-term impact on local and departmental staffing levels.	Risk can be managed using existing processes. Risk can be managed within existing departmental resources.

Assurance Criteria







Substantial	The governance, risk management and control arrangements are strong, although some minor action may be required to improve efficiency or effectiveness.
Reasonable	The governance, risk management and control arrangements are good, although some action is required to improve efficiency or effectiveness.
Limited	The governance, risk management and control arrangements are limited and action is required to improve efficiency or effectiveness.
Minimal	The governance, risk management and control arrangements are weak and significant action is required to improve efficiency or effectiveness.

The levels of assurance provided are based on the risk summary and input from the risk owner, the additional documents supplied which outline the more detailed activities and benchmarking where this is available.

OPCC Current Strategic Risk Summary

There are seven current strategic risks identified on the OPCC risk register, as listed in the table below.

The table shows the direction of travel of each risk score and the current risk management status as agreed by the OPCC Senior Officer Group (SOG). A more detailed description of the risk, including rationale for any change in risk level, is then provided in the individual risk summaries which follow.

Risk description and link to full document	Previous risk and score (L x L)	March 2022 Risk Score (L x L)	Trend	Risk Owner	Current Risk Action
<p>OPCC 33 – Inability to recruit appropriately qualified and experienced finance staff</p> <p>The potential inability to recruit appropriately qualified and experienced finance staff to critical vacant roles (e.g. ‘Chief Finance Officer & Deputy Chief Executive’ post) may result in the PCC being unable to discharge his statutory duties (e.g to prepare and publish the annual statement of accounts in accordance with statutory deadlines)</p>	5.2 (2.6*2.0)	7.2 (2.6*2.8)		Ian Thompson	TREAT
<p>OPCC 19 - Victim services</p> <p>The demand for victim services could exceed the supply available from PCC-commissioned contracts / service providers</p>	6.2 (2.1*3.0)	6.2 (2.1*3.0)		Helen Wake	TREAT
<p>OPCC 37 – Mis-filing of legal property deeds</p> <p>The potential inability to locate deeds to properties owned by the PCC and other related documentation in a timely manner</p>	n/a	4.9 (2.4*2.0)	NEW	Vicki Waskett	TREAT
<p>OPCC 35 - Police misconduct hearings may not be able to take place due to lack of Legally Qualified Chairs (LQCs)</p> <p>Possible lack of LQCs to sit on misconduct hearings resulting in police misconduct hearings being unable to take place</p>	4.9 (1.9*2.6)	4.2 (1.9*2.2)		Vicki Waskett	TREAT
<p>OPCC 34 - Inability to secure staff</p> <p>The potential inability to recruit and retain staff within the context of the changing employment market place may undermine the OPCC’s ability to deliver the PCC’s Police and Criminal Justice Plan 2021-2025</p>	3.5 (1.9*1.8)	3.9 (1.9*1.8)		Paul Hammond	TREAT
<p>OPPC 36 – Victim Services contracts end dates</p> <p>Possible risk to specialist victim service provision from March 2023 when the initial term of the PCC-commissioned service contracts end</p>	3.6 (3.0*1.2)	3.6 (3.0*1.2)		Helen Wake	TREAT
<p>OPCC 23 - New demands on OPCC</p> <p>Failure to respond to new additional statutory responsibilities; increased volume of service demand and/or changes in type of service demand for services provided and/or commissioned by the OPCC</p>	4.0 (2.0*2.0)	3.5 (2.0*1.8)		Paul Hammond	TREAT

The above risks are listed in current priority order, as identified by current scoring. Risk summaries include a ‘Level of Assurance’, using the definitions shown in the ‘Assurance Criteria’ section, above.

OPCC 33 – Inability to recruit appropriately qualified and experienced finance staff

Risk Summary: The potential inability to recruit professionally qualified and suitably experienced finance staff to critical vacant roles (e.g. ‘Corporate Accountant’ and ‘Chief Finance Officer & Deputy Chief Executive’ posts) may result in the PCC being unable to discharge his statutory duties (e.g. to prepare and publish the annual statement of accounts in accordance with statutory deadlines)

Consequences:

- Unable to deliver statutory functions in accordance with national deadlines
- Qualified audit opinion
- Reputational damage – public criticism of PCC
- Additional work to be undertaken by those staff still in post

Risk Owner: Ian Thompson

Reviewed: 16/02/2022

Next Review Date: June 2022

Context: The OPCC Corporate Accountant post required three recruitment exercises before we were able to appoint a part-qualified candidate. The PCC’s Chief Finance Officer and Deputy Chief Executive is retiring on 31st July 2022.

Level of Assurance: **Reasonable.** The new Corporate Accountant started on 2nd February 2022. The public recruitment process for the ‘Chief Finance Officer & Deputy Chief Executive’ post generated 9 applicants. Following a shortlisting exercise, 3 potentially suitable applicants were invited for interview.

Risk Score Trend:



The score has increased since the last meeting but the risk continues to be **TREATED**

The table below summarises the active and future planned mitigating actions.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
<p>The Corporate Accountant position was advertised via the Force's premium Linked In service, social media, as well as Public Finance magazine (daily circulation of circa 70,000 finance professionals. In addition, Reed Finance were asked to identify suitable individuals.</p> <p>In the event, the new Corporate Accountant started on 2nd February 2022</p>	Ian Thompson	Ongoing			
<p>Recruitment for the new 'CFO and Deputy Chief Executive' commenced in good time to secure a replacement before the current post-holder retires in July 2022.</p> <ul style="list-style-type: none"> The post was advertised on the TVP website w.e.f. 24th January with a closing date of 13th February. This recruitment advert was also shared widely on social media, including the Force's premium 'Linked In' service. A public advert was placed in the CIPFA Public Finance magazine on 1st February (i.e. for 13 days). The above public advertising process generated one applicant. 	Paul Hammond	July 2022	<p>If no appointment can be made following the first recruitment round, possible options available to the PCC to appoint to the vacant statutory CFO post may include:</p> <ul style="list-style-type: none"> Re-advertising Appoint an interim (temporary) CFO through a specialist agency (e.g. CIPFA Placements) Negotiating a temporary extension to the current post-holder's employment contract. 	Paul Hammond	July 2022

<ul style="list-style-type: none">• In addition to the above public advertising process, recruitment specialists Reed Finance were approached and asked to identify suitable candidates. They put forward 8 potential candidates. <p>In total, this process produced nine applicants, of which three have been invited for an initial interview.</p>					
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OPCC 19 – Victims services

Risk summary: The demand for victims’ services exceeds the supply available from PCC-commissioned contracts / service providers

Consequences:

- The demand for victims services could exceed current supply
- The quality and/or quantity of service provided to victims is adversely affected
- Reputational damage for the PCC


Risk Owner: Helen Wake

Reviewed: 16/02/2022

Next Review Date: June 2022

Context: Although small changes in demand for services are to be expected, larger changes outside expected and planned limits could stretch resources, affecting the quality of services provided. Furthermore, there is a national concern about the incidence of ‘hidden’ crime such as domestic and sexual abuse. Close monitoring of referral rates and demand on services is undertaken through OPCC contract management of commissioned services, aided by the in-house Victims First Hub. Strategic approaches to managing demand through the Hub have been introduced at times of peak volume, such as prioritisation of serious crime and vulnerable people. Service contracts have been varied as necessary and waiting lists introduced for some services. Specialist victims’ services contracts (Young Victims and Adult Specialist Services), launched in April 2020, mitigate the risks by introducing a strategic partner to coordinate provision and allow a more flexible approach.

Level of Assurance: Reasonable. There are robust contract management processes in place to ensure quality of service provision, and good relationships exist between the OPCC and service providers. Some of our service providers are operating at peak capacity and we are working to reduce their demand and waiting lists. The PCC has initiated an end-to-end review of our current victims services delivery model which will be completed in 2022. In the meantime we will continue to monitor all activity and react accordingly.

Risk Score Trend:  The risk score has not increased since the last meeting but it remains **TREATED**.

The table below summarises the active and future planned mitigating actions

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
<ul style="list-style-type: none"> • Recruited additional staff to work in Victims First Hub (now 7 FTE Officers), not including the Hub Manager post. • Service provision by commissioned service providers varied by contract negotiation. • Prioritise victims support service provision as necessary. • Main victims support service contracts initial terms ends in March 2023 but there are options to extend on two of these contracts. • External funding of 3 additional BAME ISVA posts has been extended to March 2023. • Additional funding secured from MoJ for IDVA and ISVA posts. • Additional 2-year funding secured from MoJ for DA and SV services. • Additional funding secured for MoJ critical support fund. • A review of Rape Referrals in the VF Hub and VFSS has been completed and proposed recommendations will be implemented • The processes relating to victims of Action Fraud have been amended following research from the Victims Commissioner's Office 	Helen Wake	Ongoing		Helen Wake	31/05/2022

<ul style="list-style-type: none">• SAFE! have employed a Referral Liaison Officer and a have a new website to support an easier referral process• A new OPCC Head of Victim Services started on 1st November 2021• An end-to-end review of our current victims services delivery model has been initiated.					
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OPCC 37 – Mis-filing of legal property deeds

Risk summary: The potential inability to locate deeds to properties owned by the PCC and other related documentation in a timely manner

Consequences:

- Unable to sell property especially if the land is unregistered as difficulties in proving ownership and root of title.
- Financial implications due to being unable to finalise a sale in a time-critical situation.
- Unable to resolve property disputes in relation to land already owned by the PCC, and extra cost and inconvenience of attempting to establish boundaries and any other related matters such as prescriptive easements.

Risk Owner: Vicki Waskett

Reviewed: 16/02/2022

Next Review Date: June 2022

Context: As Thames Valley Police have been disposing property, acting on behalf of the PCC, it has become apparent that location of deeds is not always possible. The deeds register does not always accurately reflect the precise location of the deeds and on occasion extensive searches have been conducted to find the deeds packets, sometimes without success.

Level of Assurance: Reasonable. The OPCC Governance Team have implemented a new filing system. This entails re-scheduling all of the deeds held by the PCC and liaising with Property Services about any discrepancies at an early stage prior to location of the deeds becoming critical. The Governance Team will be working extra hours (overtime) to ensure that this new system is complete by Summer 2022. In addition, it is unlikely that there are many properties still owned by the PCC that are not registered with the Land Registry.

Risk Score Trend: **NEW** This is a new risk that will be **TREATED**

The table below summarises the active and future planned mitigating actions.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
The PCC has implemented a new filing system to identify every deeds packet which is held by the PCC and to alert TVP Property Services about any deeds which may be located elsewhere, such as with external	Vicki Waskett		Re-scheduling all of the deeds held by the OPCC and liaising with TVP Property Services about any discrepancies	Vicki Waskett	June 2022

solicitors, prior to a situation becoming time critical.					

OPCC 35 - Inability to hold police Misconduct Hearings

Risk summary: Police misconduct hearings may not be able to take place due to lack of Legally Qualified Chairs (LQCs)

Consequences:

- Police officers may be suspended for prolonged periods of time as there would be no LQCs available.
- Reputational damage for, and loss of public confidence in, the Police and the PCC.
- Cost implications in terms of paying for police officers who are suspended.
- Loss of service of police officers who may be found to have no case to answer but have been placed on suspension or restrictive duties for prolonged periods of time.

Risk Owner: Vicki Waskett

Reviewed: 16/02/2022

Next Review Date: June 2022

Context

The context to this risk relates to the legal case of *The Chief Constable of Avon and Somerset Constabulary v Eckland*.

The Chief Constable of Avon and Somerset seeks to establish that the individual members of Panels (being Legally Qualified Chairs (LQCs) and Independent Panel Members (IPMs)) conducting police misconduct hearings are personally liable for any awards made to officers/former officers in terms of breaches of the Equality Act 2010 should such a case be brought to an Employment Tribunal.

As such, LQCs are deeply concerned by the prospect arising from this case of being faced with unlimited personal liabilities while carrying out their duties. The Home Office accepted a year ago that primary legislation would be required to address this liability issue. However, at this time, no such legislation has been enacted and it is the belief of many LQCs that the Home Office is, for whatever reason, procrastinating. Whilst the National Association of LQCs (NALQC) acknowledges that indemnities currently provided by individual PCCs offer sufficient indemnity cover, it is suggested however that many PCCs do not have adequate insurance provision for such an eventuality. This matter has been further identified in the submissions of the Association of Police and Crime Commissioners (APCC) within the *Eckland* case, that some PCCs may not be in a position to meet these financial liabilities, should they arise. As such, at a meeting held on 26 November 2021, members of the NALQC voted in favour of not taking on any more misconduct hearings prior to the relevant assurances from the Home Office being provided in terms of adequate immunity from suit.

In terms of other panel members refusing to sit (such as IPMs and police officers), this has not been raised as an issue but it is acknowledged that it could yet represent a potential increase in risk in view of the pending outcome of the *Eckland* case.

Level of Assurance: **Limited assurance** has been provided at present.

Of 19 LQCs on the Thames Valley list, 5 are still willing to sit on a misconduct panel. As such, misconduct hearings can still go ahead but with limited capacity. Responses are awaited from the majority of LQCs.

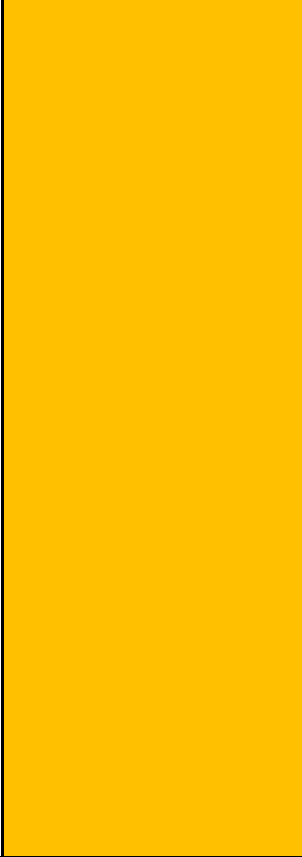
Risk Score Trend:



This risk score has **reduced** since the last meeting but the risk continues to be **TREATED**

The table below summarises the active and future planned mitigating actions

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
<ul style="list-style-type: none"> Thames Valley PCC had previously provided, and continues provide, the indemnity as requested by the NALQC. As such, at the time of writing, 5 LQCs are still willing to conduct TVP hearings on the basis of that indemnity. LQCs with prior commitments are honouring those commitments in relation to pending hearings. National assurance is awaited in terms of confirmation of judicial immunity from the Home Office pending final outcome of the <i>Eckland</i> case. It is understood that primary legislation - if supported by the Home Office - will be introduced no earlier than June 2022 in terms of judicial immunity and in fact is likely to take much longer. 	Vicki Waskett	Not known	Dependant on the final outcome of the <i>Eckland</i> case	Vicki Waskett	September 2022

- | | | | | |
|---|---|--|--|--|
| <ul style="list-style-type: none">• Further enquiries can be made with other LQCs in other force areas as to their willingness and availability to sit on misconduct panels within Thames Valley.• An emergency list of 4 more LQCs has been established within the South-East area.• Meetings are taking place with South East area colleagues to gather a more comprehensive list of LQCs in other regions who may be willing to travel to the Thames Valley.• the APCC Transparency and Integrity Lead are looking at this matter and the wider issues of LQC indemnities. They have asked the Home Office to consider a number of options. These include a shift back to Chief Constables of police discipline or making indemnities from PCCs mandatory. Both of these would require secondary legislation. |  | | | |
|---|---|--|--|--|

OPCC 34 - Inability to secure staff

Risk summary: The potential inability to recruit and retain staff within the context of the changing employment market place may undermine the OPCC's ability to deliver the PCC's Police and Criminal Justice Plan 2021-2025

Consequences:

- Unable to deliver the PCC's Police and Criminal Justice Plan in full
- Reputational damage, e.g. criticism from the Police and Crime Panel

Risk Owner: Paul Hammond

Reviewed: 17/02/2022

Next Review Date: June 2022

Context: The PCC published his Police and Criminal Justice Plan in June 2021, setting out his strategic priorities, aims and objectives. To deliver all elements within the Plan will require a full complement of staff as well as the co-operation of all key stakeholders and partners.

Level of Assurance: **Reasonable.** The Police and Criminal Justice Plan was published at the end of June 2021 and, therefore, the OPCC Strategic Delivery Plan 2021/22 was reviewed and updated with effect from July 2021. Since taking up his role in May 2021, the PCC has implemented a new staffing structure to align activities with the strategic priorities and objectives set out in the new Plan, and additional staff have been recruited to key vacant and new posts.

Risk Score Trend:



The score has **reduced** since the last meeting but the risk continues to be **TREATED**

The table below summarises the active and future planned mitigating actions.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
The PCC has implemented a new staffing structure to align activities with the new Police and Criminal Justice Plan, and key posts have been, and continue to be, appointed to.	P Hammond	Dec 2021			

OPCC 36 _ Victim Services contracts end dates

Risk summary: Possible risk to victim service provision from March 2023 when the initial term of the PCC-commissioned contracts end

Consequences:

- Possible reduction in specialist victims services across the Thames Valley
- The quality and/or quantity of service provided to victims adversely affected
- Reputational damage for the PCC

Risk Owner: Helen Wake

Reviewed: 17/02/2022

Next Review Date: June 2022

Context: The PCC currently provides a range of victim support services, including in-house provision, the Victims First Hub and externally provided specialist commissioned services. The specialist service provision consists of one in-house service for counselling provision, and three commissioned services (being two specialist adult services, i.e. the Victims First Emotional Support and Advocacy service (VFESS) and the Victims First Adult Specialist Service (VFSS), and SAFE!, a service specialising in support for young people). The initial contract term of two of the contracts (SAFE! and the VFSS) ends on the 31st March 2023, albeit both have the option to extend for up to a further two years. The VFESS service contract has already been extended to the maximum length as stipulated in the contract terms.

Level of Assurance: Reasonable.

The PCC has initiated an end-to-end review of the current victims services delivery model, which will be completed in 2022. The review provides an opportunity to evaluate current service delivery, advice on possible changes to the current model/contracts and inform future commissioning intentions. If the review recommends re-commissioning elements of service provision, then the current timeframe to undertake this work by March 2023 is challenging but deliverable. However, the contract extension options in two of the commissioned services allows increased flexibility in the procurement timeline. Additionally, the current in-house provision could be adapted to deliver any gaps in service provision to offer a contingency and assurance of delivery.

Risk Score Trend:



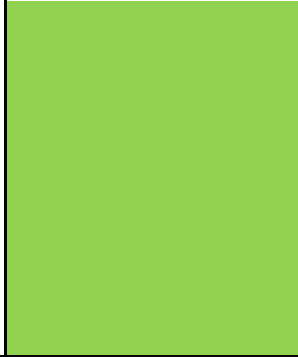
The risk score has not increased since the last meeting but it remains **TREATED**.

The table below summarises the active and future planned mitigating actions

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
<ul style="list-style-type: none"> Options are available to extend two of the three current contracts for up to two years to allow for additional time if required and allowing a possible phased approach should re-commissioning be recommended. Timelines for extension options are known. The review will be completed in time to allow for informed decision making in regards to key dates in relation to contract extensions/notice. The VFESS contract cannot be extended further; however, should the review recommend this provision should continue, options include re-commissioning, which is deliverable within the timeframe, or integrating this provision into current in-house provision. It may be possible to vary current contracts to meet the recommendations of the review, therefore negating the need to re-commission by 2023. However, this would need to be by mutual agreement with commissioned service providers and must not be a 'Material Change' to the current contract terms. A phased approach can be taken to any adaptations required to the in-house service provision, providing 	Helen Wake	May 2022	Dependant on the outcome of the review	Helen Wake	May 2022

stability to the system and allowing OPCC officers to focus on the highest presenting priorities.

- Within the team at the OPCC there is extensive commissioning experience and specialist subject level knowledge. The team will evaluate the options following the review and have the capability to address them accordingly.



OPCC 23 – New demands on OPCC

Risk summary: Failure to respond to new additional statutory responsibilities, increased volume of service demand and/or changes in type of service demand for services provided and/or commissioned by OPCC

Consequences:

- Failure of PCC to discharge statutory responsibilities
- Reputational damage – public criticism by, e.g. Home Secretary, Ministry of Justice, Victims Commissioner, statutory partners and Police and Crime Panel

Risk Owner: Paul Hammond

Reviewed: 22/02/2022

Next Review Date: June 2022

Context: There has been an incremental shift in actual or proposed PCC additional responsibilities over recent years, e.g.

- Taking on role of police complaints appellate body – the volume of Reviews to be undertaken has been greater than anticipated.
- Gathering performance data regarding criminal justice agencies to facilitate accountability within local criminal justice boards.
- Strengthening the role of PCCs within future probation service arrangements.
- Home Office review of PCC model – part 1 of the review promotes the proposal to mandate that PCCs take on responsibility for the governance of the local fire and rescue service(s), and part 2 of the review is considering further ways “*to strengthen and expand the role of PCCs, including the role PCCs play in tackling re-offending to help reduce crime.*”

Such developments could have resource implications for PCCs (staff and budget) that may not be specifically funded.

Level of Assurance: Reasonable. These developments and associated implications are monitored and considered internally within the OPCC (via SOG, SMG and discussions with the Chief Constable, as appropriate) and externally via relevant, well established, representative bodies (e.g. APCC, NPCC), professional bodies (e.g. APAC²E, PaCCTS) and other stakeholders (e.g. Home Office, Police and Crime Panel, HMICFRS, LCJB).

Risk Score Trend:



The score has **reduced** since the last meeting but the risk continues to be **TREATED**

The table below summarises the active and future planned mitigating actions.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
OPCC service planning informed by Home Office / APCC / APACE / PACCTS / HMICFRS / LCJB / TVP / OPCC information, advice and guidance	P Hammond	Ongoing			
Ongoing / annual OPCC actions: <ul style="list-style-type: none"> • Monitor and review new HO / MoJ policy initiatives • Annual review of internal OPCC Strategic Delivery Plan • Annual review of Police and Criminal Justice Plan • Annual review of OPCC capacity (staff and budget) and capability 	P. Hammond	Ongoing			
PCC chairs LCJB	PCC	Ongoing			
External scrutiny by Police and Crime Panel.	PCC	Ongoing			
OPCC internal monitoring of performance and service delivery	P. Hammond	Ongoing			
Home Office review of PCC model (parts 1 and 2): Monitor and respond to Home Office proposals	PCC / P Hammond	Ongoing to May 2024 PCC elections			



Joint Information Management Unit

ICO audit update

1. Introduction

The Information Commissioner's Office (ICO) is the independent regulator for data protection legislation and they are empowered by law to carry out compliance audits. They usually audit 6-8 police forces each year.

Given the importance of good data governance in regard to operational effectiveness, keeping people safe and public confidence, the two Chief Constables agreed to a voluntary audit which took place simultaneously in Hampshire Constabulary and Thames Valley Police w/b 8 February 2021.

The overall outcome was as follows:

Scope area	Overall level of assurance
Governance & Accountability	Limited
Information Risk Management	Reasonable
Personal Data Breach Management	Reasonable

This paper outlines the progress made on the resulting management action plan and accompanies the ICO's follow up report.

2. Audit recommendations

Across the three audit scope areas, a total of 83 risk controls were assessed. The auditors made recommendations for any control that did not meet the requirements for High Assurance. As a result, a total of 58 recommendations were made, with 55 accepted by the two Forces. The breakdown of recommendations is as follows:

	Urgent	High	Medium	Low	Rejected	Total
Governance & Accountability	0	25	7	1	3	36
Information Risk Management	0	8	2	0	0	10
Personal Data Breach Management	3*	9	0	0	0	12
Total	3	42	9	1	3	58

** The three recommendations marked urgent were due to the ICO auditor misunderstanding processes. However, as the Head of Information Management actually had to carry out actions to prove there were not any issues, the ICO insisted they remained as recommendations and classed as urgent.*

As part of the audit, the two Forces were required to produce an action plan. Whilst there was some overlap and repetition across the recommendations, there was also a need to break some of them down into more manageable tasks, particularly given that the majority

were graded as high priority. The result was a management plan with 88 actions to be led by the Head of information Management.

3. Outcome

At a high level, the following improvements have been made as a result of the action plan:

- Enhancements to policy and guidance, to documentation of procedures, and roles and responsibilities
- Better tracking of information risk mitigations
- Enhancements to documentation of how and where personal data is processed, and records of consent
- More nuanced privacy and data subject rights information (particularly for victims, witnesses and suspects) and more proactivity in making this available
- Review of data protection training
- Firming up of contracts for data processors
- Firming up of processes for compliance monitoring – both internally and third parties processing our data.

During January 2022, the ICO reviewed evidence the two Forces provided regarding progress against the management action plan. Their assessment was that 49 of the accepted ICO recommendations are now complete. A copy of the report is enclosed.

The status of six recommendations still in progress is as follows:

Scope Area	Recommendation	Current Position
Governance and Accountability	HCTVP should review the standard contract template to include the requirement for data processors to notify HCTVP of a personal data breach. HCTVP should review their current contracts, managed locally and by procurement, to ensure all of the clauses required by section 59 of the DPA18 are included.	The template for future contracts have been amended with Data Protection requirements. Existing contracts have been reviewed and the Procurement teams are working with suppliers to amend.
	HCTVP should establish and document a process for conducting appropriate due diligence checks during the procurement stage. This should include when procurement is managed locally and through Procurement. The due diligence checks should include data security checks, including site visits and system testing where appropriate, checks on the measures designed to prevent unauthorised system interference and checks to confirm a potential processor will protect data subjects' rights.	An information risk assessment template has been created for new Data Processors but there has not been an opportunity to use it yet.

	HCTVP should ensure that training provided to all staff includes fair processing and privacy information and that front line staff are provided with more specific training. This training should be refreshed regularly.	Awaiting confirmation this will be covered by College of Policing in next Information Management refresher package.
Information Risk Management	HCTVP should continue with their pilot scheme to audit data processor's compliance against the terms of their contract and the UK GDPR and DPA18	Pilot completed but not yet rolled out further due to staff vacancies.
Personal Data Breach	HCTVP should review all contracts with data processors to ensure they adequately reflect the processor's obligations in the event of a personal data breach.	The template for future contracts have been amended with Data Protection requirements. Existing contracts have been reviewed and the Procurement teams are working with suppliers to amend.
	HCTVP should continue with plans to resolve the issue of not being able to make deletions in line with the retention period to reduce personal information held in the breach logs, ServiceNow and VFire.	A process for deleting ServiceNow logs has been agreed with JICT. VFire data to be addressed when the server is migrated.

4 Future monitoring

The ICO engagement with Hampshire and Thames Valley regarding this audit is now complete. Progress on the outstanding recommendations will be formally monitored by the Joint Information Management Board.

Marion Peulevé
Head of Information Management
March 2022

Hampshire Constabulary and Thames Valley Police

Follow-up data protection audit report

January 2022

Executive summary



Background

The Information Commissioner is responsible for enforcing and promoting compliance with the UK General Data Protection Regulation (UK GDPR), the Data Protection Act 2018 (DPA18) and other data protection legislation. Section 146 of the DPA18 provides the Information Commissioner's Office (ICO) with the power to conduct compulsory audits through the issue of assessment notices. Section 129 of the DPA18 allows the ICO to carry out consensual audits.

The ICO is an independent, proportionate regulator and sees auditing as a constructive process with real benefits for controllers and so aims to establish a participative approach. High standards of personal data protection compliance help organisations innovate and deliver great services by building trust with the public. The ICO's expertise and consistent approach to regulation provides certainty enabling organisations to feel confident to use personal data responsibly, innovate and support economic growth.

Hampshire and Thames Valley Police (HCTVP) agreed to a consensual audit by the ICO of its processing of personal data.

The audit was conducted following the Information Commissioner's data protection audit methodology.

The key elements of this were a desk-based review of selected policies and procedures, on-site visits including interviews with selected staff, and an inspection of selected records. However, due to the outbreak of Covid-19, and the resulting restrictions on travel, the on-site visit was not possible, and interviews were conducted with selected staff on a remote basis.

The original audit took place at remotely between 8 February 2021 to 11 February 2021 and covered the following scope areas:

Scope Area	Description
Governance and Accountability	The extent to which information governance accountability, policies and procedures, performance measurement controls, and reporting mechanisms to monitor data protection compliance with Part 3 of the DPA18 are in place and in operation throughout the organisation.
Information Risk Management	The organisation has applied a "privacy by design" approach. Information risks are managed throughout the organisation in a structured way so that management understands the business impact of personal data related risks and manages them effectively to assure the business of the organisation.
Personal Data Breach	The extent to which the organisation has measures in place to detect, assess and respond to security breaches involving personal data, to record them appropriately and notify the supervisory authority and individuals where appropriate.

The audit was conducted following the Information Commissioner's data protection audit methodology. The key elements of this were a desk-based review of selected policies and procedures, on-site visits including interviews with selected staff, and an inspection of selected records.

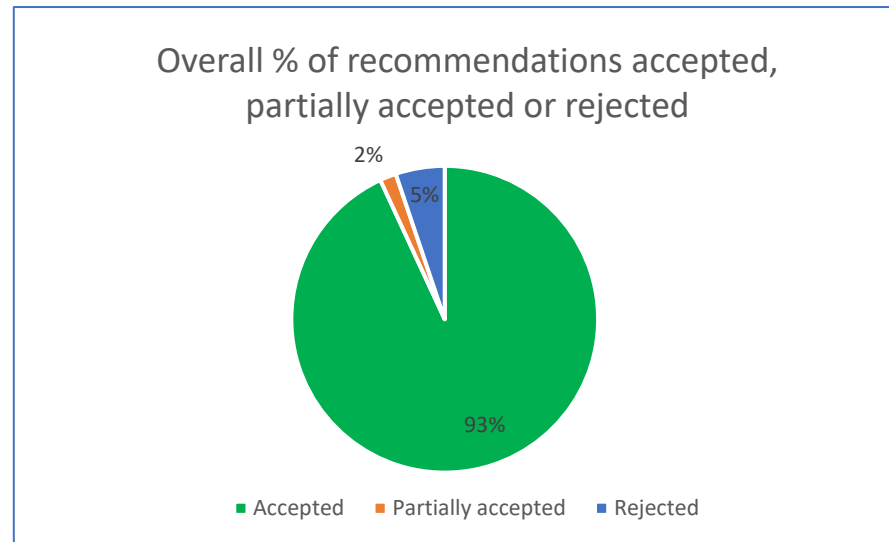
Where weaknesses were identified recommendations were made, primarily around enhancing existing processes to facilitate compliance with the DPA.

58 recommendations were made in the original audit report. In order to assist HCTVP in implementing the recommendations each was assigned a priority rating based upon the risks that they were intended to address. The ratings were assigned based upon the ICO's assessment of the risks involved.

HCTVP responded to these recommendations positively, agreeing to formally document procedures and implement further compliance measures.

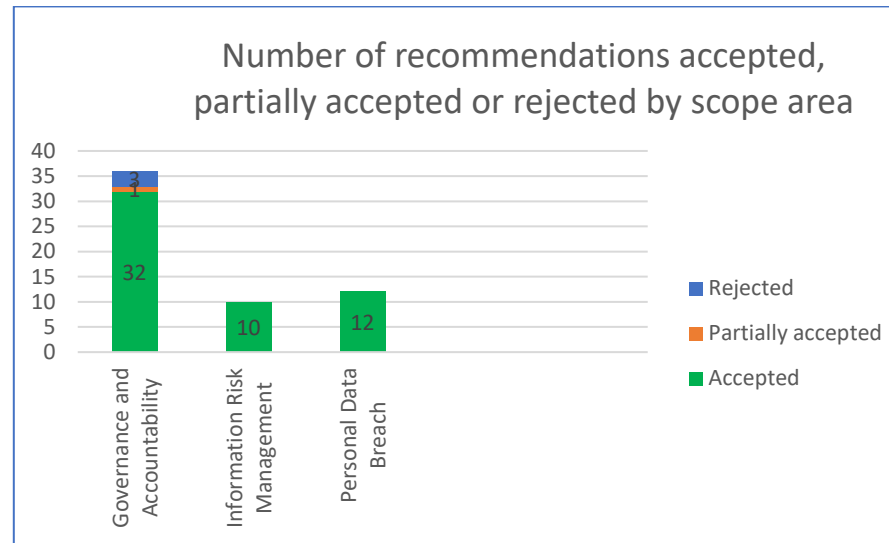
The following charts summarise HCTVP's response to the recommendations made.

A pie chart showing the overall percentage of recommendations accepted, partially accepted or rejected.



The pie chart above shows that overall, 93% of recommendations have been accepted, 2% have been partially accepted and 5% have been rejected.

A bar chart showing the number of recommendations accepted, partially accepted or rejected by scope area.



The bar chart above shows that for the Governance and Accountability scope, 32 recommendations have been accepted, one has been partially accepted and three have been rejected.

For the Information Risk Management scope, 10 recommendations have been accepted, and none have been partially accepted or rejected.

For the Personal Data Breach scope, 10 recommendations have been accepted, and none have been partially accepted or rejected.

Follow-up process

The objective of a follow-up audit assessment is to provide the ICO with a level of assurance that the agreed audit recommendations have been appropriately implemented to mitigate the identified risks and thereby support compliance with data protection legislation and implement good practice.

For all Urgent and High priority recommendations made in the original audit report, HCTVP are required to provide an update on the actions they have taken with supporting documentation to evidence progress.

For all Medium and Low priority recommendations made in the original audit report, HCTVP are required to provide an update on the actions they have taken.

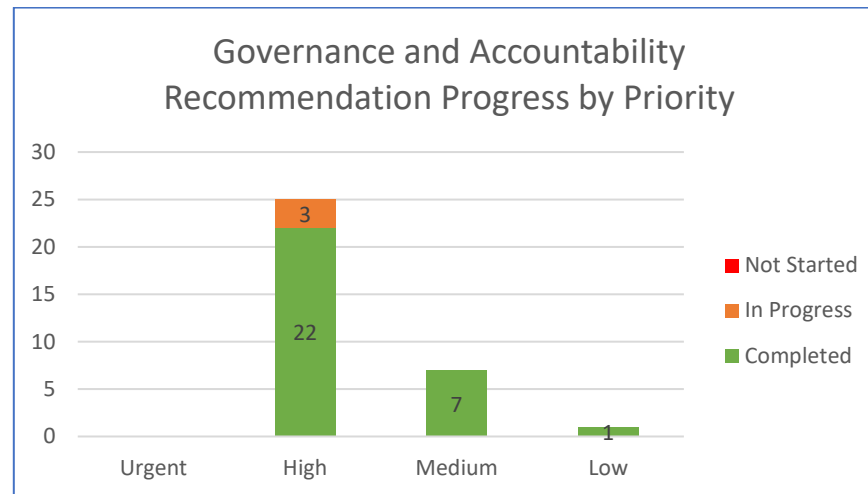
The updated Action Plan should be signed off at Board Level.

Follow-up audit summary

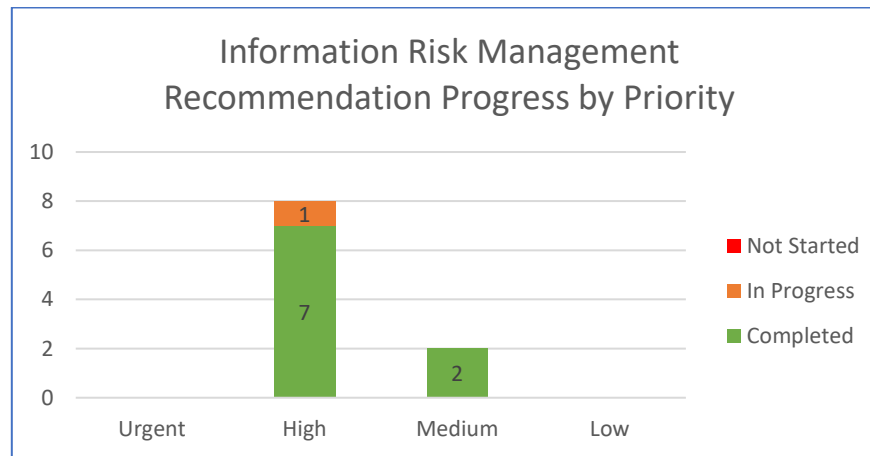
A desk based follow-up took place in January 2022 to provide the ICO and HCTVP with a measure of the extent to which HCTVP had implemented the agreed recommendations. The following charts show a summary of progress to date.

In all three scopes area there are still six recommendations in progress relating to data processor contracts. In these instances, there remains the residual risk of non-compliance with data protection legislation.

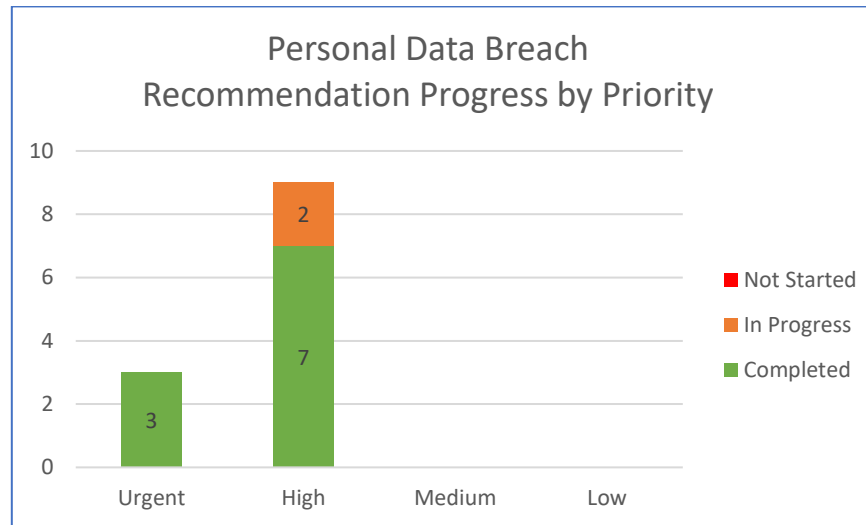
A bar chart showing the status of recommendations split by priority rating for the Governance and Accountability scope



A bar chart showing the status of recommendations split by priority rating for the Information Risk Management scope



A bar chart showing the status of recommendations split by priority rating for the Personal Data Breach scope



- In the Governance and Accountability scope area we are pleased to note that 22 high recommendation actions have been completed and three are in progress.
- In the Information Risk Management scope area we note that seven high recommendation actions have been completed and one in progress.
- In the Personal data breach scope area we are pleased to note that all three the urgent recommendations have been completed and seven high recommendations have been completed with two actions in progress.

Key follow-up audit findings

Main improvements include:

- A Training Needs Analysis (TNA) for all staff, volunteers, agency staff and contractors across HCTVP to inform the information governance training plan has been developed. The TNA also includes provisions for staff in specialised roles who require specialist data protection training.
- The information asset register (IAR)/Record of Processing (ROPA) is now completed and the register is split into three parts; Hampshire Constabulary, Thames Valley Police and collaborated units for maintenance.
- Guidance has been developed for staff to consider when using consent as a lawful basis for processing personal data. Any processing using consent as a lawful basis have also been reviewed to ensure it is still the most appropriate lawful basis to use.
- Existing privacy information has been reviewed and updated.
- Data protection impact assessments (DPIAs) are now assigned a formal review date.
- Guidance has been provided to staff to ensure that personal data breaches are assessed consistently and decisions are recorded with full rationale.
- Procedures are in place to notify individuals of a personal data breach where appropriate.

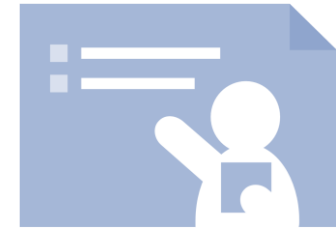
Main risk areas still outstanding:

- To ensure risk audits and due diligence checks are carried out for all data processors used and that any contracts reflect their data protection responsibilities. Work on updating contracts with joint controllers or data processors should continue to ensure the contract contains the necessary data protection clauses.

Follow-up audit conclusion

The follow-up is now complete, HCTVP has made meaningful progress to or completed all the actions agreed in the original audit.

A few outstanding actions exist relating to data processor contracts, but meaningful progress is being made with the actions to mitigate the risk of non-compliance.



Credits

ICO Auditor

Floren Pemberton – Lead Auditor

Thanks

The ICO would like to thank Marion Peuleve, Head of Information Management for their help in the audit follow up engagement.

Distribution List

This report is for the attention of Marion Peuleve, Head of Information Management.

Disclaimer

The matters arising in this report are only those that came to our attention during the course of the follow up audit and are not necessarily a comprehensive statement of all the areas requiring improvement.

The responsibility for ensuring that there are adequate risk management, governance and internal control arrangements in place rest with the management of HCTVP.

We take all reasonable care to ensure that our follow up audit report is fair and accurate but cannot accept any liability to any person or organisation, including any third party, for any loss or damage suffered or costs incurred by it arising out of, or in connection with, the use of this report, however such loss or damage is caused. We cannot accept liability for loss occasioned to any person or organisation, including any third party, acting or refraining from acting as a result of any information contained in this report.

This report is solely for the use of HCTVP. The scope areas and controls covered by the original audit were tailored to HCTVP and, as a result, this report is not intended to be used in comparison with other ICO follow up audit reports.