**POLICE
& CRIME
COMMISSIONER**
THAMES VALLEY

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Date: 3 July 2019

Dear Member

JOINT INDEPENDENT AUDIT COMMITTEE

You are requested to attend a meeting of the Joint Independent Audit Committee on Friday 12 July 2019 in the Conference Hall, Police Headquarters South, Kidlington at **10.30am**.

Due to the length of the JIAC meeting there will be a half an hour lunch break commencing at 12:30pm – 1:00pm

Yours sincerely

Paul Hammond
Chief Executive

To: Members of the Joint Independent Audit Committee

Agenda Item		Approx. Timings	Page No.
1.	Election of Chairman 2019/20 *(JIAC Committee)*	10.30am	-
2.	Minutes of the last JIAC meeting held on 15th March 2019 *(JIAC Committee)*	through to	3 - 10
3.	Actions/Matters update *(JIAC Committee)*	10.35am	11 – 14
4.	TVP Wellbeing, HS&E Annual Report 2018/19 with Appendices *(Norma Brown) – 30 mins*	10.35am – 11.05am	15 - 48
5.	TVP Environmental Annual Report *(Mike Underwood) – 15 mins*	11.05am – 11.20am	49 - 64

Agenda Item	Approx. Timings	Page No.
6. Equality & Diversity & Inclusion Annual Report 2018/19 *(Nita Pankhania) – 15 mins*	11.20am – 11.35am	65 - 76
7. Annual Report from the Chief Internal Auditor 2018/19 *(Neil Shovell) – 15 mins*	11.35am – 11.50am	77 - 98
8. Annual Treasury Management Outturn Report 2018/19 *(Ian Thompson) – 5 mins*	11.50am – 11.55am	99 - 116
9. TVP Risk Management & Business Continuity Annual Report 2018/19 *(DCC Jason Hogg/Mark Horne) – 10 mins*	11.55am – 12.05pm	117 - 124
10. Annual Governance Statement 2018/19 *(Ian Thompson) – 5 mins*	12.05pm – 12.10pm	125 - 148
11. OPCC Risk Register *(Paul Hammond) - 5 mins*	12.10pm – 12.15pm	149 - 166
12. Progress on Delivery of agreed actions in Internal Audit Report 2019/20 *(Amy Shearn) – 10 mins*	12.15pm – 12.25pm	167 - 174
13. Ernst & Young Police Sector Audit Committee Briefing *(Suresh Patel/Adrian Balmer) – 5 mins*	12.25pm – 12.30pm	**TO FOLLOW**

Lunch Break from 12.30pm – 1.00pm

14. Annual Report of the SIRO *(Marion Peuleve) – 15 mins*	1.00pm – 1.15pm	175 - 188
15. External Annual Audit 2019/20 *(Suresh Patel/Adrian Balmer) – 30 mins*	1.15pm – 1.45pm	189 - 197
16. Final Accounts 2018/19 (please see separate Chief Constable Statement of Accounts 2018/19 and PCC Group Statement of Accounts 2018/19) *(Ian Thompson/Linda Waters) - 30 mins*	1.45pm – 2.15pm	**TO FOLLOW**
17. EY Audit Results Report 2018/19 *(Suresh Patel/Adrian Balmer) - 30 mins*	2.15pm – 2.45pm	**TO FOLLOW**

Date of next meeting 4 October 2019 at 10.30am in the Conference Hall, Thames Valley Police Headquarters HQ South.

MINUTES OF A MEETING OF THE JOINT INDEPENDENT AUDIT COMMITTEE HELD AT POLICE HEADQUARTERS, KIDLINGTON ON 15 MARCH 2019 COMMENCING AT 9.30AM AND CONCLUDING AT 11:25AM

Members Present:
Dr L Lee (Chairman), Mike Day, Richard Jones, Dr G A Woods

Present:
A Stansfeld (Police & Crime Commissioner)
M Barber (Deputy Police & Crime Commissioner)
P Hammond (Chief Executive, OPCC)
I Thompson (Chief Finance Officer, OPCC)
L Waters (Director of Finance)
F Habgood (Chief Constable)
J Campbell (Deputy Chief Constable)
R France (Chief Supt.)
A Cooper (Director of Information)
N Shovell (Chief Internal Auditor, OPCC)
A Shearn (Principal, Auditor, OPCC)
A Balmer (Manager, Ernst & Young)
M Horne (Governance & Service Improvement)
C Roberts (Executive Assistant to the PCC/DPCC, OPCC)

Apologies:
Alison Phillips OBE,
P King (Associate Partner, Ernst & Young)

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104   APOLOGIES

The Chair (Louis Lee) (LL) welcomed all attendees and apologies were given for Paul King, Associate Partner from Ernst & Young as well as Alison Phillips (JIAC Panel Member).

(LL) had concerns as to the timing of receiving hard copies of the Agendas which had affected the Panel members in their ability to read the papers in such a short time. It was therefore agreed that the hard copies of the Agendas would be sent out by first class post 8 days before each meeting date and Parts I and II would be separate as and when necessary.

105   PART 1 MINUTES FROM THE LAST MEETING HELD ON 7 DECEMBER 2018

The Minutes of the meeting held on 7 December 2018 were summarised by (LL) pointing out that Minute 89 on page 5 required the word '*the*' removed from the second line and in the final paragraph of Minute 100, it should read… *'The Committee **CONSIDERED** the draft recommended Treasury Management Strategy Statement for 2019/20 for approval'.*

Action: Charlotte Roberts (CR) to amend the minutes of 7 December 2018 and re-upload to the OPCC website.

106   MATTERS/ACTIONS ARISING FROM 7 DECEMBER 2018 MEETING

(LL) congratulated (CR) on producing the finalised 'Action Log' for inclusion within the Agenda and for chasing and finalising any outstanding actions. (LL) confirmed the Panel would like this document to be included in all agendas from now on.

107   TVP RISK MANAGEMENT & BUSINESS CONTINUITY REPORT

The Report had been read in advance by the Committee members and were pleased with the progress made so far as to the levels of transparency of the report and thanks were passed on to the Force for being so open to the changes that the Committee members recommended.

An effective risk management was one of the foundations for good governance and a sound understanding of risks and management was essential for TVP to achieve its objectives and use resources effectively to identify and exploit new business opportunities. Mark Horne (MH) summarised the Risk Heat Map which identified the current strategic risks and maps them in terms of priority based on current risk scores. (MH) confirmed that in relation to SR74 Recruitment and Retention, the Force were below establishment as a result of recruitment and retention issues, whilst demand and the complexity of policing had in fact increased. Funding for 2020/21 could be insufficient to allow the Force to continue to deliver all existing services to the same level of performance and may not accommodate additional demand through increasing numbers, complexity or scope. It was noted that out-of-date mapping was being used by the organisation, would could lead to a number of negative consequences in relation to SR65 Gazetteers. These risks were to public safety, officer safety and potential reputational damage. The levels of assurance provided were based on the risk summary and input from the risk owner. The additional documents supplied, outlined the more detailed activities and benchmarking where this would be available. However, in the future, this would also include how effective mitigating actions had been in the past and confidence around the potential effectiveness of future actions.

In relation to target dates set out on page 33, the Force were going back to Criminal Justice to obtain more reasonable information so there was still a little more work to do on this. The risks for CMP Delivery Delay was being treated through the programme board and the testing programme. However, if there was a delay to the delivery of the Contact Management Programme (CMP), there would be a number of ongoing impacts operationally, financially and also reputational damage to the Force. Testing had proved successful and the likelihood of this risk had fallen.

SR56 LiveLink was required to remain functional until September 2019, which would increase the likelihood of operational issues. The Sharepoint Project Board had now procured a tool which allowed a bulk data migration out of LiveLink, allowing recovery of key data. The Sharepoint project data moving exercise could not take place at present as the LiveLink environment had an instability issue with syncing an active directory. Once this had been resolved, testing would then go ahead but there was a potential loss of 2-3 weeks in the programme whilst this issue was being resolved.   The Audit Committee asked whether this was initially a realistic optimism of the target date of 30 March 2019. (LL) accepted the comments given by Amanda Cooper (AC).

The Audit Committee commented on various questions in the report in particular, Recruitment and Retention. A number of issues had come out during discussions in previous meetings and whether it was normal to run on 10% of staff vacancies. Linda Waters (LW) noted that the police staff vacancies showed a downward trend and the Force had been slow in recruiting case investigators but the 'vacancy factor' was now less than financially budgeted for. There had been significant recruitment in Contact Management staff and there was no need for the Audit Committee to be concerned.

The PCC raised his concerns as to the time it took to recruit police officers into the system (approximately 9 months). Some of the new recruits were extremely young and they seem to lose enthusiasm because of the time it takes to become an officer. Chief Constable Francis Habgood (FH) pointed out that police officer training can take anywhere between 6 to 9 months but he felt that if a recruit had made a decision to become a police officer then their mind was already fixed. The Force had been doing a lot of work with Dr Steven Chase (SC) and his team to speed up this process but felt the biggest risks were around police staff. The Audit Committee felt that it may be helpful for (SC) to attend a future JIAC meeting to give the panel an update and provide reassurance as to recruitment. Deputy Chief Constable John Campbell (JC) would therefore liaise with (SC) and arrange for (SC) to attend a future meeting to discuss what focus should be within HR on recruitment and retention.

The Committee confirmed that ICT had been in a good place since August 2017 but did not understand the blue line set out on page 49 for the ICT P1 Incident Volume Trend. (FH) confirmed that this line reported different data points. Richard Jones (RJ) felt that it would be better to show two years of data in the graphs

but Chief Supt. Rob France (RF) disagreed. The P1 incidents were national systems that TVP could not influence and in 2018 (AC) had seen more outages. The graphs were not a total measure of local force supply and (AC) wished this to be noted. (FH) confirmed that more meetings had been set up to influence strategic funding issues and performance and although this was not perfect, significant improvements had been made.

On page 52 the paragraph consisting of four lines that related to business continuity requirements in the event of a 'no-deal' and other Brexit related scenarios required amending and the Audit Committee required an update once this had been completed.

(RF) noted that the Committee could contact him to make an appointment which would enable the members to check source data if required.

Action: (JC) to liaise with (SC) to attend a future JIAC meeting to update the Audit Committee as to recruitment and retention reassurance.

Action: (RF) to amend the paragraph set out on page 52 (four lines) and update the Audit Committee thereafter.

The Chairman of JIAC approved the recommendation to review and note the report as appropriate.

108   OPCC RISK REGISTER

(PH) summarised the OPCC Risk Register that identified eight risks that had the potential to have a material adverse effect on the performance of the PCC and/or of the Office of the PCC, two of these were new risks namely, OPCC23 and OPCC25.

Risk OPCC23 noted the failure to respond to new additional demand or changes in the type of service demand for OPCC related services. The OPCC had become increasingly aware of the number of initiatives that were falling on PCCs to carry out from the APCC and there was a danger that expectations were not being responded to. All notifications that required action would need arrangements to be put in place.

Risk OPCC25 identified the change from the Data Protection Act to General Data Protection Regulation (GDPR) requirements which increased the risk of non-compliance, the consequences of which would be the severity of fines and reputational damage to the OPCC. TVP had launched a mandatory e-learning package earlier on in the year. Richard Jones (RJ) pointed out that a lot of people he knew had carried out this mandatory learning back in May 2018 when the new regulations came in. However, (PH) informed (RJ) that back in June/July 2018, TVP/OPCC had been let down by the College of Policing as the e-learning package that had been provided did not work. The package was removed and later reinstalled around August/September 2018 and completed by all staff by October 2018. (RJ) felt that this should have been recorded in the OPCC Risk Register and should have been flagged up as a risk back in May 2018. (PH) confirmed he would note the comments made and discuss this further with his management team. The review date of 7.2.19 for OPCC25 also needed to be amended to show 'last review' or 'next review' date.

(PH) went on to note that the OPCC was largely non-operational and commissioned victim services with the OPCC adapting to the establishment and requirements. The MoJ wanted PCCs to have more involvement in probation services but with no resources allocated. The PCC was overseeing the Force and holding the Chief Constable to account and were content with the arrangements that were currently in place and had not flagged this up or identified this as a risk. Regular discussions between the PCC and the Chief Constable continue to take place and (PH) felt confident that all activities had been reviewed correctly.

The PCC noted there were currently operational risks i.e. Brexit where TVP supported other police forces i.e. Kent. However, the PCC wanted it noted that TVP had been inspected by HMICFRS and were graded well and that all priorities were being addressed. The OPCC Risk Register would be changing its format shortly to sit alongside that of the Force's Risk Register and this would be provided at the next JIAC meeting on 12 July 2019.

Action: The review date set out at the top of OPCC25 to be amended by the OPCC to show the box as either being the 'last review date' or 'next review date'.

Action: The new OPCC Risk Register to be provided at the next JIAC meeting in July in the same format used by the Force.

The Chairman of JIAC approved the recommendations of the eight issues on the OPCC Risk Register, the actions being taken to mitigate each individual risk and endorsed the proposed changes to the Risk Register.

109 ERNST & YOUNG POLICE SECTOR AUDIT COMMITTEE BRIEFING

Adrian Balmer (AB) had been given assurance from the Audit Committee that they had read the Briefing paper. (LL) noted on page 75 that the report was correct at the time it was written but that the date would need to be amended. The Home Office had announced the roll out of the ESN project in phases starting early 2019 and (FH) noted that the date they would be looking at would be 2020.

Key questions were set out for the Audit Committee on page 78 and Mike Day (MD) referred to question 2 as to whether the Force had applied for any special grants to support policing in the area and were there any lessons that could be learned. The PCC noted that the Force had not applied for any special grant funding but that the Force received government funding for Operation Hornet, Operation Manifold and Operation Lyceum. (FH) confirmed that when there are new opportunities arising, the Force would apply for special grant funding.

Finally, the PCC did not understand why paragraph 11 set out on page 78 of the key questions ended with the word 'your authority'. (AB) confirmed he would feed this back to Ernst & Young and amend as necessary.

Action: (AB) to ensure that the correct date was amended on page 75 of the Police Sector Audit Committee Briefing paper.

Action: (AB) to discuss the word 'your authority' set out in paragraph 11 on page 78 of the key questions with Ernst & Young and amend as necessary.

110 DRAFT ANNUAL GOVERNANCE STATEMENT 2018/19

The draft Annual Governance Statement (AGS) 2018/19 was an early draft and further work would be required before the joint AGS was published in the Annual Statement of Accounts for 2018/19. Following consideration by the Audit Committee, the updated AGS would be presented to the PCC and Chief Constable for their consideration and formal sign-off at the next Level 1 meeting on 25 July 2019. The draft AGS 2018/19 had been fully updated.

(IT) noted that the Arrangements for Review of Effectiveness were set out on page 98 onwards. There were no serious issues identified as per last year's issue and this document had been discussed in an Advisory Group although there was a lot of detail given in this report. On 12 May 2019 the draft AGS would go into the accounts which would then be audited and (IT) confirmed he would send a copy of the finalised version of the AGS to the Audit Committee at the end of the financial year. (AB) noted that it was good to see the draft AGS at this stage at today's meeting.

There were however a few typos which needed to be amended and these were as follows:

- **Page 83 Executive Summary**
  The second paragraph should be amended to reflect a change of date from 2017/18 to 2018/19.
- **Page 85 Contact Management Platform**
  Paragraph a. needed to be amended to read …'*but the **projected** business benefits outweighed the additional cost and effort to both Forces'.*
- **Page 85 Custody Contract**

In the first sentence there was an 'r' missing from the word 'contract' and this would need to be amended.

In considering the AGS and the effectiveness of current governance arrangements, members considered three questions set out on page 87, based on their knowledge of the organisation in which all of the Audit Committee agreed on.

Set out on page 100 of the AGS, the first paragraph would need to be updated by (RF). (JC) noted that this paragraph focussed on all force change and the first paragraph did not reflect the change of TOR.

Action: (IT) to send to the Audit Committee a copy of the finalised version of the Annual Governance Statement at the end of the financial year.

Action: (IT) to amend pages 83 and 85 as to the typos in the covering report for the draft AGS.

Action: (RF) to update the first paragraph on page 100 as this paragraph did not reflect the change of TOR.

The Chairman of JIAC reviewed the draft Annual Governance Statement for 2018/19 and provided feedback to officers.

111 PROGRESS ON 2018/19 INTERNAL AUDIT PLAN DELIVERY AND SUMMARY OF MATTERS ARISING FROM COMPLETED AUDITS

Neil Shovell (NS) referred to some changes that had been made to the 2018/19 Joint Internal Audit Plan since the previous JIAC meeting in December 2018 as to body worn video and some minor audit title updates and day allocation alterations. Since the previous meeting, (NS) confirmed that as at 26 February, there had been six completed audits with either limited assurance or reasonable assurance.

The performance red RAG status' set out in section 2.6 were due to delays in audit testing and reporting. The Audit Committee raised concerns on the external issues that had arisen and the effect on the levels of assurance from the provider. (NS) ensured the Audit Committee that the situation would be discussed and the appropriate correspondence sent to ensure this matter was dealt with appropriately.

Work was ongoing on the 2018/19 NFI exercise. The data matches had been received and work was progressing to review this information. As at the 26 February 2019, there were no issued raised in reviewing the available NFI matches.

The Joint Internal Audit Team had not been notified of any internal control issues by PSD or Corporate Finance since the last meeting held in December.

(NS) went through the tables set out in Appendix A which should be finalised by April 2019.

(LL) wanted to stress to the attendees that the Audit Committee had spent a long time reading the agenda papers and the bullet points set out on page 113 were not encouraging to read.

The Chairman of JIAC approved the recommendation to note the progress and any changes in delivering the 2018/19 Joint Internal Audit Plan and audit service for TVP and the OPCC.

Action: (NS) to discuss the raised concerns by the Audit Committee and the appropriate correspondence sent to ensure the matter was dealt with appropriately setting out the terms of assurance that was required.

112 PROGRESS ON DELIVERY OF AGREED ACTIONS

The report provided details of the progress made by managers in delivering the agreed actions in internal audit reports. The report detailed target implementation dates for any current overdue actions of which were 14.

(LL) confirmed a good picture had been demonstrated in the report and had nothing further to add.

(MD) felt that the updates in the Appendices had gone into a 'too difficult box'. Amy Shearn (AS) explained that the updates are discussed with respondees where necessary to ensure that they reflect the current position and, where originally agreed actions no longer apply, revised actions are confirmed to address the outstanding action or the action is signed off if alternative actions have been taken to address the risk.

The Chairman of JIAC approved the recommendations to note the Report.

113   INTERNAL AUDIT STRATEGY AND JOINT INTERNAL AUDIT PLAN 2019/20

The report set out the Internal Audit Strategy and Joint Internal Audit Plan 2019/20, including the methodology for collating the plan and the audit areas included for 2019/20.

The Joint Internal Audit Plan provided a good level of coverage across both organisations. It was also noted that a number of days had been allocated in the plan to:

- Supervise and oversee individual audit completion;
- Provide any advice or consultancy;
- Administer the quarterly management action follow up process;
- Maintain an overview of any fraud investigations;
- Complete the Internal Audit Annual Report and contribute to the Annual Governance Statement process;
- Review Internal Audit's compliance with the PSIAS;
- Facilitate the resolution of any matches identified through the 2018/19 National Fraud Initiative (NFI) exercise; and
- Finalise any 2018/19 audit reviews.

Additionally, there was an allocation of 10 days that had been agreed for the Audit Committee to utilise, should they request a specific piece of audit work to be completed. These days were not currently resourced within the Joint Internal Audit Plan.

Gordon Woods (GW) asked when there would be a right time to set up and view ERP. (FH) confirmed there was a separate external audit by Grant Thornton, the first one having been completed although the second audit was on hold but (FH) would share the report with the Audit Committee in due course.

Action: (FH) to forward and share the Report with the Audit Committee.

The Chairman of JIAC approved the recommendations to note and endorse the Internal Audit Strategy and Joint Internal Audit Plan 2019/20

114   JOINT CORPORATE GOVERNANCE FRAMEWORK 2019/20

The updated and current version of the Joint Corporate Governance Framework was approved by the Chief Constable and PCC at the Level 1 meeting on 29 March 2018.

A tracked changed version had helpfully been provided to the Audit Committee and there were only questions on the document from them. It was noted that there were considerable changes in the report and the Audit Committee TOR had been changed in December which had been reflected in the Framework. However, this document remained a standing Framework and whoever replaced the PCC in May next year may wish to alter it.

As set out on page 173 paragraph F2, the PCC confirmed that he developed and maintained effective arrangements to hold to account his two statutory officers, being the Chief Executive and Chief Finance Officer for their respective functions and the performance of the OPCC. The PCC also confirmed that he had regular meetings and one-to-one meetings within the office. Appraisals were in place and each month a Senior Management Group (SMG) meeting took place which covered a wide variety of issues such as work

programmes and setting out tasks etc. The PDR system was also rolled out across the office and adhered to.

The Chairman of JIAC approved the recommendation to scrutinise the draft Corporate Governance Framework and recommended it to the PCC and Chief Constable for approval and adoption at their Level 1 meeting on 26 March 2019.

115   ANY OTHER BUSINESS

With the departure of (FH), (LL) indicated it had been a pleasure working with him and welcomed as of 1 April 2019 the new Chief Constable John Campbell.

The meeting concluded at 11:25am

Date of next meeting 12 July 2019 at 10.30am the Conference Hall, TVP Headquarters South

JOINT INDEPENDENT AUDIT COMMITTEE Matters and Actions Arising from 15 March 2019 Meeting

Matters Arising from Minutes of 15 March 2019	Lead	Action	Update / Action complete
Minute 105 Part I Minutes from the last meeting on 7 December 2019	Charlotte Roberts	Minute 89 on page 5 required the word 'the' removed from the second line and in the final paragraph of Minute 100 it should read *'The Committee **CONSIDERED** the draft recommended Treasury Management Strategy Statement for 2019/20 for approval'.*	CR updating Part I of Minutes of the meeting on 7 December 2019 and re-uploaded the amended version to the OPCC website as requested. ACTION COMPLETE
Minute 107 TVP Risk Management & Business Continuity Report	John Campbell	Gordon Woods felt it would be helpful to have Dr Steven Chase attend a JIAC meeting to give an update and provide reassurance as to recruitment and what focus should be within HR. John Campbell to contact Dr Steven Chase to attend a JIAC meeting.	SC confirmed he would attend the 4 October meeting and present and give reassurance to the Panel in relation to the following : ** An overview of risk management and internal controls within the people directorate, with particular reference to:* ** strategic workforce planning including measures to increase effectiveness of recruitment and retention and the vacancy rate both Officers and staff;* ** comment on audit reports, including the 'limited assurance' report on the acting up report;* ** unresolved agreed audit actions, including two outstanding from an audit originally conducted in 2016/17; and* ** What are the critical strengths and weaknesses of TVP People strategy and its implementation including how TVP benchmarks itself against people directorate performance in other comparable forces, and what his priorities are for improving effectiveness?* ACTION COMPLETE ON OCTOBER 2019 AGENDA

Minute 107 TVP Risk Management & Business Continuity Report	Rob France	JIAC noted that the paragraph set out on page 52 relating to business continuity requirements in the event of a 'no deal' and other Brexit related scenarios required amending as to the dates set out. (RF) to provide an update to JIAC once complete.	RF confirmed on 1/7/19 this action is now complete. Future Business Continuity reports take account of the changing Brexit picture, including the current Brexit deadline. ACTION COMPLETE
Minute 108 OPCC Risk Register	Paul Hammond	At the top of risk OPCC25 the review date of 7.2.19 needed to be amended to show 'last review' or 'next review' date	The OPCC Risk Register word document has been included in the agenda for 12 July 2019 ACTION COMPLETE
Minute 108 OPCC Risk Register	Paul Hammond	The OPCC Risk Register would be changing format to sit alongside that of the Force's Risk Register and this would be provided at the next JIAC meeting on 12 July 2019	The OPCC Risk Register has been included in the Agenda for 12 July 2019 ACTION COMPLETE
Minute 109 E&Y Police Sector Audit Committee Briefing	Adrian Balmer	(AB) to ensure that page 75 of the Police Sector Audit Committee Briefing paper gives the correct date.	NOTE: This action may not be acted upon as the paper is a published report which AB cannot amend. ACTION COMPLETE
Minute 109 E&Y Police Sector Audit Committee Briefing	Adrian Balmer	(AB) to discuss with Ernst & Young the word 'your authority' set out in paragraph 11 on page 78 of the key questions of the Police Sector Audit Committee Briefing and amend as necessary.	NOTE: The document is a national public report which is sent out to everyone. ACTION COMPLETE
Minute 110 Draft Annual Governance Statement	Ian Thompson	A copy of the finalised Annual Governance Statement to be sent to the JIAC members.	IT confirmed on 23/05/19 that the finalised Annual Governance Statement had been sent to the JIAC members. ACTION COMPLETE
Minute 110 Draft Annual Governance Statement	Ian Thompson	There were a few typos on the draft AGS Executive Summary (page 83) where a change of date to be amended from 2017/18 to 2018/19. Page 85 paragraph (a) to read …'but the projected business benefits outweighed the additional cost and effort to both Forces' and on page 85 of the paragraph entitled Custody Contract, there was an 'r' missing from the contact contract.	ACTION COMPLETE AND RE-UPLOADED TO OPCC WEBSITE. ACTION COMPLETE AND RE-UPLOADED TO OPCC WEBSITE.

Minute 110 Draft Annual Governance Statement	Rob France	(RF) to update the first paragraph on page 11 as this paragraph did not reflect the change of TOR.	RF confirmed on 1/7/19 that his understanding was that the change to the Terms of Reference was recent, whereas the Annual Governance Statement provided a review of the governance arrangements last financial year. RF has a meeting after the JIAC meeting on 12 July to discuss the new TOR which will form part of the next annual governance statement. RF/Cat Hemmings will get to the bottom of this action.

Minute 111 Progress on 2018/19 Internal Audit Plan Delivery and Summary of matters arising from completed audits	Neil Shovell	The JIAC Panel expressed their concerns as to performance issues of the external ICT provider that had been re-appointed for a further 3 years and to note the affect this had on levels of assurance. A letter should be sent to the Director of the Company setting out the terms of assurance that was required.	Neil Shovell wrote to TIAA Ltd at the end of March 2019 setting out his concerns. Ian Thompson, Linda Waters and Neil Shovell received a very positive and proactive response providing the necessary assurances on the outstanding 2018/19 audits, as well as the approach to the 2019/20 and future audits, up to the end of the contract. Neil Shovell would also be closely monitoring the TIAA's performance over the term of the contract and would escalate any further concerns, should they arise. ACTION COMPLETE
Minute 113 Internal Audit Strategy and Joint Internal Audit Plan 2019/20	Francis Habgood/now John Campbell	(FH)/(JC) to forward and share with the Audit Committee the Report re ERP.	JC forwarding to CR for onward transmission to the JIAC members the documentation requested. ACTION COMPLETE

15
**JOINT INDEPENDENT AUDIT COMMITTEE
(JIAC) REPORT**

Joint Information Audit Committee (JIAC)

WELLBEING, HEALTH AND SAFETY MANAGEMENT 2018-2019

For Submission to CCMT / JIAC

Norma Brown, Philip Paling

**JOINT INDEPENDENT AUDIT COMMITTEE
(JIAC) REPORT**

Executive Summary

In accordance, with its Terms of Reference (ToR) the JIAC Committee has the following responsibilities in respect of Health and Safety:

"Satisfy itself on behalf of the PCC and the Chief Constable that an adequate and effective policy and practice framework is in place to discharge legal duties in relation to health and safety. In particular, having regard to the safety, health and welfare of police officers and police staff, people in the care and custody of Thames Valley Police and all members of the public on police premises or property"

	The purpose of the report is to provide the CCMT / JIAC with a summary of principal activity and outcomes relating to the promotion and management of Health, Safety and Wellbeing within Thames Valley Police (TVP). The reporting period is 1 April 2018 to 31 March 2019.
	The report provides information relating to key activity undertaken by the People Directorate and Health and Safety Environment team with respect to: Operational Estates Health and Safety management (Fire, Asbestos, and Water), Wellbeing activities.
	The reporting period saw a drop of 12% in the total number of reported accidents and incidents compared to the previous year down 56: from 482 to 426.
	The reporting period saw an increase of 50% in the total number of reported non-employee accidents and incidents compared to the previous year from 10 to 15, as there is an increase in training injuries for non-TVP officers are being reported.
	The reporting period saw a drop of 11% in the total number of reported RIDDOR incidents compared to the previous year down 2: from 19 to 17.
	During the period of this report there has been no HSE actions against TVP.

Purpose

The purpose of the report is to provide the CCMT / JIAC with a summary of principal activity and outcomes relating to the promotion and management of Health and Safety within TVP. For the first time, this report also reports on activity that has been undertaken in respect of wellbeing. The reporting period is 1 April 2018 to 31 March 2019.

Background and context

All organisations have a legal duty to put in place suitable arrangements to manage Health and Safety. Ideally, this should be recognised as being a part of the everyday process of conducting business and/or providing a service, and an integral part of workplace behaviours and attitudes. The arrangements used by TVP are aligned with the principles of the guidance issued by the Health and Safety Executive (HSG65) which are represented by four key components of health and safety management: '*Plan, Do, Check, Act*.'

As part of the review of the governance structure for health, safety and wellbeing, the force has adopted the definition of wellbeing from the International Labour Organisation.

"Workplace Wellbeing relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the climate at work and work organization.

The aim of measures for workplace wellbeing is to complement Occupational Safety Health (OSH) measures to make sure workers are safe, healthy, satisfied and engaged at work.

Plan - Determine your policy/Plan for implementation

The new Chief Constable of TVP and the Police & Crime Commissioner (PCC) have jointly committed themselves and TVP / Office of the PCC where reasonably practicable to comply with the requirements of the Health and Safety at Work Act 1974, Police Health and Safety Act 1997 and all relevant statutory provisions.

Force Policy

TVP policies dealing directly with aspects of Health and Safety management are subject to Equality Impact Assessment (EIA). The "Health, Wellbeing and Safety"- Policy has been updated to align with to the Forces updated Strategic Plan 2019/20 and the priority to focus on the retention, recruitment, development and wellbeing of all officers and staff.

Health and Safety Manuals

The TVP Health and Safety Manual, providing the overall strategy for effective Health and Safety management, has been reviewed and updated as required. Approval of amendments during the reporting period is given by the TVP Wellbeing, Health, Safety & Environment Board. The manual is available to all via the Staff Portal.

Changes in Legislation and Guidance

During the reporting period there have been no legislation changes that require significant amendment of TVP HS&E Policies.

There continues to be minor amendment to legislation and guidance. One instance of this is an update of the Personal Protective Equipment (PPE) Regulations. For example, where motorcycle clothing has been classified as PPE, it must now meet the requirements of the PPE Regulations. The HSE Department continues to monitor such amendments and ensures that compliance is maintained.

Wellbeing, Health, Safety & Environment Board.

The Wellbeing, Health, Safety & Environment Board has replaced the Force Health Safety Environment and Wellbeing Board during the reporting period. The terms of reference (ToR) and format for meetings have been revised. This was undertaken as part of TVP's broader strategy to improve the wellbeing of officers and staff. A copy of the ToR is attached marked as Appendix A.

The revised ToR for Wellbeing, Health, Safety & Environment (WHSE) were approved along with the strategic wellbeing themes at the March 2019 Chief Constables Management Team (CCMT) meeting. It was agreed that the structure of the WSHE Board would be replicated throughout the force for LPAs, OCUs and Departments to integrate the management of Health and Safety within the general management system of TVP. A revised wellbeing strategy will be launched in the coming weeks which will reflect the areas of focus contained in the national Blue Light Wellbeing Framework and the current Strategic Plan.

Wellbeing is a standing agenda item on the monthly CCMT meeting.

Personal Safety Meeting.

Police officers and staff are regularly subjected to violence and threats which too often result in injury. Each time an officer or member of staff is assaulted there are potential sickness absences and these absences impact acutely on resourcing and the ability of the force to deliver 'frontline' policing. They also place additional strain on other members of the organisation due to the transfer of work to others, which can have significant impact on the wellbeing of police officers and staff. Victim's code Operational guidance has been produced to assist Officers and staff who are victims of assault.

Use of Force reporting has improved the amount of data available on officer and staff assaults. Reports are now generated daily and are on the agenda of the morning meetings enabling a cross check with Health and Safety reporting. A quarterly TVP Personal Safety Meeting is chaired by ACC Operations. Any areas of concern identified in the meeting are passed to the relevant board in order to own any delivery of change required.

A seven point plan has been published to make sure officers receive all necessary welfare and support if they have been assaulted. All police officers, whether they are a regular officer or special constabulary and certain staff, e.g. custody officers, receive personal safety training. The purpose of this training is to maintain the safety of the officer or staff member, the public and any subjects.

The Personal Safety meeting reviews assaults and use of force statistics. The force carries out a review of officers who have been assaulted and the associated circumstances. A further survey covering the period up to March 2019 will be carried out shortly. This is linked to the 7 point plan and encourages more people to come forward to report, allowing both support to officers and staff and development of improved training. An example being knife defence which has been given to officers during 2018. This has been very successful with the trainers receiving very positive feedback, especially around the situation training with the shock knives. TVP will shortly be training British Transport Police (BTP) with its knife defence package.

Local LPA Wellbeing, Health Safety Environment Committees.

Each LPA has its own local Wellbeing, Health, Safety & Environment Committee, attended by management and staff association representatives. The meetings are managed by the HSE Coordinators and provide an opportunity to review local safety incidents involving TVP staff and other people who may be affected by police activities and ensure incidents are signed off.

Clinical Governance

The combined TVP and Hampshire Constabulary Clinical Governance Board is chaired by the ACC Operations. It is supported by a consulting panel of doctors to manage processes used within the collaborating organisations, involving medical training, equipment and its use by staff. The main stakeholder departments HS&E, First Aid Training, JOU, L&PD, Criminal Justice also attend the meetings which are held quarterly.

Agenda items have included the assessment of an incident where an Officer was seriously injured by the impact of a vehicle. Following review by the Board, it was decided that tourniquets would be issued in vehicles and further consideration given to additional equipment and PPE.

Whilst tourniquets will save lives by controlling catastrophic bleeding to external limbs, other equipment such as a Chest seal, Trauma bandages and Haemostats (blood clotting agents) are also life-saving and more likely to be used in the event of injuries caused by stabbings.

Several options and various configurations of trauma packs were discussed at the Clinical Governance Meeting. Taking into account the balance of risks against the potential benefits, the decision was made to uplift Vehicle Response and Patrol kits, along with a number of specialist vehicles to include a Trauma Pack containing:

 2 x Tourniquet

1 x Blast Bandage

2 x Olaes Bandage

1 x Russell Chest Seal

1 x Celox Haemostat

Officer and Staff First aid training will be updated to include the relevant aspects of its use.

In 2018/19 all key objectives were achieved to maintain Health and Safety standards within TVP. Planned and additional objectives achieved are summarised under principal themes, as follows:

Principal Theme	Key Objectives achieved in 2018/19
Fire	There has been a significant improvement during the past year in the number of assessments completed, the number maintained within the annual review cycle increased from 30% to 68%.
	However 13% of assessments are over two years old, which could lead to a number of negative consequences: risk to safety; and potential reputational damage.
	Post Grenfell Towers the Property Services Department has undertaken a review of the cladding in the TVP estate. No issues were identified.
Asbestos	All annual asbestos re-inspection surveys have now been completed and copies of all reports have been received by TVP. Reports have been uploaded onto the force intranet so that they are available to those who need access.
	All medium/high risk issues have been reviewed and these have been forwarded to an appropriately certified/qualified contractor for action. These were very limited in number, with the large majority of the Asbestos containing materials (ACMs) inspected being identified as 'low' risk. These will continue to be monitored and managed.
	During the re-inspection surveys, some areas of ACMs were identified by the surveyors. Where these have been identified, records have been updated accordingly and the ACMs added to the relevant Asbestos Registers.
	A new Force Asbestos Management Policy has been developed and approved and operational guidance has been produced.
Legionella and Water Management	Significant activities: the improvement of water safety for Custody. Wallgate (sink units) have been modified to improve the water supply.
	Reading Police station has been re piped, to replace an old system which had required ongoing flushing, sampling and dosing works.
	Update of Section 23 of the H&S Manual (Water Management) into a force policy, aligned with requirements of HSE Approved Code of Practice L8 Legionnaires' disease. This has now been approved and published January 2019
	During 2018 the wet cooling towers at Reading Police Station were not operated to reduce both the operational cost and risk.

Governance	A new Wellbeing Health Safety Environment Board TOR & Outline format has replaced the Force Health Safety Environment and Wellbeing Board during the reporting period extended in remit to include "Wellbeing". As part of TVP's broader strategy to improve the wellbeing of officers and staff the attendance of the Board has been increased to include enabling departments e.g. Finance, Office of the PCC, ICT
	Wellbeing has been set as a standing item on the CCMT agenda.
	Opportunity has been taken to in-house the force custody contract to provide better oversight and management of our custody environment including the safety of prisoners in custody.

Do - Profile risks/Organise for health and safety/Implement your plan

Performance and achievements against these key objectives and in other areas of principal activity are summarised below.

Fire Safety

The Property Services Department have ensured the majority of TVP and landlord premises have a current Fire Risk Assessment (FRA) and continue to monitor the electronic fire management system to ensure both corrective and routine tasks are completed. There is a rolling program to complete Fire Risk Assessments – these were carried out either by an external consultant (RPS) or internally as a joint exercise by the HS&E Coordinators and Property Services staff.

There has been a significant improvement during the past year in the number of assessments completed particularly those done internally. The current status of the assessment process is that TVP no longer maintain an annual review of the risk assessments.

Fire Safety Objectives 2019/20

A review will be made of the Fire Risk Assessment process against current guidance and a TVP Fire Policy, Fire Strategy will be developed.

TVP has an ongoing challenge to recruit and train a sufficient number of Fire Wardens. A review of the use of Fire Wardens will be made to improve coverage on all sites.

Work is being undertaken with the TVP Governance team to ensure all current fire safety risks are on appropriate risk registers.

The majority of the assessments over three years old or not in place are for minor sites, neighbourhood offices, or another organisation's building and TVP require details from the owner.The increase in internal assessments should bring these back into assessment during 2019/20.

A financial bid to bring in a contractor to review compartmentation including integrity of fire doors within TVP buildings will be reviewed during 2019/20.

Fire strategy reports for individual buildings will be reviewed as part of the above work.

Legionella and Water

The Water Hygiene Team hold monthly meetings with the Water Hygiene external consultant (SMS Environmental). These meetings are attended by the HS&E Officer. All reports and meeting minutes are on a database maintained by SMS Environmental. The meeting is aligned with the TVP Policy for Water Management.

Hazards identified are reported to Property Services via an auto email system that is assessed in real-time. Any hazards that are deemed an immediate risk to TVP are actioned to mitigate the risk. These actions are reviewed at the monthly meeting.

Legionella and Water Objectives 2019/20

During 2018 the Head of Health, Safety & Environment (HS&E) has arranged for an independent external audit of procedures and the level of compliance to be carried out in line with the above policy. This is planned to be completed approximately September 2019.

Training of relevant staff with responsibilities under TVP Water Management Policy will be completed during 2019/20.

Reading Police station operates wet cooling towers. These are the most common place where Legionella can be found with risk to the public. These require a high degree of management and control to reduce risk. When the site is replaced 2020/21 this will remove the only wet cooling system in TVP.

Asbestos

The Property Services Department continue to manage Asbestos Containing Materials (ACMs) that are known to be present within TVP estate.

Operational guidance has been developed to give officers information when they may be potentially exposed to risk from asbestos during their work. For example during attendance at fire scenes.

Asbestos Objectives 2019/20

The completion of extensive refurbishment and demolition (R & D) surveys at Aylesbury Police Station has highlighted that the current asbestos registers for certain locations are outdated and a comprehensive program of full management surveys would be a prudent and appropriate measure for TVP to undertake. This has been previously outlined and a detailed bid to fund this, together with other survey work, is currently being prepared by the Property Services Department.

One Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) Reportable Asbestos incident occurred during the period of this report at a storage unit rented by TVP in Bletchley. Contractors for the building owners working on sky light replacement disturbed an ACM Chrysotile Cement product consistent with that identified in the Asbestos Register for the site. A small amount of debris fell onto the furniture stored by TVP in the unit. This is not a TVP building and no action by TVP caused this incident which is subject of investigation by Milton Keynes Environmental Health Department. Costs associated to this incident will be monitored and replacement cost of furniture put back to the landlord.

Custody

During the reporting period Detention staff have been in–housed from an external contractor. This has provided the opportunity for TVP to review recruitment, retention, training, equipment, structure establishment and resources. The benefit of which is improvement in compliance for training, better standards of uniform equipment and PPE provided to staff giving improved staff wellbeing and a better oversight by TVP of our custody environment including the safety of prisoners in custody.

Check - **Measure performance (monitor before events, investigate after events)**

Active Monitoring

Management of the compliance of TVP with legal and other requirements is a core function of the Health Safety and Environment Department. Examples include:

• Joint workplace safety tours and more detailed inspections of high-risk areas such as custody suites are carried out by local managers, HS&E Coordinators and Property Services

• Periodic thematic safety activities are carried out by the HS&E Department. An example of this being the update of AED's across TVP sites by the HS&E Coordinators to ensure compliance with supplier updates.

• Internal audits measuring compliance with policy and procedures carried out by the HS&E Auditor, HS&E Officer and HS&E Coordinators. The internal Auditor has now completed a number of relevant audits including for example Mandatory Health and Safety Training during 2018 and Environmental Emissions within TVP estate.

Risk Assessment

Risk assessments are carried out at four distinct levels:

• Force: The library of force level Generic Risk Assessments (GRAs) is maintained and reviewed by the HS&E Department in consultation with stakeholders, including Police Federation and Unison.

• Local: LPA/OCU/CTP SE & SE ROCU Departments are expected to review force risk assessments and develop local risk assessments if there are any conditions and hazards distinctive to a particular operation / location and/or working practice that require additional, fewer or different controls.

• Dynamic: Police officers and front-line staff have responsibility to carry out their own dynamic risk assessments of incidents as they develop.

• Strategic Risk: The force maintains a register of strategic and business continuity risks. Where appropriate, HS&E risks will be brought forward for review by the Governance Unit for potential inclusion on the Force Strategic Risk Register. For the reporting period, the issue of effectiveness of searching and strip-searching on entry to Custody, processes for conducting cell watches and arrangements to respond to cell call bells were highlighted in the HMICFRS TVP Custody Suites report 2018 items S11, S23.

Risk Assessment Objectives 2019/20

Review and update of GRAs to consider new ways of working e.g. increase in powers for police staff investigators, changes in powers of PCSO's

Reactive Monitoring

The following monitoring mechanisms are in place:

Self-service electronic reporting, investigation and recording of all safety incidents (i.e. accidents, assaults, work-related illness and 'near misses' - including health and safety, environmental issues relating to premises) is an important part of our accident monitoring and review.

Significant safety incidents are subject to a detailed (Level 2) investigation by a member of the department concerned supported by Health and Safety.
Example Level 2 reports during the reporting period are:

•	Scaffolding Incident at Milton Keynes where a scaffold board was dislodged by high winds and fell onto a car.
•	Injury of officers at Maidenhead by impact of a vehicle resulting in partial loss of limb by an officer.

Accidents are monitored, with copies of Level 2 investigations provided to the WHSE Board by the HS&E Department and at local level by HS&E Coordinators, who are responsible for briefing their respective commanders, monitoring trends and identifying potential problem areas from Level 1 investigations.

RIDDOR: All external reporting to the Health & Safety Executive (HSE) under the requirements of RIDDOR is carried out by the HS&E Department.

RIDDOR has specific exclusion of the majority of road traffic incidents and as such these incidents do not result in a RIDDOR, and are instead investigated by Roads Policing.

External Issues.

During the reporting period the NPCC Health, Safety & Welfare Board have highlighted to Chief Constables an issue brought to their attention by Police Scotland concerning temporary road signage in police vehicles which identified non-compliance with British Standards for such signage. Compliance with British standards is not a strict legal requirement in itself but it is considered to be good practice in the defence of any legal action.

Police Scotland have decided to replace signage in operational vehicles and are working with suppliers to develop compliant signage. TVP will monitor and view during 2019/20.

A Hampshire Constabulary officer was stabbed whilst in plain clothes and without covert body armour, this instigated an internal review (Operation Oat). The principal finding was that all departments across the Hampshire Constabulary who are interacting with the public should review their risk assessments to determine the need for body armour and to ensure their risk assessments cover all the work activities staff and officers undertake.

An assessment of the requirements for body armour, including staff investigator roles in TVP has commenced and will be completed during 2019/20.

## Act - Review performance/Act on investigations lessons learned

In line with HSG65 *'Plan, Do, Check, Act'* the WHSE Board have set out a continuous improvement action plan for 2019/20, based on information and data collated within the previous year, summarised under principal themes, which have been included in the TOR for the WHSE Board as follows:

	To ensure that positive steps are taken to identify ways to support staff to maintain or improve their mental wellbeing.
	To promote the benefits of maintaining physical health, sleep and nutrition, particularly the positive impact they can have on shift working and on-call.
	To ensure that staff are able to easily access resources to assist in the improvement and enhancement of financial wellbeing.
	To examine the options around policy and provisions available for use locally and individually in order to identify areas of success, needs for improvement and wider endorsement (e.g. flexible working). This to include benchmarking against other policing, public and private organisations to understand our levels of maturity in the WHS&E space.
	To promote and encourage our staff to care for our environment – at work and more widely – in the interest of our social responsibility and the attractiveness of Thames Valley Police as a place to work.
	To understand what success looks like in terms of Wellbeing, Health, Safety and Environment, what works and what doesn't and be able to articulate this to colleagues across the Force and to partnership agencies.
	To support line managers and senior leaders to increase their understanding of the role they play in creating and improving staff Health, Safety and Wellbeing.

The normal measure of success for Health and Safety is to move organisationally through a maturity matrix which is based on the DuPont® Health and Safety Model Bradley curve beyond compliance and procedures to behaviours and ownership "commitment" and "culture".
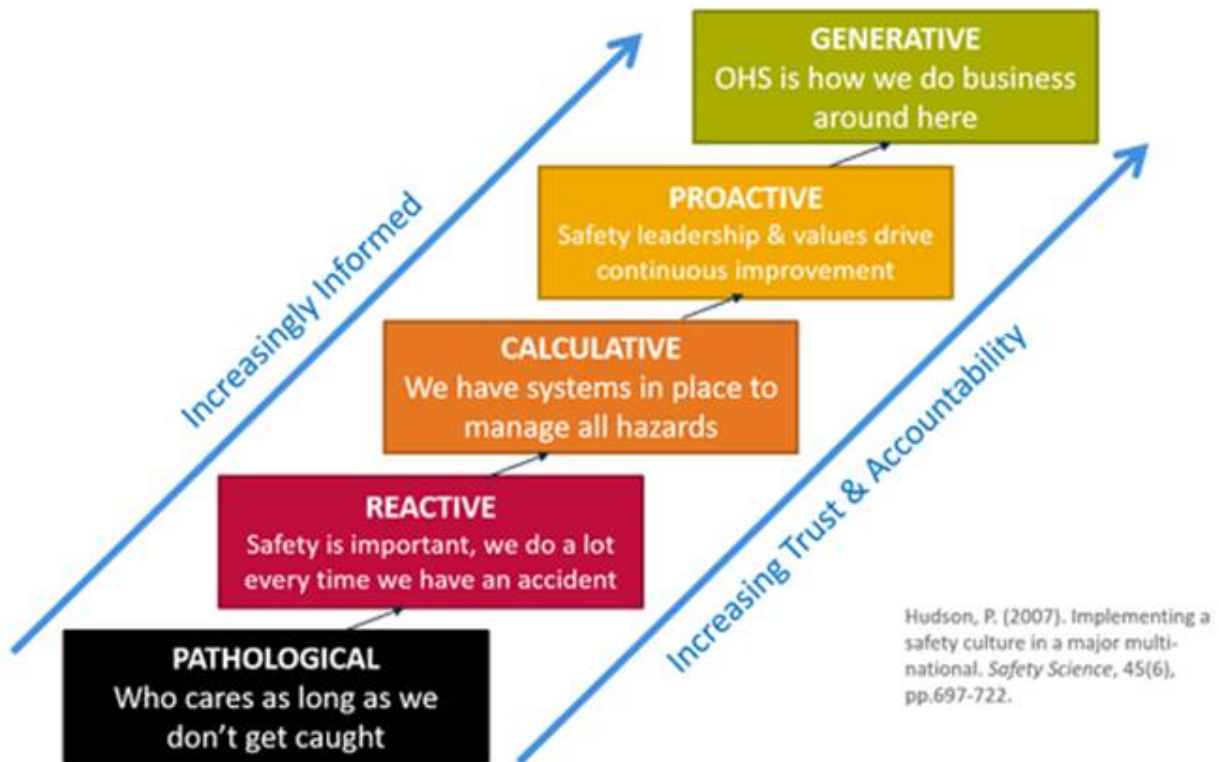

The DuPont Bradley Curve™

Safety Excellence = Alignment of the "WHY"
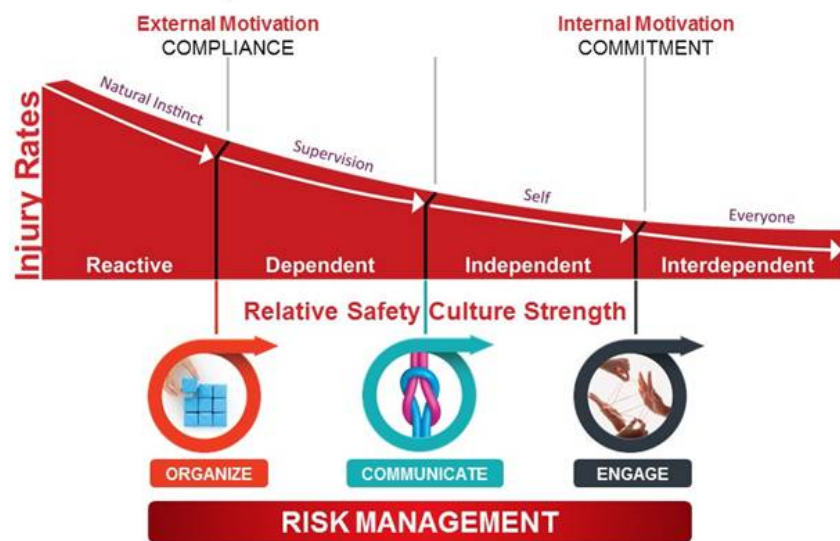
This approach has been taken by the Metropolitan Police Service. Headings change from organisation to organisation but the content is much the same. Very few organisations are on the far right of the scale; most are somewhere in the middle or between Reactive and Calculative. This is our current state in the Hudson model.

Hudson, P. (2007). Implementing a safety culture in a major multi-national. *Safety Science*, 45(6), pp.697-722.

It is proposed that TVP Adopts the NPCC Police HS Guide for Chief Officers and monitors at CCMT progress through the aspects described within the guide. Such that TVP moves to the Proactive level with safety leadership and values driven continuous improvement. Using improvements in Governance and use of organisational learnings to give improved wellbeing for Officers and staff by reduction of accidents and incidents.

Wellbeing

The Principle Themes below are those identified within the National Wellbeing Framework for the Police Service

Principal Theme	Key Objectives achieved in 2018/19
Leadership • Presenting the values and principles which promote wellbeing • Ethical standards • Promotion of equality and valuing difference and inclusion	Number of officers and staff who attended CLP (Additional information is attached in Appendix C)
	Attendance at the Leadership Conferences Broad Band (BB)4 and equivalent
	Development and introduction of the Leadership Conferences for BB3
	Code of Ethics Champions meeting chaired by Supt Lowe and monthly newsletter from the Professional Standards Department
	Review of the Equality, Diversity and Inclusion governance structure, positive action initiatives and changes to SpLD assessments.
Creating the Environment • Employee Voice and recognition • Maximising the sense of social and collective good • Workplaces that are accommodating – "hindrance stressors" are addressed	Introduction of a new staff suggestion scheme "You Suggest" launched in 2018.
	Work being undertaken with the community e.g. Reading, Cadets, Mini Police and community garden.
	Addressing issues identified in the Staff Survey. Establishment of local wellbeing groups to identify and implement initiatives. CCMT allocation of £1,000 for each area.
	A major change has been made to the PDR system to address the feedback from staff and line managers in terms of the bureaucracy related to the structure.
Protecting the Workforce • Appropriate processes and monitoring of assaults on staff • Signposting of appropriate wellbeing interventions • Significant incidents are de-briefed	Details on the monitoring of assaults has been presented to the Personal Safety meeting.
	Health surveillance checks are carried out in departments and the LPAs by an OHU nurse. There are regular updates on how to access assistance with "Blue on the Loo" messages. Information and signposting is now well established on induction programmes for all staff groups.
	There has been a more sustained response to post incident management. The CoP has revised the response to trauma guidelines which has been adopted and utilised.

	25.6% of the workforce took up the option of utilising the Flu vaccination that was offered by TVP.
Personal Resilience • Effective career development • Emotional resilience training • Provide facilities which facilitate staff to increase their financial wellbeing • Future career planning / retirement	During 2018-19, 727 coaching interventions and 103 career interviews of which 58 were for officers and 42 for staff, 3 interviews were follow ups.
	There has been an increase in the level of financial information which is available to all staff and officers, and an increase in the use of EAP for financial advice.
	Work has been undertaken to design a pre-retirement course for police staff with support from Police Mutual and Bucks County Council (LGPS).Planning for delivery in Autumn 2019.
Mental Health • Promotion of line management advocacy • Ability to have "difficult conversations" • Ability of line managers to identify 'at risk' of mental ill-health and to take appropriate preventative action	Mental Health First Aid and suicide awareness training sessions have been delivered to line managers.
	The Superintendents Induction course included a number of practical exercises and ideas to help the participants to consider how to develop their own capacity to manage complex organisational challenges, also how to sustain their own energy and that of their teams. This particular case study was so impactive it is being included within updates to the CLP Level 2 programme.
	The completion of Psychological Screening questionnaires have increased to 94% which is up from 86% in 2016.
Absence Management • Promotion of physical health and activity • Increase in health education and awareness • Personal responsibility for one's own wellbeing • Seeking ways to reduce the adverse impact of shift working and fatigue	We have had an overall reduction in hours lost due to sickness for all of the staff groups. An internal audit of key elements of absence management (recuperative duties and Local Health Review Groups) was completed earlier this year and the report has been presented.
	The pass rate for the Job Related Fitness Test (JRFT) was 98.6% in December 2018.
	Research has been undertaken to identify the high risk group(s) in relation to shift working and fatigue (especially night working) and action to improve awareness has been developed.
	TVP has a number of gyms which have been established in the workplace. An options paper has been considered by the Strategic Estates Group and CCMT as to how the existing and possible new gyms can be supported in conjunction with the Force Sports and Social Club.

<u>Leadership</u>

The Core Leadership Programme (CLP) has been specifically developed to meet the learning needs of newly promoted first and second line managers, and those aspiring to these roles. The programme has also been designed to support the Work Based Assessment of newly promoted Sergeants and Inspectors, incorporating specific content to support the development of policing skills.

The programme is based on CLP learning outcomes published by the College of Policing in consultation with forces and includes recommendations from the Leadership Review conducted by the College in 2014. The course content of the programme has been designed locally to incorporate relevant themes, policy and procedure with the aim of improving the leadership and management skills of both Officers and Staff.

CLP is offered at two levels:

- Level 1: for all staff from Constables actively working towards promotion, those in acting roles and newly promoted Sergeants and police staff equivalents. Anyone carrying out a supervisory role may benefit.

- Level 2, for experienced Sergeants actively working towards promotion, acting and newly promoted Inspectors and Police Staff second line managers. Anyone carrying out a management role may benefit.

CLP is a blended learning programme combining online content (via Moodle), workshop sessions and the assessment of learning in the workplace (WBA process). CLP material is constantly being developed to ensure key topics are included e.g. new content to help second line managers explore and identify how they can better manage and improve the wellbeing and attendance of their teams both on a daily basis and during difficult times. A copy of the course content for CLP Levels 1 and 2 and the number of officers and staff who have been trained during 2018-19 can be found at Appendix B.

Leadership Conferences

Originally these events were provided every two years for Inspectors only. Over time, the frequency of the events and the target audience has increased. This year the target audience included Inspectors, BB4s and for the second time Sergeants. A total of thirteen dates were provided including three additional dates for BB3s. The timing of these events allow Chief Officers to engage with the workforce about key priorities for the coming year, the events also provide an opportunity for Continuing Professional Development.

This year, the half-day event was broken down into four sessions:

- The new Chief Constable spoke about 'The Business of Policing', as well as discussing operational priorities for 2019/2020 he spoke about the importance of teams, team working and wellbeing.

- A company called Think Productive ran a 90 minute workshop on the 'Way of a Productivity Ninja', the workshop included several discussion groups where participants were encouraged to identify specific changes to improve both personal productivity and wellbeing.

- The Business Partner for Personal Development & Leadership spoken about changes to the Performance Development Review system, the move to PDR on a page but also the importance of one-to-one conversations with team members.

- A Public Order Commander spoke about 'Lessons Learned' from the briefing processes connected to the first Royal Wedding and Presidential visit in 2018. He challenged the participants to be clear about what they are asking from their teams, to check that their teams know why this is being asked and to demonstrate that they value their staff.

Information in relation to the numbers of staff and officers who attended the Leadership Conferences can be found at **Appendix C.**

Communication
Outside of the more formal structures of training, development and conferences, all members of the organisation receive a weekly email which provides all staff with updates in relation to key 'headlines', information which much be read by all staff, information which is targeted towards certain staff and information which is 'good to know' – dates for key events both locally and nationally. It is in this latter section that staff are informed that it is "National Mental Health Awareness Week" and where additional information can be accessed. Such information is also included on the front page of the Intranet where additional details can be obtained and activities that have been organised.

There has been much activity undertaken in relation to equality, diversity and inclusion and the detailed content of this has been presented in the Annual Equality and Diversity Report.

Creating the Environment

This area relates to how we as an organisation take steps to create and maintain an environment in which individuals feel engaged, supported, connected and gain recognition for their efforts. It also covers all matters relating to health and safety and how as an employer, we are meeting our legal obligations.

During 2018-19, 727 coaching interventions and 103 career interviews of which 58 were for officers and 42 for staff, 3 interviews were follow ups. Coaching interventions include feedback from psychometrics like MBTI (Myers Briggs Type Indicator), TEIQ (emotional Intelligence) and 360 degree Feedback. The numbers do not include coaching sessions for delegates on Professional Action Learning Sets (PALS), Women's Development Programme (WDP) and Developing Potential Programme (DPP). These are done as part of the scheduled curriculum.

The force has revised the 'staff suggestion' scheme with the introduction of "You Suggest" launched in 2018. From the data collected **(see Appendix D)** only 25 out of 115 suggestions have not been taken further with the rest being developed as part of an existing initiative or being pursed in their own right.

At Reading LPA care was taken when refurbishing to plan for wellbeing. They created social spaces in operational areas where staff could meet and make tea/coffee and chat, created a rest room with TV, reading, and game space together with a lounge area where staff could get a real break. They put in a quiet room where people could do physio or otherwise relax and/or pray. At the back of the station they have refurbished some wasteland and introduced a 'community garden' with the help of a local gardening charity. As part of their Trauma Informed Practice activities staff have been encouraged to get involved with collective social activities: Mini Police, Boxing Clever, ACE (Adverse Childhood Experiences) awareness seminars – these all add significant meaning to work and boost wellbeing.

All areas of the force now have a local wellbeing group to identify and implement local initiatives. To assist with this, CCMT have allocated each area a fund of £1,000 to be used at the discretion of the LPA Commander, OCU / Departmental Head to make local improvements e.g. the purchase of furniture for eating areas, a fridge or the purchase of a "dairy cow" so that operational officers and staff have constant access to fresh milk for their tea and coffee.

A major change has been made to the PDR system to address the feedback from staff and line managers in terms of the bureaucracy related to the structure. Activity has also taken place to address issues which were a feature of the Staff Survey labelled as "hindrance stressors" an example of this would be reliable access to printers.

Protecting the Workforce

Health surveillance checks have been carried out in departments and the LPAs by an OHU nurse. Checks on cholesterol and blood pressure are undertaken as the risk of issues relating to cardio vascular disease is well established and these checks are a quick and inexpensive way to detect where there may be potential problems. At every session at least 3 people have been advised to seek medical attention as soon as possible. The feedback from staff and officers is extremely positive as they see it

as a symbol that the organisation cares about their health. There has also been a number of wellbeing days organised at Banbury, Milton Keynes and Sulhamstead.

In conjunction with the Superintendents' Association, TVP had conducted health screening for all Superintendents and above; this takes place every 2 years. Last year the Chief agreed that this should also be made available to all police staff at BB5 and above. The screening covered a broad range of health issues including height, weight, body mass index blood pressure, cholesterol, metabolic rate, bone mass, lung function, ECG (resting and exercise), kidney disease test, cardiovascular cohesion test, dysfunctional stress analysis and a check for bowel cancer. This was extremely popular and was taken up by 79 officers and staff (84.9% of those who were eligible).

Wellbeing information and signposting is now well established within induction programmes for all staff groups e.g. police staff are guided through how to download the Employee Assistance Programme App on their personal phones.

With the number of serious incidents which have taken place in the last 12 months, there has been a more sustained response to post incident management. The CoP has revised the response to trauma guidelines which has been adopted and utilised.

The completion of Psychological Screening questionnaires for high risk occupational groups has increased to 94% in 2018-19 which is up from 86% in 2016. 90% of staff were assessed as 'fit' compared with 83% in 2016. The rates were also down for clinical diagnoses of anxiety/ depression, primary and secondary trauma.

For the first time in some years, the force offered all staff the option of the Flu vaccination. 25.6% of the workforce were either inoculated by a nurse in the workplace or requested a voucher. There was a reduction in the absence rate for 'respiratory' related illnesses for all of the staff groups for the period of Oct 2017– March for 2018 and Oct 2018 to March 2019 respectively: Police officers – down from 21.6% to 20.4%, Police staff – down from 28.8% to 25.9% and PCSOs down from 32.4% to 27.2%

Personal Resilience

Increase in the level of financial information which is available to all staff and officers. Increase in the length of the input given by Police Mutual and CopperPot in relation to financial education and support to manage finances more effectively. There has been an increase in the use of EAP for financial advice with 75 calls relating to divorce / separation.

From the data that has been completed by participating forces in relation to the benchmarking exercise, it is known that personal resilience is an area which requires more work for most if not all forces. Moving forward into the coming year, the Force will look to increase support and undertake research to evidence 'what works'.

Mental Health

Mental health related issues remain to be a key feature and focus for the force in 2018-19. Referrals to the Occupational Health Unit saw an increase of 2.5% over the previous year amounting to 34.1% of all referrals. There is a view that the steady rise in referrals is positive as it could be a result in the increased confidence of individuals to be open about how they are feeling. This does in no way mean that the force gives less attention to action which helps to maintain mental wellbeing or prevent mental ill-health.

The force has a strong and growing cohort of 180 Blue Light Champions and 33 trained Peer Supporters who are very active in giving assistance to individuals and line managers. There are regular updates on how to access assistance with "Blue on the Loo" messages. Each month has a theme such as personal resilience, taking time to talk, debt management and advice, relaxation and sleep, physical activity and exercise, the positive impact good nutrition can have on mental wellbeing, menopause advice and general signposting for help and information within TVP.

Mental Health First Aid and suicide awareness training sessions have been delivered to line managers.

The Superintendents Induction course included a number of practical exercises and ideas to help the participants to consider how to develop their own capacity to manage complex organisational challenges, also how to sustain their own energy and that of their teams.

The participants were also given the opportunity to work through a case study which related to leading when a team experiences trauma. This activity was facilitated by a serving Chief Inspector who had previously managed a team in crisis following the serious injury of a team member.

This particular case study was so impactive it is being included within updates to the CLP Level 2 programme, the content will include discussion around the management of issues relating to stress, anxiety, depression, trauma and PTSD.

Absence Management

We have had an overall reduction in hours lost due to sickness for all of the staff groups – Police officers = 72.2 (-4.4%) Staff 46.5 (-7.5%) PCSO 59.8 (-10.7%)

Referrals to the Occupational Health Unit for physical issues are more than double those for mental health related conditions in 2018/19. The most common reason for sickness absence still relates to psychological disorders, muscular skeletal issues, respiratory and digestive conditions.

We await the data from i-Quanta for 2018-19 which is produced from the sickness information that is collected for all of the police forces in England and Wales. The data from the year 2017-18 was examined and TVP was ranked 3rd for both officers and staff in our most similar group (MSG). Nationally TVP was ranked 11th and 8th for officers and staff respectively. Leicestershire was ranked 1st for both officers and staff, so a visit was made to Leicestershire to discuss and identify good practices which could be adopted by TVP.

The force proposed the examination of 2 key areas of attendance management which should be subject to the internal audit process. This took place from January to March 2019 and focused on the areas of recuperative duties, supportive recovery plans and Local Health Review Groups. There are a number of areas which require attention and improvement which will be actioned over the coming months.

Data relating to recuperative duties in Dec 2018 stood at 176 for officers and 15 PCSOs. 163 of our officers have been classed as adjusted duties. This has been a fairly constant figure from 2017.

The pass rate for JRFT was 98.6% in December 2018. We do however, have a small issue with some officers who are experiencing a psychological difficulty in undertaking the test.

Research has been undertaken to identify the high risk group(s) in relation to shift working and fatigue (especially night working). The most 'at risk' group has been identified and research has been undertaken within both the private sector and other public sector organisations as to how the issue of night working is being managed – including CoP who are very interested to see what we develop in TVP.

Key risk group are males under the age of 30. A presentation pack has been drafted and discussions have taken place with Foundation Training with a view to deliver a one hour session to all new officers and specials. The aim is also to deliver the input to Contact Management staff.

Summary

During the 2018/19 reporting period, the profile of the wellbeing and HSE continued to be raised and over the course of the reporting period the respective teams have worked closer with LPA's and departments in providing wellbeing, health and safety education, coaching, guidance and support for Officers and staff. The force has continued to focus on the 6 themes covered by the National Blue Light Wellbeing Framework and members of the Employment and Wellbeing Team have put effort into supporting local wellbeing groups to become established and implement initiatives to make improvements to the workplace and treatment of staff and officers.

All in-year key objectives were achieved and new themes agreed by CCMT; the majority of elements of the statutory and mandatory inspection requirements within the Estates' function were met within the prescribed timescales.

The information gained from the health and safety audit and wellbeing activity conducted to date further informed the key areas of priority associated with this current year's programme of work, highlighted within the report, which are being actively pursued.

Conclusion

Significant improvements are being made in relation to the management of Health and Safety in TVP and continue to have a strong and ambitious programme in place for 2019/20.

Recommendation

The CCMT and JIAC is asked to review and note the contents of the annual report.

Philip Paling.

Head of Health Safety Environment

CMIOSH.

Norma Brown.

Head of Employment and wellbeing

Wellbeing, Health, Safety & Environment Board (WHS&E Board)
Terms of Reference

Definition, purpose and scope

- We understand workforce wellbeing to mean: *Workplace Wellbeing relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the climate at work and work organization.*

- The purpose of the WHS&E Board is to promote positive wellbeing outcomes for our people. To attract, develop and retain staff whose ability to deliver a quality service to the public is enhanced by a working environment which maintains a positive approach towards ethical standards, staff wellbeing and a safe working environment.

- The scope of the WHS&E is depicted in the 'plan on a page' at appendix 1.

Themes

- To ensure that positive steps are taken to identify ways to support staff to maintain or improve their mental wellbeing.

- To promote the benefits of maintaining physical health, sleep and nutrition, particularly the positive impact they can have on shift working and on-call.

- To ensure that staff are able to easily access resources to assist in the improvement and enhancement of financial wellbeing.

- To examine the options around policy and provisions available for use locally and individually in order to identify areas of success, needs for improvement and wider endorsement (e.g. flexible working). This to include benchmarking against other policing, public and private organisations to understand our levels of maturity in the WHS&E space.

- To promote and encourage our staff to care for our environment – at work and more widely – in the interest of our social responsibility and the attractiveness of Thames Valley Police as a place to work.

- To understand what success looks like in terms of wellbeing, health, safety and environment, what works and what doesn't and be able to articulate this to colleagues across the Force and to partnership agencies.

- To support line managers and senior leaders to increase their understanding of the role they play in creating and improving staff health, safety and wellbeing.

Terms of reference

- Provide Force level oversight and management of the Wellbeing Strategy and associated initiatives.

- Facilitate the development, implementation and review of Force strategy, policy and procedure for effective Health, Safety & Environment matters, taking in to account changes in existing legislation and/or new legislative and other requirements.

- Provide a forum for feedback on WHS&E strategies and policies and an escalation point for local WHS&E Boards.

- Determine the priority actions for WHS&E in response to common themes emerging from our staff and specific accidents/incidents.

- Demonstrate senior management commitment in the promotion of a positive WHS&E culture throughout the Force.

- Provide a forum for consultation, cooperation and information sharing of WHS&E matters.

- Monitor and ensure the effectiveness of Force policy, procedures and implementation of effective and targeted training for WHS&E management and the level of compliance, through appropriate audit procedures, thereby minimising potential for any legislative breaches.

- Monitor the Force Risk Assessment schedule, escalating risks that significantly affect critical business areas or have a severe impact on large numbers of officers/staff, to the Governance Unit for potential inclusion on the Force Strategic Risk Register.

- Monitor Force safety incident statistics, identify trends and prioritise any remedial action required to reduce potential for injury on duty.

- Ensure all safety incidents are investigated at an appropriate level in accordance with Section 6 of the Force H&S Manual, monitoring the implementation of any recommendations and evaluation of outcomes.

- Ensure relevant and appropriate WHS&E matters are communicated to managers and staff.

- Monitor minutes and actions arising from the periodic meetings of HS&E Department.

- Monitor minutes and actions arising from meetings of the Force Environmental Management Group. (EMG)

- Effective use of targeted resources for wellbeing by ensuring appropriate governance of bids for wellbeing funds.

Membership

- Membership includes the following:
    - Director of People (*chair*)
    - Head of People Services (*deputy chair*)
    - Head of Health Safety & Environment
    - Head of Employment and Wellbeing
    - Head of Joint ICT Department
    - Head of Corporate Communications
    - Corporate Finance Representative
    - Force Health Safety Environmental Officer
    - Force Health Safety Environmental Auditor
    - Occupational Health Representative
    - Office of PCC Representative

- ➢ LPA Commander Representative
- ➢ Strategic Development and Governance Representative
- ➢ Learning and Professional Development Representative
- ➢ Facilities & Support Services Manager - Property Services Department
- ➢ Service and Accessibility Lead, Joint ICT Department
- ➢ Contact Management Representative
- ➢ Criminal Justice Representative
- ➢ JOU Representative
- ➢ Superintendents' Association Representative
- ➢ Police Federation Safety Lead
- ➢ Unison Representative
- ➢ Administrator Health Safety & Environment Department (*minutes*)

- Other personnel may be invited to attend, as and when required, in order to discuss and progress specific issues.

Meeting Arrangements

- The Board will meet quarterly.

- The Head of Health Safety and Environment will ensure effective arrangements are in place for the coordination of meetings, booking of venue and the circulation of agenda, backing papers and minutes.

- Standing agenda items must include:
    - ➢ Attendance
    - ➢ Apologies
    - ➢ Minutes of previous meeting
    - ➢ Matters arising
    - ➢ Standing Items
    - ➢ New items
    - ➢ Accident/injury statistics
    - ➢ Wellbeing update
    - ➢ Governance of wellbeing funding
    - ➢ Staff Association matters
    - ➢ Any other business (AOB)
    - ➢ Date, time and location of next meeting

Dr Steven Chase
Director of People   **March 2019**

Appendix:
   1. Wellbeing, Health, Safety and Environment Board Plan on a Page

Content of the Core Leadership Programmes – Levels 1 and 2

The CLP programme is broken down several different workshops/modules:

Level 1

- CLS010 CLP Leadership & Professional Development (Level 1), topics include leadership vs management, developing emotional intelligence, decision making (for both officer and staff), team development, growth mindset and personal Continuing Professional Development plans. (3 days)

- CLS030 CLP Coaching for Performance (Level 1), topics include the benefits of coaching, skill vs will, OSCAR coaching model, importance of one-to-ones, giving feedback, performance development review, competency and values framework. (2 days)

- CLZ991 CLP Managing People & Resources (Level 1), topics include staff retention, emotional bank account, welfare, wellness and work life balance; specific policies (e.g. unsatisfactory performance and attendance, dealing with complaints and misconduct); and employment legislation. (3 days)

- CLS101 CLP Initial Operational Leadership (Level 1) (front line staff only), topics include the management of critical or major incidents, organisational policies relating to such incidents, applying the National Decision Model, risk principles, missing persons, briefing and debriefing, how to supervise and manage police investigations. (4 days)

- HSA21 CLP Health & Safety (Level 1), topics include reporting safety incidents, how to complete a risk assessment and accident investigation. (1 day)

Level 2

- CLZ012 CLP Leadership & Professional Development (Level 2), topics include creating a vision, situational leadership, intent based leadership, drivers for change, leading organisational change, influencing skills, managing upwards, five dysfunctions of a team. (3 days)

- CLZ032 CLP Coaching for Performance (Level 2), topics include using coaching to improve individual and team performance, coaching and mentoring, push vs pull, principles of assessment, the role of the determining officer, how different personality types can work together in a complementary way. (2 days)

- CLZ992 CLP Managing People & Resources (Level 2), topics include improving effectiveness and efficiency, ethical decision making, the impact of diversity, honest conversations, how to support someone experiencing mental ill-heath, specific policies (e.g. maternity and paternity, grievance), wellbeing and an opportunity to engage with a Business Partner. (3 days)

- CLZ100 CLP Advanced Operational Leadership (Level 2) (front line staff only), topics include strategic priorities, the role of an operational Inspector, command, briefing upwards, the implications of declaring a critical or major incident, post incident management, restoring public confidence, working with the media, the initial stages of a complex investigation, missing persons, modern slavery; plan, negotiate and finalise plans for a police operation (4 days)

N.B. Please note that CLP content is being refined constantly by the Personal Development & Leadership Team, work is currently underway to refresh CLZ012 and to combine the CLZ032 and CLZ992 courses resulting in new material being piloted in the Summer 2019.

Numbers of CLP participants 2018/2019 financial year

CLP Level 1 (first-line manager level):

Course name	Number of participants
CLS010 CLP Leadership & Professional Development (Level 1)	156
CLS030 CLP Coaching for Performance (Level 1)	143
CLZ991 CLP Managing People & Resources (Level 1),	126
CLS101 CLP Initial Operational Leadership (Level 1)	118
HSA21 CLP Health & Safety (Level 1)	27

CLP Level 2 (second-line manager level):

Course name	Number of participants
CLZ012 CLP Leadership & Professional Development (Level 2)	46
CLZ032 CLP Coaching for Performance (Level 2)	50
CLZ992 CLP Managing People & Resources (Level 2)	50
CLZ100 CLP Advanced Operational Leadership (Level 2)	64

Attendees at the Leadership Conferences

Job role	Number of participants	% of target audience
Apprentice	1	N/A
Broad Band 2	20	N/A
Broad Band 3	281	N/A
Broad Band 4	277	72%
Broad Band 5	13	N/A
Constable	16	N/A
Sergeant	509	72%
Inspector	177	73%
Chief Inspector	14	N/A
Superintendent	6	N/A
Chief Superintendent	1	N/A
Other	4	N/A

Numbers of Core Leadership Programme participants 2018/2019 financial year

(Figures in brackets are attendees in 2017/18)

CLP Level 1 (First-line manager level):

Course name	Number of participants
CLS010 CLP Leadership & Professional Development (Level 1)	156 (169)
CLS030 CLP Coaching for Performance (Level 1)	143 (136)
CLZ991 CLP Managing People & Resources (Level 1),	126 (154)
CLS101 CLP Initial Operational Leadership (Level 1)	118 (128)
HSA21 CLP Health & Safety (Level 1)	27

CLP Level 2 (Second-line manager level):

| Course name	Number of participants
CLZ012 CLP Leadership & Professional Development (Level 2)	46 (45)
CLZ032 CLP Coaching for Performance (Level 2)	50 (57)
CLZ992 CLP Managing People & Resources (Level 2)	50 (45)
CLZ100 CLP Advanced Operational Leadership (Level 2)	64 (57)

You suggest – 100 suggestions in...

Who are submitting suggestions?

Officers	67
PCSO	4
Police Constable	50
Sergeant	10
Inspector	3

Staff	30
Police Staff	28
Temporary Staff	2

Unknown	3
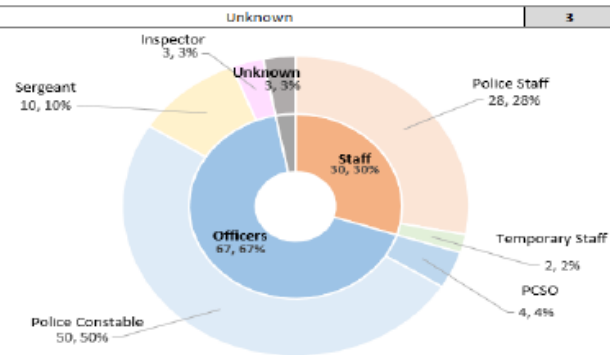
What departments are submitting?

|	
Emergency Response Team (ERT)	17
I Hub	32
Patrol	6
Neighbourhood Policing (NHPT)	10
Force CID	8
Front Counter	8
Contact Management (CM)	2
Joint Informations Management Unit (JIMU)	5
Occupational Health (OHU)	1
Criminal Justice (CJ)	3
Governance & Service Improvement (G&SI)	2
Professional Standards Department (PSD)	1
Domestic Abuse Investigation Unit (DAIU)	2
Unknown	3
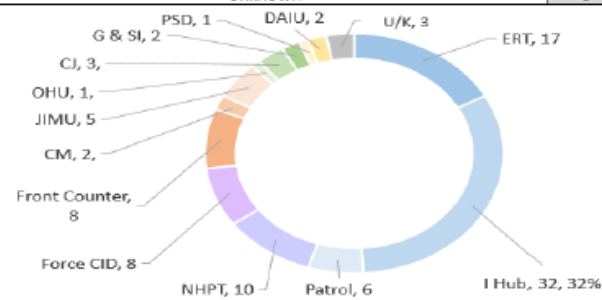
Where are suggestions coming from geographically?

Milton Keynes	14
Cherwell and West Oxfordshire	13
Headquarters	8
Wycombe	8
Slough	7
Reading	7
West Berkshire	6
Windsor and Maidenhead	6
Aylesbury Vale	5
South Oxfordshire and the Vale of White Horse	5
Wokingham and Bracknell	5
Chiltern and South Buckinghamshire	4
Oxford	3
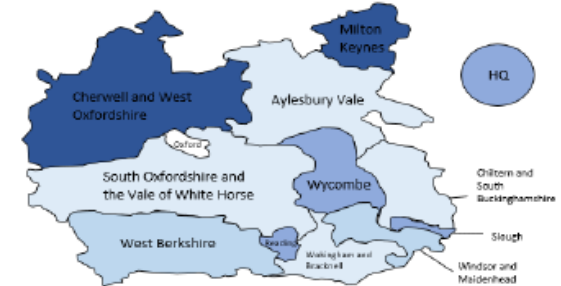
What issues are being submitted?

Admin	3
Digital Transformation	16
Evidence	3
Facilities	2
Fleet	5
Forensics	1
Maintenance	3
Niche	4
Operating Model	11
Process	30
Procurement	4
Recruitment	1
Resourcing	3
Training	6
Wellbeing	9
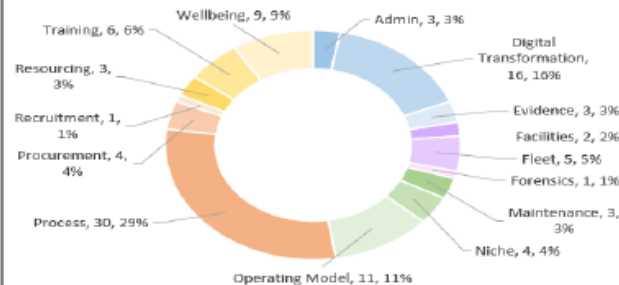
How are suggestions coming in?

Email: 90 Yammer: 7 Anonymous: 3

Current sugestion status

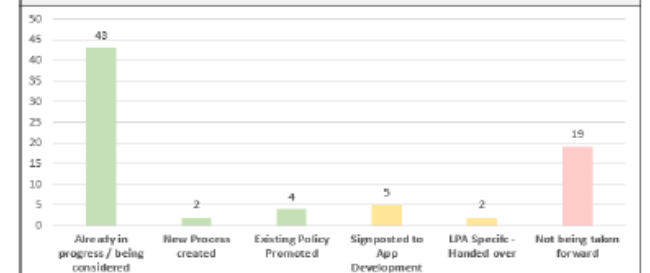|	
New	9
Ongoing	16
Completed	75

What days are suggestions being submitted?
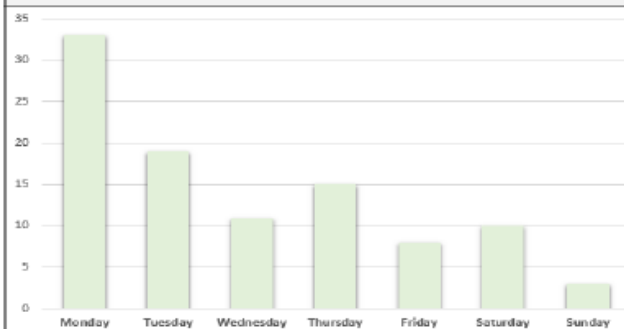
... of those closed, what was the outcome?

THAMES VALLEY POLICE

ANNUAL REPORT

ENVIRONMENTAL MANAGEMENT 2018-2019

Contents

Introduction

Thames Valley Police (TVP) understands the impact our operations and work activities may have on the environment. As a police force and responsible organisation TVP, and its staff as individuals, have a clear responsibility to care for our environment in which we live and work. The Force is committed to implementing and supporting programmes that effect lasting, positive, environmental change.

This Report outlines the range of environmental sustainability work of the Force and gives an overview of our Environmental Performance, focusing on the Functional estate. It also outlines some of the work we will undertake in the coming year and beyond for Continuous Improvement.

Summary

The Force has made significant efforts and clear progress during the last year which shows the support across the Force for this important area of work. Key points are as follows:

Carbon Management Plan
The 2nd Carbon Management Plan 2015-20 helped the Force reduce carbon emissions and work towards carbon reduction targets. The Force set a target of a 33% reduction in CO_2 emissions over a 10 year period. At the end of year 8 a reduction of 26% has been achieved and so the organisation is on line to meet its target.

Waste
Delivered a new contract for Secure Waste Disposal (confidential waste). The integrated waste contract also continues to run smoothly. During the last year our total level of confidential and non-confidential office waste has continued to reduce and the proportion of recycling maintained.

Biodiversity
Work continues with "Praise Bee," a charity set up for the express purpose of increasing the Mason bee population across the UK, with a bee nest installed at HQ South.

New challenges and opportunities mean that continuous improvements are needed to move towards our targets. Over the coming year we will continue to integrate environmental sustainability into our working practices, to reduce our environmental impact.

Our Commitments

The force has made a number of commitments to work towards an environmentally sustainable future for our organisation.

Environmental Management Approach
The reasons for having a defined approach is to provide the framework to drive achievement of our goals and objectives in order to ensure continuous compliance with current and future environmental legislation. It also demonstrates our commitment to maintain a *continuous* improvement programme to control our "Aspects and environmental impacts" of any significant activities, which we can be expected to influence. Our approach is based on Corporate Social Responsibility (CSR), self-regulation and some requirements of the ISO14001 standard and framework.

The Force Environment Protection Manual (EPM) was set up in response to the Environment Protection Act to control pollution and forms part of our defined approach which includes:

- Environmental Management Policy
- Chief Constables Environmental Protection Statement (as our commitment)
- Register of Legislation
- Register of Aspects and Impacts
- Sustainability Impact Assessment
- Pollution Guidance
- Waste Management Guidance
- Procurement Guidance
- Energy Conservation Guidance

Work has begun to review, all the above to conform to our stated Environmental Policy. The Environmental Management Group will oversee this work. In particular progress has been made in 2018/19 on updating the Register of Legislation and Aspects and Impacts Register, led by HS&E.

Environmental Policies, Strategies and Standards

The Force have a wide range of documents to drive our approach to sustainability, the key ones are listed below:

Environment Management Policy
The Policy is part of our environmental approach and is the Force's central and overarching Environmental Policy. The intention of the Policy is to ensure compliance, reduce consumption/costs/ carbon emissions, and minimise the impact our activities have on the environment. The Policy is owned by the HS&E department and was reviewed and updated by the Environmental Management Group in 2018/19.

The Environmental Policy is underpinned by other detailed Policies, Procedures, Strategies, Plans and Standards which are key drivers for sustainability and outline our approach and objectives, some of which are listed below:

- Asset Management Strategy and Plan
- Energy Policy
- Heating, Cooling and Ventilation Standard
- Travel & Vehicle Use Policy
- Workplace Travel Strategy

- Carbon Management Plan

Governance

<u>Strategic Estates Group</u>
The Strategic Estates Group (SEG) has the primary aim of ensuring the estate is capable of supporting the delivery of TVP's service delivery requirements whilst pursuing all sustainable opportunities to reduce the size and cost of the estate.

The SEG is intended to form a bridge between overseeing the strategic implementation of the Force's Asset Management Strategy and Asset Management Plan. It provides accountability to CCMT for managing the estate in order to align with and to ensure it contributes to the Force's strategic priorities. It also provides assurance to the Police & Crime Commissioner (PCC) that the estate is being effectively managed in order to preserve and protect the PCC's interests.

<u>Wellbeing, Health Safety and Environmental Board</u>
The purpose of the WHS&E Board is to promote positive wellbeing outcomes for our staff where wellbeing relates to all aspects of working life, from the quality and safety of the physical environment, to how workers feel about their work, their working environment, the climate at work and work organisation.

<u>Force Environment Management Group (EMG)</u>
The EMG was formed in 2008 with the aim of ensuring TVP follow the best feasible environmental management options available and it reports to the Wellbeing, Health, Safety and Environment Board, chaired by the Director of People. The Facilities function within the Property Services Department, has responsibility for the EMG.

The EMG monitors force performance on all environmental matters and investigates areas for improvement and development. It also monitors national and international environmental legislation changes, policy developments and best practices and advises on their implications, to ensure the force is legally complaint.

Membership of the EMG was reviewed and a new Terms of Reference produced in 2018/19.

Legislation

<u>Government's Resources & Waste Strategy 2018</u>
This is the first major Resources Strategy since 2011 and along with new Policies & Legislation covers reducing avoidable waste, re-using & recycling waste, and promoting resource efficiency. Generally new national policies will not be implemented for several years and will include:

- Reducing Food waste from retailers & manufacturers; mandatory standalone food waste collections for Local Authorities.
- Extended Manufacturer & Producer Responsibility for Packaging and waste electrical and electronic equipment.
- A move from using weight-based targets to 'impact-based targets' for local authority recycling, which may affect TVP's reporting in the future.
- Consistency in the collection of dry recyclables from households & businesses, which may make things clearer for people.
- A Policy decision to back Energy from Waste incinerators or not and a potential tax on Waste Contractors to encourage recycling. TVP may need to work with Waste

Contractors to find alternative sustainable treatment technologies to divert our residual waste from landfill.

- Eliminating the use of Single Use Plastics packaging through design, where plastic must be re-usable, recyclable or compostable and a tax on plastic containers which do not have at least 30% recycled material.

The development of new national policies & legislation will continue to be monitored, to ensure compliance, identify any innovative projects & technologies as well as cost and service implications for TVP into the future.

Key Areas of Work

Carbon Management Plan

The force Carbon Management Plans (CMP) 2010-2015 and 2015-2020, continue to demonstrate our commitment as a responsible organisation towards protecting the environment in which we all live and work. The CMP defines carbon emissions as consisting of transport and building emissions. The transport emissions include the fuel used in the fleet vehicles, hire cars, business miles in private cars and rail journeys. Building emissions consist of electricity, gas (natural and propane), oil, and biomass fuel. Note: The wood used in the biomass boilers is no longer zero rated for carbon emissions but the conversion factor is very low.

The following chart shows year to year progress over the period of the plans and against the target.
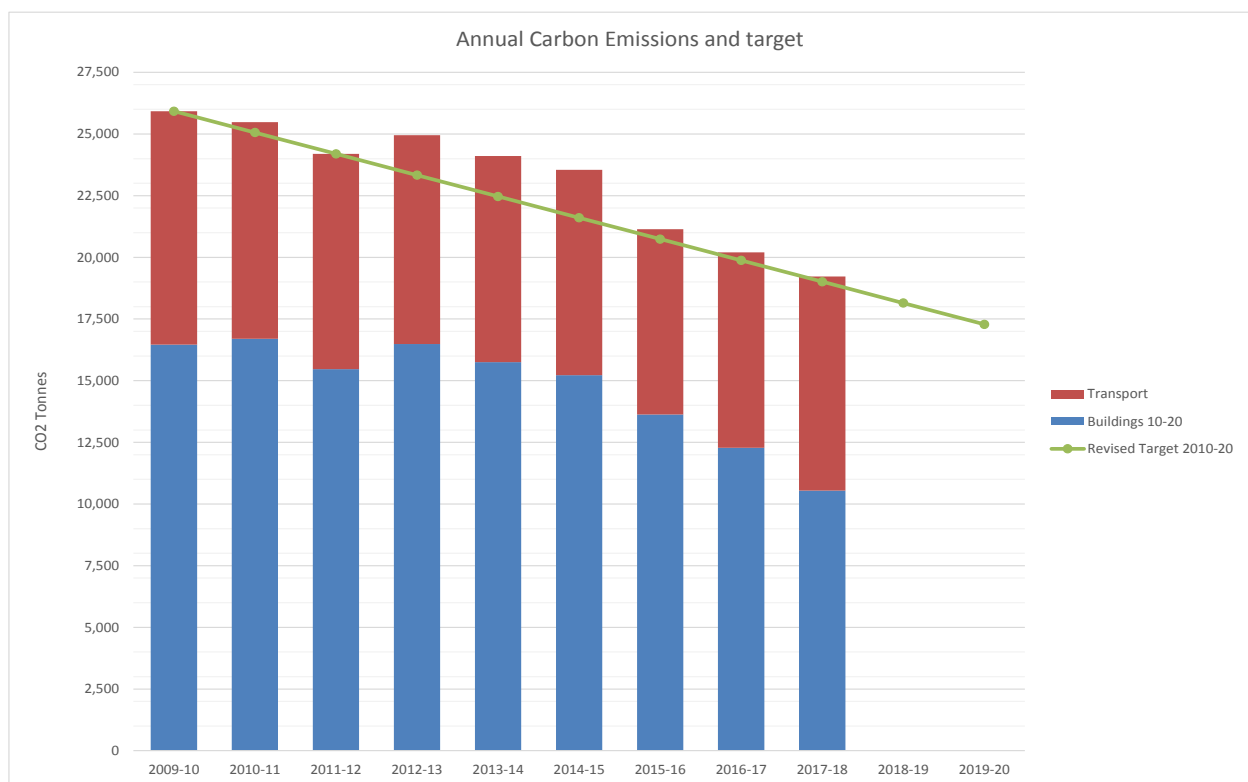
Significant progress has been made during the last year towards the 33% CO_2 reduction target that has been set for the entire 10 year period of both plans. Reductions in

consumption of 26% have been achieved to date. Based on a straight line target reductions should currently be at 26.7% and therefore overall the plan is essentially on target.

Key Actions and pieces of work undertaken recently are as follows:-

Property Services

Review of Energy Use across the Estate
A review was been undertaken of our estate that identified that the top 20 buildings in terms of energy usage represent over 80% of the total consumption by TVP. It is therefore clear that energy reduction work needs to be focussed on these buildings.

Building Management Systems (BMS)
BMS control all aspects of the building in terms of heating, cooling, and ventilation. These are complex systems and checks of TVP buildings has indicated that most are not set up to achieve maximum efficiency.
Work is continuing to review and improve the BMS in our top 20 energy using buildings. This will be an area of continuous ongoing work as the systems need to be regularly checked to ensure that minor adjustments have not affected the overall efficiency of the systems.

LED Lighting
The program to install LEDs continues. The second phase of light replacement has been completed at Loddon Valley and it is intended to complete the station during 2019/20.
The Capital Team's major refurbishment work at Milton Keynes has already replaced a large number of lights and the program will complete this year. Significant savings should be evident during 2019/20.
A range of further smaller projects will continue to be developed and delivered across the force. The maintenance electrical engineers developed a spreadsheet that calculates the savings from installing LED lights by comparing the costs of running (including maintenance) the current lights and the cost of LED lights including purchase and fitting. All potential projects are checked through this spreadsheet to ensure value for money.

Biomass Boilers
The two existing biomass boilers in the PSTC building have now been connected to Imbert Court and are supplying heat and hot water. As this is a renewable energy project, replacing the old electric heating and hot water systems, there will be a significant reduction in the CO_2 emissions. There will also be a reduction in electrical load, and this will release additional electrical capacity for use in other areas of the site.
The business case for biomass boilers to replace the oil boilers that supplied the Teaching Block, White House, and Stable Block at Sulhamstead was successful. Three boilers have been installed and connected to the Teaching Block and during 2019/20 they will be linked to the Whitehouse and Stable Block

Electric vehicle charge points
During 2018/19, we began investigating the possibility of installing electric vehicle charge points, by speaking to other forces and meeting Chargemaster. The potential of installing charging points at the new Reading Police station will be considered during the development of the refurbishment specifications.

Chiltern Transport Consortium (CTC)

The telematics system is now installed in the majority of the fleet and the system has been activated and is collecting data.

A new Transport Action Group has been set up to review the size of the fleet and the mix between fleet and hire vehicles and will use all available data sources including telematics. It will also consider the cultural issues around driving practices within the force.

Based on experience in the industry it is hoped that the telematics data will lead to fuel savings of between 10% and 20%.

CTC continues to source increasing efficient vehicles with lower CO_2 emissions. They are also currently investigating electric vehicles.

ICT Department

Measuring the impact of changes made by the ICT department is extremely difficult as the energy used is included within the overall building energy usage. However, the planned outsourcing of the data centres should have a significant impact on the energy usage within our estate although the full impact will not be seen for some time. The move to the outsourced data centres should be starting in the near future although no definitive plan is currently available.

Sustainable Transport

The implementation of the Force "Travel and Vehicle Use Policy" and "Workplace Travel Strategy", aims to enable efficient operation of the functional estate whilst reducing the traffic congestion, air pollution and carbon emissions associated with the business travel and commuting needs of our staff.

Chiltern Transport Consortium
See the "Carbon and Energy Management" section of this Report.

The Workplace Travel Strategy
Our Work Place Travel Strategy focuses on sustainable commuting and business travel. The strategy was formally adopted in September 2012. The Strategy seeks to minimise air pollution and carbon emissions associated with commuting and business travel and achieve other health and environmental objectives while maintaining operational capabilities. Including improving the range of travel options available to staff to encourage them to travel more sustainably. The strategy benefits not just the Force, but the wider community. Progress has been made, to improve the package of measures available to facilitate sustainable travel in line with the Travel Hierarchy. These include measures to reduce the need to travel (flexible working, use of technology), the cycle to work scheme and concessions and facilities, public transport discounts, and car sharing measures.

Staff Cycle to Work Scheme
The Cycle to Work Scheme is aimed at encouraging salaried staff to use cycles for all or part of their journeys to and from work and reduce environmental pollution. Staff are able to obtain bikes, accessories and equipment under the scheme, up to a £1000 in value, over 18 months as a tax-free benefit.

Table: Staff Registrations

Year	No. of Registrations (Force wide)
2011	272
2012	243
2013	270
2014	250
2015	234
2016	174
2017	141
2018	141
Total	**1725**

Other Staff Cycle Concessions
Staff Benefits also ensured that Other Cycle Concessions continued to available at cycle shops or mobile providers for bikes, folding bikes, electric bikes, parts, mobile servicing, servicing and repairs, cycle hire, Cycle Club Memberships and Clothing and Accessories.

Cycle parking, showers, lockers, changing & drying room facilities
The Force aims to provide sufficient facilities to meet existing and future need.

Public Transport – Staff Discounts on Bus and Rail Travel
Staff Benefits ensure that measures are in place so that Police Officers, Special Constables, PCSO's and Police Staff continued to travel free or with concessions on Public Transport across various areas of the Force. This was dependant on the Service Operator, Areas covered by the Operator, whether staff were on duty or not and travelling to/from work and on production of a warrant or staff ID Card.

Transport for London (TfL)
TfL also allows free travel on London Underground, over ground, buses, Tram link and Docklands Light Railway for TVP police officers at any time on production of their warrant card. Special Constables are not included in this arrangement, but PCSOs are allowed free travel when on duty and in uniform. There are no concessions for any other police staff or special constables within TfL.

Trainsplit
A link has been set up to https://police.trainsplit.com for members of police organisations, who are travelling by train on journeys over a reasonable distance. Savings averaging around 30% are available by using a "Trainsplit" ticket, depending on the journey and networks used. When more than one ticket is purchased this generates an affiliate commission allocated to children's charities.

Car Sharing
A "Car Sharers Group" is set up on Yammer for commuter travel. Yammer is the Force social networking service used for communication within the Force. L&D also generate an email to training course delegates to facilitate car sharing arrangements for training courses.

Water Management

Thames Valley Police currently spends approximately £250,000 per year on our water services. Our water is currently supplied by 5 separate water companies, with the majority of our sites being supplied being supplied by Castle Water (formerly Thames Water).

In order to manage our water usage we have Automatic Meter Reading (AMR) equipment on all of our large Castle Water sites and this data feeds into a monitoring system with built in alarms to flag when there is significant background flow. This system (Fusion) works extremely well.

We have expanded this system to include independent meters at Sulhamstead due to the number of buildings and pipe work geography of the site. This will ensure swift identification of any leakage.

On the 1st April 2017 the water industry for non-domestic users was de-regulated. This means TVP is no longer restricted to buying water services from our 5 regional water companies and is instead free to choose a single water retailer.
TVP are working with Finance & Procurement, regarding the options to buy all of our water services from one suppler. Savings of up to 5% can be achieved, using one service provider, but streamlining the billing and administration process will also realise savings in administration and servicing.

In terms of activities to reduce water consumption and waste, we are carrying out & introducing the following initiatives:

- Installation & management of the AMR equipment
- Site surveys and water audits on all of our large sites
- Urinal – low flushing control system on all urinals force-wide
    - Reducing water consumption with a net value of £30,000
- Trail of warterless urinals at 7 sites across the force. If successful and rolled out, additional savings of £20,000 could be achieved.
- Installation of automatic sensor taps at:
    - HQ south
    - Bicester Traffic base workshop
    - Bracknell PS
    - Reading PS
- Installation of aerated taps
    - Standard specification

Waste Management

Waste management is a significant element of TVP's Environmental Management function which is also driven by national strategies, policies and legislation to reduce avoidable waste and encourage recycling. The Force influences Material Resources by continuing to work with its Contractors to adopt the Waste Hierarchy in the delivery of the Services:

1. Prevention / Reduction
2. Reuse
3. Recycling
4. Recovery
5. Disposal

The principles of Resource Waste Management are adopted, so that as many of the Force's waste materials (as is practically possible) are re-used or transferred to approved treatment facilities and turned in to a resource, recycled and diverted from landfill. This improves sustainability and saves money, as well as reducing the environmental impact of Thames Valley Police.

Review of Waste across the Estate
The team continued to take on the challenging task of reviewing and improving the Waste Management and Disposal Services throughout the Force to deliver innovative waste solutions. Collaboration and review meetings took place between Waste Suppliers, Property Services, Procurement, Finance and other key stakeholders such as Evidence Management Unit and HS&E to ensure the efficient use of Resources.

The integrated Waste Management Contract with Grundon Waste Management continues to improve sustainability, with waste managed in accordance with the Waste Hierarchy to comply with legislation and best practices. The contract is overseen by Property Services and covers a wide range of waste services and contracts under one umbrella to support stakeholders and policing operations including:

- General and Mixed Recycling Waste
- Hazardous and other Technical Waste
- Chemical Waste from Forensic Investigation Units
- Seized Cannabis Farm Site Clearance
- Destruction Of Drugs And Pharmaceuticals
- Adhoc Skip Hire Waste (wood and metal)
- Offensive, Hygiene Waste Services (Dog / Horse Waste)

Property Services does not manage waste for the Chiltern Transport Consortium, ICT, and a number of other minor waste streams.

The Evidential Management Unit manages its waste from across the Force using central contracts but also diverts materials from becoming waste, by selling as many items as possible for re-use. This not only reduces waste but also generates an income stream.

Non-Confidential Office Waste Initiative
The Non-Confidential and Confidential Office Waste Initiatives are managed by Property Services. General Waste and Dry Mixed Recyclables internal containers are in place across the estate. This enables the Force to comply with "Pre-Treatment" regulations (contained within the UK and Landfill Regulations) to sort and separate our waste before it is collected.

The graph below shows the breakdown of waste arisings in terms of general waste, recycled and the percentage reduction in overall waste since the initiatives began in 2009/10.
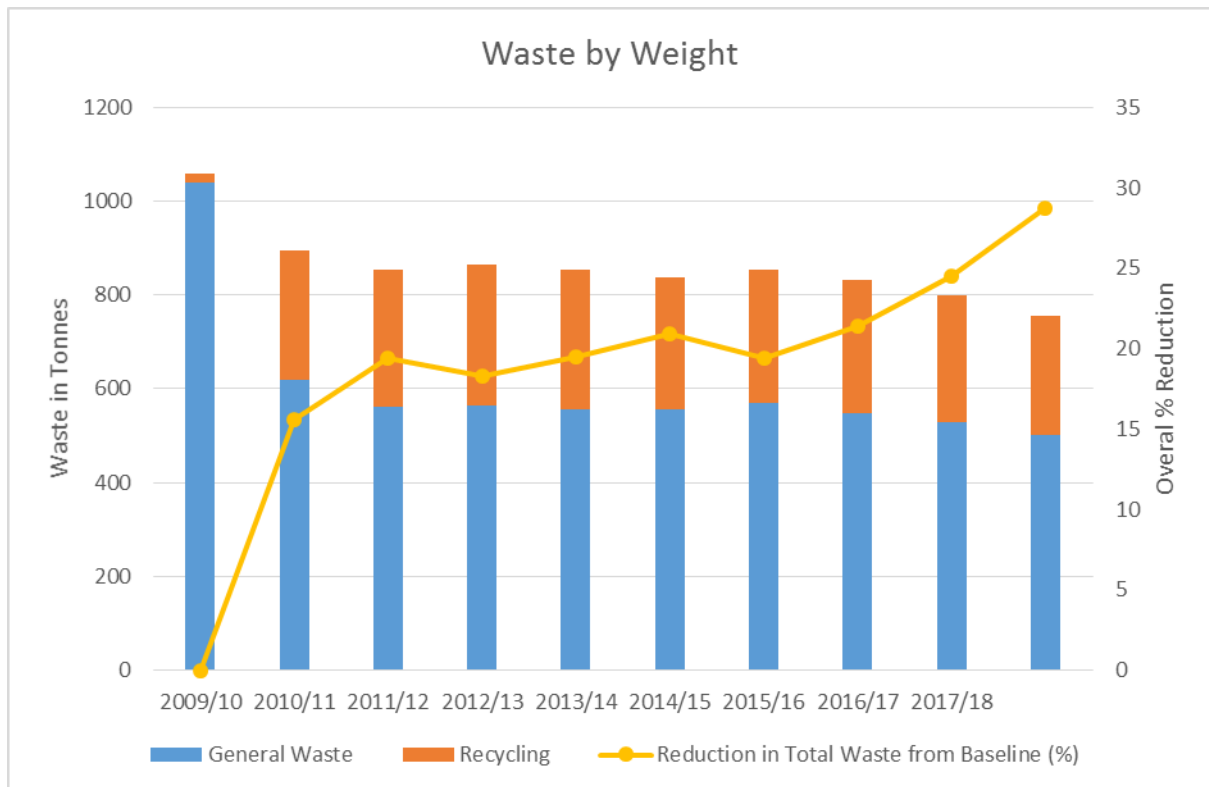
Over the period there has been a 28.7% reduction in total waste. Over the same period the recycling rate has increased from 2% to 34%. In 2009/10 all general waste went to landfill, however now it is all diverted from landfill and recovered to produce renewable energy which avoids land fill tax.

Food waste recycling facilities are in place at Sulhamstead Training Centre and food waste is recycled through an anaerobic digester, to produce energy from waste.

Confidential Office Waste

The contract with Shred It (under the National Gwent Framework) expired on 31 August 2018. The Project Team carried out a review of the market place, pricing exercises and supplier research. As a result, we delivered a direct award off-site shredding contract to Shred Station under an ESPO (a national public sector purchasing organisation) framework, with a contract start date of 01 September 2018. This includes the secure disposal of paper, magnetic media and uniform.

Internal containers are in place across the estate to segregate confidential waste. Confidential Waste information has been compiled from data estimates supplied by the Waste Contractors. The graph below shows the quantities of confidential waste and the percentage reduction since 2009/10.

Confidential Waste
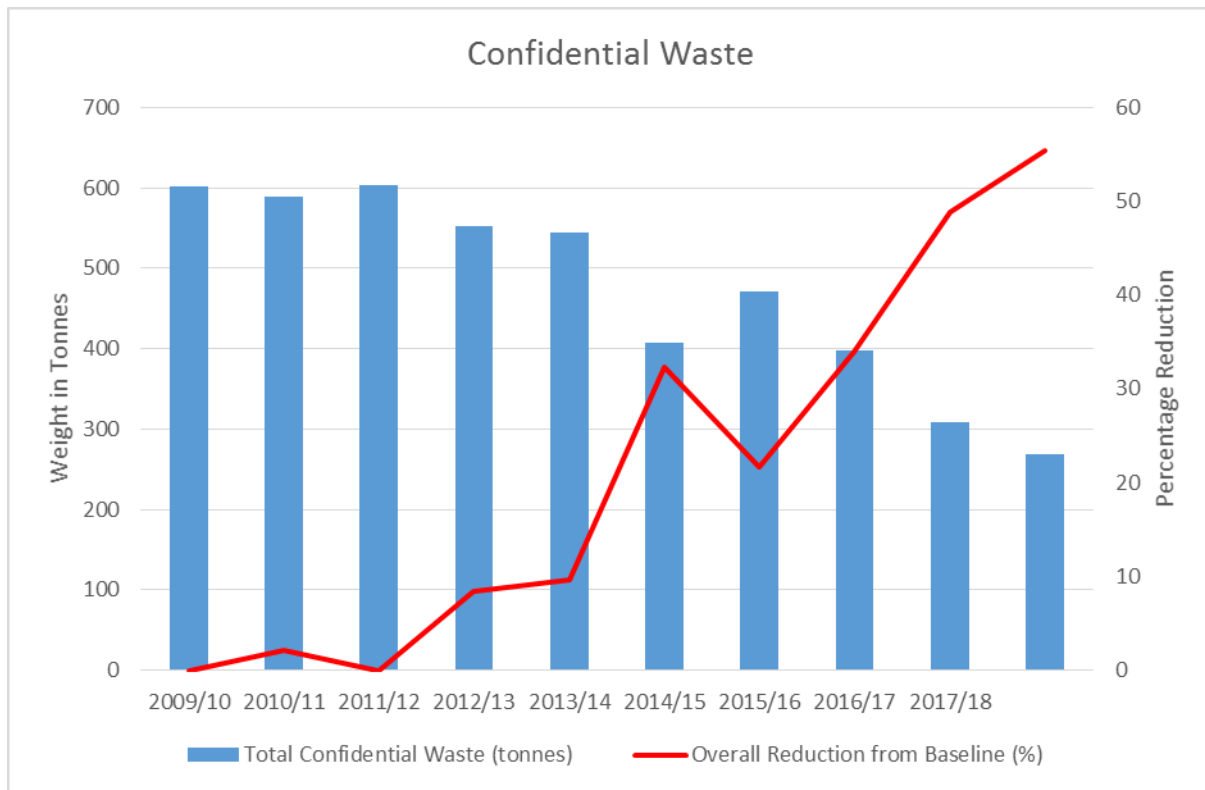
Over the period there has been a 55.39% reduction in total confidential waste. All confidential paper is securely shredded and recycled.

Combined Non-Confidential & Confidential Waste
From the baseline year 2009/10, there has been a 38.38% reduction in combined total waste and the combined recycling rate for 2018/19 was 51.03%.

Hazardous Waste
Much of our Hazardous and Technical Waste is produced by our Evidence Management Units (EMU). In 2018/19, the EMU Property Purge (which resulted in waste being produced at a central point of collection within the Force) ceased. Our Facilities, EMU and Procurement Departments worked with our Waste Contractor, to put in place a cost effective procedure, to bulk-up and collect property waste from local EMU's within the Force. Separate containers have been supplied at these locations to enable the EMU staff to segregate waste for disposal. Our Waste Contractor incinerates and recycles this waste where possible, to produce new resources and avoid disposal to landfill.

Single Use Plastics

Government's Resources & Waste Strategy 2018
The strategy includes the development of polices and legislation to eliminate the use of Single Use Plastics (SUPs). This will mainly be packaging through design, where plastic must be re-usable, recyclable or compostable and a tax on plastic containers which do not have at least 30% recycled material.

Plastics are now a standing item agenda at EMG Meetings.

Catering Contactors at Sulhamstead

Actions are in place to discuss minimising the use of SUPs with our catering contactors, Baxter Storey.

Mobile coffee vans
Discounts are available on hot drinks purchased from some mobile coffee vans for staff bringing their own re-usable cups. This was communicated to staff where appropriate.

Procurement
Actions are in place to discuss sustainable purchasing policies with Procurement to minimise the purchasing of SUPs.

Environment Collaboration and Benchmarking

Collaboration
Working collaboratively with a diverse range of organisations has the value of efficiently sharing resources & best practices to reduce costs. It improves the skill base, market knowledge, problem solving, innovation, customer service, communication & common goals to make collective decisions.

TVP is member of a number of key national, regional and local organisations to help promote sustainability and to share best practice.

Key environmental staff are now working with the National Emergency Services Environment & Sustainability Group, which includes the Home Office, other Government Departments, College of Policing and now the Fire and Rescue Services, as well as Police Services. This Group replaced the National Police Estates Group (NPEG) and focuses on energy, travel, CO_2, water, waste, behavioural change and benchmarking. The Force also collaborates with Low Carbon Oxford.

Benchmarking
Waste, Energy and Water data is provided to CIPFA to carry out national benchmarking of sustainability performance and achievements against other sites and Forces. This data is used to identify any problems or poorly performing site and these are targeted to improve performance & working methods.

Biodiversity

Biodiversity is the whole variety of wildlife and habitats on Earth and not just rare or endangered species. Biodiversity is fundamental for the Earth's life support system and provides for basic natural services such as fresh water, fertile soil, and clean air. Biodiversity protection and enhancement is relevant to TVP land and around its buildings. The aim is to preserve and where possible enhance biodiversity and reduce the Forces environmental impacts on biodiversity.

Bees
The Force are working with "Praise Bee," a charity set up for the express purpose of multiplying up the Mason bee across areas of the UK, which are deficient of bees. The solitary Red Mason bee is an indigenous bee which does not make any honey and therefore it is not aggressive, as it has no reason to sting to protect that food source. The bees emerge around March or April time. They have a short five month life cycle and as adults produce pupae and as such, pollinate most plants more quickly than any other bee.

The strategy of the charity is to use large organisations, such as the Church of England, the MoD, Police Stations and the NHS etc. who own many sites in close proximity to town gardens, where these bees can be breed. A bee nest has been installed (facing south west for full sun) in the grounds of HQS and it is hoped that over time we will be able to populate bee nests at other sites across the force.

Communication and Engagement

The Force Website
The Carbon Management Plan 2015-20 is accessible to the public on the Force website.

Environment Management Website
The Force Environmental Management website continues to be developed to include the following:

- About Environmental management
- Biodiversity
- Energy and carbon
- Get Involved! (Opportunities)
- Pollution control
- Sustainable purchasing
- Sustainable development
- Travel Choices
- Waste and recycling
- Water conservation
- Transport (Fleet)
- IT Management

Get Involved! (Opportunities)
All staff are encouraged to take responsibility to get involved in sustainability on the website with a range of tools to help:

- Eco Handbook
- Spreading the Word (Top Tips)
- The Spread the Word Checklist is a good way to get started.
- Green Messages & Slogans (to use it on email signature footers)
- Posters, Stickers & Clip Art Images
- Walk Around Checklists Tools for Environmental Auditing
- Create an Employee Awareness Campaign tool
- Personal CO_2 Foot printing Tool
- Thermometers

Environment Champions
The force wide network of voluntary Champions continued to provide support to those staff already in key environmental roles. Champions act as a focal point within their own department, building or station to spread the word on sustainability issues. And identify simple actions and changes to encourage staff to reduce energy & water use; reduce, re-use and recycle waste and reduce the impact of our travel. The Network is key to the Carbon Management Plan as a core communication channel for promoting awareness of the need to

reduce our carbon emissions and realise financial savings. There were 81 staff participating in the Champions Network in 2018/19.

- A database has been set up to "Find your Environment Champion"
- There is an application form to apply to be an Environment Champion.
- An Environment Champions global email address has been set up to communicate and network.

Behavioural Change

TVP staff are working with the National Emergency Services Environment & Sustainability Group on behavioural change, including developing a range of tools to encourage staff to get involved in sustainability.

Conclusion

Thames Valley Police continues to meet its obligations under environmental legislation and pro-actively manages all aspects of if its environmental impacts.

During the last year a new waste contract has been signed for a confidential waste service. The year has seen a continued improvement in our recycling rates and a reduction in our total waste volumes.

The Force is successfully managing its carbon emissions and is on track to meet its 33% reduction target by 2020.

Plans are in place across Property Services and Chiltern Transport Consortium to deliver further significant savings over the coming years. Staff are encouraged to take part in our Environment Champion programmes.

Mike Underwood   **June 2019**
Facilities Support Services Manager

THAMES VALLEY POLICE

1

EQUALITY, DIVERSITY AND INCLUSION

ANNUAL REPORT 2018-19 FOR
JOINT INDEPENDENT AUDIT COMMITTEE

July 2019

1.0 Introduction

1.1   We are pleased to present this annual report outlining our commitment to equality, diversity and inclusion by showcasing the achievements from the past 12 months as well as planned activity for 2018/19.

2.0 Purpose

2.1   The report covers the following key areas:
- Strategic governance
- Providing a policing service to diverse communities
- Recruitment and Attraction
- Retention and Progression
- Community Recruitment and Engagement
- Other Equality and Diversity activity
- Future plans

3.0 Strategic Governance

3.1   Our Equality and Diversity Board, chaired by the Chief Constable, currently takes place on a quarterly basis to meet and review current equality and diversity priorities as well as look at regional and national issues to ensure we are better sighted on and what we, as a force, need to do to and take any action. We are reviewing the whole governance structure including regularity of the board and the strategic direction of the board. We are looking at creating a tactical delivery group, appoint CCMT leads for each of the protected characteristics as well as aligning the staff support networks to these.

3.2   Whilst the Chief Constable retains overall responsibility for equality and   diversity, responsibility for external facing equality and diversity issues rests with the Assistant Chief Constable – Local Policing and responsibility for internal facing equality and diversity issues with the Director of People.

3.3   The Chief Constable has set out his vision and commitment to building a diverse workforce at numerous internal events including Senior Leaders Forum, Leadership Conferences, BAME Development Day and Roadshows, highlighting the importance of why having a diverse workforce is so important to the service that we provide to our community. These events reinforce the message that it is everyone's responsibility to help create a diverse and inclusive workforce and encourage the development of new ideas and initiatives.

3.4   We are in the process of updating the current Equality, Diversity and Inclusion statement to incorporate the NPCC Trans Guidance for Policing Sector. This policy is supported by an online Manager's Toolkit which provides advice, information and raises awareness of equality and diversity.

4.0   Providing a policing service to diverse communities

4.1   Improving TVPs response to mental health incidents

There continues to be ongoing utilisation of the mental health triage service within the force, with 5 operational vehicles crewed with a MH nurse and police officer available across Thames Valley Police area offering response to mental health incidents during periods of peak demand (Operating from late afternoon to the early hours of the morning). In order to fully understand the benefits of the scheme to both the public and TVP, a pilot recording scheme is currently being run in the Milton Keynes area, so that the full implications of the facility on conversion rates (from use of S136 powers to detaining the individual under section) and the use of the triage vehicle as a first response to incidents involving mental health can be analysed. We also hope to identify, using this recording tool, incidents whereby the officer may have resorted to utilising S136 powers when an alternative diversion has been put into place following involvement of the triage facility. This will help to identify whether there is a more appropriate use of powers of detention by police, when prior to the use of triage, detention may have been used inappropriately and to the detriment of the patient.

Use of custody suites as a POS within Thames valley has decreased significantly since the introduction of legislative changes through the Police and Crime Act. For the period 01/04/2018 – 31/03/2019 there are 4 recorded uses of police custody for S136 detentions, however on further scrutiny, these are recording errors where the individual has been detained S136 within the custody environment and subsequently removed to a POS, and not where a custody suite has been utilised as a place of safety for a person already detained under S136. Therefore there are no recorded incidents of TVP using custody suites as a POS for persons detained under S136. The use of S136 within custody has increased, however there has been significant training during the last quarter of 2018 for officers of all ranks involved in the custody process regarding dealing with persons suffering from mental ill health in the custody environment. The training has resulted in officers making the decision, where appropriate, to postpone the criminal investigation at that time, and to release the person from the suite, (often under investigation), detaining them under S136 and removing them to a place of safety. The criminal investigation can continue when appropriate treatment has been received. This has resulted in better management of the challenges of unlawful detentions due to unavailable bed space. Liaison and Diversion support continues to be provided across the force within the custody environment.

There has been an increase of the use of S136 powers by 18% across the force for the period 01/04/2018 – 31/03/2019 against the same period last year. There has been an increase in the use of S136 powers within TVP custody suites. (16 in December 2018 and 12 January 2019). Throughout 2018, there were general increases in the use of S136 per month based on year on year, however April 2019 sees the first decrease in the use of S136 powers by -1.2%

Partnership working and engagement continue to be strong, at operational, strategic and regional levels. PiP meetings are attended at a local level by MH SPOCs in the relevant geographical area, and this process facilitates problem solving at practitioner level, as well as sharing good practice, and this continues to feed into the crisis care concordat in Oxfordshire, Buckinghamshire and Berkshire, where there is representation from TVP at strategic level. Additional training is currently being planned in relation to suicide prevention for new officer recruits and existing staff, with proposed rollout in January 2020.

4.2 Appropriate and effective use of stop and search.

For the period 01/04/2018 – 31/03/2019 there were 8493 recorded uses of stop and search powers within TVP. This is a significant increase against the previous year of 6582. Positive outcomes overall are recorded as 23.6% which remains consistent with the previous year (23.7%). Of the positive outcomes, the majority were for drugs (67.8%) stolen property (25%) and offensive weapon (19.3%). Of the total searches recorded, 1333 resulted in an arrest at the time of the encounter (15.7% of all recorded stop and searches) with the largest proportions mirroring the above (Stolen property 22.1%, offensive weapon 17% and drugs 14.7%)

An additional 1.2% were dealt with by means of voluntary attendance. This is not currently counted as a positive outcome by the home office, although it generally indicates a positive result of the search, although not included in the positive outcome data.

Of the 8493 searches within this period, 4582 are recorded as "nothing found/no further action", a total of 54%.

4421 persons searched gave their ethnicity as "white" with a 23.3% positive outcome rate

1817 persons searched gave their ethnicity as "Not known" with a positive outcome rate of 22.0%

1001 persons searched gave their ethnicity as "Asian" with a positive outcome rate of 25.9%

784 persons searched gave their ethnicity as "black" with a positive outcome rate of 28.3%

66 persons searched gave their ethnicity as "Chinese/other" with a positive outcome code of 18.7%

All positive outcomes by ethnicity have been improved against the previous year with the exception of "Not known" (-2.4%)

The increased use of stop and search can be attributed to ongoing training (Street craft) and mentoring on area, enhancing officers understanding of their powers and increasing confidence in the use of the tactic.

Recording of stop and search encounters by means of the current mobile phone "APP" remains low. A customer satisfaction survey is proposed to be undertaken and rolled out across all users in the near future, and this will assist the planned working group when considering updating the existing process. The use of the App will increase the ability to record geocodes as well as providing safeguarding prompts to the officer conducting the search in relation to the subject. The rollout of the new android phones to front line staff is currently being undertaken and following this, revision of the app can take place.

The scrutiny of stop and search continues through the quarterly Organisational Review Meeting chaired by the head of Local Policing (ACC) as well as the stop and search independent advisory group. Body worn video relating to specific stop and search encounters, along with the accompanying stop and search record, are also reviewed by the IAG, with particular scrutiny to young people, children or vulnerable adults. Thames Valley Police continue to be a member of BUSSS (Best use of Stop and Search Scheme)

4.3 Recognising and responding to hate crime

Hate Crime is monitored through a quarterly Organisational Review chaired by the ACC of Local Policing and scrutinised by both Local IAGs and the Strategic IAG for the Force. Following a Hate Crime Risk Meeting in May 2018, each LPA has reviewed and refreshed their individual Hate Crime plans. The plans cover engagement work with communities, scrutiny of Hate Crime recording and outlines tackling Hate Crime through the principles of Prevent, Pursue, Protect, and Prepare. Each LPA has also been provided with a Hate Crime demographic pack to inform engagement with their communities and clear guidance has been written and published for the Hate Crime SPOCs in each area.

Thames Valley continues to have the lowest level of Hate Crime per 1000 population when compared to our most similar family group. The number of recorded hate crimes has increased significantly, by 36%, when compared to the same period last year. A significant driving factor behind this increase is the work that the Force has undertaken to improve Crime Data Integrity. In addition a training package has been rolled out across the force to ensure better understanding regarding the correct recording of hate crime. In March 2018, TVP began recording crimes at the point of call, which has led to more accurate recording leading to an increase in crime reports, and a decrease in incident reports. Due in part to this work, the Hate Incident level has decreased by 50%, year-on-year. An increase in crimes is a positive indication that recording accuracy is improving and may also indicate an increase in confidence among victims to report.

The Racial qualifier continues to be the most utilised Hate Crime qualifier type and racial crimes have seen an increase of 40% year-on-year. Use of the Faith qualifier has decreased slightly but there have been significant increases in the use of the Homophobic and Transphobic qualifiers in Hate Crimes when compared to the previous 12 months.

Each LPA has a Hate Crime Improvement plan, which will record actions on a local level. For example, Oxford has seen a decrease in hate crime incidents by 50%, although an increase of 61% of recorded crime. Research into repeat victimisation has identified NHS staff, Police Officers, and staff at mental health establishments as being the group most likely to be repeat victims. Specific plans have been put in place to reduce the likelihood of repeat victimisation in these areas, with a dedicated SPOC in place. Oxford LPA also support a female only self-defence group, where the majority of attendees are from a BME background. This has proved valuable when reassuring members of the BME community regarding specific hate crime incidents in the area (Hijab pulling).

Milton Keynes have seen a rise of 8% of reported hate crime, compared to the same period last year, and with significant increases in disablist and LGBT related crimes. Race crime also increased following the Brexit vote, but a decline is now being seen. Milton Keynes are currently working on developing restorative justice resolutions for suitable types of hate crime, and the development of local hate crime champions. Milton Keynes partnership working remains strong, with the relatively new Community MARAC, working with the local council carrying out joint visits where appropriate, and joint working with other partner organisations.

West Berkshire have seen a drop in recorded hate crime and incidents of 16%. The main victims and offenders were noticed to be from a school age group, and as such work has been carried out jointly with local schools and police which may account for the significant reduction. The racial qualifier was most used in this area, and most commonly the offences were seen to relate to white on white backgrounds. Homophobic and disablist crime follow. Partnership working includes the Muslim association, local Mosque, International school, taxi companies, and others.

Across the force, Hate crimes and incidents are reviewed daily during the area Daily Management Meeting, to ensure compliance with victims' codes and recording standards, as well as to identify emerging patterns or tension indicators. In general, Brexit, HS2 and other political events do not seem to have had a significant effect over the longer term. In addition, a new risk assessment matrix is currently being developed specifically relating to Hate Crime, which has been informed by a sub-group of the organisational Review Meeting (ORM). It is hoped to go live across Thames Valley area within the coming months.

4.4 Continue to increase engagement with young people and hard to reach groups

We base the work we do with children and young people on Child Centred Policing, National Strategy for the Policing of Children & Young People, and Owned by CC Olivia Pinkney. There is a co-ordination meeting chaired at C/Supt level to pull all the relevant departments together which prevents duplication.

Milton Keynes and Reading Police areas have set up "Boxing Clever". This is early intervention project to look at young people on the edge of gangs. They work with schools to identify the young people and the Boxing gives them a reason not to be on the streets. It has shown signs of positive engagement and involvement.

Windsor and Maidenhead LPA have a project that works with young people that have difficult home lives both in and out of the military. They worked with the local barracks to find a cohort of young people to train them to be chefs. It is a six week course, 2 ½ hours a week, and during the training there are trained persons to provide support and advice. At the end of the course they cook a three course banquet to senior officers, local business leaders, the Mayor and family members. This is in conjunction with the Lions club, Windsor Race Course and military personnel. At the end of the course most of the cohort were given jobs depending on age. The Lions have now taken on the project and the police provide the young people through local engagement.

South Buckinghamshire LPA have conduct 16 knife crime talks around comprehensives schools, they have also done a number of police careers fairs in schools.

Wycombe Police Area have built strong relationships with a group of children with Autism and Asperger's who were being taken advantage of. They worked closely with both the children and carers to ensure that their approach was appropriate meeting all needs. This approach has allowed other officers to become involved and build a trust of the police with the group.

Windsor and Maidenhead Police Area have created a successful Safeguarding team who look at Children & Young People mainly. They focus on engaging with missing children and those who are risk of County Drug Lines. Working with the children and partners they gain understanding, trust and provide better protection.

Reading Police area have two schools officers who work with children in schools at risk. Those children are near to being expelled or have early signs of gang involvement. The officers work with them to provide support and guidance using partners and charities.

Oxford have a scheme with a group of young people who have worked with a music producer to develop their skills. This a hard to reach group of mixed ages and demographics and the project is building confidence with the police.

All Police areas have well attended Cadet Groups who have worked well in the community. A number of Cadets work on test purchasing operations targeting hotels to protect vulnerable children. This also includes licence premises and sale of alcohol and knifes.

Two projects (non-mainstream education), called the Harmony project and the Greenroom project, which are education bases for young people who have been excluded from school. They are not young people who are serious offenders yet the ones who are seen as more of a lower risk yet still a risk in the community. The aim is to engage with these communities as they do not receive any police inputs are more likely to fall into criminality.

To engage with Hard to reach groups in the community by engaging with Alexandra Primary School

Inputs monthly at the primary school on Broom farm (Army estate) to engage with the young people in the area

The LPA recognise a focus on military families/welfare. The result is to build trust in the young people/ families if they are ever in need and to sustain the relationship to never break the engagement

The military may also be seen as a hard to reach group as they not necessarily be within the LPA at all times, they move around a lot which causes much stress to the young people in the family. The young people can become isolated and often have to deal with family members who have PTSD.

Every Stop and Search of a young person aged under 18 is scrutinised by each LPA to ensure the legality and proportionality of the search and to ensure no safeguarding opportunity is missed.

5.0 BAME Representation

5.1   The challenge of increasing BAME representation across our workforce remains a considerable one. The data below shows performance against the Force Delivery Plan diagnostic indicators for the 4 staff groups:

5.2   Below is the data for 2018/19 with comparisons for 2017/18

Diagnostic Indicator	March 2018	March 2019
% of police officers from BAME background	5.02%	5.07%

On 31st March 2019 there were 216 police officers from a BAME background, a representation rate of 5.07%. The rate has increased marginally from 5.02% on 31st March 2018 when there were 211 police officers from a BAME background.

Diagnostic Indicator	March 2018	March 2019
% of police community support officers from BAME background	5.50%	6.53%

On 31st March 2019 there were 26 PCSOs from a BAME background, a representation rate of 6.53%. The rate has increased from 5.50% on 31st March 2018 when there were 21 PCSOs from a BAME background.

Diagnostic Indicator	March 2018	March 2019
% of special constables from BAME background	9.46%	9.07%

On 31st March 2019 there were 36 special constables from a BAME background, a representation rate of 9.07%. The rate has decreased from 9.46% on 31st March 2018 when there were 40 special constables from a BAME background.

Diagnostic Indicator	March 2018	March 2019
% of police staff from BAME background	5.73%	5.53%

On 31st March 2019 there were 172 members of police staff from a BAME background, a representation rate of 5.53%. The rate has decreased from 5.73% on 31st March 2018 when there were 172 members of police staff from a BAME background. Whilst the overall number of BAME police staff has remained static our workforce headcount has marginally increased thereby reducing the percentage representation.

Summary Table – Total number of BAME workforce

Diagnostic Indicator	March 2018	March 2019
% of all staff groups from BAME background (police officer, specials, police staff and PCSO)	5.54%	5.51%

6.0   Recruitment and Attraction

6.1   TVP have participated in the "Police Now" scheme, based on the "Teach First" graduate recruitment model, which was initiated by the Metropolitan Police Service (MPS) but is now an independent social enterprise. We have recruited 2 cohorts and our third is due to start training at the Summer Academy on 22/07/19.

6.2   One of the key drivers for the "Police Now" programme was to appeal to those graduates who would have not previously considered policing as a career choice and to recruit from under-represented groups, which supported TVP's Equality and Diversity strategy. In our first three years the results were disappointing, with no significant impact of diversity of applications and only 3 recruits from BAME backgrounds (2 in 2016, 1 in 2018). There has been more success in attracting female applicants, in excess of 45% for cohorts 2016 to 2018 inclusive. We have had further increases in both BME and female applicants for the 2019 starters; 18% BME and 64% female (2 and 7 of 11 respectively). One BME male from 2016 has remained with the force, and one female applicant from 2016 is now on the internal Fast Track (PC to Insp) programme.

6.3   For internal staff, volunteers (including Special Constables) and temporary staff applying for IPLDP, we continued to relax the Level 3 qualifications criteria and increased support for study funding for the CKP (from 50% to 100%).
For the PCDA, we ask for Level 2/GCSE equivalent Maths and English (as required for any Apprenticeship programme) and either one Level 3/A Level qualification or relevant professional experience.
For the DHEP programme applicants must have, or be in the final year of, a UK Bachelors Degree or equivalent qualification.

6.4   We have reviewed how we progress candidates post National Recruit Assessment Centre (NRAC), providing opportunities for candidates to demonstrate competency at interview if they have failed NRAC on "Working with Others" only.

We have stopped interviewing those who score 60+ at NRAC, as it was evidenced that those who scored 60+ are more likely to pass force interview. Those scoring 50 to 59% are still interviewed. Finally, we have stopped interviewing internal candidates (TVP staff, volunteers including Special Constables, and temporary staff). It was felt that evidence of their performance and behaviours can be more appropriately gained through references.

6.5   Social and digital media has used to target specific BAME communities. Asian Star radio in Slough has been a key advertising partner, as well as a platform to air announcements and informative interviews. We continue promoting careers at TVP via Facebook, LinkedIn and Instagram and will continue to look at new and emerging social media channels which we could use. As part of a positive action initiative, a Facebook group called 'Thames Valley Police – Supporting Diverse Recruitment' has been set up. The Facebook group is specifically for individuals from the BAME community and has been set up to enhance continuous engagement with our diverse communities with officers, staff and the recruitment team.

6.6   Positive action, additional support and engagement is being provided to BAME candidates in Contact Management including:
- Automatically given feedback to BAME candidates rejected at shortlisting and interview and direct them to the Facebook group
- Targeted campaign on Jack FM using Black voice over
- Targeted Facebook advertising
- Leaflets in local mosques and community centres in diverse community
- Increased BAME visibility on adverts and videos
- Re-worded question on assessment that alto of BAME candidates were failing to make more clear
- Created crib sheet with shortlisting and interview tips

We are starting to encourage work experience and three of students have undertaken this, we are considering to widen this out as a structured programme.

6.7   The statistics below show the police officer recruitment and new starter figures and completion of probation figures for Calendar year 2018

2017 Recruitment		2017 New Starters		2018 Recruitment		2018 New Starters		1st April 2018 – 31st March 2019 Completion of Probation	
Application Total	715	Total new recruits	166	Application Total	1258	Total new recruits	289	Total Completed Probation	138
BAME Total	104	BAME Total	21	BAME Total	168	BAME Total	23	BAME Completed Probation	9
BAME % of Total Applicants	14.54%	BAME % of new recruits	12.65%	BAME % of Total Applicants	13.35%	BAME % of new recruits	7.96%	BAME % of Total Completed Probation	6.52%

7.0 Retention and Progression

7.1   The Positive Action Practitioners Alliance (PAPA) was set up in 2016 and consists of key practitioners from each of the forces who are leading on equality and diversity activities. The members meet on a quarterly basis and the meeting is hosted by different forces on a rotational basis. The key agenda for PAPA is to support each other, share ideas and good practice as well as work towards an ultimate goal to improve workforce representation in the respective forces, what approach to take and how this is developed in each force. The PAPA network worked with the College of Policing and the Home Office to agree the new NPCC Workforce Representation Strategy and accompanying toolkit.

7.2   TVP's next steps are to draft its new Valuing Difference and Inclusion Strategy and Toolkit.

7.3   The annual BAME Development day was held in December 2018 and was supported by the Support Association for Minority Ethnic (SAME). A total of 63 delegates attended. The theme for the event was on 'Maximising Your Potential'. Guest speakers, representatives from specialist departments and staff support networks provided advice and guidance in relation to networking, taking opportunities, self-development and personal testimonies. Specific subject focussed workshop sessions were organised for both Officers and staff to have focused discussions on various topics.

7.4   We have a number of BAME mentors across the force who support new applicants through the recruitment and selection process in terms of advice, support and mentoring. This will be developed further as part of the new governance structure.

7.5   Learning from Hampshire Constabulary, we introduced an initiative whereby all police officer and special constable applicants are provided with a copy of the individual competency-based interview questions for half an hour prior to their board. This applies to all Officer and staff and may benefit individuals who are on the autistic spectrum, have dyslexia or where English may not be their first language.

7.6   Work on the BAME Career Development Tracker continues. There need to be a review and relaunch of this initiative alongside the work on the wider diversity and inclusion agenda and look at how we roll out a similar tracker for females.

7.7   We continue to conduct one to one exit interviews for all BAME individuals who have resigned. The exit interviews are conducted via the telephone or face to face and by a member of staff/officer from a BAME background. The current generic exit interview process is being reviewed and streamlined to ensure that we are capturing management data to help form decisions in order to help retention. We have recently completed an exit interview report, detailing and analysing the feedback received over the last two years.

7.8   At the end of recruitment feedback for all BAME candidates is requested from the hiring line manager as a matter of course and provided to candidates. Any BAME candidates that do not pass shortlisting for PCSO roles are shortlisted a second time to quality check the process.

7.9   Disabled Support Network: (DSN)

The Disability Staff Network (DSN) has been established which is a staff support group who can offer advice, support and guidance on all aspects of disability related issues. The DSN aims to work with the Thames Valley Police Disabled Support Network to raise the profile and increase its membership.

7.10   Disability Confident

Thames Valley Police has been registered as Disability Confident level 1 status "Committed" for the last 18 months. This is because we cannot currently verify the internal processes that need to be in place to meet the criteria for level 2 "Employer" Status.

Due to the size of the geographical area that TVP area covers means liaising with three different departments within the DWP who are each responsible for Disability Confident in their own county.

Disability Confident – Employer Status will be achieved before the end of 2019

Disability Confident – Leader Status will aim to be achieved by July 2020

We are also part of the Business Disability Forum where we can obtain advice and good practice on all aspects of disability issues, awareness, policy and training.

7.11   Dyslexia Workplace Assessors (DWA)

We are in the process of increasing the number of staff who are trained to carry out Dyslexia Workplace Assessments for all new employees and any existing employees who request one or if it is recommended.

Up until March 2019 the Thames Valley Police had an active group of 5 assessors. In March 2019 an additional 11 assessors where trained and these will be followed by a further 14 when trained in July 2019 making a total of 29 across the force as I am qualified and transferred across from Northamptonshire Police. The DWA network will be fully up and running by August 2019

7.12 Reasonable Adjustments Management Process (RAMP)

Work is continuing on the integration of RAMP into the workplace. RAMP will streamline the reasonable adjustments process providing more timely delivery of requests by staff for reasonable adjustments. RAMP is supported by the TRAA (Tailored Reasonable Adjustments Agreement) which records the decisions made through the RAMP process and all the reasonable adjustments that have been agreed. RAMP should be implement by March 2020

7.13 College of Policing

Thames Valley Police will be part of working group working with the COP on a number of issues such as:

- Acceptance of Online Dyslexia Workplace Assessments by individually trained staff in each police force.
- A project to encourage disabled staff to 'declare' their disability so that forces have a better understanding of the issues faced by disabled employees and identify the barriers.
- A more effective and targeted assessment process to better identify the suitability of staff applying for roles within the Contact Management Centres where neurodiverse conditions may make it impossible for them to carry out the role even after reasonable adjustments have been applied. Some applicants may make it through the application process, however, after the application of reasonable adjustments, a number of employees have struggled to meet the needs of the role and their contracts have been terminated – effectively making them unemployed.
- We are in the process of creating a working group including the College of Policing, Positive Action Practitioners Alliance (PAPA) and the Disabled Police Association to pull together a standard in relation to recruiting and supporting staff with disabilities across all forces. This will include the development of a standard 'Disability Passport' and process for the integration of an effective reasonable adjustments process (RAMP).

7.14 The umbrella group, Network Connect, set up for all staff support networks and associations is now well established and meets quarterly in line with the Equality & Diversity Board, to discuss key activities to promote Equality, Diversity and Inclusion, address challenges and issues and support each other to work together as a cohesive support group. With the proposed new governance structure we will be reviewing the People Directorate Business Partners and Lead Advisors to ensure that they are aligned to each of the staff support networks to play an active role in promotion of diversity and inclusion.

7.15 We have just completed the third cohort of a BAME only positive action programme called Professional Action Learning Sets (PALS). The PALS programme consists of six action learning sets which give candidates the opportunity to improve their self-awareness and self-confidence, develop their leadership style, and understand their personal values and network within the organisation. During the programme, candidates create an ongoing development plan, are matched with a coach from the Leadership Team, undertake psychometric assessments, are matched with a mentor and gain skills for application and interview. Within the last programme not all aspired for a new role however 5 of the 13 individuals were successful in an application to move into specialisms.

Feedback from the programme has been extremely positive. Delegates have given presentations at the Equality & Diversity Board, the BAME Development Day and the Senior Leaders Forum. They will also be supporting the first workshop of the cohort 4 PALS programme. Delegates from previous cohorts are being invited to play key roles in the BAME Workforce Representation meetings.

7.16 Two candidates were successful in this year's application process for Fast Track PC – Inspector process. Both are male, one white British and one white/Chinese. Both will start their development trajectory in December subject to a pass in the forthcoming Inspectors exam.

7.17 We have three candidates who started the Direct Entry Inspector Programme in November 2018. Two are white male and one white female. Their selection process was completed through the College of Policing. For 2019 entrants, the force shortlisted and interviewed prospective candidates and have referred 6 candidates to the National Assessment Centre at the College of Policing. Three are male, and three are female. One male is white/Chinese and one female is Indian and currently a special constable. If successful and they pass through force vetting etc, we would be happy to recruit them.

8.0 Development for Women

8.1 We continue to invest in the Springboard Women's Development Programme. Through four workshops spread over three months and a personal workbook, Springboard enables women to value their skills and build on their strengths while conquering their weaknesses. It develops the self-confidence and assertiveness for women to make things happen in their lives.

8.2 TVP have delivered a Women's Development Programme aimed at female police officers aspiring to higher ranks. The evaluation was very positive and a number of sergeants present were promoted in the last round of promotion boards. There are a number of objectives for the development programme tackling confidence, wellbeing, presence and networking. It runs over a number of Action Learning Sets with guest speakers and is similar in content to Windsor Women's Leadership Programme but at the right level for the audience.

9.0 Community and Recruitment Engagement

9.1   We continue to raise awareness within the community and throughout our recruitment engagement of a career in policing by a number of initiatives.

9.2   We have deliver our own recruitment events and co-ordinated TVP external events including careers events and community / cultural events to raise the profile of TVP across the region – not only as a Force (in terms of how we support our communities) but as a prospective employer. Diversity is always front of mind when we attend events. Examples of community / cultural events attended include:

Over the last 12 months we have delivered the following events. (Please note events which have been organised and attended by individuals on LPA's may not have been captured in the data below)

47 careers events force wide (Access to work events, schools/colleges/Universities, council job fairs, Bucks Skills Show, World Skills Show, Mini Plant Careers Fest, National Apprenticeship Show, British Forces Resettlement Services in Aldershot)

14 Diversity events; **ALL** communities;
- o Vaisakhi Sikh Parade
- o Khalsa Primary School Summer Mela – organised by the **Sikh** Community
- o Oxford & Reading Mela – organised by the **Hindu** community
- o Art by the Lake & EID Festival – organised by the **Islamic** community in MK
- o LGBT Pride – Oxford and Reading and Milton Keynes
- o African Diaspora Day – to bring together **Africans** living in MK and the wider community
- o Caribbean Carnival in Reading on BH Monday 27 May. Supporting the NHPT with a stand at Prospect Park.
- o Careers Café's Reading, Slough, Milton Keynes.   Oxford (date to be confirmed)

4 New Pathways events - 100% would recommend the event to a friend and 91% were inspired to join. 4 venues were in high BME areas and in venues that would be welcoming, not intimidating, to our communities Inc. those with mobility issues. **Costs only £835** (not inc. resources)

- o Slough 09/01/2019 – 50 registered 14 BAME (28%), 48 attended 13 BAME (27%)
- o Oxford 16/01/2019 – 91 registered 5 BAME 5%
- o Reading 18/02/2019 – 94 registered 10 BAME (11%)
- o Milton Keynes 11/03/2019 – 102 registered 20 BAME (20%)
- o **Total = 337 registered 49 BAME (15%)**

2 Specials events at HQS
- o 1st - 32 registered 9 BAME 28%
- o 2nd - 22 registered 5 BMAE 22%
- o **Total – 54 14 BAME (26%)**

1 Emergency Services Insight Day to encourage recruitment from our Armed Forces as they have so many of the skills & values that we are looking for. I also wanted to increase our collaboration opportunities with SCAS & Fire Service to pool resources & cut costs. I instigated for TVP to host the first ever Emergency Services Insight Day for Armed Forces Service leavers on 24/09/18. My idea was to form a collective event to showcase all our individual services, therefore, offering a better candidate experience. I also invited Poppy Factory as Contact Management may be an ideal role for any disabled veterans with mobility issues. We shared the catering bill so apart from resources, it only cost £84 each. **36 people signed up to attend**. Next one is 10/09/19 at the Fire Training Centre.

Coming up

- • New event – The National School and College Leavers show on 3 & 4 December at Ascot Racecourse. Years 11, 12 & 13. Subsidised coach travel for schools outside of London & free train travel for those in Greater London. Targeting 15,000 visitors. More than half price if collaborate with Fire and Ambulance (not a third as require a bigger stand – greater presence/impact) £688 each.
- • Career teachers events – starting in July in Oxford LPA with schools officer Russ Massie
- • New uniform for Police Staff attendees – old CM shirts and hopefully new epilates – Recruitment

We continue to work closely with schools, colleges and universities too, attending a variety of careers events across the region. We are working partnership with 'Inspiring the Future' (ITF) an organisation that matches volunteers with schools/colleges requiring careers information. This raises awareness of the wide range of future possibilities for state educated pupils. So far 40 TVP employees have signed up to be volunteers and speak at ITF careers events.

9.4   Social media activity has continued to be invaluable when reaching out to BAME/diverse communities.

We have continued to promote the closed Facebook Group 'Thames Valley Police – Supporting Diverse Recruitment' which provides support to BAME candidates looking for additional support and counselling during their application process.

Targeted TVP Alerts have been sent to our BAME communities in support of ongoing Police Officer, PCSO and Direct Entry Inspector recruitment campaigns. We have grown our BAME membership of TVP Alerts by over 600 people during the past year, with over 3,100 now signed up to receive them.

We have used Twitter and Facebook to promote individual days of recognition, for example International Day against Homophobia, Biphobia and Transphobia.

We have been mindful in all of our social media messaging to consistently use a variety of images including different genders, age and ethnicities.

We have advertised on Asian Star radio in Slough area and more recently created adverts for the launch of the Police Constable Degree Apprenticeship (PCDA), including an advert translated into Punjabi. We have also participated in live interviews with the radio hosts during drive time hour to discuss the PCDA and other recruitment opportunities. We are also committed to ensuring that diversity is represented in all new recruitment advertising imagery.

9.5   We have been maximising the opportunity to use our BAME leaders to promote career opportunities at TVP. Supt Bhupinder Rai has been working with the NPCC and College of Policing to identify (and hopefully remove) barriers for BAME women both in policing and for recruitment. Both Supt Rai and Sergeant Welsh carried out interviews in relation to the Women in Policing campaign. Supt Rai works with the NPCC on the Race, Religion and Belief group and we have representatives on the tactical working group from Thames Valley police. We have a number of senior leaders who have taken part in the College of Policing Coaching and Mentoring programme which is aimed particularly at underrepresented groups. We will continue to encourage these seniors leaders to support, mentor and coach individuals from these groups.

10.0   Other Equality and Diversity activity

10.1   Thames View articles submitted to increase awareness of work on diversity from Network Connect. The latest one focused on the TVP Muslim Police Association. Continue to update information to be published on equality, diversity and inclusion on the Knowzone.

10.2   A new diversity monitoring questionnaire has been finalised and will be used to capture diversity data on the new Equip system when it is launched. An interim measure to capture this data on SSAMI is being considered, this will enable accurate and up to date data on diversity which will help inform decision making on improving equality, diversity and inclusion. We are also working on a system to capture the diverse languages that are spoken within the force and how we may be use these language skills as part of our service delivery.

10.4   A number of positive action initiatives have been rolled out. These include Reverse Mentoring, Hosting the first national BAME Women in Policing event, BAME Career Development Tracker, career development workshops, Diversity and Inclusion workshops as part of the Leadership Conferences, ensuring facilities are in place for people with different requirements e.g. flexible working patterns for parents and carers, Ramadan considerations for Muslim Officers and staff, Prayer and Quiet space facilities, adapted equipment for individuals with disabilities or learning needs. We have done a lot of work around the PCDA and DHEP, both in terms of advertising and communicating with candidates who express interest, to support them through the process.

10.5   We have organised Career Café events in Reading, Wycombe, Slough, and are currently planning one in Oxford. These are comprehensive informative events with the community to talk about TVP recruitment and attraction, organised with the support of the LPA neighbourhood teams. Further events are going to be planned across LPA's with diverse communities. We have done some additional work on Transgender inclusion by incorporating the guidance from the NPCC. This will be linked into the refreshed Equality, Diversity & Inclusion Policy.

10.6   Thames Valley Police continues to work as part of the national Apprenticeships Diversity Champions Network (ADCN).   This is a network made up of representatives from various industries, including private sector business, public sector, RAF, Fire and Rescue and charities to work together share best practice and improve diversity in apprenticeships. This links into our own apprenticeships programme.

10.7   For International Women's Day TVP recreated an old force photo from 1987, representing women in senior and specialist roles in 2019. The social media and press coverage we received enabled us to reach over 230,000 people with features appearing in regional press including Maidenhead Advertiser, Slough Express and Oxford Mail. We also had women from the 2019 photo take part in radio interviews (Jack FM, MKFM) on the day; with Supt. Bhupinder Rai and PS Steph Welsh talking about their experiences as female officers, representing not only women but BAME and LGBT+ respectively too. The campaign resulted in a swing that month from our usual 55/45 % male/female interest in police officer roles to 55/45 % female/male.

11.0 Future Plans

Whilst significant work has been done to increase representation it has been recognised by the newly appointed Chief Constable John Campbell that a step change is required to achieve the desired increase in representation with this in mind. The following commitments have been made:

11.1   Review and agreed the new governance structure for Diversity and Inclusion.   Write a new Diversity and Inclusion strategy which will complement the National Strategy and Workforce Toolkit.   This will help set the agenda and activities which will take place over the next 12 months.

11.2   CCMT signed off a proposal for a dedicated Positive Action and Engagement team. The team's role would be to focus on building engagement in under-represented communities and encouraging people from BAME communities to consider a career in policing. They would support interested parties through the whole of the application process and to improve retention by supporting BAME individuals already in the force with personal and professional development, promotion and progression into specialist roles.

In summary the Officers would provide support for BAME individuals:

Before Recruitment – attraction and engagement (Careers fairs, community events, community groups, bespoke events, workshops, working with schools colleges and Universities etc)

During Recruitment – workshops, one to one application support, support and advice with assessment, advice on fitness test, vetting, medical and qualification, mock interviews, signposting, mentors, ride alongs etc

Once Appointed – The team would support student officers throughout their training and probationary period.

They would also be assigned specific projects in line with the D & I agenda (PALS, Reverse Mentoring, BAME Career Development Tracker, specialist career development and promotion) and support LPAs with External Community Engagement.

11.3   Continue delivering positive action initiatives and programmes for under-represented groups. We are currently planning the fourth Positive Action Learning Sets (PALS) for BAME Officers, set to launch in October 2019, we are expanding reverse mentoring to wider under-represented groups.

11.4   We are looking at how we can formally structure a long term programme for schools engagement, especially with selected diverse schools within the Thames Valley area in order to build positive and lasting impressions of TVP for young students, and to nurture the interest of students in Policing as a career choice

11.5   We are looking at developing and rolling out workshops force-wide to encourage and guide individuals on best practices when attending community recruitment events.

11.6   We will be reviewing the end-to-end recruitment and promotion process to get a complete picture of where there may still be barriers against underrepresented groups and where positive action can be considered to improve workforce representation.

11.7   Work with the College of Policing and other pilot forces to implement and monitor the new Day One assessment exercises (in place of the current SEARCH assessment centre process). Our first Day One assessment week is due to take place, for Surrey candidates, week beginning 29/07/19 with a further week for TVP candidates beginning 19/08/19.

11.8   Continue to work with other police forces and public and private sector organisation to explore and share good practice and learn from each other to enable to have a more representative workforce.

11.9   We will continue to build upon the work done previously (outlined in point 9) with a cohesive plan promoting recruitment needs at events and across social media. We enhanced internal messaging so current employees were aware of new routes of entry and career opportunities. We have improved our marketing materials; making handouts more visual and representative, ensuring TVP develops a reputation as an "employer of choice" in our region, offering excellent career opportunities and chance for specialisation for all.   In order to enhance our careers information we have developed a new micro-site enabling TVP to have a more representative, engaging and informative careers portal www.tvpcareers.co.uk. This is due to go live in July 2019. We have been mindful about using a variety of imagery with BAME officers and staff featuring across the site. We have improved dedicated sections including "Supporting You" and "Valuing Difference" with specific sections on

Positive Action (which includes a link to our Positive Action Facebook Group) and our Staff Support Networks. Over time these sections will be enhanced with real-life examples and stories from the people who work here.

On the blog page called "TVP People" there will be opportunity to share stories of our officers, staff and volunteers on a regular basis.

11.10 We will continue to innovate and adapt our current processes to ensure any perceived blockers of recruitment are removed for example providing candidates with 'crib sheets' which help them to prepare for an interview and manage expectations and providing interview questions shortly before their interviews, allowing opportunity for them to think about their responses and come up with good examples.

11.11 Increased reporting indicates increased confidence in reporting hate crime, particularly in relation to transphobic and homophobic incidents (Reading area). There are several examples of ongoing engagement with hard to reach marginalised communities across the force, with dedicated hate crime SPOCS and Community and diversity officers taking the lead. These partnerships and community engagements will continue to be developed, providing increased opportunity to engage with these hard to reach communities.

11.12 TVP Criminal Justice (DCI) now chair a bi-monthly Hate Crime Prosecution Team working Group, with the CPS and OPCC to review all hate crime prosecutions, including the attrition data, to identify learning and develop joint working practices to continue to improve on performance and successful outcomes. Neighbourhood Policing Teams are working closely with their communities to deal with and disrupt repeat victimisation, working with safeguarding leads and utilising mediation services.

11.13 Membership of IAG's remains strong, and we will continue to work towards ensuring a diverse representation of all community members, ensuring that we listen to, and respond appropriately to concerns or criticality relating to police actions and the potential impact of those actions on public confidence.

11.14 Work with partners and other agencies remains at the forefront of our response when dealing with incidents relating to mental health. Increased officer awareness through training of the relevant processes and escalation ensure that the appropriate service is provided at the right time by the most appropriate agency. Any deviations from this process can be better identified and consideration for referrals to CQC and IOPC given due regard.

11.15 Engagement with Children and Young People is a priority for Thames Valley Police. This allows us to work with partners to establish early intervention plans to divert children on the periphery of criminality. We need to spend more time concentrating on harder to reach C&YP who are less able or refuse to engage with authority figures.

We plan to create Youth and Adolescent Ambassadors who are able to understand the needs of C&YP from a Trauma Informed and Acute Childhood Experiences point of view. Their experience will enhance the response across the force when dealing with these types of incidents.

We will be working with the NPCC to utilise social media to give factual information to C&YP via a platform they use and understand. (police.uk.insta)

Funding has been secured for the creation of a new knife awareness training package for schools and how this links to the Youth Offending. This is about prevention and better understanding.

We will continue to develop the Food Academy in Reading to engage with C&YP through partnership. All officers who are involved with C&YP engagement to be trained in a different way working in schools. This engagement is supported by PSHE.

Dr Steven Chase   **Chris Ward**
Director of People   **(Acting) Assistant Chief Constable – Local Policing**

JOINT INDEPENDENT AUDIT COMMITTEE

Report for Information

Title: Annual Internal Audit Report 2018/19

Executive Summary:

This report details the Annual Internal Audit Report 2018/19, including the Chief Internal Auditor's Annual Internal Audit Opinion.

Recommendation:

The Committee is requested to note and endorse the Annual Report of the Chief Internal Auditor for 2018/19.

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   This report details the Annual Internal Audit Report 2018/19, including the Chief Internal Auditor's Annual Internal Audit Opinion.

2   Issues for Consideration

2.1   Attached in Appendix A is the Annual Report of the Chief Internal Auditor for 2018/19. The document includes the following details:

- Requirement and framework.

- Quality assurance and improvement.

- Internal Audit Strategy and methodology.

- Chief Internal Auditor's Annual Internal Audit Opinion.

- Internal Audit performance.

- Resource allocation and utilisation.

- Summary of Audit Outcomes for 2018/19.

- Effectiveness of Internal Audit Questionnaire results.

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   Internal Audit Strategy and Annual Plan 2018/19.

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 details the Annual Internal Audit Report 2018/19, including the Chief Internal Auditor's Annual Opinion Statement.	Chief Internal Auditor

This report has been produced in compliance with United Kingdom Public Sector Internal Audit Standards (PSIAS).	
Legal Advice No known legal issues arise from the contents of this report.	PCC Governance Manager
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 June 2019 Director of Finance (TVP)   Date: 28 June 2019

JOINT INTERNAL AUDIT SERVICE

ANNUAL INTERNAL AUDIT REPORT

2018/19

CONTENTS

1. Requirement and Framework

1.1 The statutory requirement and framework for an internal audit service within the Police sector is detailed within the Accounts and Audit (England) Regulations 2015 and the Home Office Financial Management Code of Practice for the Police Forces of England and Wales (2013). The internal document that summarises the service is the Police and Crime Commissioner (PCC) and Chief Constable's Joint Corporate Governance Framework.

1.2 The Joint Internal Audit Team 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".

1.3 The PSIAS requires the Chief Internal Auditor to "deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement. The annual internal audit opinion must conclude on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. The annual report must incorporate:

- the opinion;
- a summary of the work that supports the opinion; and
- a statement on conformance with the Public Sector Internal Audit Standards and the results of the quality assurance and improvement programme."

1.4 The PSIAS also requires the Joint Internal Audit Team to implement and maintain an Audit Charter, which formally defines the service's purpose, authority and responsibility. The Joint Internal Audit Service has adopted an Internal Audit Charter, which was reviewed and updated in April 2019.

2. Quality Assurance and Improvement

2.1 The Joint Internal Audit Team completed its annual self-assessment against the PSIAS Framework (including the Chartered Institute of Public Finance and Accountancy's (CIPFA) Local Government Application Note (LGAN)) in April 2018. The assessment confirmed that the team continues to comply with virtually all of the standards.

2.2 The assessment identified two areas where the risk of partial compliance has been accepted. These areas were reported to the JIAC in September 2018 and are:

- Work programmes must be approved prior to their implementation and any adjustments approved promptly (Performance Standard 2240.A1). Quality reviews are undertaken on the Audit Planning document, Draft and Final Audit Briefs.
- The Chief Audit Executive (i.e. Chief Internal Auditor) should define the skills and competencies for each level of auditor, as well as periodically assessing individual auditors against the predetermined skills and competencies (CIPFA LGAN - Attribute Standards 1230). The team have up to date Job Descriptions, the annual appraisal process and they maintain their IIA Continuing Professional Education (CPE) record that identifies core audit competencies.

2.3 Standard 1312 of the PSIAS relates to "External Assessments". 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 CIPFA in 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 assessment reported two recommendations and three suggestions, which have all been addressed.

2.4 The areas noted above were included within the team's Quality Assurance and Improvement Programme Action Plan (QAIP), which was reported to the Internal Audit Oversight Group (attended by the Force's Director of Finance, the OPCC's Chief Finance Officer and the Chief Internal Auditor) and the Joint Independent Audit Committee (JIAC) throughout 2018/19.

3. Internal Audit Strategy and Methodology

3.1 The Internal Audit Strategy and Annual Plan for 2018/19 was noted and endorsed by the JIAC in March 2018, with the Joint Internal Audit Plan being designed to enable the Chief Internal Auditor's Annual Internal Audit Opinion to be produced.

3.2 The plan identified the individual audit assignments and assurance work that was to be completed during the year. Each review was undertaken using a risk-based approach, in accordance with the team's Audit Manual. Quality assurance over the audit output is achieved with reviews at key stages of the process (i.e. planning stage and Audit Brief, on completion of the audit testing, draft report and final report).

3.3 Progress in delivering the Joint Internal Audit Plan, as well as notification of any changes, were reported to the Internal Audit Oversight Group and JIAC throughout 2018/19. In addition, progress in delivering the ICT and IM audits was reported to Hampshire's Joint Audit Committee. The Chief Internal Auditor dialled in to these meetings, on request, to present the information and respond to any questions.

3.4 The Internal Audit Service was delivered by an in house team consisting of the Chief Internal Auditor and Principal Auditor. ICT audit days were provided by the ICT audit specialists at TIAA Ltd.

4. Chief Internal Auditor's Annual Internal Audit Opinion

On the basis of the work completed by the Joint Internal Audit Team during 2018/19, the opinion on 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.

At a statistical level, the opinion represents a slight reduction in the level of control being applied across the organisations. However, as the Joint Internal Audit Plan does not include the same audits year on year, this cannot be taken as a direct comparison.

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.

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.

Overall, the opinion demonstrates a good awareness and application of effective risk management, control and governance to facilitate the achievement of the organisations' objectives and outcomes.

4.1 In arriving at the opinion, we have taken into account the following:

- The results of all audits and assurance work completed as part of the 2018/19 Joint Internal Audit Plan (paragraphs 4.2 – 4.6).
- Assurance summary for Hampshire Constabulary (HC) led collaborations (4.7).
- Any additional assurance provided by an external review body (paragraphs 4.8 – 4.9).
- The progress made in implementing agreed actions from any issued final audit reports (paragraphs 4.10 – 4.11).
- Whether any significant control weaknesses have not been accepted or addressed by management (paragraphs 4.12).
- Whether any limitations have been placed on the scope of Internal Audit's work (paragraphs 4.13).

2018/19 Joint Internal Audit Plan

4.2 The 2018/19 Joint Internal Audit Plan has been completed, with the table below detailing the number of days and plan % coverage by TVP CCMT Area and OPCC.

TVP (CCMT) / OPCC Area	Total Days	Plan %
TVP - Crime & Criminal Justice	40.0 days	12%
TVP - Local Policing	25.0 days	7%
TVP - Operations	0.0 days	0%
TVP - Regional Crime and Counter Terrorism	12.0 days	3%
TVP - Information	42.0 days	13%
TVP - Deputy Chief Constable	55.0 days	16%
TVP - Finance	26.0 days	8%

TVP (CCMT) / OPCC Area	Total Days	Plan %
TVP - People	22.0 days	7%
OPCC	22.0 days	7%
General	75.0 days	22%
Other	16.0 days	5%
TOTAL PLANNED DAYS	**335 days**	**100%**

4.3   Amendments were made to the plan content during the year, with all changes being approved by the Internal Audit Oversight Group and noted by the JIAC. The changes were:

- Removing the ICT - Network Management audit and replacing it with the ICT - Protective Monitoring Process review.
- Removing the Recruitment Process audit and replacing it with an Attendance Management review.
- Removing the Body Worn Video (Strategy, Use and Storage) audit and replacing it with an Evidence Management Unit review.
- Including a Governance & Service Improvement (G&SI) - Post Programme review.
- Minor audit title changes or day allocation alterations.

4.4   The Annual Internal Audit Opinion is predominantly supported by the work completed by the Joint Internal Audit Team. This is summarised by the following graph:

TVP & OPCC - Joint Internal Audit Assurance 2018/19

Substantial (0%)
Minimal (0%)
Limited (30%)
Reasonable (70%)
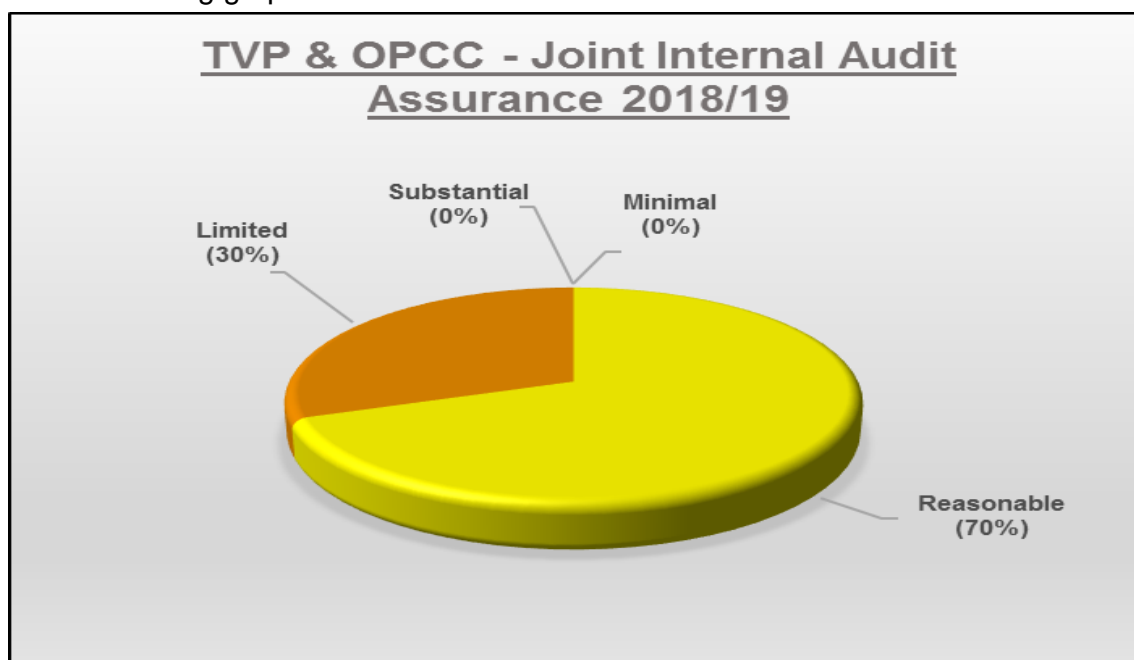
4.5   The table below details the the audit assurance ratings issued over the last five years, for comparison*. Although there has been an increase in the number of limited assurnace ratings, there is a positive culture and maturity within both organisations in engaging with the audit process and requesting reviews of high risk areas that are likely to require improving.

Rating	2014/15	2015/16	2016/17	2017/18	2018/19
Substantial	4%	5%	5%	15%	0%
Reasonable	76%	79%	60%	65%	70%

Limited	20%	16%	35%	20%	30%
Minimal	0%	0%	0%	0%	0%

(* note: although this table provides details of the ratings issued, as the Joint Internal Audit Plan content differs each year, this is not a direct correlation of areas reviewed and assurances provided).

4.6 In relation to the audit outcomes, the table below summarises the assurance rating for each completed audit. Appendix 2 details the full list of planned audits, the assurance ratings and the performance of actual days against the planned days.

| **Substantial Assurance (0%)** The system of internal control is strong and risks are being effectively managed. Some minor action may be required to improve controls.	
TVP	• None.
OPCC	• None.
Reasonable Assurance (70%) The system of internal control is good and the majority of risks are being effectively managed. Some action is required to improve controls.	
TVP	• County Drug Lines. • Force MASH Arrangements. • Partnership Arrangements – Information and Data Sharing. • Counter Terrorism Policing South East – Financial Management. • ICT Asset Management. • ICT Protective Monitoring Process. • ICT Knowledge Transfer. • Information Management – General Data Protection Regulation. • Force Risk Management and Business Continuity Arrangements – Follow Up. • Force Delivery Plan Performance and Monitoring. • Force Project Lessons Learnt and Benefits Realisation (Process Design). • G&SI – Post Programme Review. • Contract Management. • Key Financial Controls. • Attendance Management Oversight and Governance.
OPCC	• OPCC Statutory Responses (FOI, GDPR and Subject Access Requests).
Limited Assurance (30%) The system of internal control is limited and the majority of risks are not being effectively managed. Actions are required to improve controls.	
TVP	• Evidence Management Unit. • LPA Financial Controls. • Oversight and Governance of the CTC. • Force Project Lessons Learnt and Benefits Realisation (Process Effectiveness). • Actings and Promotions (Police Officers). • Recuperative Duties.
OPCC	• Victims First Hub.

Minimal Assurance (0%)
The system of internal control is weak and risks are not being effectively managed. Significant action is required to improve controls.

TVP	• None.
OPCC	• None.

HC Assurance Summary

4.7 An assurance statement has been received from HC which covers the internal audit approach for 2018/19 for the Joint Operations Unit and Contact Management. The main points to highlight are:

- The audit needs of each collaborative function are reviewed annually with the risk based approach to planning ensuring that audit reviews are included within the plan, as required.

- Joint Operations Unit: Given the assurance over operational matters from other sources (i.e. HMIC, College of Policing, ACC for Operations sign off of staff training and skills), the planning discussions confirmed that internal audit activity should continue to centre around governance and finance. The last JOU review was reported in April 2017 and resulted in a limited assurance opinion. HC have confirmed that all of the actions agreed to address the issues raised have been implemented. No further work was conducted in this area in 2018/19 as a result and the next planned review will take place in 2019/20.

- Contact Management: During 2018/19 the only element of Contact Management subject to collaboration was the Senior Management Team. A high level review of the governance arrangements was conducted during 2018/19 and this resulted in an adequate assurance opinion with no significant issues raised. No further work was carried out during 2018/19.

Additional Sources of Assurance

4.8 To support the Annual Internal Audit Opinion, additional sources of assurance which are provided by an external review body have been captured. These reviews either comment on the organisation's internal arrangements or where a service has been commissioned and / or delivered by an external provider. Not all of the additional sources identified align with the Joint Internal Audit Team's four grade assurance rating framework. Where the additional assurance could not be aligned, the auditor's professional judgement has been used to assign a rating, based on the content of the reports and any issues raised. The outcome of this work is summarised by the following graph:

TVP & OPCC - Additional Sources of Assurance 2018/19

Limited (7%)

Minimal (0%)

Substantial (43%)

Reasonable (50%)
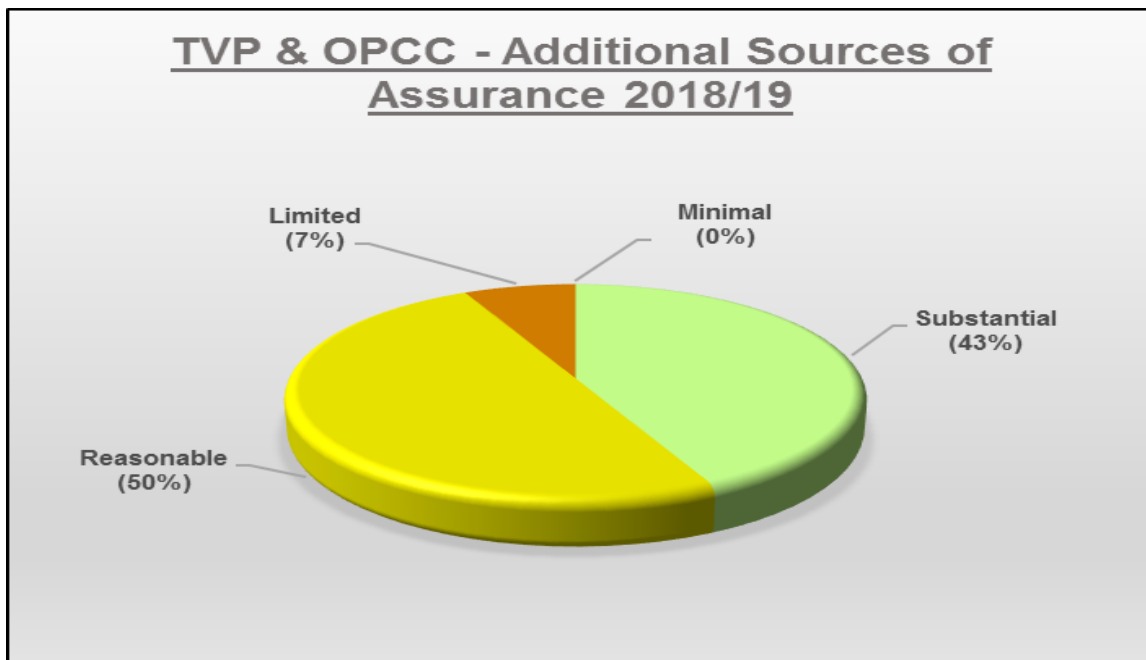
4.9 The tables below summarise the assurance rating for each additional source of assurance:

Substantial Assurance (43%)
• United Kingdom Accreditation Service (UKAS): Forensic Investigation Unit Assessment.
• UKAS: Hi Tech Crime Unit.
• UKAS: South East Regional Organised Crime Assessment.
• UKAS: Counter Terrorism Policing South East Assessment.
• Police and Crime Commissioners (CoPaCC) Transparency Quality Mark.
• Independent Custody Visiting Association: Code Compliant Award.

Reasonable Assurance (50%)
• Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS): Thames Valley – Joint Inspection of Police Custody.
• Ofsted / Care Quality Commission (CQC) / HMICFRS and HMI Probation: Joint targeted area inspection of the multi-agency response to sexual abuse in the family in Bracknell Forest.
• Information Commissioners Office (ICO): Freedom of Information Decision Notices 2018/19.
• Buckinghamshire County Council – Internal Audit: Pensions System audit.
• HM Treasury - Government Internal Audit Agency: CGI Payroll Environment audit.
• Association of Town and City Management (ATCM) Violence and Vulnerability Unit: Violence and Vulnerability across the Thames Valley Force Area.
• National Police Chiefs' Council: Serious & Organised - Peer Review Programme.

Limited Assurance (7%)
• SSTVP Equip Programme 2019 Re-Planning – Interim Feedback.

Minimal Assurance (0%)
• None.

Management Action Progress

4.10   The Joint Internal Audit Team follow up management's progress in implementing agreed actions from any issued final audit reports. Any overdue and outstanding actions are reported to the JIAC on a quarterly basis. For 2018/19, the number of actions reported to the JIAC in July 2018 was 21. Throughout the year, there was a steady decrease in the number of overdue actions. By March 2019, the number of overdue and outstanding actions was 14. These were broken down by year as:

- 2017/18: 11 actions overdue.
- 2018/19: 3 actions overdue.

4.11   By March 2019, the only overdue actions were with the Force. Progress is being made to complete the actions, although there are a variety of reasons for the actions not being implemented, ranging from capacity, competing priorities and work taking longer than originally planned. Although this is a positive improvement from 2017/18, the monitoring of overdue actions will continue to be a specific focus for 2019/20.

Opinion Disclaimer

4.12   It should be noted that it is management's responsibility to operate the system of governance, risk and control, not Internal Audit. It is also management's responsibility to identify and implement appropriate management actions to mitigate the risks reported, or alternatively, to recognise and accept risks resulting from not taking action. If the latter option is taken by management on significant issues, I would bring this to the attention of the Internal Audit Oversight Group and the JIAC. In completing the Joint Internal Audit Plan, there have been no significant control weaknesses accepted or not addressed by management.

4.13   In providing the opinion, assurance can never be absolute, but is based on the scope of each review and the testing completed. The opinion only reflects the issues that the Joint Internal Audit Team are aware of and is not a comprehensive statement of all the weaknesses that exist or improvements that may be required. There have been no limitations placed on the scope of the team's work and there were no resource issues during the year. Appendix 1 details the planned audit days compared to the actual audit days delivered.

4.14   The Annual Internal Audit Opinion is considered by the Governance Advisory Group and included within the PCC's and Chief Constable's separate Annual Governance Statements.

5.   Internal Audit Performance

5.1   The following table shows the performance targets monitored by the Internal Audit team during 2018/19.

Performance Measure	Target	2018/19 Performance	Comments	2017/18 Performance
Testing Phase: Days between testing start date and file review. 4 x the agreed audit day allocation (original or revised).	Green: 100-85% Amber: 70-84% Red: >69%	73% (16 / 22) ⇩	A small reduction in the level of performance compared to 2017/18. The six audits outside the PI were over by an average of 22 days. Delays were mainly due to liaising with the organisation to resolve audit queries and finalise test outcomes.	80% (16 / 20)
Reporting Phase: Days between Exit Meeting / Findings and Risk Exposure Summary and the Final Report. 40 days.	Green: 100-85% Amber: 70-84% Red: >69%	77% (17 / 22) ⇩	A reduction in the level of performance compared to 2017/18. The five audits outside the PI were over by an average of 37 days. Delays were mainly due to liaising with the organisation to agree audit report content and confirm appropriate management actions.	90% (18 / 20)
Audit reviews completed within the agreed audit day allocation. Each audit day allocation (original or revised).	Green: 100-85% Amber: 70-84% Red: >69%	100% (22 / 22) ⇧	Excellent performance achieved for 2018/19 and an improvement on 2017/18.	95% (19 / 20)
Joint Internal Audit Plan delivered. Each audit review completed, excluding any agreed changes (i.e. removed audits).	Green: 100% Amber: 90-99% Red: >89%	100% (22 / 22) ⇔	Excellent performance achieved for 2018/19.	100% (20 / 20)
Annual Internal Audit Quality Questionnaire outcome. Responses who strongly or tended to agree with the statements.	Green: 100-95% Amber: 85-94% Red: >84%	94% ⇧	A good level of performance has been achieved and an improvement on 2017/18. See Appendix 3 for more details.	90%

5.2 Overall, the Joint Internal Audit Team has had another successful year, building on the excellent PSIAS assessment outcome achieved in 2017. The team continues to receive positive customer feedback, the audit reviews are well received and a good level of performance against the team's performance targets has been achieved. Appendix 3 details the results of the Effectiveness of Internal Audit Questionnaire. In addition to the good level of performance achieved, the other key achievements for the team are:

- Continued development and embedding of the in-house service.
- Internal awareness raising presentations and staff sessions.
- Facilitating the Internal Audit Oversight Group meetings.
- Continued development of the collaboration audit approach, including reviewing the protocol, regular Collaboration Governance Board reporting, attendance at HC's Joint Audit Committee and producing an annual assurance statement for Hampshire Constabulary.
- Regular communication and update meetings with ICT Senior Management to discuss ICT audits and progress in implementing audit actions.
- Continued development of the additional sources of assurance work.
- Assisting internal assurance teams in developing their local processes.
- Updating the year-end audit questionnaire format and process.

5.3 In terms of areas for improvement, the Joint Internal Audit Team will

- Continually assess and ensure compliance with the PSIAS.
- Continue to develop and support cross organisation communication and liaison between internal assurance functions.
- Take on board and respond to any feedback from audit customers, as well as look to review and revise the end of year audit questionnaire process and format.
- Identify any team process efficiencies, to ensure an effective audit service for TVP and the OPCC.
- Support both organisations to ensure effective implementation of agreed audit report actions.
- Focus on achieving a Green RAG status for each audit performance indicator.
- Attend and actively contribute to the CIPFA Police and Fire Panel - Audit and Governance Sub-Group and Police Audit Group.

Neil Shovell
Chief Internal Auditor
June 2019

APPENDIX 1

Resource Allocation and Utilisation

The following table details a comparison between the planned audit days and actual days delivered for 2018/19.

Description	Planned 2018/19 Days	Actual 2018/19 Days	Difference	Comments
Internal Resource	435	435	0	None.
External Resource	30	30	0	None.
TOTAL	**465**	**465**	**0**	
Overheads	83	82.5	-0.5	Less days used on overheads.
Team Administration	15	16	1	Extra day used on team administration.
Corporate Work	37	33	-4	Less days used on corporate work.
Audit Work	330	333.5	3.5	Additional days spent on general audit work (i.e. NFI data submission, audit supervision and follow up).
TOTAL	**465**	**465**	**0**	

APPENDIX 2

Summary of Audit Outcomes for 2018/19

Key to assurance ratings:

Substantial	The system of internal control is strong and risks are being effectively managed. Some minor action may be required to improve controls.
Reasonable	The system of internal control is good and the majority of risks are being effectively managed. Some action is required to improve controls.
Limited	The system of internal control is limited and the majority of risks are not being effectively managed. Actions are required to improve controls.
Minimal	The system of internal control is weak and risks are not being effectively managed. Significant action is required to improve controls.

TVP (CCMT) / OPCC Area	Audit	Assurance Rating	Planned Days	Revised Days	Actual Days
~~ACC Crime & Criminal Justice~~	~~Body Worn Video (Strategy, Use and Storage)~~	~~Removed~~	~~12 days~~	~~0 days~~	~~N/A~~
ACC Crime & Criminal Justice	Evidence Management Unit	Limited Assurance	0 days	12 days	12 days
ACC Crime & Criminal Justice	County Drug Lines	Reasonable Assurance	13 days	N/A	13 days
ACC Crime & Criminal Justice	Force MASH Arrangements	Reasonable Assurance	15 days	N/A	15 days
ACC Local Policing	LPA Financial Controls	Limited Assurance	13 days	N/A	13 days
ACC Local Policing	Partnership Arrangements – Information and Data Sharing	Reasonable Assurance	15 days	12 days	12 days
ACC Regional Crime and Counter Terrorism	Counter Terrorism Policing South East – Financial Management	Reasonable Assurance	12 days	N/A	12 days
Chief Information Officer	ICT Asset Management	Reasonable Assurance	10 days	12 days	12 days
Chief Information Officer	ICT Knowledge Transfer	Reasonable Assurance	10 days	N/A days	10 days
~~Chief Information Officer~~	~~ICT Network Management~~	~~Removed~~	~~10 days~~	~~0 days~~	~~N/A~~
Chief Information Officer	ICT Protective Monitoring Process	Reasonable Assurance	0 days	8 days	8 days

TVP (CCMT) / OPCC Area	Audit	Assurance Rating	Planned Days	Revised Days	Actual Days
Chief Information Officer	Information Management - General Data Protection Regulation	Reasonable Assurance	12 days	N/A	12 days
Deputy Chief Constable	CTC Governance Arrangements	Limited Assurance	12 days	10 days	10 days
Deputy Chief Constable	Force Risk Management and Business Continuity Arrangements	Reasonable Assurance	8 days	N/A	8 days
Deputy Chief Constable	Force Delivery Plan Performance and Monitoring	Reasonable Assurance	15 days	12 days	12 days
Deputy Chief Constable	Force Project Lessons Learnt and Benefits Realisation	Process Design: Reasonable Assurance / Process Effectiveness: Limited Assurance	15 days	12 days	12 days
Deputy Chief Constable	G&SI - Post Programme Review	Reasonable Assurance	0 days	13 days	13 days
Director of Finance	Contract Management	Reasonable Assurance	15 days	13 days	13 days
Director of Finance	Key Financial Controls	Reasonable Assurance	13 days	N/A	13 days
Director of People	Actings and Promotions Process	Limited Assurance	11 days	N/A	11 days
~~Director of People~~	~~Recruitment Process~~	~~Removed~~	~~11 days~~	~~0 days~~	~~N/A~~
Director of People	Attendance Management	Recuperative Duties: Limited Assurance / Attendance Management Oversight and Governance: Reasonable Assurance	0 days	11 days	11 days
OPCC Chief Executive Officer	OPCC Statutory Responses (FOI, GDPR and Subject Access Requests)	Reasonable Assurance	10 days	N/A	10 days
OPCC Chief Executive Officer	Victims First Hub	Limited Assurance	12 days	N/A	12 days
General	Limited Assurance Audit Follow Up	N/A	8 days	N/A	8 days

TVP (CCMT) / OPCC Area	Audit	Assurance Rating	Planned Days	Revised Days	Actual Days
General	Sources of Assurance	N/A	8 days	N/A	8 days
		Total Days	**260 days**	**260 days**	**260 days**
Other	JIAC Days	Not Required	10 days	10 days	0 days

APPENDIX 3

Effectiveness of Internal Audit Questionnaire Results

To gauge customer opinion of the quality and effectiveness of the Joint Internal Audit Team, a questionnaire was circulated to customers and key stakeholders during May 2019. In a change for 2018/19, the questionnaire was split into two sections, Strategic and Operational. This was done as certain individuals only have involvement in the annual planning process and audit outcomes, and some who are only involved in an individual audit. Where individuals are involved in both, they were able to complete both parts.

Question	Strongly agree	Tend to agree	Tend to disagree	Strongly disagree	Unable to Comment
Strategic					
The Joint Internal Audit Team provides an effective service for TVP / OPCC	20	10	1	0	2
I am aware of the team's role, purpose and responsibilities	21	12	0	0	0
The team is professional, independent and objective	29	3	0	0	1
I am given opportunity to contribute when the annual Joint Internal Audit Plan is collated and my views are considered	21	7	1	0	4
I understand my responsibilities as part of the audit process to ensure an effective outcome and mitigate any risks raised	26	6	1	0	0
Operational					
I am given opportunity to contribute to the scope of the audit	19	11	0	1	2
My opinions and feedback are considered during the audit to ensure a fair and accurate outcome	28	5	0	0	0
The auditor took care to minimise disruption on our service during the review	28	4	0	0	1
Internal audit reports are clear and help me manage risk and improve controls and governance	19	11	2	0	1
OVERALL ANALYSIS	**211**	**69**	**5**	**1**	**11**
%	**71%**	**23%**	**2%**	**1%**	**3%**

A comparison of the results of the 2019 questionnaire against the 2017 and 2018 responses is summarised below:

Responses	May 2017	May 2018	May 2019
% who strongly agreed with the statements	64%	61%	71%
% who tended to agree with the statements	30%	29%	23%
% who tended to disagree with the statements	3%	5%	2%
% who strongly disagreed with the statements	2%	4%	1%
% who were unable to comment	1%	1%	3%

In addition to the responses above, the following comments were recorded on the questionnaires returned:

Strategic

- I was surprised how helpful the outcome of the audit has been. I think that it will help the Governance Team to improve our effectiveness even further.
- Team are very approachable and engaging.
- This year will see a number of improvements implemented by Neil Shovell, taking a more holistic approach and then zooming into specific problem areas which will be far more effective.
- I remain unconvinced of the value added by the process against the cost and time to engage and take part. Operational policing is already subject to significant scrutiny via HMIC Peel inspections, Service Improvement Reviews, Internal audits, the complaints ethics and integrity panels, etc. In view of this I see relatively little additional value provided by the joint internal audit.
- It would be interesting to have slightly more explanation of the reason why some areas have been chosen to audit verses others that have not.
- I think the planning might benefit from a collaborative approach across the functions so that we can get a clear idea of what we would like to see audited to better understand if we have control or are adding the most value to the organisation. Possibly a workshop of Audit and SMT.
- I think the current format works well and from my perspective I feel that I have the correct level of engagement in the process.
- Highly competent as usual.

Operational

- Amy was very considerate about when she would talk to us and she worked around our commitments.
- Some actions can be in relation to minor or very low risk issues and are unnecessary.
- Value for money?
- Occasional materiality and actual risk to the organisation may need to be considered and factored into the work and reviews.
- Think we sometimes do not get to root cause.
- Appreciate time is limited but would be good if the audit team could get out to the business to check if policies/procedures are being followed in reality.
- Our Governance process was audited 18/19, the process was conducted well and timely in light of our recent expansion. The resulting report was useful and the recommendations will be adopted.

JOINT INDEPENDENT AUDIT COMMITTEE

Report for Decision: 12th July 2019

Title: Annual Treasury Management Report 2018/19

Executive Summary:

The Police & Crime Commissioner (PCC) approved the Treasury Management Strategy Statement for 2018/19 at his Level 1 meeting on 23rd January 2018.

Quarterly treasury management performance updates were presented to the PCC in July and October 2018 and January 2019.

This report provides information on actual treasury activity for the 2018/19 financial year ending 31st March 2019.

Recommendation:

1. That the Committee notes the Annual Treasury Management Report for 2018/19

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature   **Date**

PART 1 – NON-CONFIDENTIAL

1   Introduction and background

1.1   Treasury management is defined as:

'The management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks'

1.2   Treasury management in local government is regulated by the CIPFA Code of Practice on Treasury Management in Local Authorities (the Code) and the Prudential Code for Capital Finance in Local Authorities. The Office of the PCC (OPCC) has adopted the CIFPA Code and fully complies with its requirements. Compliance with the Prudential Code is mandatory.

1.3   In accordance with the Codes, the PCC agreed the Treasury Management Strategy Statement for 2018/19 at his Level 1 public meeting held on 23rd January 2018.

1.4   The financial year 2018/19 continued the challenging investment environment of the previous years, namely low investment returns, although levels of counterparty risk had subsided somewhat.

1.5   Since the Treasury Management Strategy Statement was approved in January 2018 the PCC received quarterly treasury monitoring reports in July and October 2018 and January 2019.

1.6   The regulatory environment places responsibility on the local policing body for the review and scrutiny of treasury management policy and activities. This report is important in that respect, as it provides details of the outturn position for treasury activities and demonstrates compliance with the PCC's relevant approved policies.

2   Issues for consideration

2.1   The detailed annual report is provided in Appendix 1. The key points for the Committee to note are set out below:

- We continue to borrow from internal cash backed reserves rather than take external loans to help fund the capital programme. As at 31st March 2019 we were "under-borrowed" by £11.464m.
- At 31st March 2019 cash investments exceeded external borrowing by £30.862m.
- We did not exceed the authorised borrowing limit or the operational boundary during 2018/19.
- We borrowed on 12 separate occasions during the year to cover temporary short-term cash shortfalls pending the receipt of government grant and/or council tax precept income.
- The average return on our investments was 0.87%, which exceeded the bespoke TVP benchmark by 0.10%. This was largely due to the fixed term and notice deposits that we have placed with Lloyds Banking Group, Santander UK and Dundee City Council.

- Actual income from investment interest of £1.031m exceeded the annual income budget of £0.500m by £0.531m. Two reasons for this were firstly the Bank of England base rate rise in August and secondly a saving of £0.392m by paying our employers' contribution to the LGPS, as administered by Bucks CC, annually in advance rather than monthly.
- We exceeded our bank overdraft facility three times during the year. All three occasions were due to precepting local authorities making their payments one day late.
- We were below the £5m benchmark level of having the minimum amount of short term deposits (including "the receipt of government grant and/or council tax income within the next 7 days") on 6 days during the year.
- The weighted average life of maturities on 31st March was 138 days, within the benchmark level of 270 days.
- We complied with all the statutory relevant and regulatory requirements which limit, as far as possible, the levels of risk associated our treasury management activities.

3   Financial comments

3.1   The financial performance is summarised in paragraph 2.1 above with further detail provided in the Annual Treasury Management Report attached at Appendix 1.

4   Legal comments

4.1   The PCC is required to receive and approve, as a minimum, three reports each year, which incorporate a variety of policies, estimates and actual. These are the annual treasury strategy statement, a mid-term report and the annual treasury report. Best practice suggests that these should be adequately scrutinised before being recommended to the PCC.

5   Equality comments

5.1   There are none arising specifically from this report.

6   Background papers

Link specimen Annual Treasury Management Review 2018/19
Minutes of the PCC Meetings
Treasury Policy + Systems Documents
Montreas18 spreadsheet
Final Accounts 2018/19
Benchmarking 2018/19

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 This document meets the requirements in the CIPFA Code of Practice for Treasury Management in Public Services	PCC Chief Finance Officer
Legal Advice This report complies with the various statutory and regulatory guidance relating to treasury management in the public sector	Chief Executive
Financial Advice The financial implications are summarised in paragraph 2.1 above	PCC Chief Finance Officer
Equalities and Diversity No specific issues arising from this report	Chief Executive

PCC's STATUTORY CHIEF OFFICERS' APPROVAL

We have been consulted about the report and confirm that appropriate financial and legal advice have 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   3 July 2019

Chief Finance Officer   Date   3 July 2019

Annual Treasury Management Report 2018/19

1. Introduction

1.1 The PCC is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for each financial year. This report relates to treasury management performance in 2018/19 and meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

1.2 During 2018/19 the minimum reporting requirements were that the PCC should receive the following reports:

- an annual treasury strategy in advance of the year – Level 1 meeting on 23rd January 2018
- a mid-year (minimum) treasury update report – Level 1 meeting on 26th November 2018
- an annual review following the end of the year describing the activity compared to the strategy - this report

1.3 In addition, the PCC also received quarterly treasury management update reports on 25th July 2018 and 22nd January 2018.

1.4 The regulatory environment places responsibility on relevant bodies for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the PCC's policies, as approved in previous reports.

1.5 The Chief Finance Officer confirms that he has complied with the requirement under the Code to give prior scrutiny to the key treasury management reports (i.e. the Annual Treasury Strategy Report and the Annual Treasury Management Report) by presenting them to the Joint Independent Audit Committee for scrutiny before being reported to the PCC for formal approval.

1.6 The various prudential and treasury management indicators are summarised in Appendix 2.

2. The Economy and Interest Rates[1]

2.1 **UK.** After weak economic growth of only 0.2% in quarter one of 2018, growth picked up to 0.4% in quarter 2 and to a particularly strong 0.7% in quarter 3, before cooling off to 0.2% in the final quarter. Given all the uncertainties over Brexit, this weak growth in the final quarter was as to be expected. However, some recovery in the rate of growth is expected going forward. The annual growth in Q4 came in at 1.4% y/y confirming that the UK was the third fastest growing country in the G7 in quarter 4.

2.2 After the Monetary Policy Committee (MPC) raised Bank Rate from 0.5% to 0.75% in August 2018, it is little surprise that they have abstained from any further increases since then. We are unlikely to see any further action from the MPC until the uncertainties over Brexit clear. If there were a disorderly exit, it is likely that Bank Rate would be cut to support growth. Nevertheless, the MPC has been having increasing concerns over the trend in wage inflation which peaked at a new post financial crisis

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[1] Paragraphs 2.1 to 2.10 have been provided by Link Asset Services

high of 3.5%, (excluding bonuses), in the three months to December before falling only marginally to 3.4% in the three months to January. British employers ramped up their hiring at the fastest pace in more than three years in the three months to January as the country's labour market defied the broader weakness in the overall economy as Brexit approached. The number of people in work surged by 222,000, helping to push down the unemployment rate to 3.9 percent, its lowest rate since 1975. Correspondingly, the total level of vacancies has risen to new highs.

2.3   As for CPI inflation itself, this has been on a falling trend since peaking at 3.1% in November 2017, reaching a new low of 1.8% in January 2019 before rising marginally to 1.9% in February. However, in the February 2019 Bank of England Inflation Report, the latest forecast for inflation over both the two and three year time horizons remained marginally above the MPC's target of 2%.

2.4   The rise in wage inflation and fall in CPI inflation is good news for consumers as their spending power is improving in this scenario as the difference between the two figures is now around 1.5%, i.e. a real terms increase. Given the UK economy is very much services sector driven, an increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months.

2.5   **Brexit.** The Conservative minority government has so far, (8.4.19), been unable to muster a majority in the Commons over its Brexit deal. The EU has set a deadline of April 12 for the House of Commons to propose what form of Brexit it would support. If another form of Brexit, other than the proposed deal, does get a majority by April 12, then it is likely there will need to be a long delay to Brexit to allow time for negotiations with the EU. It appears unlikely that there would be a Commons majority which would support a disorderly Brexit or revoking article 50, (cancelling Brexit). There would also need to be a long delay if there is no majority for any form of Brexit. If that were to happen, then it increases the chances of a general election in 2019; this could result in a potential loosening of monetary policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

2.6   **USA**. President Trump's massive easing of fiscal policy in 2018 fuelled a (temporary) boost in consumption in 2018 which generated an upturn in the strong rate of growth; this rose from 2.2%, (annualised rate) in quarter 1 of 2018 to 4.2% in quarter 2, 3.5% in quarter 3 and then back to 2.2% in quarter 4. The annual rate came in at 2.9% for 2018, just below President Trump's aim for 3% growth. The strong growth in employment numbers has fed through to an upturn in wage inflation which hit 3.4% in February, a decade high point. However, CPI inflation overall fell to 1.5% in February, a two and a half year low, and looks to be likely to stay around that number in 2019 i.e. below the Fed's target of 2%. The Fed increased rates another 0.25% in December to between 2.25% and 2.50%, this being the fourth increase in 2018 and the ninth in the upward swing cycle. However, the Fed now appears to be edging towards a change of direction and admitting there may be a need to switch to taking action to cut rates over the next two years. Financial markets are now predicting two cuts of 25 bps by the end of 2020.

2.7   **EUROZONE.** The European Central Bank (ECB) provided massive monetary stimulus in 2016 and 2017 to encourage growth in the EZ and that produced strong annual growth in 2017 of 2.3%. However, since then the ECB has been reducing its monetary stimulus measures and growth has been weakening - to 0.4% in quarters 1 and 2 of 2018, and then slowed further to 0.2% in quarters 3 and 4; it is likely to be only 0.1 - 0.2% in quarter 1 of 2019. The annual rate of growth for 2018 was 1.8% but is expected to fall to possibly around half that rate in 2019. The ECB completely ended its programme of quantitative easing purchases of debt in December 2018, which means that the central banks in the US, UK and EU have all ended the phase of post financial

crisis expansion of liquidity supporting world financial markets by purchases of debt. However, the downturn in growth, together with inflation falling well under the upper limit of its target range of 0 to 2%, (but it aims to keep it near to 2%), prompted the ECB to take new measures to stimulate growth. With its refinancing rate already at 0.0% and the deposit rate at -0.4%, it has probably reached the limit of cutting rates. At its March 2019 meeting it said that it expects to leave interest rates at their present levels "at least through the end of 2019", but that is of little help to boosting growth in the near term. Consequently, it also announced a third round of TLTROs; this provides banks with cheap borrowing every three months from September 2019 until March 2021 which means that, although they will have only a two-year maturity, the Bank is making funds available until 2023, two years later than under its previous policy. As with the last round, the new TLTROs will include an incentive to encourage bank lending, and they will be capped at 30% of a bank's eligible loans.

2.8 **CHINA**. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems.

2.9 **JAPAN** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy.

2.10 **WORLD GROWTH**. Equity markets are currently concerned about the synchronised general weakening of growth in the major economies of the world: they fear there could even be a recession looming up in the US, though this fear is probably overdone.

3.   Overall Treasury Position as at 31 March 2019

3.1 The PCC's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through regular formal financial performance reporting to the PCC and through officer activity detailed in the approved Treasury Management Practices. At the beginning and the end of 2018/19 the PCC's treasury position was as follows:

Table 1: Treasury Position

	31 March 2018		31 March 2019	
	Principal £m	Average rate	Principal £m	Average rate
Actual borrowing position				
Fixed interest rate debt	22.478	3.90%	27.478	3.42%
Variable interest rate debt	0.000		0.000	
Total debt	**22.478**	**3.90%**	**27.478**	**3.42%**
Finance lease	5.478		5.195	
Overall Borrowing Need (A)	**27.956**		**32.673**	
Capital Finance Requirement	45.283		44.137	
Over / (under) borrowing	**-17.327**		**-11.464**	
Investment position				
Fixed interest rate investments	50.000	0.79%	55.000	1.09%
Variable interest rate investments	10.275	0.46%	8.535	0.79%
Total investments (B)	**60.275**	**0.73%**	**63.535**	**1.05%**
Net Borrowing position (A-B)	**-32.319**		**-30.862**	

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4.   The Treasury Management Strategy for 2018/19

4.1   During 2018-19, the PCC maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt, as cash supporting the PCC's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were low and minimising counterparty risk on placing investments also needed to be considered.

4.2   A cost of carry remained during the year on any new long-term borrowing that was not immediately used to finance capital expenditure, as it would have caused a temporary increase in cash balances; this would have incurred a revenue cost – the difference between (higher) borrowing costs and (lower) investment returns.

4.3   The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this was kept under review to avoid incurring higher borrowing costs in the future when this authority may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of maturing debt.

4.4   Interest rate forecasts expected only gradual rises in medium and longer term fixed borrowing rates during 2018/19 and the two subsequent financial years. Variable, or short-term rates, were expected to be the cheaper form of borrowing over the period.

4.5   The detailed Treasury Management Strategy for 2018/19 was approved by the PCC on 23rd January 2018.

5.   The Borrowing Requirement and Debt

5.1   The PCC's underlying need to borrow for capital expenditure is called the 'Capital Financing Requirement' (CFR). This figure is a gauge of the PCC's debt position. The CFR results from the Force's capital activity and what resources have been used to pay for the capital spend. It represents 2018/19 and prior years' net capital expenditure which has not yet been paid for by revenue or other resources.

5.2   Part of the PCC's treasury activities is to address this borrowing need, either through borrowing from external bodies or utilising temporary cash resources.

5.3   Whilst under treasury management arrangements actual debt can be borrowed or repaid at any time within the confines of the annual treasury strategy, the PCC is required to make an annual revenue charge to reduce the CFR. This statutory revenue charge is called the Minimum Revenue Provision (MRP).

5.4   The statutory revenue charge is called the Minimum Revenue Provision (MRP) – the total CFR can also be reduced by:

- The application of additional capital resources (e.g. unapplied capital receipts); or
- Charging more than the MRP each year through a Voluntary Revenue Provision

5.5   The MRP policy for 2018/19 was approved by the PCC on 23rd January 2018.

5.6   The CFR for the year is set out in table 2 below and represents a key prudential indicator. The CFR balance includes PFI and leasing schemes on the balance sheet which increase the underlying borrowing need. However, no borrowing is actually required against these schemes as a borrowing facility is included in the contract

Table 2: Capital Financing Requirement

	31-3-18 Actual £m	31-3-19 Original indicator £m	31-3-19 Actual £m
Opening CFR balance	46.407	45.283	45.283
Annual borrowing requirement	0.000		
Annual charge to revenue for debt repayment (i.e. MRP + VRP)	- 0.863	- 0.863	- 0.863
Less PFI & finance lease repayments	- 0.261	- 0.283	- 0.283
Closing CFR balance	45.283	44.137	44.137

5.7 The borrowing activity is constrained by prudential indicators for net borrowing and the CFR, and by the authorised limit.

5.8 <u>Net borrowing and the CFR</u> - In order to ensure that borrowing levels are prudent over the medium term, the PCC's external borrowing, net of investments, must only be for a capital purpose. Net borrowing should not therefore, except in the short term, have exceeded the CFR for 2018/19 plus the estimates of any additional CFR for the current (2019/20) and next two financial years. This indicator allows the PCC some flexibility to borrow in advance of his immediate capital needs for 2019/20. Table 3 highlights the PCC's net borrowing position against the CFR. The PCC has complied with this prudential indicator.

Table 3: Net Borrowing & the Capital Financing Requirement

|	31-3-18 Actual £m	31-3-19 Actual £m
Net Borrowing position	- 32.319	- 30.862
Capital Financing Requirement	45.283	44.137

5.9 The '<u>Authorised Limit</u>' is the "affordable borrowing limit" required by s3 of the Local Government Act 2003. The PCC does not have the power to borrow above this level. Table 4 below demonstrates that during 2018/19 the PCC has maintained gross borrowing within its Authorised Limit.

5.10 The '<u>Operational Boundary</u>' is the expected borrowing position during the year. Periods where the actual position is either below or over the Boundary is acceptable subject to the Authorised Limit not being breached.

5.11 The indicator for '<u>Actual financing costs as a proportion of net revenue stream</u>' identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream (i.e. the Net Budget Requirement).

Table 4: Borrowing limits

	2018/19
Authorised Limit	£63.226m
Maximum gross borrowing position	£43.673m
Operational Boundary	£43.226m
Average gross borrowing position	£29.387m
Actual financing costs as a proportion of net revenue stream	0.37%

6.   Borrowing Rates in 2018/19

6.1   Since PWLB rates peaked during October 2018, most PWLB rates have been on a general downward trend, though longer term rates did spike upwards again during December and, apart from the 1 year rate, reached lows for the year at the end of March.

6.2   There was a significant level of correlation between movements in US Treasury yields and UK gilt yields - which determine PWLB rates. The Fed in America increased the Fed Rate four times in 2018, making nine increases in all in this cycle, to reach 2.25% – 2.50% in December. However, it had been giving forward guidance that rates could go up to nearly 3.50%. These rate increases and guidance caused Treasury yields to also move up. However financial markets considered by December 2018, that the Fed had gone too far, and discounted its expectations of further increases. Since then, the Fed has also come round to the view that there are probably going to be no more increases in this cycle. The issue now is how many cuts in the Fed Rate there will be and how soon, in order to support economic growth in the US. But weak growth now also looks to be the outlook for China and the EU so this will mean that world growth as a whole will be weak. Treasury yields have therefore fallen sharply during 2019 and gilt yields / PWLB rates have also fallen.

6.3   The graph below shows the movement in PWLB rates during 2018/19, together with the actual rates at the beginning and end of the financial year
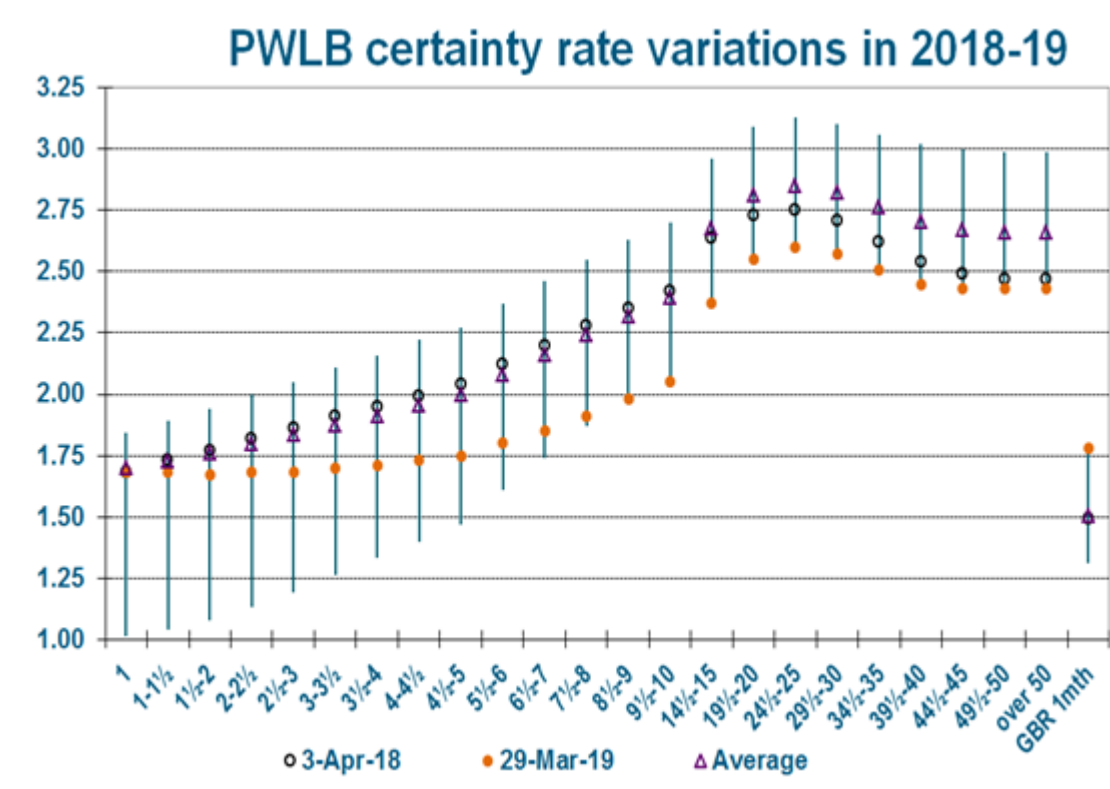
	1 Year	5 Year	10 Year	25 Year	50 Year
02/04/2018	1.48%	1.85%	2.23%	2.57%	2.29%
29/03/2019	1.48%	1.55%	1.85%	2.40%	2.23%
Low	1.28%	1.50%	1.80%	2.33%	2.16%
Date	29/05/2018	26/03/2019	28/03/2019	26/03/2019	26/03/2019
High	1.64%	2.07%	2.50%	2.93%	2.79%
Date	04/10/2018	10/10/2018	10/10/2018	10/10/2018	12/10/2018
Average	1.50%	1.80%	2.20%	2.66%	2.47%

7. Borrowing outturn for 2018/19

Short Term Borrowing

7.1 Short term borrowing is required to cover cash flow shortfalls on a day-to-day basis and to finance capital expenditure temporarily pending the receipt of Government grant, contributions from third parties or the undertaking of long term borrowing for capital purposes.

7.2 The following short term-borrowing was undertaken during 2018/19.

Table 5: Short Term Borrowing

Counterparty	Amount	Date Placed	Days	Interest Rate	Interest rate incl fees	Total cost
				%	%	£
Greater Manchester Combined Authority	5,500,000	30/04/2018	8	0.50	0.54	638.90
Leeds City Council	9,000,000	01/05/2018	7	0.35	0.45	776.71
Rhondda Cynon Taff CBC	1,000,000	03/05/2018	5	0.35	0.45	61.64
Bridgend Borough Council	2,500,000	15/05/2018	7	0.40	0.44	206.16
Thurock Borough Council	5,000,000	31/05/2018	7	0.50	0.60	575.34
London Borough of Hounslow	8,000,000	01/06/2018	7	0.45	0.55	843.84
West Mids Combined Authority	10,000,000	29/06/2018	7	0.50	0.54	1016.44
South Somerset District Council	3,000,000	02/07/2018	4	0.45	0.49	157.81
Elmbridge Borough Council	3,000,000	02/07/2018	4	0.45	0.55	180.82
Erewash BC	1,000,000	02/01/2019	5	0.60	0.70	95.89
Staffordshire CC	3,000,000	02/01/2019	7	0.75	0.79	448.77
Rhondda Cynon Taf CBC	3,000,000	01/02/2019	3	0.60	0.70	172.60
Derbyshire CC Pension fund	8,000,000	28/02/2019	7	0.85	0.95	1457.53
Blaenau Gwent County BC	5,000,000	29/03/2019	7	0.80	0.90	863.01
Oldham Council	4,000,000	29/03/2019	7	0.82	0.92	705.75
TOTAL	**71,000,000**		**92**	**0.57**	**0.64**	**8201.23**
				(Equated Averages)		

7.3 On each occasion borrowing was undertaken to cover a short term cash shortfall pending the receipt of government grants and/or council tax precept income.

Long Term Borrowing

7.4 Borrowing is necessary to finance capital expenditure and maturing debt and to optimise the balance between external debt and cash investments.

7.5 The amount outstanding at 31st March 2019 was £27.478m, the repayment profile of which is set out in Table 6 below.

Table 6: Maturity profile of debt as at 31st March 2019

	£m	%
Maturing under 12 months	0.000	0.0
Maturing in more than 1 year and less than 5 years	0.000	0.0
Maturing in more than 5 years and less than 10 years	7.149	26.0
Maturing in more than 10 years	16.829	61.2
LOBO* Loan (Maximum outstanding maturity of 30 years)	3.500	12.7
Total Long Term Borrowing	**27.478**	**100.0**

* The variable interest rate debt became a fixed rate instrument on 28 June 2016.

7.6 The average rate on external borrowings is currently 3.42%

7.7 The total loan portfolio of £27.478m is at fixed rates. The PCC has therefore complied with its upper limit of a maximum of 50% of total borrowings being at variable rates.

Finance lease

7.8 The PFI scheme at Abingdon is treated as a finance lease which means that future lease obligations are brought on to the PCC's Balance Sheet, to be written down over the remaining 11 years of the contract.

7.9 The outstanding lease liability at 31st March 2019 was £5.195m.

Overall Borrowing

7.10 The overall borrowing limit encompasses long term debt, short term loans and finance lease liabilities. During 2018/19 overall borrowing peaked at £43.673m, inside the authorised limit of £63.226m.

8. Investment Rates in 2018/19

8.1 Investment returns remained low during 2018/19. The expectation for interest rates within the treasury management strategy for 2018/19 was that Bank Rate would rise from 0.50% to 0.75%. At the start of 2018-19, and after UK GDP growth had proved disappointingly weak in the first few months of 2018, the expectation for the timing of this increase was pushed back from May to August 2018. Investment interest rates were therefore on a gently rising trend in the first half of the year after April, in anticipation that the MPC would raise Bank Rate in August. This duly happened at the MPC meeting on 2 August 2018. During this period, investments were, therefore, kept shorter term in anticipation that rates would be higher later in the year.

8.2 It was not expected that the MPC would raise Bank Rate again during 2018-19 after August in view of the fact that the UK was entering into a time of major uncertainty with Brexit due in March 2019. Value was therefore sought by placing longer term investments after 2 August where cash balances were sufficient to allow this.

8.3 Investment rates were little changed during August to October but rose sharply after the MPC meeting of 1 November was unexpectedly hawkish about their perception of building inflationary pressures, particularly from rising wages. However, weak GDP

growth data after December, plus increasing concerns generated by Brexit, resulted in investment rates falling back again.

8.4   Continued uncertainty in the aftermath of the 2008 financial crisis has promoted a cautious approach whereby investments would continue to be dominated by low counterparty risk considerations, resulting in relatively low returns compared to borrowing rates.
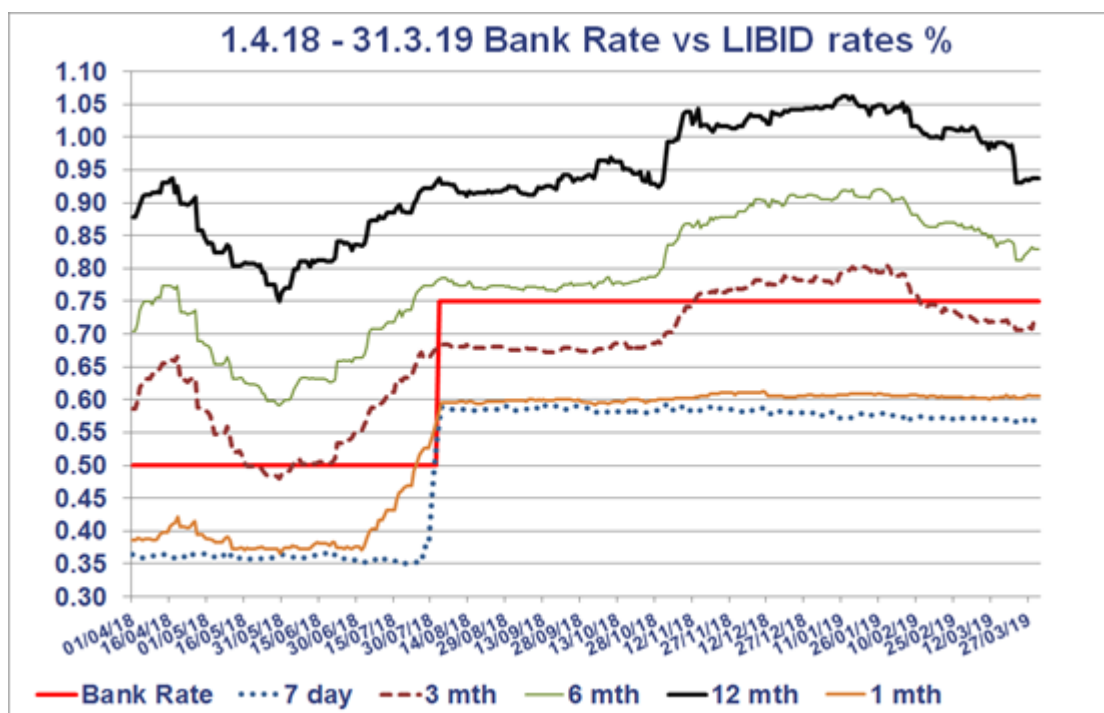
9.   Investment outturn for 2018/19

9.1   The PCC's investment policy is governed by CLG Guidance, which has been implemented in the annual investment strategy approved by the PCC on 23rd January 2018. This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by the three main credit rating agencies, supplemented by additional market data such as rating outlooks, credit default swaps, bank share prices etc.

9.2   The investment activity during the year conformed to the approved strategy, and the OPCC had no liquidity difficulties.

Resources

9.3   The PCC's longer term cash balances comprise both revenue and capital resources as shown in Table 7 below.

Table 7: Balance sheet resources

	31-3-18 £m	31-3-19 £m
General revenue balances	18.648	18.703
Earmarked revenue reserves	26.024	24.456
Provisions	8.078	8.627
Capital grants	11.776	14.538
Capital receipts	8.756	3.652
	73.282	**69.976**

Investments

9.4 The PCC's investment strategy is set out in paragraph 9.1 above. This needs to be viewed against the economic background for 2018/19 as highlighted in section 2 above.

9.5 The OPCC invested any cash balances not required on a day to day basis for periods of up to 12 months, during the year, at interest rates of between 0.91% and 1.15%. Due to cashflow fluctuations during the year, the actual position on investments varied considerably, from a minimum lending position of £45.000m on 5 days, 30th April, 1st, 2nd, 3rd and 31st May 2018 to a maximum of £104.645m on 20th August 2018. The cash flow situation is illustrated graphically in Appendix 3.

9.6 The investments at 31 March 2019 totalled £63.535m and were placed with 4 different institutions i.e. Santander (Notice account), Lloyds Bank (Term Deposits and Notice Account), Federated (MMF) and Dundee City Council (Term Deposit).

9.7 In order to measure treasury performance, the rate of interest earned by the PCC on its investments has been compared to both the 7 day LIBID rate (the London Interbank Sterling Rate), the standard benchmark for treasury activity in England, and a bespoke benchmark comparator which reflects the fact that a significant proportion of our investment portfolio has been invested for periods of 12 months.

Table 8: Investment yields

Month	7 Day LIBID Rate %	Bespoke TVP Benchmark %	Average rate earned on TVP Investments[1] %	Performance versus TVP Benchmark %
April 2018	0.36	0.73	0.75	0.02
May 2018	0.36	0.67	0.78	0.11
June 2018	0.36	0.66	0.77	0.11
July 2018	0.36	0.66	0.76	0.10
August 2018*	0.58	0.76	0.80	0.04
September 2018	0.59	0.77	0.87	0.10
October 2018	0.58	0.80	0.90	0.10
November 2018	0.59	0.86	0.91	0.05
December 2018	0.58	0.88	0.92	0.04
January 2019	0.58	0.86	0.98	0.12
February 2019	0.57	0.84	1.02	0.18
March 2019	0.57	0.81	1.03	0.22
Average for year	**0.51**	**0.77**	**0.87**	**0.10**

* Bank of England base rate rise on 2nd August 2018

9.8 Table 8 above shows that the actual rate of return on treasury dealings over the last 12 months (0.87%) has, on average, outperformed the bespoke TVP benchmark rate (0.77%) by 10 basis points due, in the main, to the fixed term and notice deposits that we have placed with the Lloyds Banking Group, Santander UK. and Dundee City Council.

9.9 Actual interest receipts for the year of £1.031m was £0.531m higher than the annual budget of £0.500m. Two reasons for this were firstly the Bank of England base rate rise in August and secondly a saving of £0.392m by paying our employers' contribution to the LGPS, as administered by Bucks CC, annually in advance rather than monthly.

10.   Performance Measurement

10.1   One of the key requirements in the Code is the formal introduction of performance measurement relating to investments, debt and capital financing activities.   Whilst investment performance criteria have been well developed and universally accepted, debt performance indicators continue to be a more problematic area with the traditional average portfolio rate of interest acting as the main guide. The PCC's performance indicators were set out in the Annual Treasury Management Strategy.

10.2   The purpose of these benchmarks is to enable officers to monitor the 'current' and 'trend' positions and amend the operational strategy depending on any changes. Any variance from the benchmark's are reported in the quarterly performance monitoring report as well as this annual outturn report.

10.3   **Security** - The PCC's maximum security risk benchmark for the whole portfolio, when compared to these historic default tables, is:

- 0.25% historic risk of default when compared to the whole portfolio.

10.4   I can report that the investment portfolio has been maintained within the overall benchmark. The actual position as 31st March 2019 was 0.034%

10.5   In terms of **Liquidity** the OPCC will seek to maintain:

- A maximum bank overdraft of £0.100m
- Liquid short term deposits, including the receipt of government grants and/or council tax precept income, of at least £5m within one week
- A weighted average life (WAL) benchmark of 9 months (270 days), with a maximum of 2 years

10.6   We exceeded our overdraft limit on three occasions during 2018/19, on 25th June 2018, 15th October 2018 and 26th November 2018. All three were because local authorities did not pay their precept on the agreed date. The local authorities were charged and also paid a late payment charge to cover our interest charge. On each of the occasions there was insufficient time to secure any short term borrowing The bank were informed of the position before the close of business on the day.

10.7   We were below the benchmark level of "£5m within 7 days" on a total of 6 days during the year. This was rectified by short-term borrowing as explained in paragraph 7.2.

10.8   The Weighted Average Life of maturities on 31st March 2019 was 138 days, which is below the benchmark level of 270 days.

10.9   **Yield** – the performance target is to achieve returns above the bespoke TVP benchmark rate. As Table 8 above shows, we have exceeded this target.

1. PRUDENTIAL INDICATORS	2017/18 Actual £m	2018/19 Revised Estimate £m	2018/19 Actual £m
Capital Expenditure	23.147	26.485	22.749
Financing by:			
Capital receipts	4.965	6.766	10.744
Capital grants	1.200	1.503	0.817
Capital grant brought forward	0.000	14.018	0.000
3rd party contributions	0.212	0.150	0.292
Revenue reserves	9.973	1.586	5.203
Revenue contributions	7.067	2.340	5.693
Cashflow – timing issues	0.000	0.122	0.000
Net financing need (i.e. borrowing)	0.000	0.000	0.000
Ratio of financing costs to net revenue stream	0.36%	0.54%	0.37%
Capital Financing Requirement (CFR)	45.283	44.137	44.137
Annual change in CFR	-1.124	-1.124	-1.124

2. TREASURY MANAGEMENT INDICATORS	£m	£m	£m
Authorised Limit for external debt -			
Borrowing	52.660	58.031	58.031
Other long term liabilities	5.478	5.195	5.195
TOTAL	58.138	63.226	63.226
Operational Boundary for external debt -			
Borrowing	32.660	38.031	38.031
Other long term liabilities	5.478	5.195	5.195
TOTAL	38.138	43.226	43.226
Actual external debt	**22.478**		**27.478**
Upper limit on fixed interest rates			
Debt only	100%	100%	100%
Investment only	83%	100%	87%
Upper limit on variable interest rates			
Debt only	0%	50%	0%
Investment only	17%	100%	13%
Upper limit for total principal sums invested over 364 days	£25m	£20m	£20m

Maturity Structure of fixed interest rate borrowing during 2017/18	Upper limit	Lower limit
Under 12 months	0%	100%
12 months to 2 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	100%

Maturity Structure of fixed interest rate borrowing during 2018/19	Upper limit	Lower limit
Under 12 months	0%	100%
12 months to 2 years	0%	100%
5 years to 10 years	0%	100%
10 years and above	0%	100%

Actual Investment Balances from 1st April 2018 to 31st March 2019
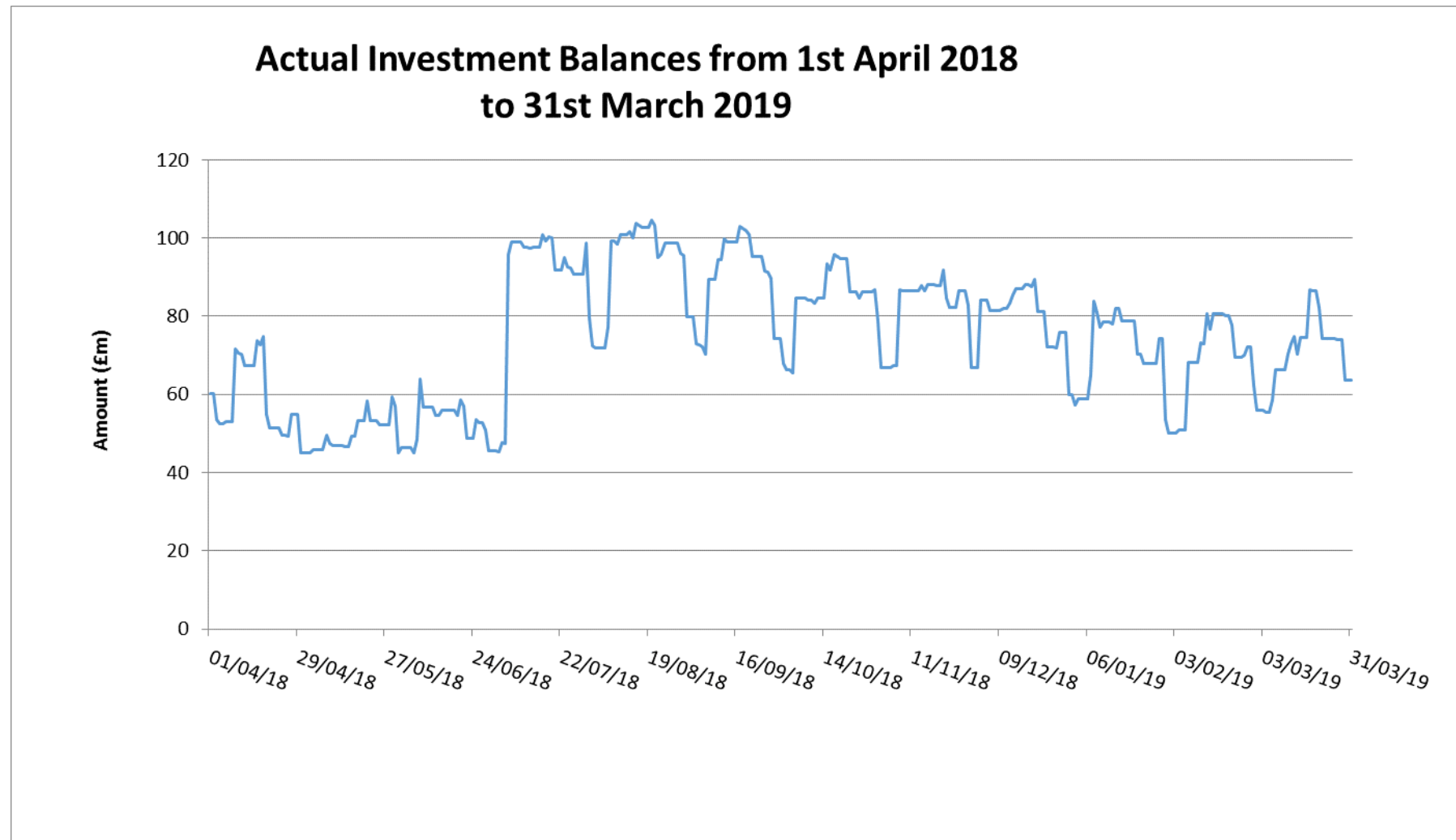
OFFICIAL
STRATEGIC RISK and BUSINESS CONTINUITY:
ANNUAL REPORT 2018/19

INTRODUCTION:

The purpose of this report is to provide a summary of the governance arrangements, risk and business continuity decisions, mitigating actions and outcomes for the 12-months from April 2018 – March 2019.

BACKGROUND:

The Chief Constables Management Team (CCMT) have held quarterly Force Risk Management Group sessions as part of the strategic governance framework throughout the year. This forum has provided strategic decision-making and oversight of issues of organisational significance, conforming to best practice as set out in ISO31000: 2018 Principles and Guidelines and applied to the local context.

Of particular note this year is the implementation of a revised Risk and Business Continuity Strategy. Approved by CCMT in November, and endorsed by the Joint Independent Audit Committee in December, the new processes and their accompanying documentation were introduced in January 2019. Incorporated into the revised approach are the:

- Risk Management Strategy;
- Risk Management Policy;
- Risk Register Guide with 1-page guide for quick reference;
- Risk Management Communications Strategy, including Business Continuity;
- Business Continuity Strategy;
- Business Continuity Policy;
- Business Continuity Plan templates, contact sheets and checklist to guide immediate actions;
- Business Impact Analysis template; and
- A reminder of the National Decision Model and reference to the Authorised Professional Practice (APP) Risk Principles.

The Strategic Risk Matrix was also revised, following extensive research of methods from other Forces, agencies and industry standards. The new matrix measures risk on a 4x4 scale (Impact and Likelihood) and all scores included in this report have been adjusted to enable comparison.

As part of the review, the Internal Auditors were commissioned to provide advice, guidance and recommendations. This provided independent scrutiny of processes and independent challenge to existing methods.

CURRENT STRATEGIC RISKS:

The following risks are currently included on the Strategic Risk Register (SRR) for the Force. The date added column refers to the date a risk has been originally added, although the risk wording will have been reviewed and refreshed in the interim.

Date added to SRR	Last Reviewed	Risk description	Original Risk Score	Current Risk Score	Trend	4Ts
03/2012	05/2019	**SR 56 -** Livelink is required to remain functional until Jan 2020, increasing the likelihood of operational issues.	6*	5	⬇	Treat
06/2014	05/2019	**SR 65** - Out of date mapping is being used by the organisation, which could lead to a number of negative consequences: risk to public safety; risk to officer safety; and potential reputational damage.	8*	6	⬇	Tolerate
12/2014	05/2019	**SR 69 -** Funding for 20/21 may be inadequate to allow us to continue delivering all existing services to the same level of performance and may not accommodate additional demand whether through increasing numbers, complexity or scope.	12*	8	⬇	Treat
02/2018	05/2019	**SR74 -** The Force is below establishment as a result of recruitment and retention issues whilst demand and the complexity of policing has increased.	12*	6	⬇	Treat
08/2018	05/2019	**SR75 -** If there is delay to the delivery of the Contact Management Programme (CMP), then there are a number of on-going impacts operationally and financially, and the risk of reputational damage to the Force.	8	4	⬇	Treat

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**STRATEGIC RISK and BUSINESS CONTINUITY:
ANNUAL REPORT 2018/19**

08/2018	05/2019	**SR76 -** The CMP System fails shortly after deployment or is deemed too unstable to be fit for purpose.	**8**	**4**	⬇	Treat
08/2018	05/2019	**SR77 -** Impact of release under investigation (RUI). Investigation drift due to RUI resulting in a failure to progress cases into court and obtain positive criminal justice outcomes.	**9**	**6**	⬇	Treat

*originally scored on 5x5 matrix, adjusted to reflect currently methodology.

The downward trend in the majority of risks suggests that mitigating activities have had a positive impact. It should however be considered that:

- The fall in the funding risk should be viewed as a short-term reaction to the annual funding award and the increase in Council Tax precept. In real terms, funding is no less of an issue than previously, and the Force remains under substantial pressure to maintain service provision and flex to meet new demands. Due to the current central funding model, and the annual uncertainty that surrounds it, this will be an ongoing risk.

- The increased recruitment of new officers is positive, but retention continues to represent a significant strategic risk. Additionally, high levels of recruitment impact on the resilience of other areas, such as training and vetting, requiring further mitigating actions.

- The proximity of the launch of CMP, and successful passage through various testing stages has reduced the risk, and it would be expected that SR75 and SR76 will be removed from the register in 2019/20.

- Termination of the Livelink risk had been anticipated in this reporting year, but it is now likely that it will happen by the end of the next reporting year.

STRATEGIC RISKS REMOVED / DE-ESCALATED IN 2018/19:

There were no strategic risks removed from the SRR this reporting year, or de-escalated to Local Risk Registers.

As noted above, it is likely that the coming year will see the termination of at least three strategic risks, associated with the implementation of new technology (Contact Management Platform and SharePoint) and the decommissioning of the current Livelink document management system.

ADDITIONAL STRATEGIC RISKS CONSIDERED BY FRMG:

The following risks were presented as potential strategic risks in the year July 18 – June 19:

- Peoplesoft failure – CCMT decision that this risk be effectively managed through the ERP Programme Board.
- Mapping systems failure - this risk links to those systems not covered by CMP. CCMT decision to effectively manage risk through the ESRI programme as part of CMP.
- Over–reliance on legacy systems – CCMT decision that relevant issues were addressed via respective programme boards.
- Partnership funding – there is an ongoing piece of work to identify the full extent of this risk locally and strategically, when it will be reframed and brought to a future FRMG.
- Brexit – CCMT were satisfied that all risk and business continuity elements associated with Brexit are being effectively managed through the Gold Group.

SIGNIFICANT RISK MANAGEMENT ACTIVITY UNDERTAKEN IN 2018/19:

Since the introduction of the new Risk process, all Local Police Area and Operational Command Unit risk registers have been reviewed and updated, rescoring in accordance with the 4x4 matrix.

A greater emphasis has been placed on linking risks to strategic or departmental goals. This assists in ensuring that the process and outcomes contribute to performance improvements in the delivery of the force's objectives. It also increases the relevance of the activity to local priorities, strategic understanding and decision-making.

A regular analysis of risk registers, including those produced for project and programme boards, enables a more co-ordinated understanding of threats to effective delivery of policing aims and the ability to identify common themes or trends.

Staff in the Strategic Governance Unit have received training from an external provider in effective risk management. This has been cascaded to local risk managers to further professionalise the approach.

Strategic partnerships continue to provide strength in collaborative approaches to risk management, such as the combined risk register entries with Hampshire Constabulary regarding the Contact Management Platform and the development of a new risk with SERIP (South-East Regional Integrated Policing). Regional and National forums, and good communications with other agencies ensure the Force remains up-to-date with good practice, knowledge and practice sharing.

TVP are able to demonstrate that strategic risk scores are generally falling, although the reasons for these falls can be complex. Clear plans being used to successfully mitigate elements of a risk as demonstrated by the activities of the Retention and Recruitment Programme Board: the risks emanating from insufficient recruitment were identified and the Board delivered SMART actions to reduce the likelihood of these outcomes through a variety of activities focussed on increasing officer numbers.

CONSIDERATION OF FUTURE RISKS:

A new initiative introduced this year is the consideration of future strategic threats and risks that may impact on effective service delivery.

Utilising all available strategic information, including the Force Management Statement, horizon scanning, the new Strategic Plan, existing risk registers, and external documents such as HMICFRS inspection reports, Policing 2025 and the College of Policing's "Perennial Problems", a number of strategic areas have been identified as potential risks that require further development.

CCMT have agreed the areas which create the greatest potential strategic risk, and prioritised these for further work.

The Strategic Governance Unit will work with Department heads, and establish risk working groups, made up of force experts and cross-departmental representatives, to identify TVP specific risks and, where appropriate, prepare these risks for presentation to CCMT.

CCMT will then determine the most appropriate risk management approach in terms of risk leads and time lines.

SUMMARY OF BUSINESS CONTINUITY INCIDENTS 2018/19:

Business Continuity planning continues to maximise the strategic capability of the organisation by planning for and responding to incidents and business disruptions in order to continue delivering core services. This proactive approach is supplemented by organisational learning from exercises and actual incidents.

This year, there were three occasions when business continuity plans were invoked in response to a significant incident:

Date	Location	Incident Summary
07/07/2018	H/Wycombe Police Station	Flood in the basement of High Wycombe police station from a burst water pipe impacting on the electrical supply to the custody suite. **Outcome** - Custody services relocated to Aylesbury.
17/07/2018	H/Wycombe Police Station	A further flood occurred in High Wycombe police station caused by a secondary pipe failure. Both water and electricity supply were stopped for a number of hours. **Outcome** - Impact on front desk activities.
10/10/2018	HQ South	Loss of water to HQS for around 3.5 hours. Impact on toilets / access to water. 2 departments invoked BC plans. **Outcome** - Created delays to services from Forensics Chem Lab.

BUSINESS CONTINUITY EXERCISING:

Three Business Continuity Exercises have been completed this year:

- Finance Department (August 2018)
- Forensic Investigation Unit (October 2018)
- People Directorate (November 2018).

The exercises have been positively received and engaged with. They have provided assurance that there is a sound basic understanding of the principles of business continuity within departments. The exercises have also provided opportunities for organisational learning which will be used to further develop business continuity practices.

Of particular note was the Forensic Investigation Unit exercise, as this was undertaken in support of the UKAS accreditation process and formed an important part of proving that suitable plans and contingencies were in place to enable the Force to be accredited in line with new requirements.

A full schedule of exercises is planned for 2019/20, coinciding with a review of all business continuity plans in line with best practice and the new process adopted in Force.

ICT PRIORITY 1 and 2 INCIDENTS:

Summary

Definition	2017/18	2018/19
P1 - "an ICT event which impacts the whole force, with a fix time required of less than 4 hours."	12	13
P2 - "an ICT event which impacts on a single department or site, with a fix time required of less than 8 hours."	130	103

Of these incidents one involved invoking a Business Continuity Plan, and one P2 ICT incident which did not meet the criteria for a P1, resulted in a plan being pre-emptively engaged.

Having reviewed P1 and P2 incidents, there are no identified concerns or indicators to suggest either emerging risks, changing risks or significant business continuity concerns.

CONCLUSION:

The Force continues to take a robust and thoughtful approach to both risk and business continuity planning. The new governance processes have strengthened the Force's position, with ownership and responsibility being shared by strategic leaders across the Force. The Strategic Governance Unit provides a central point of co-

ordination and planning, developing expertise to advise and guide local Risk and Business Continuity owners.

In previous years, the SRR has shown a bias towards technological risks; the new register is far more reflective of threats to organisational and operational delivery in all its forms. It is also more reflective of the changing police landscape.

The new process blends a proactive approach, drawing on all available strategic knowledge with the ability to react to live-time incidents when required. Both elements inform organisational learning with a view to continuous improvement.

The coming year will see the new process and products become 'business-as-usual', incorporating the new elements of future risk identification and a full schedule of business continuity exercises that will be reported on in next year's annual plan.

JOINT INDEPENDENT AUDIT COMMITTEE

Report for Decision: 15 March 2019

Title: Draft Annual Governance Statement 2018/19

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.

On 15th March the Committee was presented with an early draft of the AGS for consideration and comment.

In accordance with members' requests an updated, tracked change version, was sent to members before the AGS was included in the Statement of Accounts as submitted for external audit and comments were acted upon accordingly.

Attached at Appendix 1 is a single, combined, draft AGS which shows how the Chief Constable and the Police and Crime Commissioner (PCC) have complied with their joint Code of Corporate Governance during 2017/18.

The joint AGS is published in the annual Statement of Accounts for 2018/19 that the PCC and Chief Constable have produced.

Following an internal officer review of effectiveness of the present governance arrangements 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 2019/20.

Recommendation:

The Committee is asked to review the Annual Governance Statement for 2018/19 and endorse the conclusion contained therein.

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 2018/19 Framework was approved by the PCC and Chief Constable on 29th March 2018.

1.5   The Annual Governance Statement for 2018/19 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.

1.9   As in previous years there are **no** significant governance issues requiring immediate attention, nor are there any potential issues that will require close monitoring during 2019/20 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. The **Contact Management Platform** (CMP) - as previously reported, CMP has taken longer to deliver and cost significantly more than originally expected or planned for by TVP and Hampshire Constabulary, but the projected business benefits out-weigh the additional cost and effort to both Forces. For example, the platform will enable the entire citizen contact journey to be managed by one, integrated, platform, allowing call-handlers and officers to provide a rapid and better-informed response to victims. In addition, it will further develop the understanding of demand and assist in the reduction of unnecessary contact as well as targeting areas of need. The delay and cost issues have arisen from technical and operational issues, not a lack of governance in TVP and Hampshire Constabulary. In practice, Project Boards, Chief Constables and PCCs have been kept updated on progress and key decisions have been taken at the joint TVP/HC collaboration Governance Board in respect of variations to system design specifications, delivery and implementation timetables and costs.

b. **Emergency Services Network (ESN) / Emergency Services Mobile Communications Project (ESMCP)** – This national ESN / ESMCP programme is now running up to 3 years behind timetable, which has implications for both national and local budgets. The delivery mechanism has moved from a force by force basis to a phased rollout although the final programme plan is still awaiting sign off. TVP continues to proactively monitor national developments and local financial and operational plans are adjusted accordingly. This is not a local governance or internal control issue.

c. **Equip (previously known as ERP)** – this tri-force project is experiencing the delays and challenges that would be anticipated given the complexity and diversity of existing processes and systems. The programme is currently revisiting the go-live dates given some challenges and supplier changes within the programme. There is a tri-force governance board, as well as local TVP Project Board. Respective PCCs and chief officers are updated on a regular basis. The delays and cost increases are not caused by inappropriate governance arrangements but by the complexity of what is being achieved.

d. **National programmes -** There are a number of national programmes, such as NLEDS and Transforming Forensics, which 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:

e. **Custody contract** – In the past there have been some service issues with the current custody contract. The present custody contract expired on 31 March 2019 and following a tender process the decision was made to bring the service back in house with effect from 1 April 2019. This change

in service delivery has been implemented. There are no internal governance issues as this function will now be an internal department of TVP.

f. **Forensic services** – TVP procures some of its forensic services through Key Forensics. This company went into administration on 31st January 2018 and a national rescue package is being implemented through the APCC, NPCC and Home Office, TVP Procurement are maintaining their engagement with the national team. TVP Procurement are also working with the operational units to manage the position.

g. **Large scale fraud** - the PCC is the APCC's deputy portfolio lead for fraud and cyber-crime. He has raised concerns locally and nationally as to the impact of large-scale criminal investigations into banking fraud (such as in the HBOS case) upon the operational budgets of Thames Valley Police and nationally. However, the group considered that, in terms of governance, effective mechanisms already exist to ensure the Chief Constable (and PCC) has effective oversight of the financial and operational implications of lengthy and onerous criminal investigations, and the impact in terms of the volume of resultant fraud cases.

h. **Internal audit reports** - reports issued during 2018/19 were considered; however, it was felt that there were no outcomes or actions of sufficient seriousness and relevance to qualify as a potential risk to the effectiveness of the overall corporate governance arrangements.

i. **Collaboration –**There are no significant new collaborative initiatives anticipated or planned for in the near future and, as such, no impact upon governance will occur**.**

National Considerations:

j. **Brexit** – For the UK to leave the EU it had to invoke Article 50 of the Lisbon Treaty which gives the two sides two years to agree the terms of the split. The UK triggered this process on 29 March, 2017, meaning the UK was originally scheduled to leave at 11pm UK time on **Friday, 29 March 2019**. This date has now been extended to 31 October 2019. At this stage we do not know what deal, if any, the UK Government will agree with the EU. Whatever deal is agreed (including "No Deal") there will inevitably be some operational and financial impact on Thames Valley Police. The Force has a dedicated operation, under a Gold Commander, to manage Brexit-related operational issues. However, we do not believe these will impact on the corporate governance framework, at least initially. Any changes that come to light during 2019/20 will be incorporated in next year's review.

k. **PCC as appellate body for police complaints** – the forthcoming changes to the national police complaints system will see a transfer of responsibility for acting as the appellate body in respect of complaints made against police officers and staff below the rank of Chief Constable from the Chief Constable to the PCC. The new arrangements will be developed in consultation with the Force's Professional Standards Department (PSD). The date for formal transfer of responsibility is currently unknown. An implementation period of 6 months will be given to PCCs from the date of laying the regulations. As this transfer of

responsibility represents a statutory national requirement, there are not considered to be any local corporate governance issues or implications.

2   Issues for consideration

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

a) Does the AGS provide an accurate representation of the corporate governance and internal control environment in place in Thames Valley Police during 2018/19 and its adequacy and effectiveness?

b) Are members happy to endorse the statement that there are no significant governance issues requiring immediate attention during 2018/19?

c) Are members happy with the issues listed in paragraph 1.9 above and the reasons provided by the Governance Advisory Group for not including them in the 2018/19 AGS?

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 15th March 2019.

Name & Role	Officer
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.	PCC Chief Finance Officer
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	Chief Executive
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 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   2 July 2019   Chief Finance Officer   Date   2 July 2019

Annual Governance Statement 2018/19

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 2019, including plans for the financial year 2019/20.

A glossary of terms is provided at the end of this document.

SCOPE OF RESPONSIBILITY

The PCC and Chief Constable were established on 22 November 2012 as separate legal entities ('corporations sole') which means they are both entitled to own assets and employ staff.

The PCC is responsible for ensuring his business is conducted in accordance with the law and proper standards and, consequently, that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. Both the PCC and Chief Constable are required to, and have, appointed chief financial officers who each have a fiduciary duty to the local taxpayer for securing the efficient use of public funds. Under the Local Government Act 1999 the PCC makes arrangements to secure continuous improvement in the way his functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the PCC is responsible for putting in place proper arrangements for the governance of his affairs and facilitating the exercise of his functions, which includes ensuring a sound system of internal control is maintained and that arrangements are in place for the management of risk. In exercising this responsibility, the PCC places reliance on the Chief Constable to support the governance and risk management processes.

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 police officers and staff remain 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 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 entities (i.e. 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 GOVERNANCE FRAMEWORK

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 Code of Ethics sets and defines the exemplary standards of behaviour for everyone who works in policing, placing an absolute duty on 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 hospitability are published on the PCC's website.

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 by managing the application of police misconduct regulations, and the administration of complaints by members of the public against police officers and police staff below the rank of Chief Constable. 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 Complaints, Integrity and Ethics 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 demonstrate respect for the rule of law and comply with relevant laws and regulations. Both employ in-house legal advisors to provide assurance of the same 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 ensure that legal and regulatory breaches and misuse of power are dealt with effectively. The PCC and his Deputy are subject to a Code of Conduct that is consistent with the Nolan principles. The Chief Executive of the OPCC is also the designated statutory Monitoring Officer, and the OPCC Governance Manager is Deputy Monitoring Officer, 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 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 (APAC^{2}E) 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 Crime Plan.

The Police and Crime Plan must be published by the end of the financial year in which the PCC is elected and, in the Thames Valley, is reviewed 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 PCC's Police and Crime Plan sets out his strategic policing and crime priorities and key aims, and how these will be delivered. His Plan is supported by the Force Commitment, Force Annual Delivery Plan, the OPCC's Strategic Delivery Plan and the Financial Strategy. The Police and Crime 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 PCP 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 Crime Plan. It also meets specifically to consider the PCC's proposed annual precept increase, Police and Crime Plan, Annual Report and any proposed appointment 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, including a schedule of formal public and private meetings, i.e. regular public meetings with the reports and agendas published on the PCC's website, supplemented by regular 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 and, as a public authority, under the Freedom of Information Act 2000.

The PCC published his 2017/18 Annual Report last June (2018). This explained his main achievements during that financial year and also provided information on operational and financial performance during 2017/18. His 2018/19 Annual Report is due to be published in June 2019.

The Chief Constable has prepared and published the Force Commitment and the annual Delivery Plan. Quarterly Delivery Plan updates are provided to the PCC Level 1 public meeting, and published on the PCC's website, culminating in an end-of-year report of Force progress against stated objectives.

The Code of Ethics, the Force Commitment and the Force Delivery Plan are 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 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 in their local areas as well as at a national level. In addition, the PCP acts as a two-way mechanism to enable Panel representatives to inform the PCC of local policing and crime matters of importance to their respective local authorities, 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 objectives, as set out in his Police and Crime 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. An Assistant Chief Constable (ACC) represents TVP on the Board. The PCC was Chairman of the Board for the period January 2016 to January 2018. The Deputy PCC has assumed chairmanship of the Board with effect from January 2019.

The Force has appropriate mechanisms for engaging with a variety of institutional stakeholders. The Chief Constable holds regular meetings to which the chief executives of all statutory partners are invited. This is a strategic information sharing and briefing forum for key partners, including local authorities, blue light services and health providers. In addition, Local Police Area Commanders routinely engage with the local authority commensurate to their geographic area, including their Community Safety Partnership. Multiple partnership forums exist across the operational policing landscape, including Multi-Agency Safeguarding Hubs (MASHs), and joint governance boards meet monthly or quarterly to manage bi-lateral arrangements between Thames Valley Police and Hampshire Constabulary. 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, 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 PCP.

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 priorities and key aims, and how these will be delivered.

The Chief Constable has published the Force Commitment and annual Delivery 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 strategic objectives is assessed through Delivery Plan Priority Outcomes, 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 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 change professionals 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 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 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 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 Strategic Governance Unit, bringing together horizon scanning, local risk registers and change-programme risk and business continuity issues.

The Force and PCC have duties 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 strategic assessment, financial plans, workforce plans and the Police and Crime Plan to inform the annual Delivery Plan. Force Management Statements were introduced nationally by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) in 2018 and their required completion by forces at a local level will also inform Force operational planning. 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 Level 1 meeting, which are published publicly.

The Chief Constable maintains MTFPs, which form 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, change proposals are governed through Force Change Review Part 1, now called the Change Governance Meeting, which co-ordinates and prioritises proposals, assessing them against the organisations strategic objectives, capacity and financial capability. Each proposal is captured through an application, then if appropriate a business case.

In-flight programmes are managed by a Programme Board, chaired by a Senior Responsible Officer. Updates inform the Force Change Review Part 2, now called 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 framework for decision making. The MTFP and MTCP are closely aligned to the PCC's Police and Crime Plan and the Force Commitment. The PCC approves the MTFP and the MTCP as well as the annual budgets. The PCP 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. Formal budget monitoring is undertaken on a regular basis throughout the year, i.e. it is presented to the PCC's regular public Level 1 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, £2.6m of cash savings were identified and removed from the revenue budget during 2018/19.

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 Delivery 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 and treasury management, is sourced externally, as this is more practical and cost-effective. The PCC and Chief Constable use the

annual staff appraisal process to focus individual employee contributions towards corporate objectives and measures, and to facilitate continuous professional development.

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 Delivery 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 to develop the workforce and move towards being increasingly reflective of the communities it serves. 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 HMICFRS audit / inspection processes.

The PCC has appointed a Deputy to assist him discharge his statutory functions. Both the PCC and Deputy PCC have received appropriate induction training. Ongoing training will include 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. In April 2018 the PCC brought victim support services in-house. 'Victims First' is the overarching name for all the PCC's work in providing support for victims of crime. The PCC reviews the workload and capacity of his office via the internal OPCC Strategic Delivery Plan, which allows him to identify workload priorities and staffing needs in accordance with the delivery of his strategic objectives.

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 GSI, 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 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 Delivery Plan. Similarly, the PCC meets monthly with the Chief Constable on a private 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 Strategic Delivery Plan to the PCC on a monthly basis via the Senior Management Group meeting. 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 Crime 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 Delivery 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 Delivery 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 Performance Risk Meetings, chaired by the Deputy Chief Constable, in which constructive challenge and debate on thematic operational policies and procedures is encouraged. Each meeting will involve a review of the end-to-end process against policy and procedure, problem-solving particular challenges in those areas. The findings of these meetings are fed into the Chief Constable's Performance Group.

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) has been established in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance and the Financial Management Code of Practice. The JIAC's main role is to provide assurance to the PCC and Chief Constable that the internal control and governance framework, including risk management, is operating 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 PSD. 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 2018.

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 Regulations, the Freedom of Information Act 2000 and the Code of Practice on the Management of Police Information, and this is overseen by the Information Governance Board chaired by the Director of Information. 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. 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 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 Level 1 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. £2.6m of cash savings were identified and removed from the revenue budget during 2018/19. 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 2014).

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 understand.

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

The PCC complies with the Elected Local Policing Bodies (Specified Information) Order 2011 and publishes required information on his website.

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 and efficiency of police forces and fire & 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 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

Chief Constable Francis Habgood retired on 31st March 2019. He was replaced by John Campbell with effect from 1st April.

The PCC and Chief Constable are responsible for reviewing the 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 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;
- 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 area;
- commission victims 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 2018/19 and demonstrate how the PCC has discharged these powers and duties during that year:
- The updated framework for corporate governance was approved on 29 March 2018;
- The PCC allocated £3.0m from his Community Safety Fund in 2018/19 to help improve community safety and crime prevention across the Thames Valley. £2.7m was given to local authorities and £0.3m was retained by the OPCC to help fund Thames Valley-wide initiatives;

- The PCC published his 2017/18 Annual Report in June 2018 to highlight major achievements during his fifth full financial year in office and to report on operational and financial performance during 2017/18;
- In March 20189 the OPCC published its Strategic Delivery Plan for 2018/19. 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;
- In April 2018 the PCC opened his Victims First hub which provides free emotional and practical support to all victims and witnesses of crime, as well as family members of victims. It is available across Berkshire, Buckinghamshire and Oxfordshire and can provide help regardless of whether or not the crime has been reported to the police.
- During the autumn of 2018 the PCC worked closely with the Chief Constable to update the MTFP (2019/20 to 2022/23). He submitted his 2019/20 budget and council tax proposals for 2019/20 to the Police and Crime Panel on 13th February 2019. The Panel endorsed his £24 (or 13%) increase in Band D council tax ;
- Following an open and transparent recruitment process the PCC appointed John Campbell as his new Chief Constable, with effect from 1 April 2019. This appointment was ratified by the Police and Crime Panel confirmation hearing held on 13th February 2019.
- 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 business change programmes such as Contact Management Platform (CMP) and Equip (Enterprise, Resource Planning) which were both escalated to the relevant collaboration governance boards;
- The PCC represents the South East region and Eastern region PCC colleagues on the National Police Air Service Board;
- Four PCC public Level 1 meetings were held in 2018/19, supplemented by monthly private liaison and Performance Development Review meetings between the PCC and Chief Constable, to enable the PCC to hold the Chief Constable to account;
- In 2018/19 the OPCC again received an 'OPCC Transparency Quality Mark' awarded by CoPaCC, an organisation that compares OPCCs on their statutory requirements to be open and transparent via their website

### b)	The Force

The CCMT met formally on 11 occasions and the Joint Chief Officers Group (TVP and HC) met formally on 5 occasions during 2018/19 to determine and monitor Force strategy, policies and performance.

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 2018/19 by the PCC at his Level 1 meeting on 22nd January 2019. 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. The Effectiveness & Efficiency Programme builds upon the legacy of the Priority Based Budgeting outcomes and methodology to continue the prioritisation of services and expenditure.

CCMT reviews Force Change programmes, performance and HMICFRS activity on a regular basis. Strategic Risks and Business Continuity, and Delivery Plan monitoring reports are included quarterly. Other significant areas of note discussed in 2018/19 include demand management and resource modelling, training prioritisation, crime data integrity, recruitment and retention, and the Internal Audit plan.

The Force Transformation Board met on five occasions and reviewed all in-flight change programmes, including Contact Management, Operating Model, Emergency Services Mobile Communications Project (ESMCP) and Enterprise Resource Planning (now Equip). The Board also routinely receives

monitoring reports on progress against productivity and efficiency initiatives and an update from Corporate Communications regarding their support of change programmes

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 Chief Constable launched the Force Commitment in April 2016. The overarching commitment of working together to make communities safer is supported by four pillars that include sections for what it means for the public, partners and people working or volunteering for TVP.

In 2017/18 the HMICFRS rated Thames Valley as 'Good' in the PEEL inspection areas of Legitimacy and Effectiveness, and 'Outstanding' for Efficiency. The Force was re-inspected in these areas in February 2019, with the report anticipated in the autumn of 2019. Following the 'inadequate' grading in relation to Crime Data Integrity, a Gold Group was established to address identified process issues and deliver against the action plan put in place. The Force was notified in February of HMICFRS re-inspection in this area, which will take place during April and May 2019

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.

c) The Joint Independent Audit Committee

During 2018/19 the JIAC met four times to consider the external audit and internal audit plans for 2018/19, 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 business transformation projects. JIAC members also attend Force working groups (including the Force Transformation Board, ICT 2020, TVP/HC Bilateral Governance Board and Performance Group) and other panel meetings (including the Complaints, Integrity and Ethics 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 2018 was presented to the PCC and Chief Constable at their JIAC meeting on 7 December 2018. 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 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 2018/19 was approved by the PCC and Chief Constable at the PCC's Level 1 meeting on 29 March 2018. Further updates for 2019/20 were approved by the PCC and Chief Constable at the Level 1 meeting on 26th March 2019

The Governance Advisory Group also developed this joint Annual Governance Statement for 2018/19.

e)   Internal audit

The annual report of the Chief Internal Auditor for 2018/19 was presented to the JIAC on 12 July 2019. It contained the following assurance statement on the overall adequacy and effectiveness of the internal control environment:

"*On the basis of the work completed by the Joint Internal Audit Team during 2018/19, the opinion on 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.*

At a statistical level, the opinion represents a slight reduction in the level of control being applied across the organisations. However, as the Joint Internal Audit Plan does not include the same audits year on year, this cannot be taken as a direct comparison.

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.

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 generally provided a positive view of the organisation's arrangements. .

Overall, the opinion demonstrates a good awareness and application of effective risk management, control and governance to facilitate the achievement of organisation objectives and outcomes".

[NB The assurance statement for 2018/19 will be subject to the actual annual assurance statement to be produced by the CIA]

f)   External audit

On 13 July 2018 Ernst and Young issued unqualified audit opinions in respect of the 2017/18 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 2018/19 HMICFRS published a number of reports which were considered by the Force and PCC. All reports are available on the HMICFRS website:

Date published by HMICFRS	National / Force Report	Report Types	Report Title	Date CC Reported to PCC	PCC Response to HMICFRS: Y/N
12/06/2018	National	Non-inspecting	State of Policing: The Annual Assessment of Policing in England and Wales 2017	26/11/2018	Y
20/06/2018	Force	Thematic	TVP: Unannounced Inspection Visit to Police Custody	26/11/2018	Y
06/07/2018	National	Joint Targeted Area Inspections	Growing up neglected: a multi-agency response to older children	26/11/2018	Y

19/07/2018	National	Thematic	Understanding the difference – the Initial police response to hate crime	26/11/2018	Y
09/10/2018	National	JTAI	Joint Inspection of the Handling of Cases Involving Disability Hate Crime	26/11/2018	Y
27/11/2018	National	Effectiveness	Policing & Mental Health – Picking Up the Pieces	26/03/2019	N[1]
10/01/2019	National	Data - PEEL	Public Perceptions of Policing in England & Wales	26/03/2019	N
26/02/2019	National	Effectiveness	The Police Response to Domestic Abuse – An Update Report	Anticipated 25/07/2019	N[2]

The HMICFRS national 'State of Policing – The Annual Assessment of Policing in England and Wales' report for 2017 was published on 12th June 2018. The Police Act 1996 section 54(4A) requires HM Chief Inspector of Constabulary to report each year on his assessment of the efficiency and effectiveness of policing in England and Wales. This assessment covers the full breadth of inspections conducted by HMICFRS throughout the year and provides an overview of the policing in England and Wales.

Where appropriate, 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.

The PCC is required to publish a response to all inspection report recommendations within 56 days of the publication of the report. The PCC's responses to relevant HMICFRS inspection reports have all been published.

h) **Risk management and business continuity**

The Force Risk Management Group met four times during 2018/19 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 2019 there were seven risks on the Strategic Risk Register with mitigating actions.

The Strategic Business Continuity Co-ordination Group met twice to discuss the strategic resilience panel update, business continuity planning, critical functions review, local resilience forums and business continuity governance (audit, strategy, policy, incident report updates).

Business continuity incidents, categorised by impact, were detailed in quarterly reports to the JIAC, including measures taken to minimise their impact. The majority were related to ICT. The JIAC also received information on exercises to test business continuity plans.

Internal Audit were commissioned to undertake a review of the Risk and Business Continuity processes to assist with their development under the new Strategic Governance model. This led to the production of an audit report, the recommendations of which informed the Strategic Governance review of existing risk & business continuity processes, products and exercising. The new Risk and Business Continuity frameworks and supporting policy, guidance and documentation were approved by CCMT in November, JIAC in December and were introduced in January 2019. All Local Police Areas and Operational Command Units have been engaged and visited to update their risk registers and transfer them into the new format. All risks have clear ownership, have been rescored according to the new process, and allocated the appropriate risk action – tolerate, treat, transfer, terminate.

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[1] Response prepared but pending guidance on HMCIFRS recommendations register.
[2] Ibid.

i)   Health and Safety and Environmental Management

An annual report on HS&E was presented to the July 2018 meeting of the Joint Independent Audit Committee for scrutiny. 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.

In June 2016 the Chief Constable and PCC published a joint health and safety policy statement outlining their commitment towards securing safe working practices and compliance with applicable health and safety legislation. Copies are accessible to all staff via the Intranet, and are displayed on the health and safety notice boards in all premises.

The Health & Safety Management Policy was reviewed and transferred onto the new policy template in January 2018, with no material changes made to the content.

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 Complaints, Integrity and Ethics Panel meets every two months and reports jointly to the PCC and Chief Constable. The Panel provides an assessment of how the Force deals with complaints and 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 has challenged the Force on included BAME (black and minority ethnic) staff under representation as a proportion of the workforce within TVP, use of force by officers, treatment of detainees in custody with mental health issues and relative prioritisation of historic child sexual exploitation (CSE) cases. .

The Panel presented its Annual Assurance Report for 2018 to the PCC and Chief Constable on 26th March 2019. This 2018 Report highlighted that the Panel had scrutinised complaint files covering the following themes:

- Honesty, integrity and ethics
- Discreditable conduct
- BAME representation

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 Integrity Sub-Group, chaired by the Head of the PSD, which meets quarterly.

The Chief Constable continues to promote the fundamental importance of TVP officers and staff employing the highest professional standards, principles which are embodied and enforced through the 'Force Commitment' that was launched to the public, partners and staff from April 2016. The four key strategic priorities have remained the same, and reflect the importance and requirements of 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 2018/19 the PSD received and processed 1,226 complaints and 105 conduct matters and held 50 misconduct meetings and hearings in accordance with the statutory scheme. In addition, the OPCC itself handled 7 complaints made against the Chief Constable in accordance with the statutory police complaints scheme.

k)   Thames Valley Police and Crime Panel

During 2018/19 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 2017/18 year; scrutiny and consideration of the PCC's 2019/20 budget and council tax precept

proposals, and scrutiny of the PCC's recommended appointment of a new Chief Constable with effect from 1 April 2019. Over and above these specific activities, the Panel continued to receive and consider regular reports on the delivery of the Police and Crime Plan strategic priorities and key aims, including the contribution made by other partner agencies, and 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 2018/19 the OPCC referred 4 complaints against the PCC to the PCP for consideration by them under the statutory scheme.

The Panel itself published its own 2017/18 Annual Report in June 2018.

l)   Collaboration and partnership working

The joint TVP and HC Bi-lateral Collaboration Governance Board formally met four times during 2018/19. 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 five times during 2018/19.

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. Four meetings of the regional governance board were held during 2018/19. 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. A regional 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

The work carried out by the Governance Advisory Group to review the Joint Corporate Governance Framework itself, and how it has been applied in practice over the financial year 2018/19, has informed the latest review of the Framework which was approved in March 2019. 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.
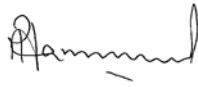
There were no significant actual or potential governance issues identified in respect of 2017/18 which were due to be monitored during 2018/19.

There are currently no significant actual or potential governance issues identified in respect of 2018/19 activities. Accordingly, the Governance Advisory Group are satisfied to the best of their knowledge that no material breaches of the governance arrangements occurred in 2018/19 and there are no significant weaknesses in the internal control and governance environment.

In any event the governance arrangements of the PCC and the Chief Constable will remain under constant review in the forthcoming financial year.

Anthony Stansfeld
Police and Crime Commissioner

Paul Hammond
Chief Executive
(Monitoring Officer)

Ian Thompson
Chief Finance Officer and
Deputy Chief Executive

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

Joint Independent Audit Committee (JIAC)

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

JIAC Summary

In accordance with the Operating Principles of the Committee agreed at its first meeting held on 27 March 2013, the Committee has the following responsibilities in respect of 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 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**

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

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 for ensuring that areas of risk are identified and managed appropriately across its activities, which mirrors that used by the force.

There are currently seven active risks on the OPCC risk register. Since the last meeting one risk (OPCC 22) has been closed. OPCC 22 was the risk that the upgrade of the Niche RMS crime recording system by TVP would lead to disruption or the inability to provide a victims data extract in a form that can be automatically uploaded onto Apricot CMS in the Victims First Hub.

OPCC Risk Summary

The table below (over page) shows the direction of travel of each risk score and the current risk management status as agreed by the OPCC Senior Management Group. A more detailed description of the risk, including rationale for any change in risk level, is then provided in the risk summaries which follow.

In moving to the new force risk management matrix, the new risk scores are based on a 4 x 4 matrix and are not therefore numerically comparable with the previous 5 x 5 matrix. Direction of travel can still be determined and relied upon. In future reports that direction of travel will be supplemented with the previous risk score to provide a clear indication of the magnitude of any change.

All risks have been re-scored with input from the risk owners.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Risk description and link to full document	Risk and score (IxL)	Trend	Risk Owner	Current Risk action
OPCC 18 - Funding The level of funding may be insufficient to deliver the planned outcomes in PCC's Police and Crime Plan 2017-21	**6** **(2.6x2.3)**	⬇	Ian Thompson	**TREAT**
OPCC 19 – Victim services By promoting the Victims First service the demand for victim services could exceed the supply available from PCC-commissioned contracts / service providers	**5** **(2.2 x 2.3)**	⬌	Shona Morrison	**TREAT**
OPCC 21 – Specialist Counselling Service Review of the OPCC victims 'specialist counselling service' identifies potential weaknesses in internal management controls and administrative procedures that requires significant investment in OPCC time, resource and cost to rectify	**5** **(2.2x2.5)**	⬌	Shona Morrison	**TREAT**
OPCC 23 – New demands on OPCC 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	**5** **(2.2x2)**	⬌	Paul Hammond	**TREAT**
OPCC 24 – Specialist victims' services not in place before April 2020 The OPCC commissioning process fails and new specialist victims services are not in place before 1st April 2020 when current contracts expire	**5** **(2.4x2)**	⬌	Shona Morrison	**TREAT**
OPCC 25 – GDPR compliance The change from Data Protection Act to General Data Protection Regulation (GDPR) requirements has increased the scale of potential financial penalties resulting from non-compliance	**3** **(2 x 1. 3)**	⬌	Vicky Waskett	**TREAT**
OPCC 26 – Safeguarding responsibilities in the Victims First hub Failure to meet safeguarding responsibilities in the Victims First Hub resulting in harm to victims and/or reputational damage for the PCC	**5** **(2.3*2)**	⬌	Shona Morrison	**TREAT**

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Current Strategic risk update

Risks are listed in current priority order, as identified by current scoring. Risk summaries include an assurance level, using the following definitions.

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. In future this will also include how effective mitigating actions have been in the past, and confidence around the potential effectiveness of future actions.

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OPCC Risk Management Update

OPCC 18 – Funding

Risk Summary - The level of funding may be insufficient to deliver the planned outcomes in PCC's Police and Crime Plan 2017-21
Consequences:

- Level of funding is insufficient to maintain the current level of service against increasing demands
- PCC unable to demonstrate that he has delivered his manifesto commitments and Police & Crime Plan objectives and targets
- Partnership working does not take place at the required level

Risk Owner: Ian Thompson

Reviewed: 19/06/2019   **Next Review Date: 23/08/2019**

Context: The positive police grant funding settlement for 2019/20 has alleviated the immediate financial risk but the PCC needs to remain focused on providing sustainable and affordable public services in the long term which is difficult with the high degree of uncertainty around future funding levels. However, the current Police and Crime Plan expires in 2021 so the risk of not delivering those current priorities is now lower than it would have been a few years ago.

This risk is currently being **TREATED** through the normal budgeting processes in place.

Level of Assurance: **Reasonable.** There are well established budgeting and monitoring processes in place with clear timescales. The Force has a clear medium term financial plan for both capital and revenue expenditure and there is an annual process of external audit in relation to the financial processes.

Risk Score Trend: As we near the end of the current Police and Crime Plan period (2017 – 2021) the impact and likelihood scores should continue to fall.

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.
The document references the supporting Level 1 Finance papers, which includes budgets and financial plans.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
The current financial projections for 2019/20, which includes future costs and budgeted income / expenditure, were reported to the January 2019 PCC Level 1 meeting. That report concluded the budget setting process for 2019/20. That document will form the basis for the 2020/21 planning cycle, commencing July 2019 and running during the year as new information becomes available, finishing January 2020.	Ian Thompson	June 2020	A number of factors are recognised as potentially impacting on the 2020/21 budget and will be factored into the annual planning cycle as far as possible: • The short-term horizon of future central economic decisions and the impact this has on TVP ability to plan • Current political uncertainties • Changes in the CC and PCC roles and possible changes in TVP priorities • Future changes around partnership funding and the impact on TVP • Comprehensive Spending Review • Funding Formula Review These areas will be monitored and analysed throughout the year and feed into the service and financial planning cycle.	Ian T	31/01/2020

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

OPCC 19 – Victims services

Risk summary: By promoting the Victims First service the demand for victims' services could exceed the supply available from PCC-commissioned contracts / service providers

Consequences:

- The demand for victims services could exceed current supply
- The quality of service provided to victims is adversely affected
- Reputational damage for the PCC

Risk Owner: Shona Morrison

Reviewed: 19/06/19   **Next Review Date: 23/08/2019**

Context:

Level of Assurance: **Reasonable.**

Risk Score Trend: There are no significant changes to the score of this risk and it remains TREATED.

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
• Temporary increases in demand on VF Hub assessment function managed by utilising OPCC policy officers to provide lateral cover and perform Victims First Officer functions on an 'as needed' basis. • Service provision by commissioned service providers varied by contract negotiation. • Prioritise and ration victims support service provision as necessary.	Shona Morrison	October 2019	Automatic Data Transfer from Niche to be updated to eliminate victim data transfer errors	Shona	31/10/19

OPCC 21 – Specialist Counselling Service

Risk summary: Review of the OPCC victims 'specialist counselling service' identifies potential weaknesses in internal management controls and administrative procedures that requires significant investment in OPCC time, resource and cost to rectify

Consequences:

Possible
- Loss of service to victims
- Reputational damage to the PCC
- Fined for non-compliance with GDPR requirements
- Victim pre-trial Therapy/Disclosure implications

Risk Owner: Shona Morrison

Reviewed: 24/01/19   **Next Review Date: 23/08/19**

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Context:

This risk is currently being **TREATED** through the OPCC.

Level of Assurance: **Reasonable**.

Risk Score Trend: There are no significant changes to the score of this risk and it remains TREATED

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
• **Other services exist which could step in.** • **Counselling pathways kept intentionally narrow so that only existing Victims Services can refer in.** • **Consent of victims to share data is recorded. Counsellor contracts contains data protection requirements. Contract with Gallery Partnership (VF Hub data processor) is GDPR compliant.**	**Shona Morrison**		**External consultant will be recruited to conduct end-to-end quality and compliance review.** **Develop Counselling Service performance management regime and KPIs, to be monitored as part of VF Hub management** **Consider where day-to-day management of counselling service sits, whether within VF Hub, OPCC or outsourced, as part of wider commissioning strategy** **Implement Pre-Trial Therapy protocol, in liaison with TVP Prosecutions group.**	**Shona Morrison**	

**JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019**

OPCC Risk Management Update

• **SM in discussions with TVP about disclosure generally. Policy Officer tasked to draft pre-trial therapy protocol (which counsellors will be required to sign up to). Policy Manager copied into and monitoring disclosure requests.**					

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 Home Secretary, Victims Commissioner, statutory partners and Police and Crime Panel

Risk Owner: Paul Hammond

Reviewed: 19/06/19   Next Review Date: 23/08/19

Context:

This risk is currently being **TREATED** through the OPCC.

Level of Assurance: **Reasonable**.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Risk Score Trend: ⟷ . There are no significant changes to the score of this risk and it remains TREATED

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
Service planning informed by Home Office / APCC / APACE / PACCTS / LCJB / TVP / OPCC information, advice and guidance	P Hammond	Dec 2019	Annual review of OPCC capacity (staff and budget) and capability	P Hammond	30/11/2019
Consultation with stakeholders when preparing PCC's Police and Crime Plan			Monitor and review new HO policy initiatives		
External scrutiny by Police and Crime Panel.			PCC commitment to review Police and Crime Plan on an annual basis		
OPCC internal monitoring of performance and service delivery					

OPCC 24 – Specialist victims services not in place before April 2020

Risk summary: The OPCC commissioning process fails and new specialist victims' services are not in place before 1st April 2020 when current contracts expire

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

Consequences:

- Vulnerable victims do not receive an appropriate type and level of service.
- Reputational damage.
- Impact on existing service providers.

Risk Owner: Shona Morrison

Reviewed: 19/06/19   **Next Review Date: 23/08/19**

Context:

This risk is currently being **TREATED** through the OPCC.

Level of Assurance: **Reasonable**.

Risk Score Trend: There are no significant changes to the score of this risk and it remains TREATED

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
Existing services / provider contracts may be extended on a short-term basis. Commissioning Plan is being developed and implemented Existing service providers are being consulted & kept informed of process	Shona	Dec 2019	Market engagement meetings with potential service providers underway.	Shona	30/11/19

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

OPCC 25 – GDPR compliance

Risk summary: The change from Data Protection Act to General Data Protection Regulation (GDPR) requirements has increased the scale of potential financial penalties resulting from non-compliance

Consequences:

- Severity of fines.
- Reputational damage.

Risk Owner: Vicki Waskett

Reviewed: 19/06/19   **Next Review Date: 23/08/19**

Context:

This risk is currently being **TREATED** through the OPCC.

Level of Assurance: **Reasonable**.

Risk Score Trend: There are no significant changes to the score of this risk and it remains TREATED

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
OPCC guidance developed (in conjunction with TVP Joint Information Management Unit) and disseminated to all OPCC staff	Vicki Waskett	April 2019	To review and ensure that all OPCC contracts are GDPR compliant and Information Sharing agreements are in place with key partners. An up to date Information Sharing Agreement has been signed by the Chief Constable and the PCC. Contracts which may process data outside of the EU and EEA have been reviewed and signed.	Vicki	Completed.
Internal audit of GDPR compliance assessed as 'Reasonable' assurance		June 2019	Governance Team visited Victims First Hub on 20th June to review the adequacy & effectiveness of all their data protection systems and processes. Actions were agreed with Shona Morrison in relation to retention of data and breaches made relating to referrals from the Force and further meetings and discussions arranged for regular updates and to monitor progress of any issues arising. All OPCC staff have completed their GDPR mandatory training. Both Governance Manager and Governance Officer have successfully completed the GDPR Practitioners' Course.		Completed.
Data protection policies now in place, with regular updates and communication to staff		June 2019	Regular updates are disseminated to all OPCC staff together with a powerpoint presentation to the Victims First Hub staff in June. Data Protection policy has been completed and is now available on the OPCC website. Regular reviews will be undertaken.		Completed.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
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OPCC Risk Management Update

Implemented regular reporting of GDPR issues / non-compliance breaches to SMG		June 2019	At the SMG meeting held in June, a report of the breaches was provided with further detail to be provided at future SMGs as a regular part of the Governance update.		Completed.

OPCC 26 – Safeguarding responsibilities in the Victims First hub

Risk summary: Failure to meet safeguarding responsibilities in the Victims First Hub resulting in harm to victims and/or reputational damage for the PCC

Consequences:
- Harm to victims.
- Reputational damage.
- Impact on Victims First staff.

Risk Owner: Shona Morrison

Reviewed: 19/06/19   **Next Review Date: 23/08/19**
Context:

This risk is currently being **TREATED** through the OPCC.

Level of Assurance: **Reasonable**.

Risk Score Trend: There are no significant changes to the score of this risk and it remains TREATED

The table below summarises the active mitigating actions and future planned actions, taken from the new format risk register.

JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT
12 JULY 2019

OPCC Risk Management Update

Current mitigating actions	Owned by	Completion date	Future Actions required / agreed	Owned by	Target date
All Victims First 9VF) staff have been trained up to safeguarding Level 1. All VF staff have received training in handling clients with possible Mental Health issues	Shona Morrison		All VF staff to receive further safeguarding training Provision of clinical supervision for staff Handling procedures for clients with Mental Health issues will be clearly explained in VF Hub operating manual	Shona Morrison	

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 7 actions that are currently overdue:

- 3 actions are due for completion by the end of July 2019;
- 1 action is due for completion by the end of September 2019;
- 1 action is due for completion by the end of November 2019;
- 1 action is due for completion by the end of December 2019; and
- 1 action is due for completion by the end of March 2020.

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 May 2019 in relation to the years 2015/16 to 2018/19. It shows that in total there were 7 overdue actions at this date; these relate to 6 audits. The overdue actions are split by priority. Also shown is the number of overdue actions that had previously been reported which has fallen from 6 to 2 since the last report to this Committee in March 2019.

2.2   Appendix 2 shows the changes in the number of overdue actions since the previous report to this Committee in March 2019. The total number of outstanding overdue actions reported has fallen from 14 to 7.

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 May 2019. The information is based on responses from managers received up to and including 27th June 2019. 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   There are 3 priority 1 overdue actions.

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 that are overdue none are specifically drawn to the attention of the Committee.

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 Governance Manager
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

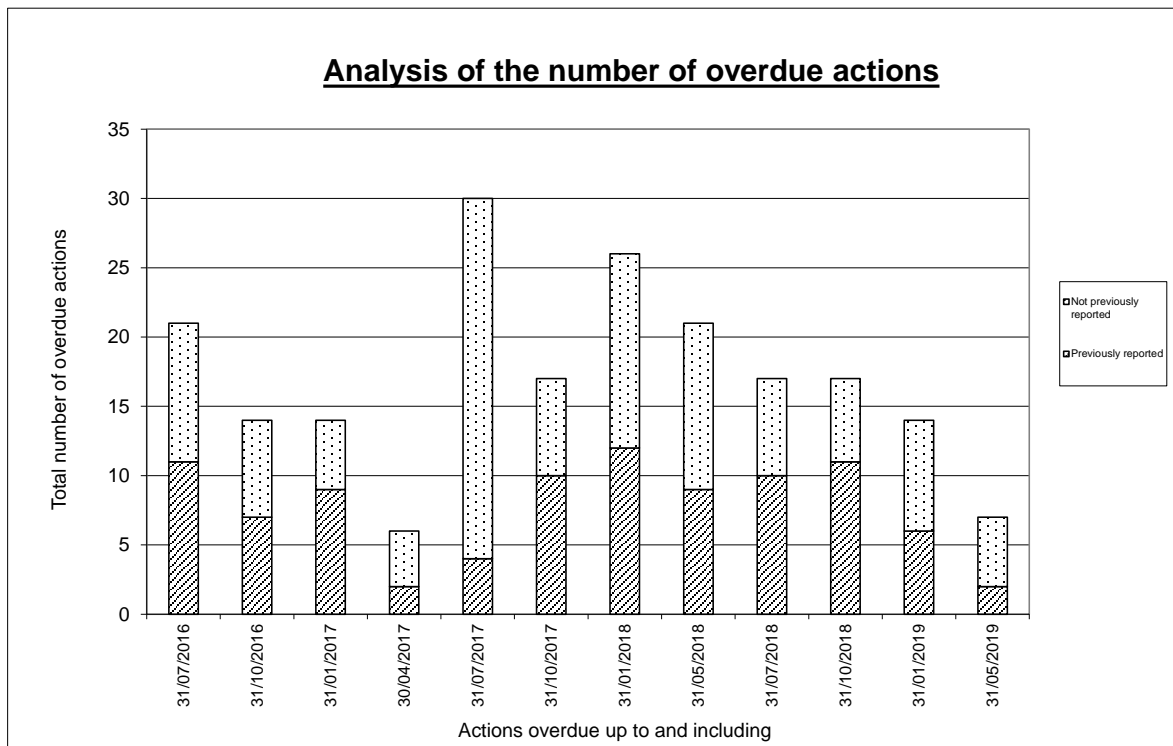| |
|---|
| We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

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

PCC Chief Finance Officer (OPCC)   Date: 02/07/19

Director of Finance (TVP)   Date: 28/06/19 |

Appendix 1

ANALYSIS OF OVERDUE ACTIONS AS AT 31st MAY 2019

Audit Subject/Location	Outstanding Overdue	Priority 1	Priority 2	Previously Reported
2017/18				
Firearms Licensing (Administration and Management)	1	1	-	1
Force Demand and Resilience Management	1	-	1	1
TOTAL	**2**	**1**	**1**	**2**
2018/19				
Actings and Promotions (Police Officers)	1	1	-	-
ICT Asset Management	1	-	1	-
Information Management: General Data Protection Regulation	1	-	1	-
Oversight and Governance of the CTC	2	1	1	-
TOTAL	**5**	**2**	**3**	**0**
OVERALL TOTAL	**7**	**3**	**4**	**2**

Appendix 2

Analysis of the number of overdue actions

UPDATE ON PROGRESS IN DELIVERING OVERDUE AGREED ACTIONS

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Actings and Promotions (Police Officers)		Final report issued on: 15/01/19			CCMT Lead: Dr Steven Chase	
Total number of agreed actions: 11	Number completed: 10 (91%)		Number not yet due: 0 (0%)			Number overdue: 1 (9%)
Acting Policy The 'Acting Ranks - Police Officers' Policy is dated May 2015 with a review date of May 2017 and requires review and updating. People Services confirmed that the policy is in the process of being revised into 'Guidance for the appointment of acting ranks/temporary promotion (Police Officers only)'. This work has however been delayed by a number of internal changes and external guidance based queries which need to be resolved first. Whilst this is understandable it is delaying improvements to the process to be introduced with the new guidance. Discussion around the process and new guidance with the Business Partner for Innovation & Change highlighted a number of additional areas to be considered for inclusion within the guidance. **Risk:** Lack of an up to date policy leads to inappropriate or ineffective actions being taken and perceived unfairness in the process.		The policy will be finalised, consulted upon and published.	28/02/19	1	The new document takes the form of Operational Guidance rather than Policy in line with the ongoing work within the Directorate to reduce, simplify and streamline the number of policies. The Guidance has been drafted in consultation with the Federation and a small group of end users and the first round of consultation has taken place with principle stakeholders. Feedback from that consultation is currently being incorporated (where appropriate) into the document which will then go to the Policy Unit for wider consultation.	31/07/19
Firearms Licensing (Administration and Management)		Final report issued on: 06/06/18			CCMT Lead: ACC Tim De Meyer	
Total number of agreed actions: 24	Number completed: 21 (88%)		Number not yet due: 2 (8%)			Number overdue: 1 (4%)
Process notes There are a number of process notes in place which detail the actions taken by the Firearms Licensing Administrators (FLAs). It was noted that these require updating as they do not cover all of the current steps and they do not reflect a recent change in personnel. The Shotgun grant / renewal application signing off process notes used by the Firearms Licensing Officers (FLOs) were also noted as out of date as the process has recently changed. **Risk:** Out of date process notes lead to confusion around processes and inappropriate or ineffective actions being taken.		FLA/FLO application processes to be documented into training packages.	30/06/18	1	The FLA processes are now complete but always subject to change. The FLO processes are part complete but will be finished by the end of July.	31/07/19
Force Demand and Resilience Management		Final report issued on: 06/03/18			CCMT Lead: DCC Jason Hogg	
Total number of agreed actions: 5	Number completed: 4 (80%)		Number not yet due: 0 (0%)			Number overdue: 1 (20%)
Third Party Demand Data The Force's 2016 PEEL: Police Efficiency assessment commented that further developments were needed in understanding demand pressures using partner data. The DAVM does include partnership data from Fire, Ambulance and Bracknell and Buckinghamshire Community Safety Partnerships. However, the audit found that although the data should be received monthly, this is not always taking		The development of using third party data to understand and manage demand will continue to be progressed by the Force Demand Co-Ordination Group.	31/12/18	2	Work on this is ongoing, but the area remains complex. There has as yet not been material progress on identifying meaningful data sets nor on mechanisms which would allow those data sets to be shared.	31/12/19

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
place. It was commented during the audit that the Force could develop the use of third party data by mapping it to certain incidents, identifying key contacts who can liaise with partners, agreeing standard dataset formats and more effectively managing the process of submitting and receiving the data. The Force Demand Co-ordination Group have been discussing this issue of third party data with the latest meeting noting that discussions should commence after August with the respective Chief Executives. It is acknowledged that data sharing between partner agencies is a very complex issue. It was also noted that the Information Sharing Agreements (ISAs) in relation to partnership demand data are due for review. The issue of overdue ISA reviews was raised as part of the 2017/18 Information Management – Data Security and Transfer audit. **Risk:** The Force lacks the full picture on demand pressures, where partners are involved, leading to ineffective action being taken to identify shared issues or pressures.					
ICT Asset Management		Final report issued on: 08/05/19		CCMT Lead: Amanda Cooper	
Total number of agreed actions: 4	Number completed: 1 (25%)	Number not yet due: 2 (50%)		Number overdue: 1 (25%)	
IT Hardware Assets The audit found that ICT assets are procured in compliance with the relevant Procurement Policy and are managed in compliance with the Thames Valley Police and Hampshire Constabulary ICT Service Asset and Configuration Management process and procedure. The review of a sample of ICT assets identified that all assets had been appropriately labelled and could be accounted for within the Service Now Asset Management system. From the sample reviewed, it was identified that one asset had not been updated when allocated to a new user. The ICT department are currently running a Windows 10 pilot. The hardware assets for this pilot are being labelled and recorded correctly, however, they are not being recorded in the main Asset Management system as a separate spreadsheet is being used. **Risk:** Failure to individually identify all ICT assets with asset identifiers during the commissioning process, resulting in the failure to account for all ICT assets.	The one asset identified as not being allocated to the current user will be updated. The Windows 10 pilot assets will be transferred into the central Service Now Assets Management system, so that all assets are in the same location.	31/05/19	2	The 'in stock' bulk upload has been completed, which covers the main information. There is a record of the Windows 10 pilot machines and the Service Now Assets Management system will be updated by the end of July.	31/07/19
Information Management: General Data Protection Regulation		Final report issued on: 14/02/19		CCMT Lead: Amanda Cooper	
Total number of agreed actions: 21	Number completed: 16 (76%)	Number not yet due: 4 (19%)		Number overdue: 1 (5%)	
GDPR project closure and assigning of outstanding tasks (non key areas) The GDPR project is due to close at the end of December 2018. It is	A mop up review will be undertaken to ensure all electronic and paper forms have been reviewed and amended	31/05/19	2	The initial stages of this project are drawing to a close and the mop up review will be undertaken to provide reassurance that all forms have been captured. This is now expected to be completed by	30/09/19

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
understood that an end of project report will be produced which details any outstanding tasks along with an owner and date to ensure their progression after the project ends. From the high level discussions, and dip sampling, around the 'non-key' areas, a number of outstanding actions* were noted which were included in the project plan with 31/12/18 completion dates. A number of other points were also identified which do not specifically feature in the project plan but result from actions within the project plan. This included that a 'mop up' review, after the end of the project, will be required to make sure that all electronic and paper forms have been reviewed and the GDPR wording added where appropriate for both Forces. This includes the forms in relation to cadets, volunteers and test purchasing. **Risk:** Incomplete actions from the project are not carried forward and assigned to individuals for completion leading to failure to fully address the requirements of the GDPR.	where appropriate.			the end of September 2019.	

Oversight and Governance of the CTC		Final report issued on: 15/11/18		CCMT Lead: DCC Jason Hogg	
Total number of agreed actions: 11		Number completed: 5 (46%)		Number not yet due: 4 (36%)	Number overdue: 2 (18%)
CTC Risk Management In reviewing TVP's Risk Management Knowzone folder content, there was no risk register for the CTC under the Deputy Chief Constable's portfolio folder. It was also confirmed that the CTC does not maintain a local risk register, although it was commented that risks tend to be managed and mitigated locally. The audit did identify that CTC risks are noted in the 2017/18 FMSs, with the risks being mitigated by a course of ongoing action in most instances. However, there is a lack of formal Strategic Governance Board reporting and escalation of current risks facing the CTC. **Risk:** CTC risks are not managed via a formal process or the Strategic Governance Board lacks visibility and assurance on CTC risks, leading to ineffective mitigation and identified risks materialising.	The current risks facing the CTC, as well as any mitigating action, will be discussed at each Strategic Board meeting. A discussion will also be held with the Strategic Governance Unit on how any CTC related risks are included within TVP's corporate risk management process.	30/04/19	1	Current high level risks were raised at the Nov & Jun Board Meetings as part of the subject papers, a CTC specific risk register will be created/developed and become a fixed agenda item Initial discussions were held around the changes to the TVP Corporate Risk Register and how CTC could utilise the new format, this work will continue as the CTC (Board Meeting) Risk Register develops	08/11/19
TVP Intranet Content As part of the audit, the CTC content on TVP's intranet (Knowzone) was reviewed. There is a Transport webpage, but the content does not appear to have been reviewed or updated for a number of years. The contact details are out of date and refer to staff who have left the CTC, as well as old telephone numbers. The Structure Chart is also dated December 2008. The list of Livelink Transport Policies and Forms also appears to be out of date. This was discussed during the audit and it was commented that there has been an intention to review and update the content for a while, but	TVP's Transport Knowzone will be reviewed and updated. Consideration will also be given to collating a generic CTC webpage, including details on services provided and key contacts, for all consortium members.	30/04/19	2	Previously due to a high vacancy factor we have not had the capacity to undertake this area of work, the current position (from April 2019) has greatly improved and this action will now be addressed as a PDR objective.	31/03/20

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
due to time and staff availability, this has not been completed. There has also been the intention to collate a webpage that will service all five consortium members, rather than have to update a number of individual sites, but this is yet to be progressed. With a new member of the CTC team, the intention is to start addressing the lack of up to date CTC intranet guidance for each consortium member. **Risk:** Each consortium member lacks up to date information on the CTC, leading to staff being unaware of who to contact for any transport related requests or queries.					

July 2019

Annual Report of the Senior Information Risk Owner (SIRO)

ACO Amanda Cooper, Chief Information Officer
Hampshire Constabulary and Thames Valley Police

Executive summary

This report provides a summary of Information Assurance (IA) and Information Governance (IG) activity across Hampshire Constabulary and Thames Valley Police during 2018/19 in order to provide assurance that information risks are being managed effectively.

The report also provides an update on the following:

- achievements relating to IA and IG for the period 1 April 2018 to 31 March 2019
- the Forces' compliance with legislative and regulatory requirements relating to the handling of information, including compliance with the Data Protection Act (2018) and Freedom of Information Act (2000)
- summary of information security incidents during 2018/19, including incidents relating to any losses of personal data or breaches of confidentiality
- the planned direction of IA and IG activity during 2019/20 to support the strategic objectives of Hampshire Constabulary and Thames Valley Police.

1.   Introduction

1.   Hampshire Constabulary and Thames Valley Police have a duty to obtain and use a wide variety of information in order to discharge their duties effectively and to keep people safe. The information is an asset to be valued, protected and exploited but can also become a liability if it is inappropriately recorded, interpreted or disclosed.

2.   The legacy of Soham, increasing cross-border and cross-disciplinary working, and the digital policing agenda require information to be more accessible, linked and reused. Increasingly however, there is a growing expectation from the Government, the Information Commissioner, the media and the general public that the security used to protect information should consistently meet high standards - and that data held should be proportionate, and only accessed and shared when necessary. The introduction of the EU General Data Protection Regulation and new UK Data Protection Act will only heighten these expectations.

3.   Structures and processes are in place to manage risks to the Forces' information. The Joint Information Management Unit (JIMU), hosted by Thames Valley Police, came into existence on 1 April 2012 to provide Information Governance (IG) and Information Assurance (IA) support to both forces under the collaboration arrangements. The more technical aspects of IA were transferred to the joint ICT department in October 2015 to ensure that new processes and structures being designed for the ICT transformation were fit for purpose, and that appropriate system design and risk mitigation was put in place to deal with increasing cyber threats. The two teams continue to work together closely to manage information risks, and the new processes reflect this. These departments are required to operate under both guidance and mandate from the NPCC, the Home Office and Cabinet Office (CESG).

4.   The purpose of this report is provide assurance that information risks are being managed effectively and provide an update on the following:

- achievements relating to IA and IG for the period 1 April 2018 to 31 March 2019
- the Forces' compliance with legislative and regulatory requirements relating to the handling of information, including compliance with the Data Protection Act (2018) and Freedom of Information Act (2000)
- summary of information security incidents during 2018/19, including incidents relating to any losses of personal data or breaches of confidentiality
- the planned direction of IA and IG activity during 2019/20 to support the strategic objectives of Hampshire Constabulary and Thames Valley Police.

2.   Structure and governance

5.   The Heads of ICT and JIMU both report to the Chief Information Officer (CIO). The CIO also fills the role of Senior Information Risk Owner (SIRO) for the two forces, making strategic decisions in regard to information risks, particularly when there is a potential conflict between operational and information security requirements.

6.   Support for the SIRO is provided within the organisational structure by:

- Head of Information Communications & Technology

- Head of Information Management
- Senior Information Governance Manager
- Senior Public Access Manager
- Senior Records Manager
- Information Security Officer
- Information Asset Owners – Senior Business leaders in both forces are responsible for ensuring this information is managed in accordance with policy and for identifying and mitigating any associated risks

7. The joint Information Management Board, which is chaired by the CIO, is responsible for monitoring the effectiveness of policy, procedure, training and guidance in regard to Information Governance, and identifying information risks. Critical risks are recorded on the Strategic Risk Register, and where appropriate, escalated to the Chief Officer Group and the Collaboration Governance Board.

Accountability	Reporting
Chief Constable (Data Controller)	Collaboration Governance Board
↓	↓
SIRO	Chief Officer Group
↓	↓
Information Asset Owners	Information Management Board

3. Key Delivery Areas 2018/19

3.1 Regional collaboration

8. The South East Regional Information Assurance teams meet quarterly to discuss regional projects, opportunities for collaborative working and sharing best practice and lessons learned.

9. The Head of Information Management continued to meet regularly with her regional peers to share knowledge, and where appropriate, workload. This was particularly effective in regard to preparation for the new Data Protection legislation, with each Force leading on different aspects for the benefit of the region.

10. Security Working Groups are established within each of the individual Regional Programmes and Projects. These report into SERIA and SERIT with overall oversight by the DCCs at the SERIP Boards.

3.2 IT Health Checks

11. Throughout the last year, the force has conducted three independent Penetration and Vulnerability Tests and a further three were funded by suppliers. In addition to this a number of internal vulnerability scans have been carried out using the recently acquired Nessus tool.

12. The annual IT Health check for 2019 has been completed with the final reports issued at the end of April

13. Work to complete the General Information Risk Return has been ongoing and this was completed and submitted to NPIRMT on the 30th May. . An audit date by the National Police Information Risk team is expected for mid-July – see section 3.6

3.3 Protective Monitoring

14. A managed service provides protective monitoring for the two forces. Devices and servers are continuously monitored for unusual activity with potential issues escalated to the ICT Service Desk for further investigation and appropriate action.

15. An independent security benchmark has been undertaken as part of the National Enabling Programme by Deloittes consultancy. Initial findings indicate the two forces are above average compared to their peers. A maturity and capability assessment is also planned which will identify areas for further development.

3.4 Proactive Vulnerability scanning

16. An enterprise security assessment tool has been procured which will proactively monitor and identify areas of concerns as part of 'business as usual' activity rather than relying solely on the annual IT health checks. The tool has been deployed to both force domains for testing and is currently being implemented into the Ark data centre. This will offer improved insight into emerging vulnerabilities and enable them to be dealt with proactively as part of continuous service improvement.

3.5 Cyber attack simulation exercise

17. In June 2017, IA led a cyber response exercise to assess the capability of Joint ICT to respond to a cyber-attack. The exercise was developed in partnership with the National Police Information Risk Management Team from the Home Office and consisted of a simulated ransomware infection on a force laptop. It was commended during the independent benchmarking work conducted by Deloittes as a very thorough and effective exercise. The simulated ransomware attack has been further developed and a further exercise is being planned for 2019.

18. A separate business continuity planning event was undertaken in February 2018 which worked through an escalating scenario based on a nationwide flu pandemic to test ICT's own business continuity plan. This revealed some minor learning points but on the whole, demonstrated successful operation of the plan.

3.6 Public Services Network (PSN) Compliance

19. The Public Services Network (PSN) programme is responsible for resolving some of the major outstanding issues identified by the last PSN Health check, and is on track to close the majority of them. However, there are some remaining that are dependent on delivery of other programmes to replace legacy systems, e.g. the Contract Management Programme due to complete summer 2019 and regional ERP due to complete spring 2020.

20. It may be that, whilst the forces are doing everything possible to address these vulnerabilities, PSN accreditation will not be attainable. The lack of accreditation does not affect existing PSN connections but means that the forces are unable to purchase additional PSN connectivity for projects such as secure data / cloud storage until an approval certificate is obtained.

21. Mitigation to manage any interim cyber risk to the forces has been put in place through the review of complementary controls such as security of the IT network perimeter, antivirus software and the ability to respond to a cyber-attack.

22. Whilst PSN accreditation is not currently possible there is an option to obtain PSN-P accreditation if the forces can demonstrate compliance with the General Information Risk Return, the audit being scheduled for mid-July 2019.

3.7 Improvements to Information Assurance processes

23. The following improvements have been implemented:

- Further review and alignment of bilateral IA policies, and where feasible, across the region. A number of regional policies have been released during 2018/19
- Engagement with Property Services to make better use of resources and remove bottlenecks
- Development of terms of reference for IA to ensure consistency and focus within the team and clarity for the business
- A review of previous risk decisions to identify where residual risks had decreased and there was an opportunity to improve service, of the 9 off decisions identified for review successful outcomes were tethering of laptops to smartphones providing better connectivity for officers, cut & paste was enabled on smartphones allowing improved functionality, limited use of standalone webex terminals allowing ERP to share information with the developers in Malta, use of OneLan in Sulhampstead to support better information provision. Still in progress are the ability to use captive portals and use of WhatsApp.

3.8 Internal audits

24. Activity has taken place this year to address the actions identified towards the end of 2016/17 in the internal audit reports on *Access to Systems (Active Directory), Backup and* Recovery and *Cyber Security*. The remaining actions were completed (details in table below).

	Raised	Completed	Outstanding

Access to Systems (Active Directory)	10	10	0
Backup and Recovery	8	8	0
Cyber Security	9	9	0
Total	27	27	0

25. ICT audits carried out during 2018/19 period were

- UKAS audit – Codes of Practice and Conduct - completed
- TIAA audit (for PCC) – Protective Monitoring - completed

26. In addition, during 2018/19, an internal audit was conducted on the Forces' readiness for the General Data Protection Regulation (GDPR). To date, 16 out of the 21 actions raised have been completed. The remaining actions will be completed by the end of September 2019.

27. Audits and actions are reported to the Deputy Chief Constables Collaboration Board and progress reported to the Joint Internal Audit Committee for each Force.

3.9 Preparation for Data Protection legislation changes

28. A bilateral project to implement the new Data Protection legislation changes (as a result of the EU General Data Protection Regulation (GDPR) and the EU Law Enforcement Directive) was initiated in 2017/18 and was completed on 31 December 2018. Deliverables included updated policy and guidance, training and communications for all officers and staff and the introduction of a 'fast time' security incident reporting process to enable compliance with the legislative requirement to report security breaches to the Information Commissioner's Office with 72 hours. The Head of Information Management job description was also updated to reflect the new Data Protection Officer responsibilities for both Forces.

29. As agreed by the National Police Chiefs Council, TVP and Hampshire Constabulary utilised the College of Policing GDPR training package. Unfortunately this package was delivered considerably later than intended and after the legislation came into force. The JIMU teams worked closely with both Forces Learning and Development deportments to manage this delay and ensure prioritisation of the training. In addition the L+D teams assist JIMU in making this training more formalised by adding a Pass/Fail check, something the National product failed to be able to technically deliver. As of June 2019 86% had completed for TVP and 90% for HC

3.10 Requests for information

30. During 2018/19, a total of 2,179 Subject Access Requests were made to Hampshire Constabulary and Thames Valley under the Data Protection Act. The legal deadline for the Force to respond was 30 working days. This was met in 93.4% of cases. The volume increased by 39% compared to 2017/18 (1,577 requests / 94.7% compliance

/ 40 working day legal deadline) due to the removal of the £10 administration fee and increased awareness of data subjects' rights under GDPR.

31. During 2018/19, a total of 3,365 requests were made under the Freedom of Information (FoI) Act to Hampshire Constabulary and Thames Valley, an increase of 14% on the previous year's volumes. The legal response deadline was 20 working days and this was met in 89.7% of cases (compared to 2,957 requests / 88.3% compliance in 2017/18).

32. Overall performance for the year was affected by vacancies and staff absences during the latter half of the year. More detailed statistics are available in *Appendix B*. A growth bid for two further posts to deal with the increased volumes was approved for 2019/20 and this should improve performance over the coming year.

33. During this period, the Information Commissioner's Office (ICO) issued four decision notices regarding complaints in the way that FoI requests had been handled. Two complaints were upheld, two were not. These cases are outlined below (all Thames Valley cases).

FOI Request Summary	Our Response	ICO Complaint Outcome	Learning
Applicant requested information relating to a high speed police pursuit they saw on the M4.	Neither confirm nor deny exemption used under Section 30 (police investigations)	ICO upheld our decision.	
Applicant asked for information relating to our mobile phone extraction capabilities	Section 14 exemption (vexatious) used due to high volume of requests received from the same applicant on this subject after previously outlining our legal position.	ICO upheld complaint.	Understanding when the threshold for using this exemption is appropriate to use.
Applicant requesting information about complaints against a specific police officer.	Section 40 (personal information) exemption used.	ICO upheld our decision.	
Applicant requested information held by the force on the subject 'Internet of Things'.	Neither confirm nor deny exemption used under Section 31 (Law Enforcement).	ICO upheld complaint.	NPCC advice followed due to concerns with making the public aware of our in-knowledge and discussions in relation to the way criminals are using emerging technology. This was a unique case but one that NPCC did not wish to challenge. No specific learning identified.

3.11 Information Sharing Agreements

34. In order to enable information sharing with partners whilst still remaining compliant with the Data Protection Act and the Code of Practice on the Management of Police Information (MoPI), JIMU provides support to the Forces in ensuring that appropriate Information Sharing Agreements (ISAs) clearly set out what information can be shared and how it should be managed. These cover a wide range of areas, including support for Multi Agency Sharing Hubs (MASH), mental health issues, emergency accommodation for homeless people, and various 'watch' schemes, e.g. Pubwatch.

35. At the end of March 2018, there were 133 ISAs in place in Hampshire and 99 in Thames Valley.
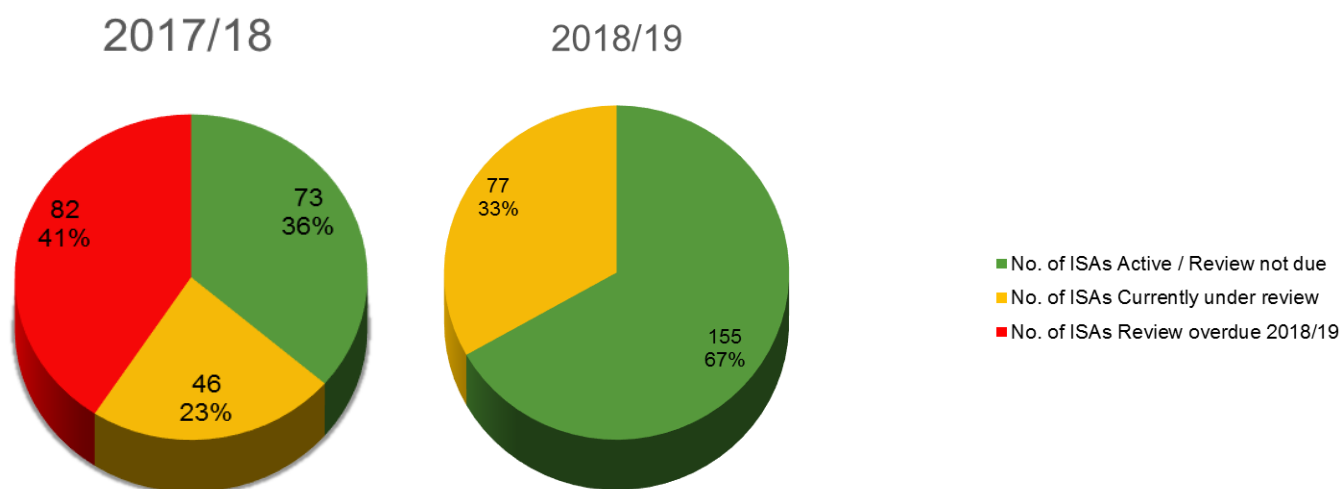
3.12 Communication and awareness raising

36. A number of internal communications were issued throughout the year to remind officers and staff about their contribution to good security and data protection. These included:

- Review and update of the Information Management and Information Security pages on the two Force intranets
- Information about the new data protection legislation and reminders about good practice
- Reminders about the procedures for redacting information before it is sent to the Crown Prosecution Service
- Business continuity week focus on cyber security
- Reminder about importance of connecting laptops to the network to download security patches
- Reminders about security vigilance following the Novichok incident in Salisbury.

4. Information Security Incident Management

4.1 Summary of reported security incidents 2018/19

37. A total of 1345 information security incidents were reported in HC/TVP during 2018/19. A breakdown of these can be found in Appendix B. 1167 of the total were due to unauthorised disclosures and a significant number of these were in TVP where material shared with the Crown Prosecution Service was insufficiently redacted. TVP and CPS continue working proactively together to address this and improvements are being seen. Analysis has been conducted into whether there are cultural differences in security incident reporting between HC and TVP and IA and IG are working with Professional Standards and Corporate Communications to progress this.

It should be noted that security incident reporting to the ICO becomes mandatory from 25 May 2018 and that the threshold for reporting has been lowered under the new data protection legislation. 13 incidents met the threshold for reporting to the Information Commissioner's Office (ICO). They assessed the incidents and decided that no enforcement action was necessary. The threshold has since been reviewed and raised in the light of further guidance from the ICO. Lessons learnt from incidents reported to the ICO and any resulting ICO recommendations are reviewed at the quarterly Joint Information Management Board.

Ongoing management information regarding the volume, gravity and themes of data security incidents will be provided to the following forums:
Joint Chief Officer Group – bi-monthly
Collaboration Governance Board – quarterly
TVP Force Security Committee – quarterly
TVP Information and Physical Security Sub-group – quarterly
HC Security Board - quarterly

4.2 Virus/malware detected 2018/19

38. A total of 1877 attempts to infect the Hampshire IT infrastructure were prevented by the Sophos system during 2017/18, with a similar 748 attempts in Thames Valley. This is significantly lower than last year where 1,620 and 1,619 attempts were recorded respectively.

The inability for attacks to become virus / malware infections is due to the toolsets we have in place.
A number of tools exist to prevent virus/malware attacks across both forces, at the boundary we have a product called Clearswift, on the servers we have Sophos anti malware and on clients we have Microsoft SCEP (System Centre Endpoint Protection)

5. SIRO decisions 2018/19

39. The following decisions were escalated to the SIRO during 2018/19:

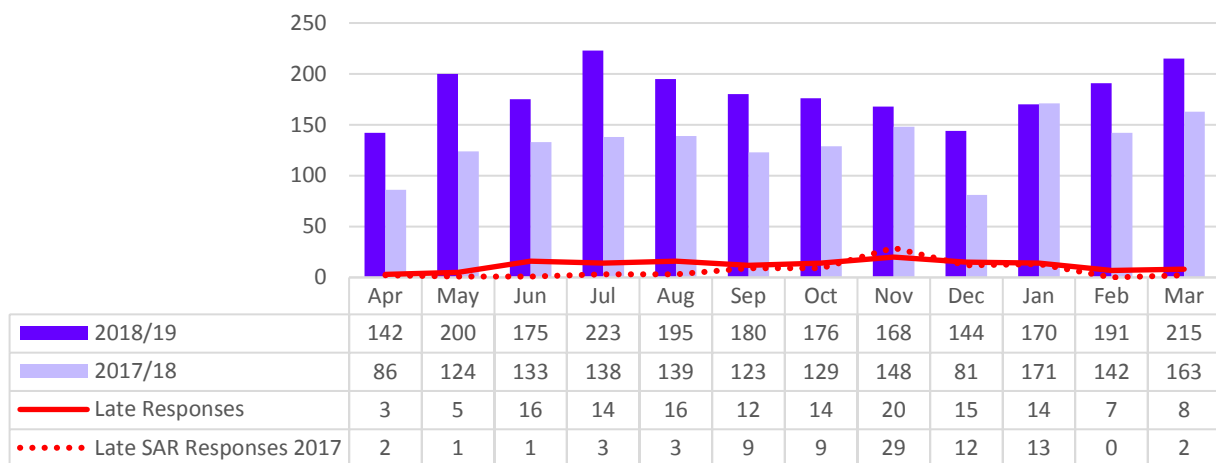| Subject	Force
PIN Codes on Smartphones	Both
Fujitsu Service Now support platform for CMP	Both
Use of WhatsApp for operational policing	Both
ESRI data access and auditing risks	Both
Officer travelling to Ethiopia with Smartphone and laptop	Hants
Residual Risk Summary for CMP – Nexmo SMS data	Both
PSN - approach change to tracking of PSN deliverables	Both

6.   Planning for 2019/20

40.   Key areas of focus for the coming year will include:

- Build Security by Design into policies/procedures and working practices, in alignment with the region and adoption of the ISO/IEC 27001 framework

- Identify opportunities to align with, and benefit from national approaches and capabilities such as implementation of Windows10 End User Devices built to the NEP blueprint and adoption of the O365 solution

- Optimise the information collected during the data protection audit to support Information Asset Owners in carrying out regular risk assessments, and compile and analyse common risk areas

- Continue the work on preparing for, and complying with, the new Data Protection Act

- Test the regional capability to respond to a cyber-attack through simulated cyber-attack exercises to prepare for the increased number of regional services being deployed

- Conduct an IT Health Check of the Hampshire / TVP IT environment and conduct regular tests to verify that remediation activity following the annual IT Health Checks has been successful and identify any new vulnerabilities

- Embed a culture of Information security awareness and behavioural change and progress closer alignment of approach with Force Security and Professional Standards.

- Implement the use of SharePoint 2016, our first bilateral collaborative document management system. It will offer a powerful Google type search. Permission access can reduce data breaches by ensuring only the correct recipient will
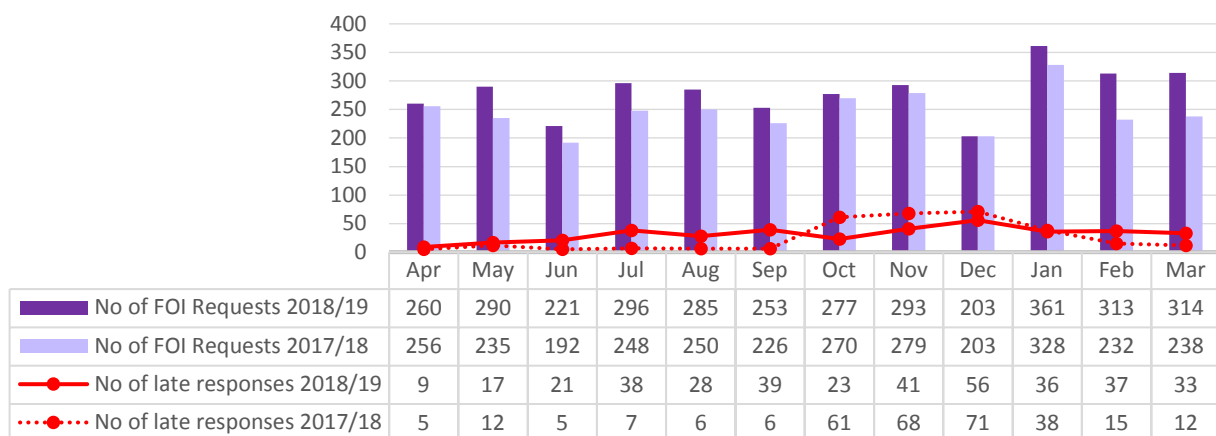
open content. Go live date January 2020. Roll out of Office 365 as part of the National Enabling Programme will bring the latest version of SharePoint - expected at the end of 2020/ beginning 2021.

Appendix A – Legislative compliance regarding requests for information

Comparison of Subject Access Requests and Performance, 2017/18 and 2018/19

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2018/19	142	200	175	223	195	180	176	168	144	170	191	215
2017/18	86	124	133	138	139	123	129	148	81	171	142	163
Late Responses	3	5	16	14	16	12	14	20	15	14	7	8
Late SAR Responses 2017	2	1	1	3	3	9	9	29	12	13	0	2

Comparison of FOI Requests and Performance, 2017/18 and 2018/19

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
No of FOI Requests 2018/19	260	290	221	296	285	253	277	293	203	361	313	314
No of FOI Requests 2017/18	256	235	192	248	250	226	270	279	203	328	232	238
No of late responses 2018/19	9	17	21	38	28	39	23	41	56	36	37	33
No of late responses 2017/18	5	12	5	7	6	6	61	68	71	38	15	12

Appendix B - Summary of reported security incidents 2018/19

Incident Type	HC & TVP
E-mail misuse	10
Unplanned outage	0
Unauthorised disclosure	1167
System misuse	1
Account sharing	0
Loss or theft of technology assets	142
Paper documents	1
Crypto	0
Data storage issues	0
Removable media issues	0
Unauthorised equipment	0
Unauthorised software	1
Malicious software	0
Insecure disposal of media or documents	0
Airwave	24
Unauthorised access to systems/data	0
Totals	**1345**

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Building a better
working world

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John Campbell   26 April 2019
Chief Constable for Thames Valley Police
Police Headquarters   Ref: Fee Letter/19-20
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                                                       Email: PKing1@uk.ey.com

Dear John

Annual Audit 2019/20

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

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

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

Indicative audit fee

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

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

The audit fee covers the:

- Audit of the financial statements;

- Value for money conclusion; and

- Whole of Government accounts.

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

- Additional work performed on asset valuations, including the involvement of our valuation specialists;

- Additional work performed on the valuation of the net pension liability, including the involvement of our pension specialists; and

- Additional work arising from the implementation of IFRS 16 Leases.

At this stage, the indicative fee is set at the scale fee. This indicative fee is based on certain assumptions, including:

- The overall level of risk in relation to the audit of the financial statements is not significantly different to that of the prior year;

- Officers meet the agreed timetable of deliverables;

- Our accounts opinion and value for money conclusion are unqualified;

- Appropriate quality of documentation is provided by Officers;

- There is an effective control environment; and

- Prompt responses are provided to our draft reports.

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

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

Summary of fees

	Indicative fee 2019/20 £	Planned fee 2018/19 £	Actual fee 2017/18 £
Scale Fee	14438	14438	18750
Total Code audit fee	**14438**	**14438**	**18750**

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

Billing

The scale fee will be billed in 4 quarterly instalments of £3,610.

Audit plan

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

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

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

Yours sincerely

Paul King
Associate Partner
For and on behalf of Ernst & Young LLP

cc.   Linda Waters, Director of Finance
         Dr Louis Lee, Chair of the Audit Committee

Confidential

EY working with you

An overview of our approach

March 2019

EY
Building a better
working world

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Our commitment to you

A quality EY audit

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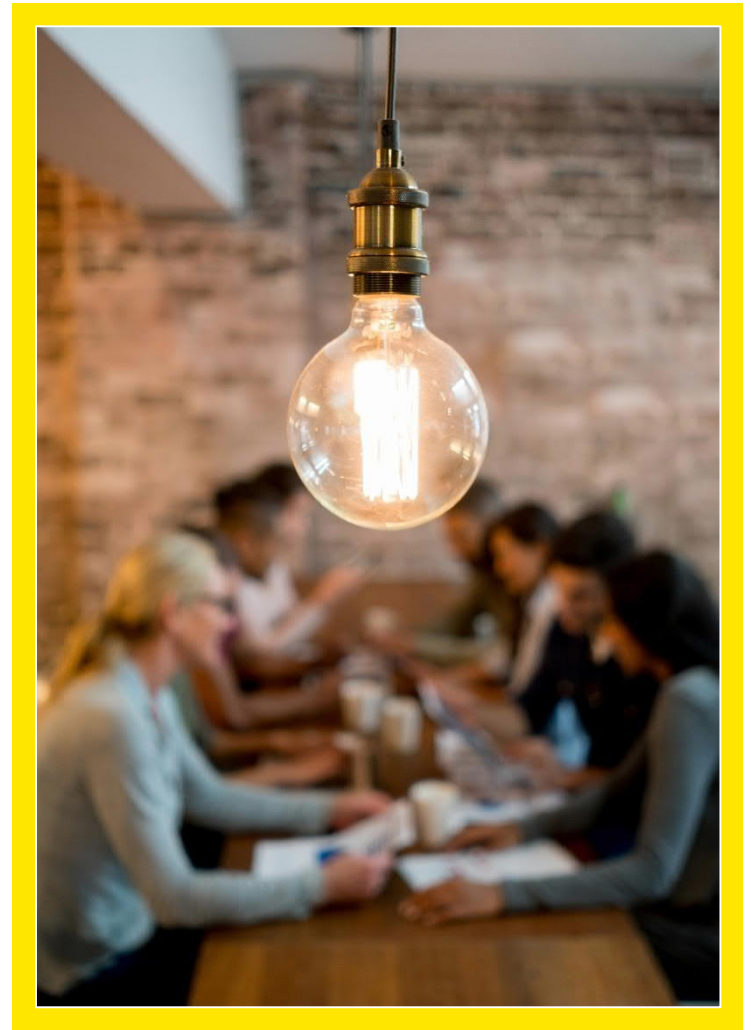
The Chief Constable for Thames Valley Police opted into the Public Sector Audit Appointments (PSAA) Appointing Person scheme which started in 2018/19. PSAA appointed EY as your auditors. PSAA is responsible under the Local Audit (Appointing Person) Regulations 2015 for monitoring compliance with the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

Janet Dawson – Partner

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

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

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

This is our commitment to you.

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

Working with you

Communication

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

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

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

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

Knowledge and training

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

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

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

Topics are derived from our sector knowledge and stakeholder engagement.

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

Quality and Innovation

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

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

Audit quality is at the heart of our innovation strategy.

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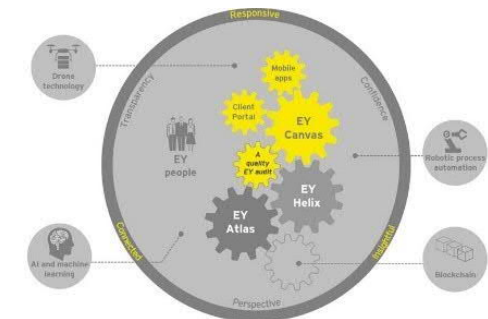
Value beyond the audit

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

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

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

Economic and Social

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

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

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

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

Environmental

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

EY | Assurance | Tax | Transactions | Advisory