

# **JOINT INDEPENDENT AUDIT COMMITTEE**

**MONDAY, 24 AUGUST 2020, 14:00**

## **AGENDA**

- 1. INTRODUCTION**
- 2. DECLARATION OF INTEREST**
- 3. MINUTES OF THE OPEN SESSION OF THE JOINT INDEPENDENT AUDIT COMMITTEE 21 JUNE 2020**  
*(Attached)*
- 4. MATTERS ARISING**  
*(Action list attached)*
- 5. ANNUAL GOVERNANCE STATEMENT 2019/20**
  - a) Review of the Effectiveness of Internal Audit**  
Internal Audit Manager  
*(Paper attached)*
  - b) Internal Audit Annual Report**  
Internal Audit Manager  
*(Paper attached)*
  - c) Senior Managers Assurance Statement**  
Internal Audit Manager  
*(Paper attached)*
  - d) Primary and Thematic Assurance Review 2019/20**
    - i. Governance Arrangements**  
Head of Corporate Development  
*(Paper attached)*
    - ii. Financial Control - An assessment of the role of the CFO in accordance with best practice**  
Joint Chief Finance Officer  
*(Paper attached)*
    - iii. HMICFRS and Other External Inspectorates**  
Head of Corporate Development  
*(Paper attached)*
    - iv. Legal and Regulatory Assurance**  
Chief of Staff  
*(Paper attached)*
    - v. Risk Management Arrangements**  
Head of Corporate Development  
*(Paper attached)*

**vi. Performance Management and Data Quality**

Head of Corporate Development

*(Paper attached)*

**6. JIAC ANNUAL REPORT**

JIAC Chair

*(Paper attached)*

**7. SUMMARY OF RECENT EXTERNAL INSPECTION REPORTS**

Head of Corporate Development

*(Paper attached)*

**8. JOINT STRATEGIC RISK REGISTER**

Head of Corporate Development

*(Paper attached)*

**9. EXTERNAL AUDITORS UPDATE**

External Audit Manager

*(Verbal update)*

**10. DATE AND TIME OF NEXT MEETING**

Monday 16 November, 2pm, Venue TBC.

**11. EXCLUSION OF THE PRESS AND PUBLIC – EXEMPT BUSINESS**

The Committee is asked to pass a resolution to exclude the press and public from the meeting during consideration of the following items on the grounds indicated.

<b>Agenda item number</b>	<b>Paragraph of Schedule 12A to the Local Government Act 1972</b>
12	7
13	7
14	7
15	7
16	7
17	7
18	7
19	7

**NORTHUMBRIA POLICE MINUTES**

<b>Title</b> Joint Independent Audit Committee (JIAC)	<b>Meeting number</b> 02/2020
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<b>Date</b> 21 June 2020	<b>Location</b> Conference Call	<b>Duration</b> 14:00 – 15:35
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**Present:**

<b>Committee Members</b>	N Mundy P Angier J Guy P Wood	Chair
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<b>Officers:</b>	R Durham D Ford P Godden K Laing M Tait	OPCC Chief of Staff and Monitoring Officer Deputy Chief Constable Head of Corporate Development Department Head of Finance Department Joint Chief Finance Officer
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<b>Invitees:</b>	R Bowmaker J Greener C Waddell R Rooney	Internal Audit, Gateshead Council Senior Manager, Mazars Partner, Mazars Governance and Planning Adviser ( <i>Secretary</i> )
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<b>Apologies:</b>	K Amlani	Committee Member
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**1. INTRODUCTION**

N Mundy provided apologies for K Amlani.

**2. DECLARATION OF INTEREST**

No additional declarations of interest were declared.

**3. MINUTES OF PREVIOUS MEETING HELD ON 24 FEBRUARY 2020**

Minutes agreed as a true and accurate record, subject to the following revisions: K Laing confirmed additional wording would be provided to ensure additional clarity to minutes within page three, paragraph five concerning Treasury Management Processes (TMP); and R Bowmaker requested amendment of wording to page four, paragraph three, advising the word 'meetings' should be replaced with 'audits'.

**4. MATTERS ARISING**

D Ford updated on work of Masons Advisory and confirmed a session would be arranged for Committee Members; she confirmed it would feature the forces reflections of demands on ICT as a result of COVID-19 and the acceleration of digital work.

**Action: D Ford to facilitate Masons Advisory session for Committee Members.**

**5. SUMMARY OF RECENT EXTERNAL INSPECTIONS REPORT**

P Godden outlined the report which provides details of governance and scrutiny of recommendations and areas for improvement (AFI) as a result of HMICFRS inspections; since previous reporting, 11 recommendations have been closed and six are awaiting closure. P Godden confirmed all open AFIs and recommendations are actively managed, and highlighted the increased focus on improving governance of HMICFRS activity since appointment of D Ford as DCC.

N Mundy focussed discussion on governance of recommendations; highlighting those , some of which are of high priority but open for a prolonged period of time; without clear explanation; He queried whether a lack of timely action may damage the force performance and reputation. It is important that the principle of comply or explain is respected to enable the Committee to take a balanced view. D Ford commented timescales provided by HMICFRS to action and close recommendations are not always achievable and confirmed she is comfortable and confident regarding governance arrangements for management of HMICFRS activity. Additionally, R Durham outlined arrangements to ensure the Police and Crime Commissioner (PCC) provides appropriate scrutiny against HMICFRS activity.

J Guy highlighted concerns regarding lack of outcomes and queried whether the processes and governance arrangements are effective. D Ford acknowledged concerns, however advised several outstanding recommendations are dependent on further work taking place by HMICFRS; she welcomed suggestions from the committee as to how best to capture learning embedded from national thematics which have yet to be recorded as closed by HMICFRS. D Ford advised Northumbria Police has a good relationship with its HMICFRS Liaison Lead; HMICFRS have provided reassurances Northumbria Police is in a good position in responding to AFIs and recommendations.

P Wood queried if external auditors use progress made against recommendations to form part of their final report. C Waddell confirmed progress against recommendations is a valid way of receiving assurance for audit purposes; contact will be made with HMICFRS Liaison Lead to discuss further. R Bowmaker confirmed HMICFRS activity has little impact on internal audit.

R Durham highlighted the importance of ensuring governance is maintained; she commented the PCC is well engaged with HMICFRS activity, noting the scrutiny process has been in place for four years. P Angier acknowledged the willingness of Northumbria Police to listen to the concerns from the committee, echoed by N Mundy who noted whilst issues are multi factorial, the Force and the committee must continue to work together to provide assurance.

N Mundy queried the Force approach to Counter Terrorism (CT) recommendations. D Ford confirmed Northumbria Police does not have a CT Unit, but are well prepared.

N Mundy highlighted the willingness of committee members to work with P Godden in advance of the next reporting period to ensure the update to the August JIAC provides the most relevant information. Additionally, N Mundy suggested including narrative on target delivery dates for recommendations to be completed in future reporting.

***Action: D Ford and P Godden to review report content in advance of the August JIAC, including consideration of addition of target delivery dates for completion of recommendations and comments on progress.***

**Update noted.**

**6. JOINT STRATEGIC RISK REGISTER (JSRR)**

P Godden explained the report summarises updates against the current register focussing where risks have been added, or their rating revised. Additionally, P Godden advised the annual review

of the JSRR was delayed as a result of COVID-19; the review has resulted in a rationalisation of the risk register; an updated version will be provided to the August JIAC. J Guy requested future reporting includes narrative highlighting controls in place where a risk has been revised or added.

***Action: P Godden to include a brief summary of control measures in place for revised or new risks in future reports.***

P Angier queried whether the Force is satisfied in the downgrading of risk regarding organisational learning, noting process changes can take a long time to embed sufficiently in an organisation. D Ford confirmed the revised organisational learning process and governance arrangements are in place, and improvements have been seen. J Guy suggested wording within the report be amended to reflect the organisational learning process is in the process of becoming embedded.

***Action: P Godden to reflect the ongoing embedding of organisational learning process in wording of future reports.***

P Angier congratulated the Force on its response to COVID-19 and communicating confidence, however queried whether there is a risk to policing as Government guidelines become increasingly more flexible. D Ford highlighted Northumbria Police's commitment to valuing communities; officers are expected to police regulations rather than guidelines. She noted the PCC is engaged in this area to ensure there is a balance between maintaining community relationships and public expectation, and ensuring appropriate policing.

**Update noted.**

## **7. TREASURY MANAGEMENT ANNUAL REPORT 2019/20**

K Laing presented the report recommending members accept its contents and approve presentation to the PCC. K Laing highlighted as a result of lower cost lending and higher than budget investment income received, the Force is £528,000 ahead of the budget position. K Laing confirmed all Financial Regulations have been complied with, and all Prudential Indicators are within the limits set for the year within the Treasury Management Strategy. N Mundy congratulated the Treasury Management function on this strong performance.

K Laing clarified figures showing £26million in borrowing on 4 July 2019, confirming overnight borrowing took place to facilitate a loan payment as a result of a delay to grant payment made to the Force. P Wood referenced HM Treasury taking steps to increase the cost of PWLB borrowing, querying whether PWLB would consult with police forces on further changes; K Laing advised it is not expected interest rates will change in the immediate future, however this will continue to be monitored.

Regarding other sources of borrowing as a developmental area, P Angier queried how quickly other markets will come forward. K Laing confirmed a number of new products have been released; an emerging strategy will be developed in the coming years.

***Agreed: The Treasury Management Report and onward presentation to the PCC.***

## **8. AUDIT PROGRESS REPORT**

C Waddell advised external audit progress is on track; close contact has been maintained with Northumbria Police as deadlines shift. C Waddell noted the summary of national publications contained within the report; N Mundy highlighted the funding boost to police forces, querying if there are any benefits for Northumbria Police. D Ford explained from an operational point of view, Operation Uplift will increase officer numbers and representation; a strategic planning day will take place to address where officers will fit into the organisation.

M Tait highlighted a settlement awarded to the force in late 2019 to maintain Operation Uplift, and a ring-fenced grant in early 2020 to further support Operation Uplift conditional to meeting targets set by the Government; this grant was factored in on a phased approach over 12 months however has been impacted as a result of COVID.

M Tait advised further clarity is required from the Home Office regarding the ring-fenced funding and COVID recovery; however adjustments have been made to the Medium Term Financial Strategy (MTFS). N Mundy queried if funding presents a risk; M Tait commented risks have been mitigated by reprioritising reserve funds in the short term however a second wave may impact longer term forecasts. N Mundy surmised the financial situation could potentially be uncomfortable but manageable based on current information.

P Wood sought assurance that revised timetables would not impact on providing a robust opinion. C Waddell commented whilst there are challenges as a result of current constraints, it is not anticipated anything less than a robust opinion will be provided based on the track record of Northumbria Police.

9. **DATE, TIME AND VENUE OF NEXT MEETING**

24 August 2020, 2pm, Venue TBC.

## AGENDA ITEM 4

SOURCE Meeting / date / minute ref.	ACTION	ASSIGNED TO	UPDATE Cleared or update
03/2019 Minute 10	<b><u>Joint Strategic Risk Register Report July 2019</u></b> To facilitate an ICT session with committee members.	M Tait	Superseded by action allocated at June 2020 meeting. <b>Cleared.</b>
04/2019 Minute 10	<b><u>JIAC Forward Plan</u></b> To present the JIAC Annual Report in August 2020	N Mundy	Update under agenda item 6. <b>Cleared.</b>
02/2020 Minute 3	<b><u>Matters Arising</u></b> To facilitate Masons Advisory session for Committee Members.	D Ford	Session took place on 29 June 2020. <b>Cleared.</b>
02/2020 Minute 5	<b><u>Summary of Recent External Inspections Report</u></b> To review report content in advance of the August JIAC, including consideration of addition of target delivery dates for completion of recommendations.	D Ford / P Godden	Update under agenda item 7. <b>Cleared.</b>
02/2020 Minute 6	<b><u>Joint Strategic Risk Register</u></b> To include a brief summary of control measures in place for revised or new risks in future reports.	P Godden	Information will be included as necessary when a revised or new risk is identified. <b>Cleared.</b>
	To reflect the ongoing embedding of organisational learning process in wording of future reports.		Action superseded by introduction of revised risk register. <b>Cleared.</b>





**JOINT INDEPENDENT AUDIT COMMITTEE**

**24 AUGUST 2020**

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**REVIEW OF THE EFFECTIVENESS OF INTERNAL AUDIT 2019/20**

**REPORT OF THE INTERNAL AUDIT MANAGER**

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**1 Purpose of the Report**

- 1.1 To ask the Committee to review the effectiveness of the system of Internal Audit for 2019/20

**2 Background**

- 2.1 The Accounts and Audit Regulations 2015 require all authorities to “conduct an annual review of the effectiveness of its internal control” and for a committee of the body to consider its findings” and that this process should be part of the annual review of the effectiveness of the system of internal control which contributes towards the production of the Annual Governance Statement.
- 2.2 This review should be undertaken prior to the consideration of the Internal Audit Annual Report to allow the opinion of the Chief Audit Executive to be relied upon.
- 2.3 The Joint Chief Finance Officer has delegated responsibility to maintain an adequate internal audit of both the Police and Crime Commissioner and Chief Constable’s financial affairs of both bodies as required by Section 151 of the Local Government Act 1972.
- 2.4 The review of the effectiveness of internal audit for 2019/20 was undertaken by the Joint PCC and Chief Constable Governance Monitoring Control Group, which includes the PCC’s Chief of Staff and Monitoring Officer, the Deputy Chief Constable and the Joint Chief Finance Officer. This review was based upon the following:
- Self-assessment and results of the external assessment against UK Public Sector Internal Audit Standards (PSIAS);
  - Self-assessment against the CIPFA Statement on the Role of the Head of Internal Audit;
  - Assessment of the effectiveness of the Joint Independent Audit Committee; and
  - Relevant local performance information.

**3 Assessment against UK Public Sector Internal Audit Standards (PSIAS)**

- 3.1 The PSIAS require an external assessment of internal audit functions to be completed every five years. In compliance with PSIAS the

## **AGENDA ITEM 5A**

Internal Audit Service was assessed against current Internal Audit practices and compliance with professional standards by external auditors, Mazars during 2019/20.

- 3.2 The professional standards have four areas as detailed below:
- Definition of Internal Auditing;
  - Code of Ethics;
  - Attribute Standards; and
  - Performance Standards.
- 3.3 The outcome of the assessment was positive and found that the Internal Audit Service is substantially compliant with the standards in all significant aspects. A number of minor recommendations were made following the external assessment; these are currently being implemented and compliance is being monitored.

### **4 Self-Assessment against the CIPFA Statement on the Role of the Head of Internal Audit**

- 4.1 This assessment requires an evaluation of how the five principles of this statement are embedded within the OPCC and Force and the Chief Audit Executive's skills and personal experience. The self-assessment found arrangements to be compliant with the statement and a copy is attached at Appendix A for information.

### **5 Reliance Placed Upon Internal Audit by the External Auditor**

- 5.1 A joint working protocol is in place between Internal Audit and the external auditor, Mazars, which includes monthly meetings to discuss relevant issues. During 2019/20 Mazars have not relied on the work of Internal Audit in specific areas.

### **6 Assessment of the Effectiveness of the Audit Committee**

- 6.1 An assessment of the effectiveness of the Joint Independent Audit Committee (JIAC) has been completed. The assessment covered the following areas:
- Purpose & Governance;
  - Functions of the Committee;
  - Membership & Support; and
  - Effectiveness of the Committee.
- 6.2 A review of the assessment was carried out by the Joint Governance Monitoring Group and found the JIAC to be effective.
- 6.3 Evidence includes the Committee's oversight of risk management, internal audit arrangements, the Statement of Accounts and approval of the Annual Governance Statement.

**7 Performance Information**

7.1 Performance monitoring of the work carried out by the Internal Audit Service provides further assurance that the system of Internal Audit is operating effectively and adding value as a whole. During 2019/20 the following key performance indicators are relevant and are reported to the Committee elsewhere on today's agenda:

- Customer satisfaction questionnaires returned in the year recorded satisfaction at 99%.
- 100% of draft audit reports were issued within the target of 17 working days following the end of audit fieldwork.

**8 Opinion of the Effectiveness of Internal Audit**

8.1 Based on the reviews detailed above it is considered that both the PCC and Chief Constable's system of internal audit is operating effectively.

**9 Equal Opportunities implications**

9.1 It is considered that there are no equal opportunities implications arising from the report.

**10 Human Rights implications**

10.1 It is considered that there are no human rights implications arising from the report.

**11 Risk Management implications**

11.1 An effective system of internal audit will positively contribute to the management and mitigation of risk.

**12 Financial implications**

12.1 There are no financial implications directly arising from this report.

**13 Recommendation**

13.1 The Committee is asked to endorse the opinion that the PCC and Chief Constable's system of internal audit is operating effectively.



**Appendix A – 2019/20 Self-Assessment against the CIPFA Role of the Head of Internal Audit (HIA) Statement**

**AGENDA ITEM 5A**  
**APPENDIX A**

<b>Principle</b>	<b>Principle Definition</b>	<b>The Organisation: Governance Requirements</b>	<b>The Role: Core HIA Responsibilities</b>	<b>The Individual: Personal Skills/ Professional Standards</b>
<b>1</b>	The HIA in a public service organisation plays a critical role in delivering the organisation's strategic objectives by championing best practice in governance, objectively assessing the adequacy of governance and management of existing risks and commenting on responses to emerging risks and proposed developments.	<p>Chief Audit Executive (CAE) role in the organisation's governance is set out in the Audit Charter which complies with UK Public Sector Internal Audit Standards (UKPSIAS). The Terms of Reference (ToR) establishes:</p> <p>The responsibility and objectives of Internal Audit:</p> <ul style="list-style-type: none"> <li>• Organisational independence;</li> <li>• Accountability &amp; reporting lines;</li> <li>• The contribution made by the CAE to the internal control environment (including an assessment of its effectiveness) which in turn contributes to the Annual Governance Statement;</li> <li>• The access to all records, assets, personnel and premises, except covert;</li> <li>• The requirement of the CAE to provide an annual audit opinion on the internal control environment.</li> </ul>	<p>CAE helps promote good governance through an annual risk based audit programme, quarterly meetings of the joint governance monitoring group, quarterly progress reports to the JIAC, and an annual audit opinion report.</p> <p>Role of the Internal Audit Service is defined in the scope of the Audit Charter which is reviewed annually.</p>	<p>The Internal Audit Strategy is reviewed by the CAE annually and revised as necessary to reflect any prevailing risks to the Police and Crime Commissioner (PCC) and Chief Constable.</p> <p>CAE undertakes consultation exercises with senior managers to feed into annual plan.</p> <p>CAE identifies and disseminates best practice through audit provision across different organisations in the public sector.</p>
<b>2</b>	The HIA in a public service organisation plays a critical role in delivering the organisation's strategic objectives by giving an objective and evidence based opinion on all aspects of governance, risk management and internal control.	<p>Established through Internal Audit's ToR the CAE has clear lines of responsibility to the Chair of the JIAC, PCC, Chief Constable, PCC's Chief of Staff and Monitoring Officer, Force Command Team and the Section 151 Officer for both the PCC and Chief Constable.</p> <p>CAE produces an Audit Strategy, which is approved by the JIAC.</p>	<p>CAE produces an Annual Audit Opinion which gives assurance to the PCC and Chief Constable on the effectiveness of the system of internal control.</p> <p>CAE liaises regularly with those discharged with the organisation's external audit responsibilities. CAE ensures that audit work is not driven by priorities of external audit.</p>	<p>CAE reports both in detail and in summary on all principal audit findings and control and system weaknesses to the JIAC without interference or influence from the Police Service or auditees.</p> <p>All audit findings are evaluated and assessed against the risk to the organisation.</p> <p>CAE ensures that recommendations</p>

**Appendix A – 2019/20 Self-Assessment against the CIPFA Role of the Head of Internal Audit (HIA) Statement**

**AGENDA ITEM 5A**  
**APPENDIX A**

<b>Principle</b>	<b>Principle Definition</b>	<b>The Organisation: Governance Requirements</b>	<b>The Role: Core HIA Responsibilities</b>	<b>The Individual: Personal Skills/ Professional Standards</b>
		<p>Protocols that define Internal Audit's working relationships are also set out in the Scheme of Delegation and Financial Regulations.</p>	<p>CAE produces a three year rolling Audit Strategy which is reviewed annually to reflect the organisation's key risks. The strategy and plan are flexible, supportive, challenging, prioritised and timely which ensures the plan maintains focus on emerging risks.</p> <p>The Audit Strategy is presented to the JIAC prior to the start of the financial year.</p> <p>The annual audit planning process incorporates the organisational risks as identified in the risk register. To place reliance on the risk register the CAE evaluates and assesses the organisation's risk maturity and risk appetite.</p> <p>CAE liaises with other external bodies including those with inspection/assurance responsibilities such as Mazars.</p>	<p>presented are objective, pragmatic and risk based.</p> <p>CAE ensures that all recommendations are followed up at the agreed due date and that the progress in actioning these is reported to the JIAC.</p>
<b>3</b>	<p>The HIA in a public service organisation must be a senior manager with regular and open engagement across the organisation, particularly with the Leadership Team and with the Audit Committee.</p>	<p>CAE reports directly to the PCC and CC's Section 151 Officer but with direct line of access to the PCC, Chief Constable and Chair of the JIAC.</p> <p>CAE has clear lines of responsibility and reporting to the JIAC.</p> <p>The CAE has access to the senior management and leadership team within the OPCC and Force.</p> <p>As established within the ToR the CAE</p>	<p>CAE liaises and consults with key PCC and Force stakeholders in revising the annual audit strategy and the annual audit programme.</p> <p>CAE has unfettered access to escalate any concerns through reports or direct submissions to the JIAC.</p>	<p>CAE has developed and maintained effective professional working relationships with a range of internal and external stakeholders.</p> <p>CAE attends and reports to the JIAC.</p> <p>CAE ensures that audit programmes are flexible in nature and are developed to ensure testing is reflective of the current operational procedures, process and structures of the PCC and CC.</p>

**Appendix A – 2019/20 Self-Assessment against the CIPFA Role of the Head of Internal Audit (HIA) Statement**

**AGENDA ITEM 5A**  
**APPENDIX A**

Principle	Principle Definition	The Organisation: Governance Requirements	The Role: Core HIA Responsibilities	The Individual: Personal Skills/ Professional Standards
		leads an audit function which has unrestricted access to all people, systems and records within the organisation, subject to restrictions in relation to covert assets (as agreed by JIAC on 24 February 2020).		CAE networks both internally and externally.
4	The HIA in a public service organisation must lead and direct an internal audit service that is resourced to be fit for purpose.	<p>All internal auditors are fully qualified (CCAB, AAT or equivalent) or are undertaking professional studies.</p> <p>Local performance targets are produced which are reported into the JIAC quarterly.</p> <p>Client questionnaires are circulated with the results incorporated into the CAE's quality control function.</p> <p>The Audit Plan is developed using a risk based approach prior to looking at resource implications.</p> <p>The service has undergone external assessment against PSIAS and was assessed as substantially compliant and all recommendations from the external assessment are being implemented.</p>	<p>CAE ensures that the Internal Audit Service is resourced to be fit for purpose through:</p> <ul style="list-style-type: none"> <li>• Training support to undertake professional qualifications;</li> <li>• On the job and in-house training;</li> <li>• Regular Appraisal &amp; Development reviews and client surveys which are used to identify training and development needs;</li> <li>• Review of job profiles to ensure all staff responsibilities are clearly defined and recognised; and</li> <li>• Internal Audit Development Plan.</li> </ul> <p>CAE regularly attends conferences, courses and other networking opportunities keeping up to date with recent audit developments and current best practice in the public sector.</p>	<p>The Internal Audit Service complies with PSIAS.</p> <p>Annual planning involves consultation with stakeholders, including senior managers and JIAC members.</p> <p>Client questionnaires are circulated for feedback in relation to Internal Audit's performance. These aim to enhance customer focus.</p> <p>Innovative arrangements to manage skills gaps i.e. Newcastle IT audit arrangement.</p> <p>Where appropriate the Internal Audit Service will work in partnership with other relevant parties.</p>
5	The HIA in a public service organisation must be professionally qualified and suitably experienced.	<p>CAE has 20 years local authority experience and has been CIPFA qualified for 9 years.</p> <p>The core responsibilities of the CAE role are clearly defined in the job profile, the</p>		<p>CAE is CIPFA qualified and takes personal responsibility for continuous professional development (CPD) in accordance with institute requirements.</p> <p>The Internal Audit Section operates</p>

**Appendix A – 2019/20 Self-Assessment against the CIPFA Role of the Head of Internal Audit (HIA) Statement**

**AGENDA ITEM 5A**  
**APPENDIX A**

<b>Principle</b>	<b>Principle Definition</b>	<b>The Organisation: Governance Requirements</b>	<b>The Role: Core HIA Responsibilities</b>	<b>The Individual: Personal Skills/ Professional Standards</b>
		<p>Internal Audit ToR and Financial Regulations.</p> <p>CAE has the appropriate experienced and qualified resources (see above) within the audit section to fulfil the audit provision as set out in the Annual Audit plan.</p>		<p>according to PSIAS and has been externally assessed as substantially compliant.</p> <p>CAE has 20 years' experience in local authority finance.</p>



**JOINT INDEPENDENT AUDIT COMMITTEE**

**24 AUGUST 2020**

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**INTERNAL AUDIT ANNUAL REPORT – 2019/20**

**REPORT OF THE INTERNAL AUDIT MANAGER**

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**1 Purpose of the Report**

- 1.1 To inform the Committee about work undertaken by the Internal Audit Service during 2019/20 and to give an overall assessment and independent opinion on the effectiveness of both the Police and Crime Commissioner (PCC) and Chief Constable's internal control systems, risk management and governance arrangements to feed into the Annual Governance Statements for 2019/20.

**2 Background**

- 2.1 The audit plan for 2019/20 set out to meet the requirements of the UK Public Sector Internal Audit Standards (PSIAS) in providing a risk-based focus for the deployment of internal audit resources. The requirements of both the PCC and Chief Constable were taken into account when preparing the audit plan.
- 2.2 The audit plan also enables the Joint Chief Finance Officer to fulfil his delegated responsibility to maintain an adequate internal audit of financial affairs as required by Section 151 of the Local Government Act 1972.

**3 Performance Management and Quality Assurance**

- 3.1 The number of planned audits in 2019/20 was 30 (including two carried over from 2018/19), final reports have been issued for 27 of these.
- 3.2 The 2019/20 audit plan allocated 2,510 hours to routine audits, and advice and liaison with the Force and OPCC. As at 31 March 2020 95% of the audit plan, in terms of actual audit hours against planned hours was achieved by the Internal Audit Service, against a target of 97.25%. This shortfall is due to the impact of the COVID 19 lockdown as is reflective of the number of audits currently ongoing from 2019/20.
- 3.3 The Chief Constable has in place a framework of assurance, which includes Internal Audit, but also includes other audits and checks undertaken by employees.
- 3.4 The Internal Audit Service has a Quality Assurance and Improvement Programme in place which appraises:
- The quality of audit work;

- The quality of supervision;
- Compliance with PSIAS;
- Independence of the internal audit function
- Compliance with the Audit Service's local audit manual;
- The ways in which the Internal Audit Service benefits the PCC and Chief Constable; and
- Achievement of performance standards.

The work undertaken in 2019/20 was found to be compliant with the above.

- 3.5 The percentage of audits subject to quality review by the Internal Audit Manager varies but will not be less than 20% of all audits. During 2019/20 100% of audits were reviewed by the Internal Audit Manager. An action plan is in place for the continued development of the Internal Audit Service which accommodates any findings from these quality reviews.

#### **4 Main Audit Findings**

##### *Overall Assessment & Independent Opinion*

- 4.1 Of the 27 final audit reports issued, 24 concluded that systems and procedures in place were operating well and three concluded that systems and procedures were operating satisfactorily. A summary of these audits is attached at Appendix A.
- 4.2 The standard conclusions in audit reports are defined as:
- Operating well - where the system in place is effective and no recommendations or only a few best practice recommendations have been raised.
  - Satisfactory - where the system in place works, however there are medium priority recommendations.
  - Significant weakness - where the system in place is flawed and there are one or more high priority recommendations or a large number of medium priority recommendations. Also where little or no action has been taken since the previous audit.
- 4.3 Audit work has been focused on the completion of routine systems based audits. There have been no special investigations during the period under review and therefore no cases of suspected fraud or corruption.
- 4.4 Based on the evidence arising from internal audit activity during 2019/20, including advice on governance arrangements, the PCC and Chief Constable's internal control systems and risk management and governance arrangements are considered to be effective.
- 4.5 This overall assessment of the PCC and Chief Constable's internal control environment and governance arrangements by Internal Audit makes up a fundamental element of assurance for the Annual Governance Statement.

**5 Equal Opportunities implications**

- 5.1 It is considered that there are no equal opportunities implications arising from the report.

**6 Human Rights implications**

- 6.1 It is considered that there are no human rights implications arising from the report.

**7 Risk Management implications**

- 7.1 There are no additional risk management implications arising directly from this report. The audit plan supports the sustainability of adequate and appropriate resources.

**8 Financial implications**

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

**9 Recommendation**

- 9.1 The Committee is requested to note the findings set out in this report.



**AGENDA ITEM 5B****APPENDIX A**

	<b>2019/20 Audit Area</b>	<b>Status</b>	<b>Opinion</b>
	<b>Police &amp; Crime Commissioner</b>		
1	Grant Distribution	Final Report Issued	Operating Well
2	Treasury Management	Final Report Issued	Operating Well
	<b>Chief Constable</b>		
3	ICT Change Management.bf	Final Report Issued	Operating Well
4	ICT Asset and Device Management.bf	Final Report Issued	Operating Well
5	ICT Security - Application & Data; Infrastructure; Cyber	Fieldwork Complete	
6	Patch Management	Final Report Issued	Satisfactory
7	Configuration Management	Final Report Issued	Operating Well
8	Resilience	Final Report Issued	Satisfactory
9	ICT Strategic Implementation & Reporting	Final Report Issued	Operating Well
10	Asset Management	Final Report Issued	Operating Well
11	Human Resources & Workforce Development	Final Report Issued	Operating Well
12	Legal & Insurance Arrangements	Final Report Issued	Operating Well
13	Firearms Licensing	Final Report Issued	Satisfactory
14	Police Charities Fund	Final Report Issued	Operating Well
15	Procurement	Final Report Issued	Operating Well
16	Property	Final Report Issued	Operating Well
17	Cash & Miscellaneous Income	Final Report Issued	Operating Well
18	NERSOU	Final Report Issued	Operating Well
	<b>Combined Areas</b>		
19	Governance	Final Report Issued	Operating Well
20	Creditors	Fieldwork Complete	
21	Payroll & Pensions	Final Report Issued	Operating Well
22	Main Accounting System	Final Report Issued	Operating Well
23	Budgetary Control	In Progress	
24	Employee Claims	Final Report Issued	Operating Well
25	Risk Management and Business Continuity Arrangements	Final Report Issued	Operating Well
26	Equality & Diversity	Final Report Issued	Operating Well
27	Joint Working Arrangements	Final Report Issued	Operating Well
28	Information Governance & Data Security	Final Report Issued	Operating Well
29	VAT	Final Report Issued	Operating Well
30	Annual Governance Statement - Review of Managers Assurance Statements	Final Report Issued	Operating Well



**JOINT INDEPENDENT AUDIT COMMITTEE**

**24 AUGUST 2020**

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**SENIOR MANAGERS' ASSURANCE STATEMENTS**

**REPORT OF THE AUDIT MANAGER**

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**1 Purpose of the Report**

- 1.1 To inform the Committee of the assurance which the Chief of Staff and Monitoring Officer to the Police and Crime Commissioner (PCC) and Force managers have placed on their control systems to feed into the Annual Governance Statement for 2019/20.

**2 Background**

- 2.1 The Accounts and Audit Regulations 2015 require Authorities to produce an Annual Governance Statement giving an assessment of governance arrangements and their effectiveness.
- 2.2 The Joint Independent Audit Committee agreed on 24 February 2020 an assurance framework which would provide evidence for the completion of the Annual Governance Statement.
- 2.3 Assurances from managers on the effectiveness of controls they have in place in their departments is fundamental within the assurance framework and forms a key part of the review of the effectiveness of internal control as set out in the Annual Governance Statements for both the PCC and Chief Constable reported elsewhere on today's agenda.
- 2.4 The Chief of Staff and Monitoring Officer, Heads of Departments and Area Commanders were asked to complete self-assessments, which took the form of a questionnaire covering the processes in place to manage their key business risks. They were required to state whether they agreed or disagreed that the processes they had in place provided an effective level of assurance and compliance. There was also a requirement to detail the evidence to support their assessment and highlight any areas of either above or below average performance or outputs.

**3 Overall Opinion**

- 3.1 All assessments issued have been returned detailing satisfactory evidence. As referenced in section 3 of appendix A, one return recorded partial assurance in relation performance monitoring and management. Whilst existing arrangements were seen as being adequate, there was deemed to be scope for improvement through the

use of IT. This issue was recorded by the same manager last year. Software was introduced April 2020 to resolve this.

- 3.2 All managers agreed that overall effective controls are in place to allow them to achieve their service objectives and therefore the objectives of the PCC and Chief Constable.
- 3.3 A summary of returns is attached at Appendix A showing each process being assessed.
- 3.4 Internal Audit has time in the 2020/21 audit plan to review the evidence and actions identified by managers on their assurance statements. The outcome of this work will be reported to the Joint Independent Audit Committee prior to the approval of each body's financial statements. This audit will cover a number of questions included in the assurance statement.

#### **4 Equal Opportunities implications**

- 4.1 It is considered that there are no equal opportunities implications arising from the report.

#### **5 Human Rights implications**

- 5.1 It is considered that there are no human rights implications arising from the report.

#### **6 Risk Management implications**

- 6.1 Ongoing reviews of controls and their effectiveness will assist managers in the identification and mitigation of risk.

#### **7 Financial implications**

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

#### **8 Recommendation**

- 8.1 The Committee is asked to note the assurances provided by senior managers.



**Senior Manager Assurance Assessments 2019/20**

<b>Area of Assurance</b>	<b>Percentage that Agree / Disagree that Effective Controls are in Place</b>
1. Controls are in place to demonstrate that there is compliance with legal requirements, governance arrangements and corporate policies.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
2. There is effective service planning with resources used to ensure that the Police and Crime Plan and the Chief Constable's Delivery Plan are both fully supported.  Plans are reviewed on a regular basis to measure progress against relevant performance targets.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
3. There are effective data quality and performance management processes with accurate and sufficient information generated, which is reported to relevant parties on a timely basis and with appropriate action taken to address performance issues.	95% agreement that effective controls are in place. One manager identified future enhancements to further improve existing controls.
4. Awareness of the requirements of the General Data Protection Regulations (GDPR) and taken steps to ensure compliance.  The Area Command / Department has identified its sources and flows of information including rights of access.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
5. There are well defined reporting arrangements to senior management, including a clear reporting structure and with accurate and timely information provided to ensure decision making is taken on a sound basis.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
6. Management and staffing structures are clearly defined, responsibilities including job descriptions are clearly established and there is a workforce of adequate competence and number to	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.

**AGENDA ITEM 5C**

deliver the service.	
7. Standards of conduct within the Area Command/Department are in accordance with written codes and controls are in place to deter, prevent, detect, and therefore reduce the risk, of fraud and corruption (including bribery).	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
8. There are effective financial planning and budgetary control procedures in place.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
9. In relation to financial transactions within the department, all are undertaken in-line with published procedures on the Force Instructional Information System. Compliance can be demonstrated by: <ul style="list-style-type: none"><li>• All expenditure is properly recorded and authorised</li><li>• All income is promptly collected and forwarded to Finance.</li><li>• All assets are recorded and protected from loss.</li></ul>	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
10. The Area Command/Department can demonstrate it has sought value for money in the use of resources.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
11. Relevant partnership arrangements are well founded with clearly defined governance arrangements and are adequately monitored for effectiveness.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
12. ICT systems used by the Area Command/Department are secure and satisfactory for their purpose and adequate business continuity arrangements are in place.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
13. Recommendations from relevant Inspectorate/audit reports where they relate to your area of responsibility, are reviewed and acted upon.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.
14. Decisions are taken with due regard to insurance, health and safety,	100% agreement that effective controls are in place. No managers identified

**AGENDA ITEM 5C**

information governance, community safety and other risk implications.	future enhancements to further improve existing controls.
15. There is effective risk management within the Area Commands/Department with adequate identification, control and ongoing monitoring and review of service, operation based and strategic risks.	100% agreement that effective controls are in place. No managers identified future enhancements to further improve existing controls.



<b>JOINT INDEPENDENT AUDIT COMMITTEE</b>	<b>24 AUGUST 2020</b>
<b>ANNUAL GOVERNANCE STATEMENT - PRIMARY AND THEMATIC ASSURANCE REVIEW - 2019/20</b>	
<b>REPORT OF THE JOINT CHIEF FINANCE OFFICER</b>	

**I PURPOSE**

- 1.1 Each financial year a review of the effectiveness of the system of internal control is undertaken and Annual Governance Statements (AGS's) are prepared for both the Police and Crime Commissioner (PCC) and the Chief Constable (CC).
- 1.2 The following sets out the internal reviews carried out as part of the Annual Governance Review Framework, as reported to the Joint Independent Audit Committee (JIAC) on 24 February 2020.
- 1.3 The below elements of review were considered by the Joint Governance Group (JGG) on 10 August 2020, alongside the 'Systems of Internal Audit' and 'Senior Managers Assurance Statements Review' elsewhere on this agenda; in order to review the overall Governance Framework and propose the draft AGS's.

**2 RECOMMENDATION**

- 2.1 To note the content of this report as part of the production of the Annual Governance Statements (AGS's) assurance framework.

**3 BACKGROUND**

- 3.1 The Accounts and Audit Regulations 2015 require that the PCC and CC each conduct a review of the effectiveness of the systems of internal control, and prepare individual Annual Governance Statements.
- 3.2 The review of evidence informing the production of the AGS's will be undertaken by the Joint Governance Group (JGG), who will prepare the statements covering 2019/20 for review and approval by the JIAC. The review by the JGG took place on 190 August 2020.

**Assurance Framework**

- 3.3 The assurance framework is made up from a number of sources that provide assurance on governance arrangements, and controls, that are in place to achieve each organisations strategic objectives.
- 3.4 The Chartered Institute of Public Finance and Accountancy (CIPFA) has issued guidance based around a framework that sets out the steps by which assurance should be gathered to enable the production of an Annual Governance Statement for both the PCC and CC.

3.5 In preparation, the evidence from the following sources of assurance were reviewed in order to obtain assurance that the systems of internal control are operating as planned:

- **The system of internal Audit**
  - Review of the effectiveness of Internal Audit
  - Review of the effectiveness of Joint Independent Audit Committee
  - Internal Audit Annual Report
- **Senior Managers Assurance Statements**
- **Primary and Thematic Assurance**
  - Governance arrangements
  - Financial Controls - An assessment of the role of the CFO in accordance with best practice
  - Views of the external auditor
  - HMICFRS and other external inspectorates
  - The legal and regulatory framework
  - Risk management arrangements
  - Performance management and data quality
  - Other 'Thematic' sources of assurance, including:
    - Business Planning
    - Partnership arrangements and governance
    - Information and Communications Technology (ICT) Arrangements
    - Fraud, Corruption and Money Laundering
    - Wellbeing

3.6 From the above, the 'Systems of Internal Audit' and 'Senior Managers Assurance Statements Review' are considered elsewhere on this agenda.

3.7 The following sections outline how suitable assurance has been established from the 'Primary and Thematic' elements of the above list of sources of assurance.

3.8 Appendices have been included for each of the areas of Primary assurance, and summaries for each of the Thematic areas.

### **Primary Assurance Framework Elements**

#### **3.8 Governance arrangements**

3.8.1 The PCC and CC have responsibilities for governance within the Office of the Police & Crime Commissioner (OPCC) and the Force in their own right. This means that there will be two freestanding processes within the Police Service for ensuring good governance. In most respects the principles and implementation will be the same for the PCC and the CC. There may be however, areas specific to each corporation sole which will need to be reflected.

- 3.8.2 Appendix (i) provides an overview of the assurance gained in relation to the Governance Arrangements. There were no areas identified to explicitly include within the draft AGS's.

**3.9 Financial controls - An assessment of the role of the CFO in accordance with best practice**

- 3.9.1 Assurance has been sought from the Joint Chief Finance Officer (JCFO) to the PCC and CC. A self-assessment of whether best practice financial governance arrangements have been in place during the financial year 2019/20 has been completed by the Joint Chief Finance Officer for the purposes of the Annual Governance Statement (AGS). In accordance with the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (2014).
- 3.9.2 Appendix (ii) provides an overview of the assurance gained, there were no areas identified to explicitly include within the draft AGS's.

**3.10 Views of the external auditor**

- 3.10.1 A review was undertaken of the Annual Audit Letters for 2018/19, as reported by Mazars to the meeting of JIAC on 18 November 2019; in order to identify any recommendations to be implemented during 2019/20.
- 3.10.2 There were no recommendations contained within either letter, therefore nothing to consider as part of the drafting of the AGS's for 2019/20.

**3.11 HMICFRS and other external inspectorates**

- 3.11.1 In addition to the HMICFRS and external inspectorate reports presented at each JIAC meeting. An annual review has been undertaken summarising the activities during 2019/20.
- 3.11.2 Appendix (iii) provides an annual review of these external inspectorates. From the review, although there were some areas for improvement identified, there were no exceptions or risks to delivery identified during the year, for any of the recommendations or areas for improvement reported by HMICFRS, a comment to this effect has been included within the AGS's.

**3.12 Legal and regulatory framework**

- 3.12.1 Assurance was sought from the PCC's Chief of Staff and the CC's Head of Legal, who have a legal duty within their own bodies to ensure the lawfulness and fairness of decision-making and ensure compliance with established policies, procedures, laws and regulations.
- 3.12.2 Appendix (iv) provides the outcome of the review; there were no items to include within the AGS's.

**3.13 Risk Management**

3.13.1 The PCC and CC have established a joint approach to the consideration and management of risk, which ensures that both bodies have management arrangements in place. Updates on risk are provided to JIAC at each meeting and assurance in this area will be provided in the Corporate Risk Management Annual Report for 2019/20.

3.13.2 Appendix (v) provides an annual report for Risk Management, there were no items specifically identified which are required to be reflected within the AGS's

**3.14 Performance Management and Data Quality**

3.14.1 The performance management framework forms part of the assurance of senior managers on the key controls operating in their areas. In addition, there is a framework for reporting corporate performance management information, including oversight by the PCC.

3.14.2 Appendix (vi) provides a summary of the assurance for Performance Management and Data Quality, there were no items specifically identified which are required to be reflected within the AGS's

**Thematic Assurance Framework Elements**

**3.15 Business Planning**

3.15.1 The establishment, and adequacy, of business planning to inform strategic plans and the production of the annual 'Force Management Statement' (FMS). The FMS is a self-assessment that CC's prepare each year, covering: The demand the Force expects to face in the next four years; how the Force will change and improve its workforce and other assets to cope with that demand; how the Force will improve its efficiency to make sure the gap between future demand and future capability is as small as it can reasonably be; financial position of the Force to deliver its plans.

3.15.2 A summary of the assurance for Business Planning was considered by the JGG, there were no items specifically identified which are required to be reflected within the AGS's

**3.16 Partnership arrangements and governance**

3.16.1 Assurance is also required in respect of any significant partnership arrangements, as they are key to the delivery of each body's objectives. Each arrangement will be assessed against guidance produced by the Audit Commission (Bridging the Accountability Gap, 2005).

3.16.2 A review of partnership arrangements is also the subject of an annual review by Internal Audit as part of the 'Governance' audit; the 2019/20 assessment was one of 'Operating Well'.



- 3.16.3 Partnerships are the subject of specific collaboration agreements. Following review, assurance was obtained that the collaboration agreements contained suitable governance arrangements and confirmed that suitable controls have been in place to monitor them during the year.

**3.17 Information and Communications Technology (ICT) Arrangements**

- 3.17.1 Assurance was sort to the adequacy and robustness of information systems and governance arrangements.
- 3.17.2 The assurance review found that overall across people, processes, and technology the assurance is adequately in place, albeit in some areas at a minimum level. The Chief Constable and his Executive Team have recognised that ICT is a vital enabling capability for Policing going forward, and the current ICT operating model is currently limiting and needs to be transformed in order to support the delivery of the Force's 2025 Strategic Vision. Significant investment has been agreed and a new ICT operating model is currently being implemented, this will ensure delivery of the Force's 2025 Vision, but also ensure a higher level of assurance can be achieved and maintained both during and after the current transformation programme is complete. This area is reflected within the AGSs to demonstrate that this is an area which although adequate, the Force is looking to significantly enhance.

**3.18 Fraud, Corruption and Money Laundering**

- 3.18.1 Fraud and Corruption – a statement was agreed at JGG confirming that there has been no fraud or corruption identified during the year.
- 3.18.2 Consideration was made of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, and Money Laundering Reporting Officer under the Proceeds of Crime Act 2002 (as amended by the Serious Organised Crime and Police Act 2005) - there were no cases identified or reported during the year.

**3.19 Wellbeing**

- 3.19.1 The activities of the 'Wellbeing and Leadership Board' and associated 'Wellbeing' activities was undertaken to provide assurance to JGG of the commitment of the PCC and CC to Wellbeing.
- 3.19.2 A summary of the Wellbeing governance arrangements and achievements during 2019/20 to demonstrate the commitment of the PCC and CC was considered by JGG. There were no issues which need to be reflected within the AGS.

**4. FINDINGS**

- 4.1 No areas of non-compliance have been identified and therefore need to be disclosed in the 2019/20 AGS's.

**5. CONSIDERATIONS**

<b>Freedom of Information</b>	<i>Non-exempt</i>
<b>Consultation</b>	Yes
<b>Resource</b>	No
There are no additional financial considerations arising from this report.	
<b>Equality</b>	No
There are no equality implications arising from the content of this report.	
<b>Legal</b>	No
There are no legal considerations arising from the content of this report.	
<b>Risk</b>	No
There are no additional risk management implications directly arising from this report.	
<b>Communication</b>	Yes
To be reported to the PCC and CC in-line with the Accounts and Audit Regulations 2015	
<b>Evaluation</b>	No

**PRIMARY ASSURANCE FRAMEWORK ELEMENT**

**GOVERNANCE ARRANGEMENTS**

**REPORT OF: HEAD OF CORPORATE DEVELOPMENT**

**I Overview of Area of Assurance**

- 1.1 The Police and Crime Commissioner (PCC) and Chief Constable (CC) have responsibilities for governance within the Office of the Police and Crime Commissioner (OPCC) and the Force in their own right. This means that there will be two freestanding processes within the police service for ensuring good governance. In most respects the principles and implementation will be the same for the PCC and the CC. There may; however, be areas specific to each corporation sole which will need to be reflected.
- 1.2 The PCC and CC have established a Joint PCC/CC Governance Meeting which meets four times per year and whose work is fully aligned with that of the Joint Independent Audit Committee (JIAC). The Group is resourced by individuals who have the appropriate knowledge, expertise and levels of seniority to consider all necessary and mandatory governance requirements on behalf of both corporate bodies.

**2 Governance and Decision Making Structure**

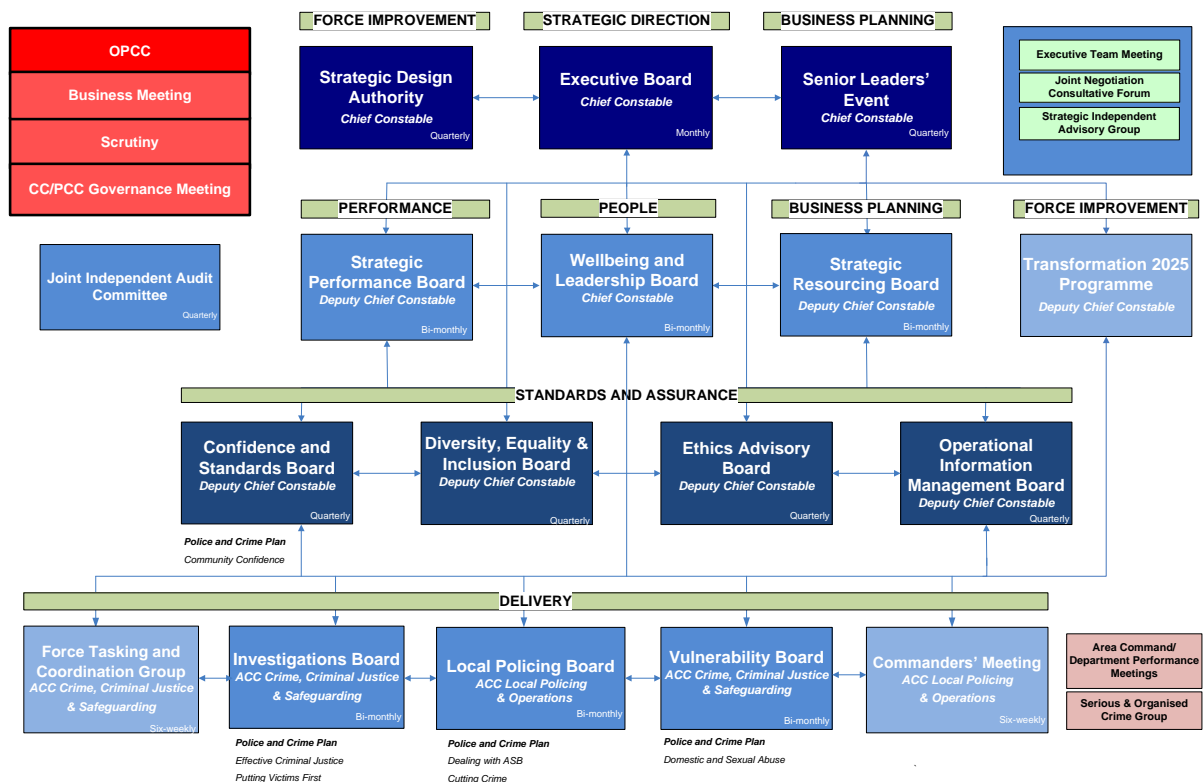
- 2.1 There are a range of boards and meetings to manage Force business. The Force's governance and decision-making structure is outlined in Annex A. There are defined key governance and stewardship arrangements in place for all meetings, with agreed terms of reference and frequency of meetings. Agenda notices and papers are circulated at least three working days before each meeting. All reports follow an agreed standard and template to ensure consistency and all implications are considered. An Executive Team member is identified as chair and vice-chair, with agreed membership for all meetings. Minutes are published to all members, with minutes of the Executive Board published externally on the Force's website.
  - 2.1.1 **Executive Board** sets the direction of the Force by providing strategic leadership to ensure that the mission, vision and values of Northumbria Police are achieved in support of the Police and Crime Plan. This Board approves and monitors the Force's Medium Term Financial Plan, including future capital requirements; approves significant change activity; makes recommendations on significant variations outside previously agreed strategies and plans, terminating where necessary; and monitors strategic risks.
  - 2.1.2 The **Strategic Design Authority** identifies and directs corporate change programmes and supporting programmes of work, ensuring alignment with the mission, vision and values of Northumbria Police.
  - 2.1.3 The **Strategic Performance Board** drives performance and standards to deliver the Police and Crime Plan and achieve Force strategic aims and objectives, whilst improving the effectiveness and efficiency of policing services. This Board considers escalation reports and scheduled updates

from other boards and meetings presenting risks and issues to performance and delivery.

- 2.1.4 The **Wellbeing and Leadership Board** focuses on ensuring the Force delivers a positive culture of health, safety and wellbeing, initiating activities around the key pillars of: leadership; absence management; creating the environment; mental health; protecting the workforce; and personal resilience.
- 2.1.5 The **Strategic Resourcing Board** ensures strategic alignment of people, financial, physical and technological resources to support achievement of the mission, vision and values of Northumbria Police.
- 2.1.6 **Ethics Advisory Board** supports Northumbria Police and its staff to embed the Police Code of Ethics throughout the organisation, by providing a forum to discuss ethical issues and provide advice to the Executive Team, Senior Leaders and Staff and in doing so promotes the highest standards of behaviour.
- 2.1.7 The Force's **Transformation 2025 Programme Board** identifies and directs corporate change programmes and projects approved by Executive Board, determining time and resource parameters. This Board oversees benefits realisation and evaluation of corporate programmes and projects, ensuring continuous improvement and shared learning are embedded in the organisation and risks to delivery are managed and identified.
- 2.1.8 **Confidence and Standards Board** ensures public confidence is maintained and standards achieved by ensuring services are based on insight and engagement and meet the needs of victims, with an emphasis on use of police powers and decision-making.
- 2.1.9 **Diversity, Equality & Inclusion Board** embeds diversity, equality and inclusion into all activities, supporting the National Police Chiefs' Council 2018 – 2025 Diversity, Equality and Inclusion Strategy. This Board delivers the joint equality objectives of the Chief Constable and Police and Crime Commissioner through the Equality Delivery Plan.
- 2.1.10 **Operational Information Management Board** oversees the strategic and operational management of all information and ensures the security and integrity of information assets is maintained within the Force in accordance with national standards and best practice. This Board ensures information assurance activities in support of ICT systems and programmes are carried out to maintain compliance with the National Policing Community Security Policy and provides oversight of Information Assurance risks to Northumbria Police.
- 2.1.11 The remit of delivery boards (**Investigations, Vulnerability and Local Policing**) is to manage performance and delivery against local plans. Each board will consider demand and the condition, capacity, capability, well-being and serviceability of assets and longer term changes to ensure effective delivery against the Police and Crime Plan.
- 2.2 In addition, to the relevant business managed, there are several standing agenda items for each board, including risk management, organisational learning, progress against HMICFRS recommendations and areas for improvement, ethics and Force policy and procedure.

- 2.3 Further consultation and advice is available from the Executive Team Meeting, Joint Negotiation and Consultative Forum, Senior Leaders' Events and Strategic Independent Advisory Group.
- 2.4 Additional governance arrangements are in place with the Police and Crime Commissioner at a joint Business Meeting, Scrutiny Meeting and the Chief Constable and Police and Crime Commissioner's Governance Meeting.

**Annex A – Force Governance and Decision-Making Structure**





**PRIMARY ASSURANCE FRAMEWORK ELEMENT**

**FINANCIAL CONTROL – AN ASSESSMENT OF THE ROLE OF THE CFO IN  
ACCORDANCE WITH BEST PRACTICE**

**REPORT OF: JOINT CHIEF FINANCE OFFICER**

**I. Overview of Area of Assurance**

- 1.1. A self-assessment of whether best practice financial governance arrangements have been in place during the financial year 2019/20 has been completed by the Joint Chief Finance Officer for the purposes of the Annual Governance Statement (AGS). In accordance with the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (2014).

**2. Background**

- 2.1. The Chief Finance Officer (CFO) occupies a critical position in any organisation, holding the financial reins of the business and ensuring that resources are used wisely to secure positive results. Achieving value for money and securing financial stewardship are key components of the CFOs role in public service organisations, a duty enshrined in legislation for the CFOs appointed by Police and Crime Commissioner's (PCC) and Chief Constable's (CC).
- 2.2. The purpose of the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (2014) (The Statement), is to support CFOs in the fulfilment of their duties and to ensure that the PCC and CC have access to effective financial advice at the highest level.
- 2.3. The CIPFA Statement has five key principles as follows:
  1. The CFO of the PCC and CC is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest.
  2. The CFO must be actively involved in, and able to bring influence to bear on, all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate and longer term implications, opportunities and risks are fully considered, and align with the overall financial strategy.
  3. The CFO must lead and encourage the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.

4. The CFO must lead and direct a finance function that is resourced to be fit for purpose.
5. The CFO must be professionally qualified and suitably experienced.
- 2.4. The Statement also sets out the governance requirements, CFO responsibilities and other skills and controls expected in detail for each of the five principles.
- 2.5. There is a '*comply or explain*' requirement in the AGS in relation to the requirements of this CIPFA Statement.
- 2.6. A detailed line-by-line self-assessment review of the Statement has been undertaken and can be found at Annex A.

### **3. Findings**

- 3.1. Where under existing arrangements a joint CFO has been appointed the reasons should be explained publicly in the organisations AGS, together with an explanation of how this arrangement delivers the same impact. As in previous years this has been reviewed and included within the 2019/20 AGS.
  - The PCC for Northumbria and the CC agreed to appoint a joint CFO for both organisations with effect from 29 March 2013. The reasoning was that a joint CFO role would provide both the PCC and CC with an efficient, effective, economic and better coordinated finance lead. The joint role is subject to the requirements, standards and controls as set out in the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (2014).
  - The joint arrangement has now been in place for seven full financial years. A detailed self-assessment to the Statement has been completed and has found the role to be working well.
- 3.2. No other areas of non-compliance have been identified and therefore need to be disclosed in the AGS.



**CIPFA Assurance Statement - CFO Checklist 2019/20**

Completed 01/05/2020

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
<b>Principle 1</b>			
<i>The Chief Finance Officer of the PCC and CC is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest.</i>			
<b>Governance Requirements</b>			
I.1 Ensure that a clear Statement is set out on the respective roles and responsibilities of the Leadership Team and its members individually.	See the Governance Framework.	Y	
I.2 Ensure that the CFO reports directly to the PCC or the CC (depending on which CFO is concerned), the PCCs or CCs for collaborated arrangements (depending on which CFO is concerned) is a member of the Leadership Team with a status at least equivalent to other members.	CFO is a member of the leadership board of both the PCC and CC and is shared between the two bodies. The Statement of Accounts includes narrative about the joint role, this was enhanced in 2015/16 based on advice received from Internal Audit, this will again be stated within the 2019/20 Statement of Accounts.	Y	The Statement requires that both the PCC and CC appoint separate CFOs, where under existing arrangements a joint CFO has been appointed the reasons should be explained publicly in the authority's Annual Governance Report, together with an explanation of how this arrangement delivers the same impact.  This was first included in 2014/15 AGS and SOA.
I.3 If different organisational arrangements are adopted, explain the reasons publicly in the Annual Governance Statement (AGS), together with how these deliver the same impact.	The CFO jointly represents both the PCC and Chief Constable. These arrangements will be specifically highlighted within the AGS's.	Y	
I.4 Determine a scheme of delegation/consent (PCC CFO in consultation with the CC CFO), and ensure that it is monitored and updated.	Scheme of delegation published in 2014 following the appointment of a joint CFO. Reviewed by the Joint Governance Group.	Y	
I.5 Ensure that PCC and CC governance arrangements allow the CFO: – To bring influence to bear on all material business decisions (accepting the operational responsibilities of the Chief Constable). – Provide direct access to the PCC and CC (as above), other leadership team members, the Audit Committee and internal and external audit.	See the Governance Framework.  See the Governance Framework / Finance and Contract Regulations.	Y  Y	
I.6 Ensure the scope of the CFO's other management responsibilities do not compromise financial responsibilities.	There are no conflicts arising.	Y	
I.7 Ensure that consideration has been given to nominated deputy provision if either CFO is unable to discharge his/her responsibilities.	The Head of Finance has been nominated for this role.	Y	
I.8 Ensure the financial skills required by members of the Leadership Team enable their roles to be carried out effectively.	See the Governance Framework / Finance and Contract Regulations.	Y	
<b>Core CFO responsibilities</b>			
I.9 Contributing to the effective leadership of the PCC and CC, maintaining focus on its purpose and vision through rigorous analysis and challenge.	CFO is a member of the leadership boards of both the PCC and CC and is shared between the two bodies.  Also member of the Joint Independent Audit Committee (JIAC), Joint Governance Group (JGG), Strategic Resourcing Board (SRB) and other key boards.	Y	
I.10 Contributing to effective corporate management, including strategy implementation, cross organisational issues, integrated business and resource planning, risk management and performance management.	CFO is a member of the leadership boards of both the PCC and CC and is shared between the two bodies.  Also member of the Joint Independent Audit Committee (JIAC), Joint Governance Group (JGG), Strategic Resourcing Board (SRB) and other key boards.	Y	
I.11 Supporting effective governance through development of: – Corporate governance arrangements, risk management and reporting frameworks.  – Corporate decision making arrangements.	CFO is a member of the leadership boards of both the PCC and CC and is shared between the two bodies.  Also member of the Joint Independent Audit Committee (JIAC), Joint Governance Group (JGG), Strategic Resourcing Board (SRB) and other key boards.  CFO is a member of the leadership boards of both the PCC and CC and is shared between the two bodies.  Also member of the Joint Independent Audit Committee (JIAC), Joint Governance Group (JGG), Strategic Resourcing Board (SRB) and other key boards.	Y  Y	
I.12 Contributing to change programmes including identifying service efficiencies and value for money opportunities.	CFO or delegated staff are key elements of such workgroups.  CFO is a permanent member of the 'Strategic Design Authority' responsible for managing change within the Force.	Y	
I.13 Leading development of medium term financial strategies and the annual budgeting process to ensure financial balance and a monitoring process to ensure its delivery.	Financial Regulation 5 sets out the financial planning processes and responsibilities. Four year MTFs prepared and published along with the detailed year 1 estimated revenue and capital budgets each February. Latest report March 2020.	Y	

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
I.14 Ensuring that there are sound medium and long term financial plans for both revenue and capital to support the development of PCC and CC plans and strategies and that these are subject to regular review to confirm the continuing relevance of assumptions used.	Financial Regulation 5 sets out the financial planning processes and responsibilities. Four year MTFS prepared and published along with the detailed year 1 estimated revenue and capital budgets each February. Latest report March 2020.	Y	
I.15 Ensuring that advice is provided on the levels of reserves and balances in line with good practice guidance 6. (PCC CFO responsibility in consultation with the CC CFO)	See Financial Regulation 5.2 and 8 See MTFS and budget report March 2020.	Y	
I.16 Ensuring compliance with relevant CIPFA Codes including the Prudential Framework for Local Authority Capital Finance and CIPFA's Treasury Management Code. (PCC CFO responsibility in consultation with the CC CFO)	See Financial Regulation 5.2 and 15. See MTFS and budget report March 2020, plus JIAC TM Strategy and Policy February 2020.	Y	
I.17 Ensuring that budget calculations are robust and reserves adequate, as required by s25 of the Local Government Act 2003, and in line with CIPFA guidance. (PCC CFO responsibility in consultation with the CC CFO)	See Financial Regulation 5.2 and 8 See MTFS and budget report March 2020.	Y	
I.18 Ensuring the medium term financial strategy reflects joint planning with partners and other stakeholders.	Financial Regulations 5.3 and 5.7. Four year MTFS prepared and published along with the detailed year 1 estimated revenue and capital budgets each year. Latest report March 2020.	Y	
<b>Personal skills and professional standards</b>			
In order to fulfil the aims of this Principle:			
I.19 Role model, energetic, determined, positive, robust and resilient leadership, able to inspire confidence and respect, and exemplify high standards of conduct.	Personal Development Review process.	Y	
I.20 Adopt a leadership style, able to move through visioning to implementation and collaboration/consultation to challenge as appropriate.	Personal Development Review process.	Y	
I.21 Build robust relationships both internally and externally.	Personal Development Review process.	Y	
I.22 Work effectively with other Leadership Team members with political awareness and sensitivity.	Personal Development Review process.	Y	
I.23 Support collective ownership of strategy, risks and delivery.	Personal Development Review process.	Y	
I.24 Address and deal effectively with difficult situations.	Personal Development Review process.	Y	
I.25 Implement best practice in change management and leadership.	Personal Development Review process.	Y	
I.26 Balance conflicting pressures and needs, including short and longer term trade-offs.	Personal Development Review process.	Y	
I.27 Demonstrate strong commitment to innovation and performance improvement.	Personal Development Review process.	Y	
I.28 Maintain an appropriate balance between the deeper financial aspects of the CFO Role and the need to develop and retain a broader focus on the environment and stakeholder expectations and needs.	Personal Development Review process.	Y	
I.29 Comply with the IFAC Code of Ethics for Professional Accountants, as implemented by local regulations and accountancy bodies, as well as other ethical standards that are applicable to them by reason of their professional status. The fundamental principles set out in the Code are integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour. Impartiality is a further fundamental requirement of those operating in the public services.	Personal Development Review process.	Y	
<b>Principle 2</b>			
<i>The CFO must be actively involved in, and able to bring influence to bear on, all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate and longer term implications, opportunities and risks are fully considered, and align with the overall financial strategy.</i>			
<b>Governance Requirements</b>			
2.1 Ensure that a medium term business and financial planning process is established to deliver PCC strategic objectives, including: – A medium term financial strategy to ensure sustainable finances. – A robust annual budget process that ensures financial balance. – A monitoring process that enables this to be delivered.	Budget preparation plan; timetable; 2020/21-2023/24 MTFS. Budget preparation plan; timetable; 2020/21-2023/24 MTFS. Budget preparation plan/timetable.	Y Y Y	
2.2 Ensure that these are subject to regular review to confirm the continuing relevance of assumptions used.	Budget preparation process.	Y	
2.3 Ensure that professional advice on matters that have financial implications is available and recorded well in advance of decision making and used appropriately.	Pay, Tax, Treasury Management and other advice taken as required. Examples available.	Y	
2.4 Ensuring that budget calculations are robust and reserves adequate, in line with CIPFA's guidance and s25 of the Local Government Act 2003.(PCC CFO responsibility in consultation with the CC CFO).	See MTFS and budget report March 2020.	Y	
2.5 Ensure that those making decisions are provided with information that is fit for the purpose, relevant, timely and gives clear explanations of financial issues and their implications.	All Executive Reports contain a Financial Impact section; Specific Finance reports; Monthly Revenue budget monitoring reports and quarterly Group Revenue and Capital reports; JIAC reports etc.	Y	
2.6 Ensure that timely, accurate and impartial financial advice and information is provided to assist in decision making and to ensure that the PCC meets its policy and service objectives and provides effective stewardship of public money and value for money in its use.	Specific Purpose Finance reports; Monthly Revenue budget monitoring etc. taken to OPCC meetings. Quarterly Group Revenue and Capital monitoring reports taken to the Joint Business Meeting.	Y	

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
2.7 Ensure that the PCC and CC maintain a prudential financial framework; keep commitments in balance with available resources; monitor income and expenditure levels to ensure that this balance is maintained and take corrective action when necessary.	Monthly Treasury Management monitoring to CFO; Annual TM Policy and Strategy, Mid-year TM report, and Annual TM Report to the PCC.	Y	
2.8 Ensure compliance with CIPFA's Code on a Prudential Framework for Local Authority Capital Finance and CIPFA's Treasury Management Code. (PCC CFO responsibility in consultation with the CC CFO).	Financial Regulation 5.20 and 15. See MTFs and budget report March 2020, and JIAC TM Policy and Strategy report February 2020.	Y	
2.9 Ensure that appropriate management accounting systems, functions and controls are in place so that finances are kept under review on a regular basis. These systems, functions and controls should apply consistently to all activities including partnerships arrangements, outsourcing or where the authority is acting in an enabling role.	Contained within the annual Internal Audit plan.	Y	
2.10 Ensure the provision of clear, well presented, timely, complete and accurate information and reports to budget managers and senior officers on the budgetary and financial performance.	Regular revenue and capital monitoring reports brought to PCC and CC meetings.	Y	
<b>Core CFO responsibilities</b>			
Responsibility for financial strategy:			
2.11 Ensuring that a financial framework is agreed and delivery is planned against the defined strategic and operational criteria.	See MTFs and budget report March 2020.	Y	
2.12 Maintaining a long term financial strategy to underpin PCC and CC financial viability within the agreed performance framework.	See MTFs and budget report March 2020.	Y	
2.13 Ensure financial management policies underpin sustainable long-term financial health and reviewing performance against them.	Financial Regulations.	Y	
2.14 Ensuring that commercial and collaborated opportunities are appraised and advising on financial targets and successful delivery.	See MTFs and budget report March 2020.	Y	
2.15 Ensuring that an effective resource allocation model is developed and maintained to deliver business priorities.	See MTFs and budget report March 2020.	Y	
2.16 Taking a leading role on asset and balance sheet management.	Yes, including a forward balance sheet as part of Treasury Management.	Y	
2.17 Ensuring that the planning and budgeting processes are fully co-ordinated.	Financial Regulations and annual MTFs and Budget setting process.	Y	
<b>Influencing decision making</b>			
2.18 Ensuring that opportunities and risks are fully considered and decisions are aligned with the overall financial strategy.	Financial Regulations 9. MTFs report March 2020.	Y	
2.19 Providing professional advice and objective financial analysis enabling decision makers to take timely and informed business decisions.	PCC and CC Board meetings agenda and minutes - See key decisions on PCC website.	Y	
2.20 Ensuring that efficient arrangements are in place and sufficient resources available to provide accurate, complete and timely advice to support strategy development.	PCC and CC Board meetings agenda and minutes.	Y	
2.21 Ensuring that clear, timely, accurate information is provided as requested by the Police and Crime Panel.	PCP agendas and minutes.	Y	
2.22 Ensuring that all necessary information is provided to the PCC when the Police and Crime Panel considers the budget and proposed precept. (PCC CFO responsibility in consultation with the CC CFO)	PCC Budget report and precept report February 2020.	Y	
2.23 Ensuring that capital projects are chosen after evaluating a fully costed business case complied with input from all relevant professional disciplines and can be funded in the financial strategy.	Financial Regulations 7. MTFs March 2020.	Y	
2.24 Checking, at an early stage, that innovative financial approaches comply with regulatory requirements.	CFO would pick up such approaches at senior meetings and would preview and review with Finance team.	Y	
<b>Financial information for decision makers</b>			
2.25 Monitoring and reporting on financial performance that is linked to related performance information and strategic objectives that identifies any necessary corrective decisions.	Revenue and Capital Monitoring reports to PCC and CC.	Y	
2.26 Ensuring that timely management accounts are prepared.	Monthly Monitoring timetable.	Y	
2.27 Ensuring the reporting envelope reflects partnerships and other arrangements to give an overall picture.	Example: finance reports to all meetings of NERSOU Joint Committee.	Y	

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
<b>Personal skills and professional standards</b>			
In order to fulfil the aims of this Principle:			
2.28 Take all reasonable steps to ensure that: <ul style="list-style-type: none"> <li>– Budgets are planned as an integral part of strategic and operational management and are aligned with a structure of managerial responsibilities.</li> <li>– Budgets are constructed on the basis of reliable data of past performance and rigorous assessments of future resources and commitments, and that policies and priorities are evaluated in an open, consistent and thorough manner.</li> <li>– Responsibilities for budget management and control are unambiguously allocated, that commitments are properly authorised, and that budgets are related to clear objectives and outputs.</li> <li>– Accounting and financial information systems make available, at the relevant time to all users the appropriate information for their responsibilities and for the objectives of the PCC and CC.</li> </ul>	<p>Coding structure aligns with responsibilities. Review of coding carried out March 2020.</p> <p>See budget preparation timetable and working papers.</p> <p>Coding structure aligns with responsibilities. Review of coding carried out March 2020.</p> <p>Monthly revenue monitoring information to responsible officers, annual Internal audit review of processes.</p>	<p>Y</p> <p>Y</p> <p>Y</p> <p>Y</p>	
2.29 Ensure that other appropriate management, business and strategic planning techniques are implemented.	Personal Development Review.	Y	
2.30 Link financial strategy and overall strategy (PCC CFO in consultation with the CC CFO).	Personal Development Review.	Y	
2.31 Demonstrate a willingness to take and stick to difficult decisions – even under pressure.	Personal Development Review.	Y	
2.32 Take ownership of the assessment of relevant financial risks.	Personal Development Review.	Y	
2.33 Network effectively to ensure awareness of all material business decisions to which CFO input may be necessary.	Personal Development Review.	Y	
2.34 Role model persuasive and concise communication with a wide range of audiences internally and externally.	Personal Development Review.	Y	
2.35 Provide clear, authoritative and impartial professional advice and objective financial analysis and interpretation of complex situations.	Personal Development Review.	Y	
2.36 Apply relevant statutory, regulatory and professional standards both personal and organisational.	Personal Development Review.	Y	
2.37 Demonstrate a strong desire to think innovatively and to add value.	Personal Development Review.	Y	
2.38 Challenge effectively, and give and receive constructive feedback.	Personal Development Review.	Y	
2.39 Operate with sensitivity in a political environment.	Personal Development Review.	Y	
<b>Principle 3</b>			
<i>The CFO must lead and encourage the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.</i>			
<b>Governance Requirements</b>			
3.1 Make the CFO responsible for ensuring that appropriate advice is given on all financial matters, for keeping financial records and accounts, and for maintaining an effective system of financial control.	Financial and contract regulations set out the responsibilities.	Y	
3.2 Ensure that systems and processes for financial administration, financial control and protection of resources and assets are designed in conformity with appropriate ethical standards and monitor their continuing effectiveness in practice.	Financial and contract regulations set out the responsibilities.	Y	
3.3 Ensure that there is in place effective and appropriate internal financial controls covering codified guidance, budgetary systems, supervision, management review and monitoring, physical safeguards, segregation of duties, accounting procedures, information systems and authorisation and approval processes. Ensuring that these controls are an integral part of the underlying framework of corporate governance and that they are reflected in its local code.	Financial and contract regulations.	Y	
3.4 Address the arrangements for financial and internal control and for managing non-operational risk in Annual Governance Statements.	Joint PCC/CC Governance group, review and recommendation of the AGS's by JIAC.	Y	
3.5 Ensure that annual accounts are published on a timely basis in accordance with professional and regulatory requirements in order to communicate activities and achievements, its financial position and performance.	See Statement of Accounts timetable. Prepared on time 2018/19, detailed timetable for the production of the 2019/20 Statement of Accounts.	Y	
3.6 Ensure an effective internal audit function is resourced and maintained or where this is provided externally, the contractor is able to deliver the same standards.	Internal Audit provision under agreement with Gateshead MBC.	Y	
3.7 Develop and maintain an effective Audit Committee.	Joint Independent Audit Committee agenda and minutes.	Y	
3.8 Ensure, together with the leadership team, that the PCC and CC make best use of resources and that taxpayers and/or service users receive value for money.	VFM view from external audit (Mazars).	Y	
3.9 Ensure that appropriate financial competencies are embedded in key person specifications and appraisals.	Yes. See job descriptions.	Y	



ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
3.10 Ensure the financial skills required by managers are assessed and developed to enable their roles to be carried out effectively.	There is no formal assessment framework in place. However all budget managers are provided with an introductory meeting when they first start to familiarise themselves with their budgets.  Finance team members continue to support the budget managers with all budget related matters after then. Finance Master Classes available for budget and senior managers.	Y	
3.11 Ensure that roles and responsibilities for monitoring financial performance/budget management are clear, that they have adequate access to financial skills, and are provided with appropriate financial training on an on-going basis to help them discharge their responsibilities.	Budget managers are supported by members of the finance team.	Y	
<b>Core CFO responsibilities</b>			
<b>Promotion of financial management</b>			
3.12 Assessing financial management style and advising as to changes which may be needed to ensure it aligns with the PCC's strategic direction.	No formal assessment framework in place however feedback would be expected from peers.	Y	
3.13 Actively promoting financial literacy.	There is no formal assessment framework in place. However all budget managers are provided with an introductory meeting when they first start to familiarise themselves with their budgets.  Finance team members continue to support the budget managers with all budget related matters after then.  A Financial Improvement Project is underway, a key part of which will be to simplify financial tasks and ensure managers are trained and equipped to carry out necessary tasks.  Finance Master Class's were delivered to budget and Senior managers of both CC and PCC during 2018/19 and 2019/20.	Y	
3.14 Assisting the development of a protocol which clearly sets out the roles and responsibilities for financial management, including delegated authority/powers.	See Financial Regulations and Contract Standing Orders.	Y	
<b>Value for money</b>			
3.15 Challenging and supporting decision makers, especially on affordability and value for money, by ensuring policy and operational proposals with financial implications are notified to and as appropriate, for non-operational aspects, signed off by the finance function.	Financial implications required to be considered by CFO in all proposals.	Y	
3.16 Ensuring that appropriate asset management and procurement strategies are developed and maintained.	Security of assets and procurement strategies are maintained. Records of assets, replacement dates, leases and valuations are all held and used to create the Statement of Accounts.	Y	
3.17 Taking a leading role on the identification of value for money opportunities.	CFO is a key member of the management of both the OPCC and Chief Constable and takes a lead role.	Y	
<b>Safeguarding public money</b>			
3.18 Applying strong internal controls in all areas of financial management, risk management and asset control.	See Financial Regulations and Contract Standing Orders.	Y	
3.19 Explain the financial management arrangements within the Annual Governance Statement.	See the AGS(s).	Y	
3.20 Establishing budgets, financial targets and performance indicators to help assess delivery.	See MTFS and Budget Reports March 2020.	Y	
3.21 Ensuring that effective systems of internal control are implemented, these may include financial regulations, contract regulations, standing financial instructions, operating manuals, and compliance with codes of practice to secure probity.	Management and Internal Audit review.	Y	
3.22 Ensuring that the PCC and CC have put in place effective arrangements for internal audit of the control environment and systems of internal control as required by professional standards and in line with CIPFA's Code of Practice.	Internal Audit plan / reviewed by JIAC.	Y	
3.23 Ensuring that delegated financial authorities are respected.	Yes	Y	
3.24 Promoting arrangements to identify and manage business risks (except for operational responsibilities of the Chief Constable), including safeguarding assets, risk mitigation and insurance.	Risk register, risk review reports and insurance policies.	Y	
3.25 Ensure that capital projects are managed with post completion reviews.	Procedures for capital project management are reviewed in-line with the requirements to publish a Capital Strategy.  Capital Strategy 2020/21 – 2023/24, published March 2020.	Y	
3.26 Securing the application of appropriate discipline in financial management, including managing cash and banking, treasury management, debt and cash flow, with appropriate segregation of duties.	Structures employed, staff skills and checked by internal audit.	Y	
3.27 Ensuring the effective management of cash flows, borrowings and investments of funds including those on behalf of others; ensuring the effective management of associated risks; pursuing optimum performance or return consistent with those risks. (PCC CFO responsibility in consultation with the CC CFO).	Treasury Management function resides with the Northumbria Police Finance Department. Daily cash flow management and monthly reporting with Head of Finance and CFO.	Y	

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
3.28 Ensuring that appropriate measures exist to prevent and detect fraud and corruption.	Internal Audit, internal controls, whistle blowing, code of ethics, separation of duties, delegation under Financial and Contract Regulations.	Y	
3.29 Ensuring that proportionate business continuity arrangements are established for financial processes and information.	Business continuity plan in place and suitable insurance cover exists.	Y	
3.30 Ensuring that any partnership arrangements are underpinned by clear and well documented internal controls.	NERSOU Partnership is relevant to this and a proper governance framework is agreed and operated.	Y	
<b>Assurance and scrutiny</b>			
3.31 Ensuring that financial performance of the PCC and CC and its partnerships is reported to the PCC and CC and other parties as required.	Regular budget monitoring reporting and finance monitoring support provided.	Y	
3.32 Ensuring that financial and performance information presented to members of the public, the community and the media covering resources, financial strategy, service plans, targets and performance, is accurate, clear, relevant, robust and objective. Apart from operational matters which are the responsibility of the Chief Constable.	Quality control and peer review of any information published.	Y	
3.33 Supporting and advising the Audit Committee.	Agenda and minutes from the JIAC.	Y	
3.34 Ensuring that clear, timely, accurate advice is provided on what considerations can legitimately influence decisions on the allocation of resources, and what cannot.	Notes of meetings, minutes and reports.	Y	
3.35 Ensuring that published budgets, annual accounts and consolidation data for government level consolidated accounts are prepared.	Budgets are published, MTFS published, completion of the Whole of Government Accounts included within the Statement of Accounts completion timetable. Government returns such as RA, RO, QRO, CPR etc. are signed off by CFO, copies available.	Y	
3.36 Ensuring that the financial Statements are prepared on a timely basis, meet the requirements of the law, financial reporting standards and professional standards as reflected in the Code of Practice on Local Authority Accounting in the United Kingdom developed by the CIPFA/LASAAC Joint Committee.	See Statement of Accounts completion timetable.	Y	
3.37 Certifying the annual Statement of Accounts (PCC CFO and CC CFO for their separate accounts) and the group accounts (PCC CFO).	Certified by the CFO - see Statement of Accounts	Y	
3.38 Ensuring that arrangements are in place so that other accounts and grant claims (including those where the PCC is the accountable body for community led projects) meet the requirements of the law and of other partner organisations and meet the relevant terms and conditions of schemes.	Claims for grants such as victims grant are completed and available.	Y	
3.39 Liaising with the internal and external auditor.	Annual Internal Audit plan ; Regular liaison meetings held with the external auditors - see diary entries.	Y	
<b>Personal skills and professional standards</b>			
In order to fulfil the aims of this Principle:			
3.40 CFOs should take all reasonable steps to ensure that:			
– Effective systems and procedures operate to monitor progress against budgets and their objectives at regular intervals, and that appropriate reporting mechanisms are in place.	Budget monitoring process.	Y	
– That payments, including taxation, are made on time, accurately and in accordance with legal requirements.	Reconciliations and management review. Treasury Management cash payment monitoring, payroll and pensions BACS process email to decision makers prior to payment to confirm completed.	Y	
– Cash is handled with special care to avoid loss, particularly loss through theft and secure arrangements are in place to deal with the handling of electronic or other cash-less transactions.	Financial Regulations and management control.	Y	
– The accounting and financial information systems provide an accessible, complete, comprehensive, consistent and accurate record of financial transactions.	Management and system control. Systems accountants.	Y	
– All financial reports are relevant, reliable and consistent, are compatible with the accounting and financial information systems available, at the relevant time to all users, the appropriate information for their responsibilities and for the objectives of the PCC and CC.	Management and system control. Systems accountants. Review of effectiveness from time to time.	Y	
– Within the specific legislative framework, systems exist to secure the efficient and effective management of taxes, in particular to ensure that tax liabilities and obligations are properly reported and accounted for.	VAT, CIS, NI, Income tax and Apprenticeship Levy monitored and claims and payment deadlines diarised.	Y	
– Treasury management is carried out in accordance with CIPFA's treasury management code and that effective treasury management arrangements are in place. (PCC CFO in consultation with the CC CFO).	Monthly Treasury Management monitoring and review.	Y	
3.41 Generate 'buy-in' to, and support delivery of, good financial management.	High profile finance function and personal support.	Y	
3.42 Assist in the promotion, and development of sustainable partnerships, and engage effectively in collaboration.	Collaboration and Partnership Strategy, May 2017.	Y	
3.43 Deploy effective facilitation and meeting skills.	Personal Development Review.	Y	
3.44 Build and demonstrate commitment to continuous improvement and innovative, but risk-aware, solutions.	Weekly meetings with Head of Finance.  Support and guidance to the Finance Improvement Programme and HRIT replacement programme.	Y	
3.45 Place stewardship and probity as the bedrock for management of PCC and CC finances.	Financial regulations and ethics.	Y	

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
<b>Principle 4</b>			
<i>The CFO must lead and direct, (as explained in this principle), a finance function that is resourced to be fit for purpose.</i>			
<b>Governance Requirements</b>			
4.1 Ensure that the finance function has the resources, expertise and systems necessary to perform its role effectively.	Staffing and resource structure, day to day management and Personal Development Reviews.	Y	
4.2 Ensure that the role and responsibilities of the CFO, are suitably outlined and documented.	Job Specification.	Y	
<b>Core CFO responsibilities</b>			
4.3 Ensuring that the finance function makes a full contribution to and meets the needs of the business.	Staffing and resource structure, day to day management and Personal Development Reviews.	Y	
4.4 Ensuring that the resources, expertise and systems for the finance function are sufficient to meet business needs and negotiating these within the overall financial framework.	Staffing and resource structure.	Y	
4.5 Ensuring that robust processes for recruitment of finance staff are implemented and/or outsourcing of functions.	Recent recruitments also supported by HR.	Y	
4.6 Reviewing the performance of the finance function and ensuring that the services provided are in line with the expectations and needs of its stakeholders.	Service plan monitoring and review of the SLA between PCC and CC.	Y	
4.7 Seeking continuous improvement in the finance function.	Finance SMT meet regularly to review and deliver elements of the Finance Improvement Plan.	Y	
4.8 Ensuring that finance staff, managers and the Leadership Team are equipped with the financial competencies and expertise needed to manage the business both currently and in the future.	Finance SMT meet regularly to review and deliver elements of the Finance Improvement Plan.	Y	
4.9 Ensuring that responsibility for all finance staff is properly discharged.	Day to day management and Personal Development Review.	Y	
4.10 Acting as the final arbiter on application of professional standards.	Yes	Y	
<b>Personal skills and professional standards</b>			
In order to fulfil the aims of this Principle:			
4.11 Ensure a vision is created and communicated for the finance function.	Personal Development Review.	Y	
4.12 Role model a customer focussed culture.	Personal Development Review.	Y	
4.13 Promote an open culture, built on effective coaching and a "no blame" approach.	Personal Development Review.	Y	
4.14 Promote effective communication between the finance department, PCC and with external stakeholders.	Personal Development Review.	Y	
4.15 Apply strong project planning and process management skills.	Personal Development Review.	Y	
4.16 Set and monitor meaningful performance objectives for the finance team.	Personal Development Review.	Y	
4.17 Role model, as required, for effective staff performance management.	Personal Development Review.	Y	
4.18 Coach and support staff, as required, in both technical and personal development.	Personal Development Review.	Y	
4.19 Promote high standards of ethical behaviour, probity, integrity and honesty.	Personal Development Review.	Y	
4.20 Ensure, when necessary, that outside expertise is called upon for specialist advice not available within the finance function.	Personal Development Review.	Y	
4.21 Promote discussion on current financial and professional issues and their implications.	Personal Development Review.	Y	

ASSESSMENT	EVIDENCE	COMPLIANCE Y/N	EXPLAIN
<b>Principle 5</b>			
The CFO must be professionally qualified and suitably experienced.	—		
<b>Governance Requirements</b>			
5.1 Appoint as an employee, or engage under a contract for services, a professionally qualified CFO whose core responsibilities include those set out under the other principles in this Statement and ensure that these are properly understood.	CFO in post. Significant experience and role understood.	Y	
5.2 Ensure that the CFO has the skills, knowledge, experience and resources to perform effectively in both the financial and non-financial areas of their role.	Part of appointment process.	Y	
<b>Personal skills and professional standards</b>			
In order to fulfil the aims of this Principle:			
5.3 Be a member of an accountancy body recognised by the International Federation of Accountants (IFAC), qualified through examination, and subject to oversight by a professional body that upholds professional standards and exercises disciplinary powers.	CIPFA.	Y	
5.4 Adhere to international standards set by IFAC on: – Ethics. – Continuing Professional Development.	Yes. CPD record.	Y Y	
5.5 Demonstrate IT literacy.	Personal Development Review and responsibility for management of IT.	Y	
5.6 Have relevant prior experience of financial management in the public services or private sector.	Significant experience in the public sector.	Y	
5.7 Understand public service finance and its regulatory environment.	Significant experience in the public sector.	Y	
5.8 Apply the principles of corporate finance, economics, risk management and accounting.	Personal Development Review.	Y	
5.9 Understand personal and professional strengths.	Personal Development Review.	Y	
5.10 Undertake appropriate development or obtain relevant experience in order to meet the requirements of the non-financial areas of the role.	Personal Development Review.	Y	



**APPENDIX (iii)**

**PRIMARY ASSURANCE FRAMEWORK ELEMENT**  
**HMICFRS AND OTHER EXTERNAL INSPECTIONS**  
**REPORT OF: HEAD OF CORPORATE DEVELOPMENT**

**I Overview of Area of Assurance**

- 1.1 There are a number of external inspectorate and audit bodies, including HMICFRS, which report on audit and inspection findings within the Police Service.

**2 Summary of Assurance**

- 2.1 All HMICFRS inspection reports and other external inspection reports are considered by the Executive Team. A lead is appointed to consider inspection findings and identify actions in response to any recommendations and areas for improvement. The Force position is reported to the Police and Crime Commissioner at the joint Business Meeting to inform the statutory response required under section 55 of the Police Act 1996.
- 2.2 All activity is regularly reviewed by the respective owners. Delivery is overseen at the relevant board within the Force Governance and Decision-Making structure, with further oversight and scrutiny at the Strategic Performance Board and at the Executive Board. Progress is also reported and monitored at the Scrutiny Meeting of the Office of the Police and Crime Commissioner (OPCC).
- 2.3 In accordance with her statutory role, to secure an efficient and effective police force for her area and hold the Chief Constable to account for its running, the PCC receives regular progress against the recommendations and areas for improvement referenced in all HMICFRS inspection reports. She is aware of the issues raised by HMICFRS and is, therefore, also able to consider these in other elements of her Scrutiny Programme on an ongoing basis.
- 2.4 A summary of recent external inspection reports and an overview of the process in place to manage the Force's response is provided quarterly to the JIAC. Members of the JIAC also received an update on HMICFRS activity from the HMICFRS Force Liaison Lead at the end of June 2020.
- 2.5 Each inspection report results in an agreed set of actions, with timescales and a plan for delivery. Updates are RAG rated to indicate progress and any identified risks are highlighted for consideration and action.
- 2.6 Corporate Development Department acts as the central liaison point for all HMICFRS related matters. Regular contact is maintained with HMICFRS to update them on progress and allow for a review of the activities undertaken.

## **AGENDA ITEM 5D**

- 2.7 The HMICFRS monitoring portal includes causes of concern and recommendations made to police forces by HMICFRS since January 2013 and more recently (since September 2019) areas for improvement (AFI). This is used by HMICFRS to monitor forces' response to concerns raised through inspection activities.
- 2.8 As at the end of March 2020 there were 62 open recommendations and 38 AFIs on the monitoring portal. These related to 17 separate inspection reports (see annex A for a list of inspection reports). Eleven of these were published 2019/20; five in the last quarter of 2019/20 which resulted in 16 recommendations and 19 AFIs.
- 2.9 Seventeen recommendations open on the portal relate to an inspection of undercover policing published in 2014 and are on hold awaiting the outcome of a national inquiry. These recommendations have been completed by the Force.
- 2.10 Activity undertaken in response to recommendations resulted in 27 recommendations being closed in the 12 months to March 2020. In addition, a further six were closed due to them being superseded. Recommendations must be reviewed by the HMICFRS Force Liaison Lead or further inspected in order to achieve closure. A further 11 recommendations from the 62 outstanding recommendations were closed in May 2020.

**Annex A – Inspection Reports**

- An inspection of undercover policing in England & Wales (published October 2014)
- Northumbria Police: Crime Data Integrity inspection 2016 (published February 2017)
- Stolen freedom: the policing response to modern slavery and human trafficking (published October 2017)
- PEEL Police legitimacy 2017 (published December 2017)
- PEEL Police effectiveness 2017 (published March 2018)
- Understanding the difference: the initial police response to hate crime (published July 2018)
- Northumbria – National child protection inspection and Post-inspection Review (published 28/06/2018; post-inspection review (published April 2019)
- Fraud: Time to choose (published April 2019)
- The poor relation: the police and Crown Prosecution Service's response to crimes against older people (published July 2019)
- PEEL Police effectiveness, efficiency and legitimacy 2018/19 – Northumbria Police (published September 2019)
- Shining a light on betrayal: Abuse of position for a sexual purpose (published September 2019)
- Cyber: Keep the light on – An inspection of the police response to cyber-dependent crime (published October 2019)
- Evidence led domestic abuse (DA) prosecutions (published January 2020)
- Northumbria Police – Joint inspection of police custody (published January 2020)
- National Child Protection Inspections: 2019 thematic report (published February 2020)
- A joint thematic inspection of Integrated Offender Management (IOM) (published February 2020)
- Counter-terrorism policing – An inspection of the police's contribution to the government's Prevent programme (published March 2020)



**PRIMARY ASSURANCE FRAMEWORK ELEMENT**

**LEGAL AND REGULATORY ASSURANCE**

**REPORT OF: CHIEF OF STAFF AND MONITORING OFFICER & JOINT  
CHIEF FINANCE OFFICER**

**1. Overview of Area of Assurance**

- 1.1 To obtain assurance that there were no governance issues arising during 2019/20 in relation to Legal and Regulatory services.

**2. Background**

- 2.1 The key framework for Policing Bodies governance arrangements is the CIPFA publication '*Delivering Good Governance 2016*'. This defines the principles that underpin the governance of each organisation, and provides a structure to help organisations with their approach to governance.

One of the key principles contained within the framework is that the organisation behaves with integrity, demonstrating a strong commitment to ethical values and respecting the rule of law. Assurance has been obtained to ensure there are no issues in respect of the legal and regulatory framework within which the Police and Crime Commissioner (PCC) and Chief Constable (CC) have operated.

- 2.2 Legal and regulatory assurance can be demonstrated by:

- Establishment of a Joint PCC/CC Governance Group which meets four times per year, at which during 2019/20 any governance or legal issues arising from the previous meetings are discussed and appropriate action taken.
- Compliance with the CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Finance Officer of the Chief Constable (2014).
- The establishment of a '*Governance Framework*' including general principals of delegation, Financial Regulations, and Contract Regulations.
- Establishment of organisational policies and procedures in-line with legal and regulatory guidance. Publicised and maintained on the Force Instructional Information System (IIS).
- Assurance obtained from the Head of Legal Services that there are no legal issues arising during 2019/20 which the PCC and CC are not aware of or disclosed as part of the annual statement of accounts as a contingent liability.

**3. Findings**

- 3.1 Based on the above procedures and assurances there are no issues to report which will have an impact on the Annual Governance Statements for 2019/20.



**PRIMARY ASSURANCE FRAMEWORK ELEMENT**

**RISK MANAGEMENT ARRANGEMENTS - ANNUAL REPORT**

**REPORT OF: HEAD OF CORPORATE DEVELOPMENT**

**I Overview of Area of Assurance**

- 1.1 To provide an overview on the management of strategic risk as contained within the Police and Crime Commissioner (PCC) and Chief Constable's Joint Strategic Risk Register.

**2 Summary of Assurance**

- 2.1 The PCC and CC have established a joint approach to the consideration and management of risk, which ensures that both bodies have management arrangements in place. Each strategic risk has been assigned Chief Officer/Director and OPCC owners, who have responsibility for the management of existing controls and the implementation of new controls, where necessary. Area Commanders, Department Heads and OPCC officers are responsible for the identification of emerging risks which cannot be controlled locally, and have the potential to prevent the Force and PCC from achieving objectives.
- 2.2 The Joint Strategic Risk Register is monitored at Executive Board and Joint Business Meeting and reported to the Joint Independent Audit Committee on a quarterly basis. The Joint PCC/CC Governance Group provides additional scrutiny and governance.
- 2.3 The register identifies each risk and the consequences if it were to happen. All risks are regularly reviewed by their respective owners throughout the year in response to the changing environment to provide additional assurance and help to reduce the likelihood and impact of risks.

**Overview**

- 2.4 At the financial year-end, there were 28 risks on the Joint Strategic Risk Register. During the twelve months to March 2020, seven new risks were added to the register and four risks were removed from the register. A number of risks have been combined, resulting in fifteen risks reducing to seven revised risks. The likelihood and impact of the remaining risks remained unchanged for the majority of risks within the register.

New risks added to the register:

- Failure to effectively identify and respond to organisational learning.
- Failure to deliver the Emergency Services Network (ESN) required functionality and coverage.

- Failure to achieve DFU service level agreements.
- Significant delays in the provision of forensic analysis following temporary suspension of all law enforcement submissions to Eurofins following a cyber-attack.
- Limitations of current ICT systems and the impact on service delivery.
- Significant IT transformation.
- Failure of significant contracts and/ or collaborative agreements.

2.5 Four risks have been removed from the register:

- Reduced effectiveness of Treasury Management.
- Recovery of service failures with the previous regional contract for the provision of interpreting services.
- Significant delays in the provision of forensic analysis following temporary suspension of all law enforcement submissions to Eurofins following a cyber-attack.
- Failure to maximise investigative opportunities from historic biometrics, DNA and fingerprints from voluntary attenders.

2.6 An audit of Risk Management and Business Continuity Arrangements was reported in August 2019, as part of the 2018/19 Audit Plan. The objectives of the audit included whether there is a clear understanding of risk, and that roles and responsibilities relating to risks are clearly defined and understood, and whether a robust policy and procedural framework exists for risk management. The audit found control systems are operating well and no findings have been raised.



**PRIMARY ASSURANCE FRAMEWORK ELEMENT**

**PERFORMANCE MANAGEMENT AND DATA QUALITY**

**REPORT OF: HEAD OF CORPORATE DEVELOPMENT**

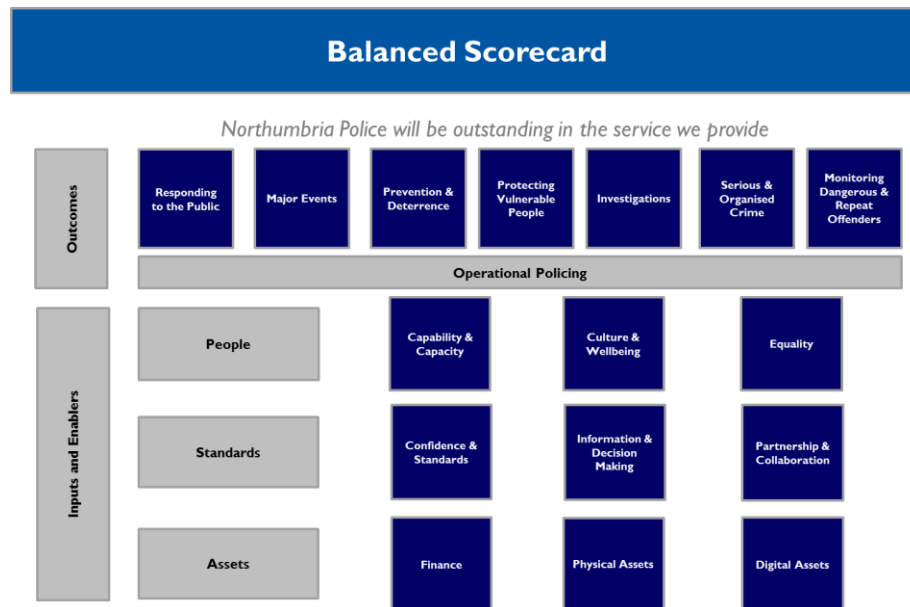
**I Overview of Area of Assurance**

- 1.1 The performance management framework and data quality forms part of the assurance of senior managers on the key controls operating in their areas. In addition, there is a framework for reporting corporate performance management information, including oversight by the OPCC.

**2 Summary of Assurance**

**Performance Management**

- 2.1 The Strategic Performance Board is the Force's primary meeting to drive and manage performance and delivery of the Police and Crime Plan and achievement of the Force's 2025 Strategy, and is chaired by the Deputy Chief Constable. The Strategic Performance Board is part of the Force's governance and decision-making structure, and is supported by a number of operational boards.
- 2.2 Performance is considered against the Police and Crime Plan and is presented using a Balanced Scorecard, which includes:
- Outcomes – operational delivery.
  - People – capability and capacity, wellbeing and equality.
  - Standards – confidence, standards, information and decision-making and partnerships.
  - Assets – management and use of other resources, such as finance, physical and digital assets.



2.3 Performance is considered in a number of ways, for example:

- Performance compared to previous years.
- Performance compared to agreed service standards.
- Performance compared to peers (most similar family of forces or nationally).
- Direction of travel.

2.4 Performance against the balanced scorecard is managed through the Force's Governance and Decision-making structure. The remit of boards is to manage performance, delivery against local plans, manage risk and review policy and procedure and consider ethics.

2.5 A monthly scrutiny meeting is held by the Police and Crime Commissioner. These meetings provide the opportunity to monitor progress against the Police and Crime Plan, as well as consider other areas such as compliance with the Strategic Policing Requirement, compliance with standards, such as use of force and stop and search, and progress against improvement plans. Progress and performance against the Police and Crime Plan is reported to the Police and Crime Panel on a quarterly basis.

2.6 The Force is implementing a business intelligence system, as part of the Force's Transformation Programme 2025. This system will increase the accessibility and quality of meaningful and timely business and operational intelligence, supporting the ambition to transform the Force into a data-driven organisation.

2.7 As part of the Audit Plan, approved by the Joint Independent Audit Committee, the audit of performance management was carried out in July 2020, completed by the Gateshead Internal Audit Team. The audit found systems and controls are operating well and no findings were raised.

**2.8 The objectives of the audit were to ensure:**

- The timely provision of information for national and local performance indicators to meet publication dates for reports.
- Formalisation of responsibilities for production and monitoring of the Force's performance indicators.
- The accuracy of details provided and the existence of supporting documentation relating to monitoring and final outturn information.
- Performance is monitored and managed during the year, with action being taken and monitored to address areas where targets are not being achieved.
- Relevant information, data, documentation and IT systems are maintained securely.
- Relevant findings from the most recent HMICFRS PEEL report are being reviewed and addressed in a timely manner.

**Information Management**

**2.9** The Force established an Information Management Unit (IMU) in October 2016 recognising the statutory requirement and underpinning business need for this provision. The unit has a range of responsibilities primarily relating to data protection, information security and records management – this also extends to other key responsibilities for statutory functions such as subject access, freedom of information, family proceedings and the disclosure and barring service.

**2.10** The creation of an IMU has also led to the amalgamation of several smaller and standalone information management related functions across the Force being absorbed into the newly established IMU, including:

- Records Management
- Information Systems Audit
- Records Review Team
- Information Security

**2.11** The demand and expectations on information management both within the organisation and also externally from regulatory bodies and partner agencies has grown significantly over the last three years in response to achieving compliance, and also professionalising and formalising business processes. Information management is acknowledged as a core component of operational delivery across the force.

**2.12** In parallel to the core operational delivery of the information management service, there is work ongoing to embed information management services within the force's transformational change programmes. This extends to both technology and business change programmes operating within the Transformation 2025 Programme, and also locally at Department/Area Command Level.

- 2.13 There is significant investment in information technology, aligned to the Mason Advisory Review, to ensure there is the capability and capacity to maintain existing technology, and implement new technology, which forms part of the Transformation 2025 Programme. A critical element of this Programme is the data migration strategy to ensure data quality, accuracy and compliance with GDPR.
- 2.14 The Force is part of a national pilot to improve the quality and reduce effort required to produce the Annual Data Return (submission of data to the Home Office). The pilot uses a system called National Data Quality Improvement Service (NDQIS) which is an established data quality tool provided by Datactics, funded through the Serious Violence Fund.
- 2.15 As part of the 2019/20 Audit Plan, approved by the Joint Independent Audit Committee, the audit of Information Governance and Data Security has recently been completed. The audit found control systems are operating well and no findings have been raised. The objectives of the audit were to ensure:
- There are satisfactory controls in place to manage compliance with the Data Protection Act.
  - There are adequate arrangements in place for secure storage, transport and maintenance of accurate and up-to-date data.
  - Freedom of information requests are managed effectively.

<b>JOINT INDEPENDENT AUDIT COMMITTEE</b>	<b>24<sup>th</sup> August 2020</b>
<b>JIAC ANNUAL REPORT 2019 – 2020</b>	
<b>Report of Neil Mundy, JIAC Chair</b>	

## **I. Introduction**

The Joint Independent Audit Committee (JIAC) provides independent assurance that adequate corporate and strategic risk management arrangements are in place for the Police and Crime Commissioner for Northumbria (PCC) and the Chief Constable (CC). It jointly advises the PCC and the CC on governance matters as well as good practices.

The Chartered Institute of Public Finance and Accounting (CIPFA) guidance, recommends that the JIAC report annually on how they have discharged their duties and responsibilities.

This report provides the PCC and CC with a summary of the Committee's activities in the financial year 2019/20. It also seeks to provide assurance that the Committee has fulfilled its terms of reference, and added value to the overall governance arrangements that were in place for both the PCC and the CC.

This year has been exceptional in so many ways not least the impact of COVID-19, which at the time of writing this report had claimed over 41,000 lives in the UK and is exercising the full resources of this Force and all Emergency services. It is times like this that the Local Resilience Forum has a key role in coordinating the combined response to the Pandemic within Northumbria.

The Committee welcomed our new PCC Kim McGuinness who was elected in July 2019 and expressed thanks and appreciation to Dame Vera Baird the outgoing PCC.

The Committee also wishes to record its gratitude to the CC Winton Keenan for his constant support and to those Officers of the PCC and CC who have regularly attended JIAC throughout the year. The Finance and Corporate Development teams have again facilitated the work of the Committee so well during the year, and along with the Internal Audit, External Audit have assisted the Committee to fulfil its role.

Thank you to fellow JIAC members for their wise advice and invaluable efforts throughout this year.

## **2. Committee Membership and Attendance.**

The members of the Committee during the year were as detailed in the table over the page, along with their attendance record.

Member	No of Meetings	% Attendance
Neil Mundy (Chair)	4	100
Kushil Amiani	3	75
Philip Angier	4	100

Janet Guy	3	75
Peter Wood	4	100

**3. Meetings**

The Committee met on 4 occasions during the financial year with the meeting on 24 August 2020 scheduled to review financial, audit and governance performance for 2019/20. Meetings are open to the press and public with minutes being published on the PCC website.

During the year we were able to meet with the PCC and CC as well as other helpful informal meetings with officers of the PCC and CC, along with Internal and External Auditors. This gave the Committee the ability to ensure that work programmes met agreed deadlines, and to provide an opportunity to comment and raise any issues of concern.

**4. Risk Management.**

The Committee has a role to ensure that the PCC and CC have in place robust and effective arrangements for the identification and management of strategic risks. A joint strategic risk register is maintained, which is reviewed at each meeting of the Committee. Regular reports are received from the Head of Corporate Development on:

- Escalation and de-escalation of identified strategic risks.
- Additional strategic risks arising during the year and the likely effect to the organisation.
- Deletions of risks, which are deemed no longer to have a strategic relevance.
- In each case, a full explanation is provided for any change of risk status.

The Strategic Risk Register is aligned with the corporate Transformation 2025 agenda.

The reports received by the Committee during the year have given assurance that strategic risks reflect the current economic and operational environments. The Committee sought assurances throughout the period of the Pandemic so far, that those associated risks are appropriately managed.

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspections, and internal audit reports on areas such as business continuity; cyber security; financial and treasury management have provided further assurance. However, the Committee expressed concern around the pace that recommendations for some areas for improvement (AFIs) were actioned. The assurances of the Executive, together with triangulation of the risk register, with both internal and external audit reports, has provided reasonable assurance to the JIAC that strategic risks are managed effectively.

**5. External Audit**

By the date of the next meeting, Mazars LLP will have completed the external audit for 2019/20 for both the PCC and CC.

As a consequence of the impact of COVID-19, the statutory deadline for the completion of the audit of the PCC and CC's Statements of Account and Value for Money assessments has been extended to 30 November 2020. The Audit Completion Reports for the financial year 2019/20 will be presented to the Committee on 16 November 2020, setting out the audit outcomes.

May I record the Committee's thanks to Cameron Waddell and his colleagues for their excellent support and advice throughout 2019/20 and look forward to receiving their completion report in November.

## **6. Internal Audit**

Gateshead Council continues to provide Independent Internal Audit services under the terms of a service level agreement with both the PCC and the CC.

The Annual Internal Audit Plan is determined after an assessment of the risks associated with the various activities of the PCC and CC. The Committee agrees the audit plan supporting the risk management process. This ensures that internal audit activity supports and provides appropriate assurance to Mazars.

COVID-19 lockdown had just started in March 2020 but it was clear that the approach to Internal Audit would be affected by the greater emphasis on remote working and that changes would be necessary in light of the unfolding situation. The focus was on the most efficient use of time and resources to reflect any emerging risk.

During the year the Committee has monitored progress against the Annual Internal Audit Plan receiving summaries of all completed internal audit reports setting out the findings, recommendations and updates on actions taken by management where necessary. The Committee has challenged in some reports the sample size and scope within individual audits. The Committee has received in those cases assurances on their efficacy or has prompted a review.

The Committee is most appreciative of the efforts of Robert Bowmaker and his colleagues in Internal Audit for their efforts in fulfilling their role throughout 2019/20.

### **Internal Audit Plan 2019/20**

Audits Planned	Audits Completed	Audits deferred to following year	Audit Reports Issued *	Operating Well	Satisfactory	Requires Improvement
28 (30)	*23 (25)	0 (2)	23 (27)	20 (23)	3 (4)	*0 (0)

The Committee noted that:

- \* 7 additional Reports to be reported to the Committee on 24 August 2020.
- There were no in-year investigations.
- \* The Committee was satisfied with the findings and opinions within the reports it received with the exception of that relating to ICT Patch Management regarding which it commented upon the ranking which it opined should be requires improvement

## **7. Corporate Governance**

In reviewing the draft Annual Governance Statements, which accompany the Financial Statements the Committee, takes into consideration the following:

- **Senior Managers' Assurance Statements**  
Report of the Internal Audit Manager
- **The Reports of HMICFRS and other external inspectorates.**

- **Review of the Effectiveness of Internal Audit**  
Report of the Internal Audit Manager
- **Internal Audit Annual Report**  
Report and opinion of the Internal Audit Manager
- **External Audit Report**  
Report and opinion of the External Auditor
- **Corporate Risk Management - Annual Report**  
Report of the Head of Corporate Development
- **Performance and Data Quality Assurance - Annual Report**  
Report of the Head of Corporate Development
- **Self-assessment of the Chief Finance Officer**  
Report of the Joint Chief Finance Officer
- **Legal and Regulatory Assurance**  
Report of the Chief of Staff and Joint Chief Finance Officer
- **Other Thematic areas, including:** Partnership Arrangements; Business Planning; Wellbeing; ICT; and Fraud, Corruption and Money Laundering  
Reports of the Chief of Staff and Joint Chief Finance Officer

Recommendations for additions in the draft statements are made, to enable the Committee to recommend adoption.

## **8. Treasury Management**

The Committee is required to monitor and approve Treasury Management policies and strategy.

Link Asset Services are retained as Treasury service advisers.

The Treasury Management Strategy is agreed annually and reviewed during the year. Challenge is provided on borrowing and the timing of redemptions to ensure that the best use of reserves is made. The Committee has monitored progress throughout the year and are pleased to report that Treasury Management is operating well and within the agreed limits.

The Treasury Management Annual Report for 2019/20 has been reviewed and recommended to the PCC for publication.

## **9. JIAC Self-Assessment**

A self-assessment of the Committee's competencies was carried out in May 2020 and the following were highlighted:

- The Committee was operating well and meets the terms of reference. They demonstrate the necessary skills, knowledge and experience to perform their function.
- Where additional knowledge is required, both the PCC and CC representatives are able and willing to provide the necessary briefing/training.
- Support for the work of the Committee comes from the Joint Chief Finance Officer and his Team, Chief of Staff to the PCC, and the Deputy Chief Constable, which has greatly assisted the Committee in its work.



**10. JIAC Membership and Development**

The Committee is committed to developing its skills and knowledge and constantly reviews its composition and need for additional information, briefing or training.

**Recommendation**

The Committee is recommended to consider, comment on and note the above report and agree it as an appropriate summary of the activities of the Committee for financial year 2019/20. The report will be amended to include any changes arising from the meeting of the Committee on 24 August 2020; and subsequently any findings from the revised deadline for the completion of the Statements of Account and Value for Money assessment as a result of COVID-19, to be considered at its meeting on 16 November 2020.

**Neil Mundy**

**Chair of Joint Independent Audit Committee**

**24<sup>th</sup> August 2020**



<b>Joint Independent Audit Committee</b>	<b>24 August 2020</b>
<b>Summary of Recent External Inspection Reports</b>	
<b>Paul Godden, Head of Corporate Development Department</b>	

**I. PURPOSE**

- 1.1. To provide details of recent external inspection reports and an overview of the process in place to manage the Force's response to inspection recommendations and findings.

**2. BACKGROUND**

- 2.1. The following inspection reports have been published by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) or other relevant inspection bodies since the last Joint Independent Audit Committee:

[A call for help - Police contact management through call handling and control rooms in 2018/19](#)

[Roads Policing: Not optional - An inspection of roads policing in England and Wales](#)

[PEEL spotlight report: The Hard Yards – Police to police collaboration](#)

- 2.2. Corporate Development Department acts as the central liaison point for all HMICFRS related matters.
- 2.3. All HMICFRS inspection reports and other external inspection reports are considered by the Executive Team. A lead is appointed to consider inspection findings and identify actions in response to any recommendations and areas for improvement. The Force position is reported to the Police and Crime Commissioner at the Business Meeting to inform the statutory response required under section 55 of the Police Act 1996.
- 2.4. All activity is regularly reviewed by the respective owners. Delivery is overseen at Executive Team level through the Force's governance and decision-making structure and progress is reported to the Scrutiny Meeting of the Office of the Police and Crime Commissioner (OPCC).
- 2.5. The HMICFRS Monitoring Portal includes causes of concern and recommendations made to police forces by HMICFRS since January 2013 and more recently (since September 2019) areas for improvement.
- 2.6. Seven additional recommendations and nine AFIs have been added to the portal since the last meeting of the Joint Independent Audit Committee (JIAC), these relate to the recent inspections on police contact management (six AFIs), roads policing (six force recommendations and three AFIs) and collaboration (one recommendation).
- 2.7. Additionally, HMICFRS acknowledged one recommendation from the custody report was missing from the portal and this has been added.
- 2.8. One recommendation already reviewed by HMICFRS relating to fraud is still awaiting update on the portal.
- 2.9. The position as at 11<sup>th</sup> August 2020 was:

	<b>Recs</b>	<b>AFIs</b>
<b>Total (HMICFRS Monitoring Portal)</b>	<b>242</b>	<b>47</b>
Total closed	184	-
<b>Total open</b>	<b>58</b>	<b>47</b>
<i>Awaiting national position</i>	<i>17</i>	<i>0</i>
<i>Considered closed by the Force; awaiting HMICFRS review</i>	<i>8</i>	<i>20</i>
<i>Reviewed by HMICFRS for closure; awaiting update on the portal</i>	<i>5</i>	<i>0</i>
<b>Subject to ongoing Force activity</b>	<b>21</b>	<b>18</b>
<i>New; under review</i>	<i>7</i>	<i>9</i>

- 2.10. Appendix A provides an overview of the outstanding recommendations and AFIs assigned to Northumbria Police by HMICFRS on the monitoring portal. It includes the number closed by HMICFRS alongside the number of recommendations or AFIs assessed as complete by the Force, which have been reviewed at the Scrutiny Meeting and are awaiting review/ closure by HMICFRS. A summary of progress alongside an expected delivery date and RAG status is also included.
- 2.11. HMICFRS independently assesses the recommendations and AFIs either through further inspection or by undertaking reality testing.
- 2.12. Since the last reported position, eleven further recommendations and sixteen AFIs have been assessed as complete by the Force and presented to the Scrutiny Meeting. These relate to child protection (seven recommendations); abuse of position (one recommendation); and custody (three recommendations and 16 AFIs).
- 2.13. Following review through Force governance boards, further recommendations (10) assessed as complete in relation to poor relation; integrated offender management; domestic abuse; and counter terrorism are scheduled for presentation to Scrutiny Meeting in the next three months in-line with determined quarterly or six-monthly reporting arrangements. The next reporting dates are provided in Appendix A, ahead of reporting at the following JIAC.
- 2.14. Overall the Force is satisfied with progress in response to the recommendations and AFIs. Whilst there are no significant risks that would impact on achievement of outstanding recommendations or AFIs, there are two areas where additional focus and effort is being placed.
- 2.15. One area relates to vetting, which has not been completed within the timescale of July 2020 set by HMICFRS in their recommendation. The police uplift programme and increased contractor vetting, linked to the large scale estate refurbishment and IT systems, has resulted in significant increases in demand for the vetting unit. Changes to structure, resourcing and working practices have been implemented to facilitate vetting requirements. It is expected that vetting will be completed by January 2021.
- 2.16. The second area concerns incident demand and risk management. A recent internal review has indicated that further work is necessary to ensure the appropriate and consistent management of vulnerable incidents and to successfully deliver against the recommendations within PEEL. Further work is being implemented and another review will be undertaken in three months to monitor performance. It is expected that improvements will be evident by October 2020.
- 2.17. The following is an overview of the HMICFRS reports published since the last meeting:

**A call for help – Police contact management through call handling and control rooms in 2018/19 (published July 2020)**

- 2.18. HMICFRS' thematic report on police contact management was informed by the Integrated PEEL Assessment (IPA) inspections for 2018/19.
- 2.19. It highlighted the increasing demands in control rooms particularly 999 calls and surmised that this was as a result of the public making less use of the non-emergency 101 number due to eroded confidence as forces struggled to answer them effectively; police forces having to take on problems of other organisations due to reduced resources; and an increase in incidents involving vulnerable people.
- 2.20. The police service is better at recognising vulnerability; however, its response to vulnerable people and assessment of risk is inconsistent. A third of forces inspected, required AFIs for improvement to risk assessments at different stages of an incident.
- 2.21. Findings indicated that there is no standard approach to resolution without deployment; there were inconsistencies in the trauma support for staff; and forces needed better contact management to meet the increasing and changing demand.
- 2.22. The report identified six AFIs in relation to: effective assessment of risk at all points of contact; where forces have a vulnerability desk, to ensure it makes a positive contribution to initial safeguarding; the training, supervision and support of control room roles; investment in technology and working collaboratively to improve risk assessments, responses and investigations; involvement in the single on-line home and social media projects; and ensuring compliance with the new contact management strategy.
- 2.23. HMICFRS will assess progress towards achieving these AFIs and the success of initiatives during PEEL inspections.

**Roads Policing: Not optional – An inspection of roads policing in England and Wales (published July 2020)**

- 2.24. HMICFRS examined how effectively the road network of England and Wales is policed. They sought to establish whether national and local roads policing strategies were effective; whether capability and capacity match demand; if the police engage effectively with the public and partners; and how well police officers are trained to deal with roads policing matters. Seven police forces were subject of fieldwork (Northumbria was not visited).
- 2.25. Before 2013 there were sustained reductions in road deaths in England and Wales. Since then the number of road deaths has levelled off and there are signs of an upturn. HMICFRS found that the importance of roads policing has been in decline for some years. There has been less enforcement of drink/ drug driving and not wearing seatbelts, with an increase in deaths attributed to these offences. The inspection stated that almost half of local crime plans did not include reference to roads policing and this was combined with an unclear national strategy.
- 2.26. The inspection found: some good initiatives, but the effect of these was unclear due to a lack of analysis and evaluation; when it was identified, good practice was not shared across forces in an effective manner; support provided to national road safety campaigns was not consistent, which adversely affected their effectiveness; and too often officers had not been given the appropriate training and support to allow them to carry out a critical role.
- 2.27. HMICFRS stated there was a clear and pressing need for government, police and crime commissioners, chief officers, and the College of Policing to recognise the importance of roads policing in reducing death on the roads.

- 2.28. Thirteen recommendations (six for police) and three AFIs were made to improve the effectiveness of roads policing in England and Wales.

**PEEL spotlight report: The Hard Yards – Police to police collaboration (published July 2020)**

- 2.29. The report looks specifically at how forces collaborate in order to provide better, more efficient services to the public. It is based on findings from HMICFRS' IPA inspections for 2018/19.
- 2.30. Inspectors found that many collaborations do not have a clear purpose or objective that is understood by all involved; some forces are not tracking the benefits of collaboration and fail to think beyond financial savings to the benefits of improved efficiency or service to the public; complicated and bureaucratic decision-making undermines the effectiveness of many collaborations; and some forces are failing to put people with the right skills in their collaborations and are not effectively sharing learning.
- 2.31. Two recommendations were made suggesting that by March 2021, the NPCC lead, the College of Policing and the Home Office should work together to establish a central repository for police collaborations alongside the identification of a methodology that supports forces in tracking benefits for police collaborations. If forces have not yet implemented an effective system to track the benefits of their collaborations, it was recommended they adopt the identified methodology.

**3. FINANCIAL CONSIDERATIONS**

- 3.1 There are no additional financial considerations arising from this report.

**4. LEGAL CONSIDERATIONS**

- 4.1 There are no legal considerations arising from the content of this report.

**5. EQUALITY CONSIDERATIONS**

- 5.1 There are no equality implications arising from the content of this report.

**6. RISK MANAGEMENT**

- 6.1 Activity in response to HMICFRS findings is monitored through the Northumbria Police governance structure and by the Office of the Police and Crime Commissioner.
- 6.2 HMICFRS expects that progress is made in response to the recommendations and uses progress against previous recommendations to assess risk when considering future inspection activity.

**7. RECOMMENDATIONS**

- 7.1 To note the recent external inspection reports and that there are no matters of exception to report in response to previous inspections.

APPENDIX A - Response to HMICFRS reports

Report Title	Business Lead	Executive Lead	Recommendation/ Area for Improvement (AFI)	Number of recommendations/ AFIs ( & number closed on the HMICFRS Monitoring Portal)      Number considered complete by the Force		Context	Anticipated completion date	Progress on delivery	RAG	Reported to Scrutiny Meeting	PCC response	Next report to Scrutiny Meeting
An inspection of undercover policing in England & Wales  Published: 13/10/14		ACC Bacon	Recommendation	17(0)	17	Awaiting the outcome of a national inquiry.	N/A	The Force action plan in response to the recommendations was signed off as complete in July 2016.				
PEEL: Police legitimacy 2017  Published: 12/12/2017 CC response to PCC: 22/1/2018 PCC Section 55 response: February 2018 Reported to JIAC: 19/2/2018	Stop and Search Lead/ Head of People Services	T/ACC Hutchison	Recommendation	1(0)	0	<p>This is a national recommendation regarding the use of stop and search.</p> <p><b>Issue</b></p> <p>Northumbria officers have been trained in unconscious bias. The findings from the Force's Legitimacy Inspection in 2017 determined that the Force was well placed, with officers receiving information about unconscious bias during stop and search training. HMICFRS also stated that the officers spoken to had a full and comprehensive understanding of how they should be treating people fairly and with respect in their interactions with the public and each other.</p> <p><b>Focus for Northumbria Police</b></p> <p>Findings in the 2018/19 PEEL inspection acknowledged that the Force had complied with most of this recommendation; however, could not evidence sufficient understanding of unconscious bias and analysis of find rates for drug supply and possession. As a result, unconscious bias has been raised as an AFI within the 2018/19 PEEL inspection below.</p>	Revised training delivery commenced in July 2020, and will form part of a longer term training input.	<p><b>Update: August 2020</b></p> <p>The training already provided alongside additional planned training and awareness sessions should help to further embed understanding of unconscious bias and strengthen the Force's position.</p> <p>Analysis of find rates for drug supply and possession is now being undertaken.</p> <p>Elements of unconscious bias training are undertaken throughout the mandatory training including onboarding, PCDA and stop and search. Operational officers received further stop and search training in 2019 which included information on unconscious bias.</p> <p>A forcewide approach is being implemented for the delivery of unconscious bias and diversity training to support the workforce. This will form a module of the overall Diversity, Equality and Inclusion training programme.</p> <p>A digital package has been developed. Learning will include videos, training modules, written resources and topic discussions at virtual learning events.</p>		17/06/2020	The PCC was satisfied with the progress made.	15/12/2020
PEEL Effectiveness  PEEL: Police effectiveness, efficiency and legitimacy 2018/19 - Northumbria Police  Published: 27/9/19 CC response to PCC: 14/11/19 PCC Section 55 response: November 2019 Reported to JIAC: 18/11/19	Multiple	T/ACC Hall	Recommendation	2 (0)	0	<p><b>Issue</b></p> <p>Two recommendations and six AFIs were made by HMICFRS as a result of the effectiveness strand of PEEL.</p> <p>The recommendations related to response to incidents. The Force needed to ensure that response was determined by the initial assessment of risk rather than the availability of response officers and that in the event that incidents to vulnerable victims were delayed, to ensure full justification for the delay with supervisory oversight.</p>	Dec-20	<p><b>Update: August 2020</b></p> <p>The Force has progressed all of the recommendations and AFIs and improvements are evident in all areas.</p> <p>Activity in response to the AFIs includes the implementation of:</p> <p>A revised process for the commissioning and analysis of problem profiles. Further work is ongoing to improve partnership involvement in the process.</p> <p>A new engagement strategy with engagement toolkits and plans for engagement throughout the year. Effective use of digital methods have assisted with engagement since the onset of COVID-19.</p> <p>Work is progressing well to embed problem solving across the force. A central repository will shortly be launched on the intranet to share good practice and useful information. The problem solving plan process has been established alongside quality assurance mechanisms. A virtual mechanism is being developed for sharing learning/effective practice with partners.</p> <p>An examination of the data quality issues that impact upon our ability to fully assess the nature and scale of vulnerability has been undertaken. Whilst best use of information will be made within the constraints of the current systems, full benefits may not be achievable until implementation of the new IT systems.</p> <p>The domestic abuse risk assessment grading policy has been revised and implementation of a new procedure and training commenced in July 2020.</p> <p>One area where further planned work is being undertaken is in relation to the response to incident recommendations. Whilst improvements have been made as a result of the removal of priority 3 incidents, further delivery of THRIVE training and the implementation of a new supervisory oversight process for priority 2 vulnerable incidents, a recent review has indicated that there is further work to do. A plan is being implemented in response to the findings and a further review will be undertaken in 3 months to assess progress. It is anticipated that this will lead to a stronger and more consistent position.</p>		14/05/2020	The PCC was satisfied with the work being carried out and recognised the impact of COVID-19 on the response to some of the PEEL Effectiveness AFIs.	27/08/2020
PEEL Efficiency  PEEL: Police effectiveness, efficiency and legitimacy 2018/19 - Northumbria Police  Published: 27/9/19 CC response to PCC: 14/11/19 PCC Section 55 response: November 2019 Reported to JIAC: 18/11/19	Multiple	DCC Ford	AFI	9(0)	2	<p><b>Issue</b></p> <p>There were nine AFIs regarding understanding of current and future demand including analysis of data from partners; making best use of resources to meet the needs of the public; and understanding the capacity and capability of the workforce.</p> <p>The Force had recently undertaken a review of resources to inform the new Force Operating Model (FOM); however, recognises the need for further work to understand demand across all services, including hidden demand.</p> <p>Whilst the Force recorded operational skills and qualifications obtained by officers/staff during their police career, information was not held relating to academic, professional or personal skills. This is necessary in order to better understand the capacity and capability of the workforce and identify any gaps/ opportunities to support future development.</p> <p><b>Focus for Northumbria Police</b></p> <p>To further improve understanding of demand, capacity and capability.</p>	Dec-20	<p><b>Update July 2020</b></p> <p>Work has been undertaken in response to all of the AFIs. Two AFIs are considered complete regarding the awareness of officer and staff workload when allocating and deploying resource; and the alignment of strategic plans with financial planning. Good progress has been made to further embed and further develop business and resource planning; work is on track and no risks are identified with regard to delivery.</p> <p>Activity to support understanding of demand is progressing well. A business intelligence function has been created and a new business intelligence tool (QlikSense) has been implemented. Local business plans include information on current and future demand alongside analysis of capacity and capability. Whilst there is additional longer term work ongoing to further improve understanding, the Force is in an improved position.</p> <p>A survey was undertaken to collate all academic, professional and personal skills information and this is being combined with operational skills data to provide a richer picture of capacity and capability. This will allow a gap analysis to be undertaken and planned activity to mitigate any identified gaps.</p> <p>One AFI regarding ensuring that resource allocation allows appropriate response to urgent calls for service, particularly for incidents concerning vulnerable persons, is in part linked to the previous response recommendations in PEEL effectiveness, but has also been part mitigated by the introduction of the new Force Operating Model that has enabled improved response times.</p>		14/05/2020	The PCC was satisfied with the work being carried out and supported the closure of the two AFIs.	27/08/2020
PEEL Legitimacy  PEEL: Police effectiveness, efficiency and legitimacy 2018/19 - Northumbria Police  Published: 27/9/19 CC response to PCC: 14/11/19 PCC Section 55 response: November 2019 Reported to JIAC: 18/11/19	Multiple	T/ACC Hall	Recommendation	2(0)	0	<p><b>Issue</b></p> <p>Two recommendations regarding understanding, analysis and scrutiny of use of force and three AFIs regarding: training and understanding of unconscious bias; proactive approach to counter corruption; and confidential reporting mechanisms.</p> <p>The inspection highlighted that whilst good at recording use of force, it needed to make better use of this to understand how force is being used. The Force had identified a requirement for increased scrutiny and transparency regarding use of force prior to the inspection.</p>	Nov-20	<p><b>Update June 2020</b></p> <p>Significant activity has been undertaken throughout the year to gain a far better understanding of use of force and to establish improved governance with internal and external scrutiny. Whilst there are factors that impact our understanding of how officers and staff are using force such as recording compliance and quality of data, the Force is in a much stronger and improving position. Some of the data issues are as a result of waiting for requested changes to the national Chronicle system where use of force information is recorded.</p> <p>A confidential reporting mechanism for the workforce to report potential corruption and inappropriate behaviour of colleagues is now in place and forcewide communications are ongoing to increase awareness of it.</p> <p>One AFI relating to the capability and capacity to be effective in a proactive approach to counter corruption is considered complete.</p>		25/06/2020	The PCC was satisfied with the progress being made.	15/09/2020
			AFI	3(0)	1	<p><b>Focus for Northumbria Police</b></p> <p>It is important that the Force is seen to operate legitimately to avoid reputational risk. The Force must demonstrate an understanding of disproportionality in the use of police powers to mitigate risk.</p>						



Report Title	Business Lead	Executive Lead	Recommendation/ Area for Improvement (AFI)	Number of recommendations/ AFIs ( & number closed on the HMICFRS Monitoring Portal)      Number considered complete by the Force		Context	Anticipated completion date	Progress on delivery	RAG	Reported to Scrutiny Meeting	PCC response	Next report to Scrutiny Meeting
Northumbria – National child protection inspection (and Post-inspection Review)  Published: 28/6/18 (Post-inspection review 11/4/19) CC response to PCC: 26/7/18 (Post-inspection review 2/5/2019) PCC Section 55 response: August 2018 & June 2019 Reported to JIAC: 23/7/18 (Post-inspection review 13/5/19)	Head of Safeguarding	ACC Bacon	Recommendation	7(3)	4	<b>Issue</b>  Four remaining recommendations following the post inspection review regarding: the investigation of child sexual exploitation; detention of children in custody; recording of information where there are concerns about the welfare of children; and practices in relation to missing children.  <b>Focus for Northumbria Police</b>  Ensuring the timely safeguarding of children with regard to CSE and the provision of appropriate adult support for children in custody.	N/A	<b>Update July 2020</b>  All recommendations are considered complete and are awaiting HMICFRS review.		28/07/2020	The PCC was satisfied with action taken and supported the closure of recommendations.	-
National Child Protection Inspections: 2019 thematic report  Published: 27/2/20 CC response to PCC: 16/4/20 PCC Section 55 response: May 2020 Reported to JIAC: 22/6/20	Head of Safeguarding	ACC Bacon	Recommendation	3(0)	3	<b>Issue</b>  National recommendations to reduce the unnecessary criminalisation of children; to review performance management and quality assurance approaches; and for forces not yet inspected by the NCPI or JTAI to take steps to identify and implement good practice and the learning highlighted from these programmes.  <b>The Force was already responding to the force specific recommendations and is, therefore, in a positive position with regard to the national recommendations.</b>	N/A	<b>Update July 2020</b>  All recommendations are considered complete and are awaiting HMICFRS review.		28/07/2020	The PCC was satisfied with action taken and supported the closure of recommendations.	-
Fraud: Time to choose  Published: 2/4/19 CC response to PCC: 16/5/19 PCC Section 55 response: August 2019 Reported to JIAC: 13/5/19	Head of Crime	ACC Bacon	Recommendation	2 (0)	2	<b>Issue</b>  National recommendations regarding the publication of Force policy for responding to and investigating allegations of fraud and the reporting of fraud outcomes to the National Fraud Intelligence Bureau.  <b>Focus for Northumbria Police</b>  Ensuring the process for reporting of fraud outcomes is robust.	N/A	<b>Update May 2020</b>  Both of these recommendations are considered complete. One is awaiting update on the HMICFRS monitoring portal and the other is awaiting HMICFRS review.		14/05/2020	The PCC was satisfied with action taken and supported the closure of recommendations.	-
The poor relation: the police and Crown Prosecution Service's response to crimes against older people  Published: 17/7/19 CC response to PCC: 22/8/19 PCC Section 55 response: September 2020 Reported to JIAC: 18/11/19	Head of Safeguarding & Head of Prosecution & Victim Services	ACC Bacon	Recommendation	4 (0)	0	<b>Issue</b>  National recommendations regarding adult safeguarding: victim support services; victim needs assessments; referrals; and the analysis of current and future demand.  The report highlighted the need for better services for older people subject of crime.  <b>The Force already has a safeguarding policy and a robust system for reporting concerns for adults. Force policy and guidance in respect of vulnerable adults outlines the requirement for safeguarding referrals. There is no particular threshold for the submission of an Adult Concern Notification (ACN). Submission is based on the officer's assessment of risk, in particular, risk of abuse or neglect. Victim needs assessments are submitted for all crime victims.</b>	Oct-20	<b>Update July 2020</b>  The Force was already in a strong position with regard to these recommendations as mechanisms were already in place for all adult crime victims irrespective of age. Once a national definition of 'adults at risk' is defined, current practices will be adapted accordingly.  Analysis of demand will be incorporated into the Force Management Statement.  Currently the victim support service is progressing with cope and recovery being completed by Victims First Northumbria (VFN) with the main services now being conducted by court liaison staff. A review of victim services is being undertaken and is expected to be complete in October 2020. The design of a new model and implementation will follow in 2021.  Updates will be presented to Scrutiny Meeting in August 2020 with a proposal to close three of the four recommendations following which the JIAC appendix will be updated accordingly.		25/02/2020	The PCC was satisfied with progress and no issues were raised.	27/08/2020



Report Title	Business Lead	Executive Lead	Recommendation/ Area for Improvement (AFI)	Number of recommendations/ AFIs (& number closed on the HMICFRS Monitoring Portal)      Number considered complete by the Force		Context	Anticipated completion date	Progress on delivery	RAG	Reported to Scrutiny Meeting	PCC response	Next report to Scrutiny Meeting
Shining a light on betrayal: Abuse of position for a sexual purpose  Published: 27/9/19 CC response to PCC: 14/11/19 PCC Section 55 response: November 2019 Reported to JIAC: 18/11/19	Head of Professional Standards Department	DCC Ford	Recommendation	3 (0)	1	<b>Issue</b>  National recommendations regarding: abuse of authority; counter corruption; and vetting.  The Force was already well placed in this area and received a 'good' grading overall for Legitimacy within the PEEL inspection, which includes those areas under consideration within this inspection.  <b>Focus for Northumbria Police</b>  To ensure all staff vetting statuses are reviewed and are up to date.	Jan-21	<b>Update June 2020</b>  Northumbria's legitimacy inspection suggested that the Force was already well positioned with regard to these recommendations. One of the recommendations is considered complete regarding having enough people with the right skills to look proactively for intelligence about those abusing their position for a sexual purpose.  The majority of the counter corruption recommendation is complete; however, completion of the final element regarding encrypted apps is dependent upon national negotiation with hardware manufacturers.  Whilst vetting was positively reviewed within PEEL 2018/19 with inspectors highlighting great improvements in vetting the workforce, the current uplift of police officer numbers coupled with contractor vetting linked to the large scale estate refurbishment and IT systems renewal is impacting on the ability of the vetting department to complete all requirements as defined by the recommendation.  With the exception of a very small number of staff who are on long term secondment or long term sick, all staff have a vetting status, however, some need to be refreshed. Changes to structure, resourcing and working practices have been implemented to facilitate vetting requirements.  An action plan is in place to address any outstanding vetting requirements and to assess the level of vetting required for all posts. The estimated completion date for renewal vettings is January 2021.		17/06/2020	The PCC was satisfied with progress, noted the position regarding vetting and supported closure of the recommendation.	15/09/2020
Cyber: Keep the light on - An inspection of the police response to cyber-dependent crime  Published: 24/10/19 CC response to PCC: 12/12/19 PCC Section 55 response: December 2019 Reported to JIAC: 18/11/19	Head of Crime	ACC Bacon	AFI	1(0)	1	<b>Issue</b>  National AFI regarding an assessment of the use of cyber specials and volunteers.  <b>Use of cyber volunteers is already established.</b>	-	<b>Update May 2020</b>  This AFI is considered complete and is awaiting review by HMICFRS.  The force was inspected as part of this thematic inspection and feedback on the Force's use of cyber volunteers was positive.		14/05/2020	The PCC was satisfied with the position and supported closure of the AFI.	-
Evidence led domestic abuse (DA) prosecutions  Published: 23/1/20 CC response to PCC: 24/3/20 PCC Section 55 response: March 2020 Reported to JIAC: 24/2/20	Head of Safeguarding	ACC Bacon	Recommendation	5(0)	0	<b>Issue</b>  National recommendations regarding a review of training plans for DA; use of DA champions; clear guidance that evidence led investigations should be afforded the same quality of investigations as other investigations; decisions to take no further action in DA cases receive the same robustness of supervisory oversight as other DA cases and that police and CPS share examples of good work and successful outcomes.  <b>Domestic abuse is a force priority and is closely monitored; evidence-led investigations form part of this.</b>	Aug-Oct 2020	<b>Update July 2020</b>  Activity is progressing well with an expected delivery date for all recommendations of October 2020.  Appropriate training will be delivered via CPD.  Consultation has been taking place between the DA strategic lead in Safeguarding and the area command Supt leads regarding whether a formal DA Champions network would help in achieving improved service delivery. Considerations regarding structure and role were circulated for comment.  Performance management arrangements are in place; positive outcomes for DA overall is showing improvement and the most recent DA audit showed increased consideration of an evidence led approach.  Discussions are ongoing between the strategic leads for DA for Northumbria Police and the CPS regarding the best way to build in maximising opportunities to share examples of good work into existing liaison processes.  Updates will be presented to Scrutiny Meeting in October 2020 outlining the proposed closure of three of the recommendations following which the JIAC appendix will be updated accordingly.		-	-	29/10/2020
Northumbria Police - Joint inspection of police custody  Published: 23/1/20 CC response to PCC: 20/2/20 PCC Section 55 response: March 2020 Reported to JIAC: 24/2/20	Head of Custody	ACC Bacon	Recommendation	3(0)	3	<b>Issue</b>  Three recommendations regarding the consistent application of legislation and guidance; the full and accurate recording of information on custody records; and ensuring dignity of detainees when using toilet facilities.  Nineteen AFIs in relation to performance information and quality assurance; full and accurate recording of information on records; use of force; approach to the dignity and meeting the individual and diverse needs of detainees; notices highlighting CCTV in operation; adherence to legal requirements for fire regulations; the provision of a wider diet, nicotine replacement products and better blankets; and strengthening work with local authority partners to monitor children entering custody and the provision of appropriate adults.  <b>Focus for Northumbria Police</b>  Appropriate adult provision and secure beds for children, which is dependent upon external organisations for delivery.	Sep-20	<b>Update July 2020</b>  Significant progress has been made and all recommendations and 16 of the AFIs are considered complete and are awaiting HMICFRS review.  The remaining three pertain to compliance with fire regulations, the monitoring of children in custody with local authorities and specialist support for detainees with alcohol and drug dependencies.  All remaining activity is progressing well with all the necessary fire regulation tests scheduled; meetings established with local authorities regarding children in custody; and whilst a standard level of support is given to those with drug or alcohol problems, such as signposting to external support agencies when they leave custody, the force is progressing work with partner agencies to secure an equitable service level agreement across all custody suites and local authority areas for the provision of further support.		28/07/2020	No issues were raised.	01/01/2021
A joint thematic inspection of Integrated Offender Management (IOM)  Published: 28/2/20 CC response to PCC: 16/4/20 PCC Section 55 response: May 2020 Reported to JIAC: 22/6/20	ACC Hutchison	T/ACC Hutchison	Recommendation	4(0)	0	<b>Issue</b>  National recommendations regarding defining the IOM operating models; improving the quality and accuracy of recording in IOM cases; analysis of training needs; and to ensure that service users are kept informed, as much as possible, about the benefits of inclusion in IOM.  Northumbria had already reviewed its IOM provision and established new policy and procedures prior to the publication of this report.  <b>The Force is well positioned with regard to IOM.</b>	Sep-20	<b>Update July 2020</b>  The Force was already in a strong position with regard to IOM. Policy and process for the IOM operating model including recording activity was in place prior to the findings of this inspection. Service users are now informed via a notification letter of their selection and deselection within the IOM cohort.  All Northumbria Police dedicated IOM officers have been in role for a number of years and have considerable experience as well as having benefited from participation in NPS/ CRC training inputs and support. All are part embedded with CRC teams. Longer term, a training needs assessment for officers managing offenders will be developed.  Updates will be presented to Scrutiny Meeting in August 2020 outlining the proposed closure of three of the recommendations following which the JIAC appendix will be updated accordingly.		-	-	27/08/2020
Counter-terrorism policing - An inspection of the police's contribution to the government's Prevent programme  Published: 9/3/20 CC response to PCC: 16/4/20 PCC Section 55 response: May 2020 Reported to JIAC: 22/6/20	Head of Crime	ACC Bacon	Recommendation	1(0)	0	<b>Issue</b>  A national recommendation to review the attendance of force representatives at Channel panels so that police are correctly represented by decision makers who can contribute to managing risk.  <b>The Force is already compliant.</b>	N/A	<b>Update July 2020</b>  The review is complete - a Prevent specialist attends every Channel Panel; this was in place prior to the recommendation.  An update will be presented to Scrutiny Meeting in August 2020 outlining the proposed closure of this recommendation following which the JIAC appendix will be updated accordingly.		-	-	27/08/2020

Report Title	Business Lead	Executive Lead	Recommendation/ Area for Improvement (AFI)	Number of recommendations/ AFIs (& number closed on the HMICFRS Monitoring Portal)    Number considered complete by the Force		Context	Anticipated completion date	Progress on delivery	RAG	Reported to Scrutiny Meeting	PCC response	Next report to Scrutiny Meeting
Roads Policing: Not optional - An inspection of roads policing in England and Wales  Published 15/07/2020 CC response to PCC: to be reported 27/08/20 PCC Section 55 response: Reported to JIAC: 24/08/20	Head of Operations Department	T/ACC Hall	Recommendation	6(0)	-	<b>Issue</b>  National recommendations stating that with immediate effect: roads policing should be included in the force's strategic threat and risk assessments; that there is enough analytical capability to identify risks and threats on the road network within the force area and that this is used to reduce risks; forces should comply with Department for Transport Circular 1/2007 in relation to the use of speed and red-light cameras; forces where Operation Snap (the provision of digital video footage by the public) has been adopted, should make sure that it has enough resources and process to support its efficient and effective use; forces should satisfy themselves that the resources allocated to policing the strategic road network within their force areas are sufficient; and chief constables should make sure that appropriate welfare support is provided to specialist investigators and family liaison officers involved in the investigation of fatal road traffic collisions.	Date to be determined	<b>Update August 2020</b>  Report is being reviewed and the force position will be presented to the PCC on 27/08/20.		-	-	To be determined
			AFI	3(0)	-	AFIs with regard to force-level support to national roads policing operations and intelligence structure; the efficient and effective exchange of all collision data with other relevant bodies; and the awareness and understanding of the changes in the Professionalising Investigation Programme within police forces.  <b>Focus for Northumbria Police</b>  To be determined.						
A call for help - Police contact management through call handling and control rooms (published 09/07/2020)  Published 09/07/2020 CC response to PCC: to be reported 27/08/20 PCC Section 55 response: Reported to JIAC: 24/08/20	Head of Communications Department	T/ACC Hall	AFI	6 (0)	-	<b>Issue</b>  Six AFIs regarding: the effective assessment of risk at all points of contact with the public; ensuring that where there is a vulnerability desk, it makes a positive contribution to initial safeguarding; ensuring that staff are trained, supervised and supported to be effective in their control room roles; investment in technology and collaborative work to inform and improve risk assessments, responses and investigations to keep the public safe; services provided to communities meet the new national contact management strategy; and involvement in the single online home and the social media projects.  <b>Focus for Northumbria Police</b>  To be determined.	Date to be determined	<b>Update August 2020</b>  Report is being reviewed and the force position will be presented to the PCC on 27/08/20.		-	-	To be determined
PEEL spotlight report: The Hard Yards – Police to police collaboration  Published 21/07/20 CC response to PCC: to be reported 27/08/20 PCC Section 55 response: Reported to JIAC: 24/08/20	Funding and Innovation Manager	DCC Ford	Recommendation	1(0)	-	<b>Issue</b>  The report highlighted one national recommendation suggesting that if forces had not yet implemented an effective system to track the benefits of their collaborations, they should use the methodology created by the NPCC, the College of Policing and the Home Office.  <b>Focus for Northumbria Police</b>  To be determined.	Date to be determined	<b>Update August 2020</b>  Report is being reviewed and the force position will be presented to the PCC on 27/08/20.		-	-	To be determined

On track - no concerns

Progressing - additional action required to ensure delivery/delivery delayed

Risk to completion

**Short Report for Information**

<b>Joint Independent Audit Committee</b>	<b>24 August 2020</b>
<b>Joint Strategic Risk Register</b>	
<b>Joint report of Deputy Chief Constable Debbie Ford and Ruth Durham, Chief of Staff and Monitoring Officer, OPCC</b>	
<b>Author: Tanya Reade, Corporate Governance Manager, Corporate Development Department</b>	

**I. PURPOSE**

- 1.1 To present the new Joint Strategic Risk Register following the annual review, which was delayed as a result of the focus on providing a policing response to COVID-19.

**2. BACKGROUND**

- 2.1 The Office of Police and Crime Commissioner (OPCC) and Northumbria Police continue to share a Joint Strategic Risk Register (JSRR); however, the identified risks to each are now recorded separately. Each strategic risk has an assigned owner(s), who has responsibility for the management of controls and the implementation of new controls, where necessary.

**Governance of Risk Register**

- 2.2 The JSRR identifies each risk and the consequences if it were to happen. It also provides a summary of existing controls and rates risks on the likelihood of the risk occurring and the impact it would have. All risks are regularly reviewed by the respective owners and additional controls identified or changed where necessary. Appendix A provides an overview of the current RAG status of the risks for Northumbria Police, alongside the register. Appendix B provides an overview of the current RAG status of the risks for the OPCC, alongside the register.
- 2.3 Area Commanders, Department Heads and the OPCC are responsible for the identification of emerging risks which cannot be controlled locally, and have the potential to prevent the Force and OPCC from achieving objectives. Recommendations and areas for improvement following external inspections are considered to ensure they are adequately reflected in current risks. These risks are escalated to the Executive Team and PCC via the relevant Boards in line with the governance and decision making structures, and recorded on the JSRR.
- 2.4 The JSRR is presented at the Business Meeting between the PCC and the Chief Constable on a quarterly basis. The Joint PCC/ Chief Constable Governance Group and Joint Independent Audit Committee (JIAC) provide additional scrutiny and governance on a quarterly basis.
- 2.5 The new register builds upon the thematic risk areas already used in the previous register, capturing twelve strategic risk areas and the strategic risk(s) faced; relevant context is provided for each:
1. Finance
  2. Governance (new)
  3. Information and Communication Technologies (ICT)
  4. Information and Data Management (new)
  5. Information and Data Quality (new)
  6. Infrastructure & Assets

**Short Report for Information**

7. Operational Policing
8. Partnership & Collaboration
9. Public Confidence
10. Regulation & Standards
11. Strategy
12. Workforce

2.6 Risks are recorded alphabetically and numbered for ease of reference only.

2.7 High risks recorded in the previous register provide context or are current factors contributing to the assessment of the following Force risks:

**ICT: Loss or failure of IT systems which support current service delivery due to the age of technology and insufficient capacity and capabilities and failure to implement new operating platforms in a timely and effective way.**

- Limitations of current ICT systems and the impact on service delivery; and
- Loss of Critical ICT Services.
- A malicious intent to compromise information systems or access information or data.

**Workforce: Recruitment and retention of a skilled, capable, resilient and diverse workforce with capacity and capabilities required to deliver current and future policing effectively and efficiently.**

- Insufficient resources, in terms of capacity and capability, to meet current or future policing demands; and
- Failure to meet the uplift requirement.

**Strategy: Northumbria Police fails to deliver its strategic objectives and those of the Police and Crime Plan, due to ineffective business planning, including performance, risk, demand, transformation, workforce and financial management.**

- An ineffective Criminal Justice System within the region.
- Inability to protect vulnerable people during times of isolation.

2.8 The two risks aligned to the Emergency Services Network (ESN) have been removed from the register, but remains under review subject to the national position:

- Failure to deliver the ESN required functionality and coverage.
- Failure to deliver the ESN to Northumbria Police on time and to budget.

2.9 A National Risk Register is maintained by Operational Communications in Policing (OCiP) to monitor the risks associated with the delivery of the ESN and Northumbria Police is represented at all levels of the national Gold structure.

2.10 The Force will continue to manage and support the Airwave service until transition to ESN and there is provision included within the Medium Term Financial Strategy. Final approval to transition to ESN rests with the Executive Team.

2.11 The new Force risk for Finance: **Reduction in funding which requires a change to financial planning and/ or a change to the resourcing of service delivery** has been assessed as a high risk.

**Short Report for Information**

2.12 This reflects the short term nature of current funding settlements and continued long-term uncertainty over several funding strands, including Uplift and Pensions and includes current factors of in-year potential budget pressure as a consequence of COVID-19 and an in-year potential overspend as reported to the PCC at quarter 1 2020/21.

2.13 The previous risk, included within the thematic area of Regulation and Standards:

- Ineffective management of information and poor data quality affecting business and operational decision-making,

has been split, to recognise and respond to two new thematic areas and the risk to the Force in each:

**Information and Data Management: Failure to implement and adhere to information and data management processes and legislation leading to data breaches; and**

**Information and Data Quality: Failure to improve data quality leading to a reduction in benefits realisation of new operating platforms.**

2.14 Although the assessed impact of each risk occurring remains in line with the previous risk i.e. high, the assessment of the likelihood of the risks occurring has been increased.

2.15 One further thematic area, Governance has been added. The identified risk for the Force is: **Failures originating from a lack of scrutiny, oversight, transparency, internal controls and adherence to legislation.** This is assessed as a low risk.

2.16 The Force has recorded a risk in each of the twelve thematic areas. Five are assessed as high risk: Finance; ICT; Information and Data Management; Information and Data Quality; and Workforce.

**3. CONSIDERATIONS**

<b>Government Security Classification</b>	Official
<b>Freedom of Information</b>	Non-exempt
<b>Consultation</b>	Yes
<b>Resource</b>	No
There are no additional financial considerations arising from this report.	
<b>Code of Ethics</b>	No
There are no ethical implications arising from the content of this report.	
<b>Equality</b>	No
There are no equality implications arising from the content of this report.	
<b>Legal</b>	No
There are no legal considerations arising from the content of this report.	
<b>Risk</b>	No
There are no additional risk management implications directly arising from this report.	
<b>Communication</b>	No
<b>Evaluation</b>	No



**AGENDA ITEM 8**  
**APPENDIX A**

**Overview of the RAG status of Strategic Risk – Northumbria Police**

LIKELIHOOD	Very High (5)			3 ICT 4 Information and Data Management	
	High (4)			5 Information and Data Quality	
	Medium (3)		10 Regulation and Standards	1 Finance 12 Workforce	
	Low (2)		6 Infrastructure and Assets	7 Operational Policing 8 Partnership and Collaboration 9 Public Confidence 11 Strategy	
	Very Low (1)	2 Governance			
	Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
IMPACT					

<b>I</b>	<b>Strategic Risk – Finance</b>  <b>Reduction in funding which requires a change to financial planning and/ or a change to the resourcing of service delivery.</b>  <b>Failure to effectively manage the allocated annual budget.</b>	
Owner(s)	Chief Constable and Director of Finance & IT	
Governance and Oversight	Executive Board/ Business Meeting	
Context	<ul style="list-style-type: none"> <li>▪ Reduction in central government funding as announced in the annual Home Office Police Funding Settlement.</li> <li>▪ The funding settlement currently provides certainty for only one financial year and carries continued long-term uncertainty over several funding strands, including Uplift and Pensions.</li> <li>▪ An in-year event or change, outside of Northumbria Police's control, may lead to unbudgeted costs that cannot be met from within the annual budget.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ An in-year potential budget pressure as a consequence of COVID-19.</li> <li>▪ An in-year potential overspend as reported to PCC at quarter 1 2020/21.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Short notice change to national funding may require a change in short and medium term force financial planning, including a need to deliver unplanned savings thereby impacting on service delivery.</li> <li>▪ Any in-year pressures which become a forecast overspend must be addressed through consideration of in-year savings and discussion with the PCC.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Transparent ownership of financial matters between the PCC and Chief Constable.</li> <li>▪ Comprehensive approach to business planning cycle and annual budget setting process.</li> <li>▪ Well understood in-year financial monitoring and reporting governance.</li> </ul>	
Likelihood Impact	3 4	<b>12</b>



<b>2</b>	<b>Strategic Risk – Governance</b>  <b>Failures originating from a lack of scrutiny, oversight, transparency, internal controls and adherence to legislation.</b>	
Owner(s)	Deputy Chief Constable	
Governance and Oversight	Executive Board	
Context	<ul style="list-style-type: none"> <li>▪ Chief Constable is unable to account to the PCC for the exercise of his functions and those under his direction and control.</li> <li>▪ There is a breakdown in relationship between the Force and Office of the Police and Crime Commissioner.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ None.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Inability to identify and respond to deteriorating performance resulting in policing priorities not being achieved.</li> <li>▪ Inability to work effectively in partnership to provide services to victims and witnesses.</li> <li>▪ Slippage/ failure of projects, which hamper the achievement of objectives.</li> <li>▪ A decline in quality and service delivery, leading to a reduction in satisfaction levels.</li> <li>▪ Adverse external inspection reports, leading to recommendations and wider escalation.</li> <li>▪ Loss of public confidence.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ A comprehensive governance and decision making structure is in place providing appropriate governance arrangements.</li> </ul>	
Likelihood Impact	1 2	2

<b>3</b>	<b>Strategic Risk – Information and Communications Technology</b>  <b>Loss or failure of IT systems which support current service delivery due to the age of technology and insufficient capacity and capabilities and failure to implement new operating platforms in a timely and effective way.</b>	
Owner(s)	Deputy Chief Constable	
Governance and Oversight	Transformation Board/ Strategic Resourcing Board	
Context	<ul style="list-style-type: none"> <li>▪ Limitations of current ICT systems and the impact on service delivery.</li> <li>▪ Significant IT transformation programme.</li> <li>▪ Loss of Critical ICT Services.</li> <li>▪ A malicious intent to compromise information systems or access information or data.</li> <li>▪ Failure of national projects to deliver on time and to specification.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ New technology/ new working practices being introduced.</li> <li>▪ Masons Advisory Risk Assessment and identification.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Ineffective IT system to support business processes.</li> <li>▪ Current ICT system is unable to provide all of the functionality required leading to inefficiency and impact on police effectiveness.</li> <li>▪ Loss of information from systems as a result of a cyber-attack.</li> <li>▪ Loss of confidence in systems and the organisation from users, the public, partner organisations.</li> <li>▪ Inability to effectively communicate with partners and the public.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Systems are developed to agreed functional requirements and benefits are realised.</li> <li>▪ Funding within the MTFS to support the implementation and ongoing support of new systems to better support the existing and expected future business processes.</li> <li>▪ Security of ICT systems is a key component of the implementation of new, and the refresh of existing, ICT systems.</li> <li>▪ Business Continuity plans are in place to manage interim ICT solutions.</li> <li>▪ Managed programme to deliver transformation under Transformation 2025.</li> <li>▪ External support to the implementation/ installation of new systems is in place.</li> <li>▪ KPIs for ICT are set and monitored through the governance structure.</li> <li>▪ External organisations are invited to test the security of systems and processes; any remedial action is undertaken.</li> </ul>	
Likelihood Impact	5 4	<b>20</b>

<b>4</b>	<b>Strategic Risk – Information and Data Management</b>	
	<b>Failure to implement and adhere to information and data management processes and legislation leading to data breaches.</b>	
Owner(s)	T/ ACC Communications and Information Management	
Governance and Oversight	Operational Information Management Board	
Context	<ul style="list-style-type: none"> <li>▪ Ineffective management of information.</li> <li>▪ Breach of relevant legislation and/ or regulations.</li> <li>▪ Corruption or loss of Force systems.</li> <li>▪ Potential for loss of data.</li> <li>▪ Failure to comply with Management of Police Information (MOPI) regulations.</li> <li>▪ Working practices not compliant with GDPR and correct processing, storing and handling of data is not followed.</li> <li>▪ Lack of awareness of GDPR.</li> <li>▪ Failure to comply with Information Commissioners’ Office (ICO) recommendations regarding records management and asset owners.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Forthcoming Information Commissioners’ Office audit – October 2020</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Findings made by the ICO – loss of public confidence and financial penalties</li> <li>▪ Litigation, legal action against the Force leading to prosecution and monetary penalty.</li> <li>▪ The ability to access information and/or respond to requests for information.</li> <li>▪ Loss of confidence of the workforce due to inappropriate disclosure of personal data (internally and externally).</li> <li>▪ Compromise of operational activity and/ or covert tactics.</li> <li>▪ Compromise of physical and technical security of assets if vulnerability is exploited.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Information Management Unit with requisite capacity and capability, including the roles of Force Data Protection Officer (DPO) and Information Security Manager (ISM).</li> <li>▪ Oversight and management through the Governance and Decision-making structure – Operational Information Management Board.</li> <li>▪ Information asset registers in place.</li> <li>▪ Existing procedures in respect of data breaches ensure required actions set out in the Regulations are met.</li> <li>▪ Monthly meeting with Senior Information Risk Owner to formally assess and govern risk.</li> <li>▪ Formal external regulatory review and oversight – ongoing support as required (NPRIMPT, ICO).</li> </ul>	
Likelihood Impact	5 4	<b>20</b>

<b>5</b>	<b>Strategic Risk – Information and Data Quality</b>  <b>Failure to improve data quality leading to a reduction in benefits realisation of new operating platforms.</b>	
Owner(s)	T/ ACC Communications and Information Management	
Governance and Oversight	Operational Information Management Board	
Context	<ul style="list-style-type: none"> <li>▪ Poor data quality affecting business decisions.</li> <li>▪ Intelligence not being captured.</li> <li>▪ Up-to-date crime and intelligence data is not available to officers/staff or data is stored in various locations and formats.</li> <li>▪ Inaccurate crime recording or held data leading to non-compliance with regulations, a negative impact upon investigations and reputational damage.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Migration to new operating platforms, including Northgate Connect and Steria – Storm.</li> <li>▪ Ability to respond to external inspection findings.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Reduction in force performance and delivery.</li> <li>▪ Failure to identify risk of vulnerability, officer, public safety.</li> <li>▪ Inaccurate data returns to the Home Office and other bodies e.g. HMICFRS.</li> <li>▪ Implications of inaccurate crime recording or held data.</li> <li>▪ Poor quality data is used to base decisions upon, meaning that critical risk factors may be missed or not fully understood.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Investment in Information Technology aligned to Masons Advisory review.</li> <li>▪ Migration strategy as part of the Transformation 2025 programme IT strand to ensure data quality, accuracy and compliance with GDPR.</li> <li>▪ Quality Assurance &amp; Audits – identification of documentation and standards.</li> <li>▪ Introduction of the Quality Standards Delivery Team.</li> <li>▪ Self-service updates (i.e. HRMS).</li> <li>▪ QlikSense – use of the Business Intelligence tool to identify compliance and data quality issues.</li> <li>▪ Engagement with the Home Office/ NPCC National Data Quality Improvement Service (NDQIS).</li> </ul>	
Likelihood Impact	4 4	<b>16</b>

<b>6</b>	<b>Strategic Risk – Infrastructure and Assets</b>  <b>Failure to maintain the physical security and safety of our estate and to effectively manage assets to ensure continued effective service delivery through provision of equipment and facilities which keep the workforce capable and able to respond to the public.</b>	
Owner(s)	Director of Finance and IT	
Governance and Oversight	Strategic Resourcing Board <b>Asset Management</b> / Operational Information Management Board <b>Physical Security</b>	
Context	<ul style="list-style-type: none"> <li>▪ Failure to appropriately maintain assets resulting in critical failure.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Delays in new supply of vehicles.</li> <li>▪ Physical security.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Injury to users of assets or the public.</li> <li>▪ Reduced availability of assets impacts on services across some or all business areas.</li> <li>▪ Litigation and civil claims.</li> <li>▪ Negative impact on the workforce and on public confidence.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Established internal arrangements to minimise the impact of proposed estate and infrastructure changes/ refreshes on the business.</li> <li>▪ Business Continuity Plans, Estate Strategies and policies and procedures in place.</li> <li>▪ Regular inspection, testing and maintenance programmes for utility services and equipment.</li> <li>▪ Obligations under fire safety regulations are met.</li> <li>▪ Annual inspection and update of the asbestos management survey and risk assessed asbestos management plan, undertaking any remedial work to reduce risks.</li> <li>▪ Health and Safety management embedded at tactical and strategic level.</li> <li>▪ Vehicles are purchased using national contracts that incorporate role related testing.</li> <li>▪ Vehicle maintenance partners are vetted to ensure security and continuity of service.</li> <li>▪ Internal fuel stock maintained.</li> <li>▪ Assets management software</li> <li>▪ Telematics.</li> </ul>	
Likelihood Impact	2 3	<b>6</b>

<b>7</b>	<b>Strategic Risk – Operational</b>  <b>Failure to provide our requirements under the Civil Contingencies Act regarding planning and preparedness for civil emergencies; delivery of our responsibilities under the Strategic Policing Requirement; and ability to maintain core policing functions in times of emergency.</b>	
Owner(s)	ACC Communities	
Governance and Oversight	Strategic Performance Board	
Context	<ul style="list-style-type: none"> <li>▪ Societal Risks; Diseases; Natural Hazards; Major Accidents; Malicious Attacks.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ COVID-19.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Reduced staffing and service provision.</li> <li>▪ Inability to deliver services across some or all business areas.</li> <li>▪ Inability to project accurate resourcing to meet future demand.</li> <li>▪ Inability to contact and recall staff to duty.</li> <li>▪ Ability to meet mobilisation commitment.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Robust business continuity plans in place across all area commands and departments.</li> <li>▪ Close working with National Police Coordination Centre (NPoCC) and the Regional Information and Coordination Centre (RICC) to test and exercise mobilisation commitment and provide and request mutual aid as appropriate.</li> <li>▪ Ability to implement agile ways of working.</li> <li>▪ Northumbria Police currently chairs the Northumbria Local Resilience Forum (LRF) and work closely with partners on preparedness for civil emergencies and the testing and exercising of the multi-agency response.</li> <li>▪ Ability to revise shift pattern to facilitate mobilisation of specialist staff, particularly in respect of Tier 2 assets.</li> <li>▪ Force Coordination Centre and daily pace setter meetings to align demand and resources.</li> </ul>	
Likelihood Impact	2 4	<b>8</b>

<b>8</b>	<b>Strategic Risk – Partnership &amp; Collaboration</b>  <b>Reduction in or withdrawal of current and/or future partnership arrangements or collaborations leading to impact on service delivery or ineffective management of these arrangements including commercial partnerships (management of commercial contracts).</b>	
Owner(s)	Deputy Chief Constable	
Governance and Oversight	Business Meeting	
Context	<ul style="list-style-type: none"> <li>▪ Lack of scoping and user requirements at the outset of partnerships/ collaboration or commercial interest.</li> <li>▪ Future financial constraints on public services.</li> <li>▪ Lack of integrated planning with partners.</li> <li>▪ Reduction in partnership services.</li> <li>▪ Failure of significant collaborative agreement.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Reduction in safeguarding activity and preventative work, particularly relating to domestic abuse.</li> <li>▪ Reduction in provision of services supporting Out of Court Disposals and Restorative Justice options.</li> <li>▪ Commercial contract management capability and capacity.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Gaps in services and support to communities.</li> <li>▪ Missed opportunities to prevent and reduce crime and disorder.</li> <li>▪ Reduced public confidence.</li> <li>▪ Reduced opportunities for more efficient and effective services.</li> <li>▪ Increased costs due to poor scoping and/ or contract management.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Effective partnership governance arrangements and joint partnership plans through Community Safety Partnerships.</li> <li>▪ Force wide business planning cycle and delivery of local business plans.</li> <li>▪ Strategic Design Authority and Transformation Programme.</li> <li>▪ Improving understanding of demand and external influences of demand enabling effective management of response.</li> <li>▪ Business continuity plans between relevant partners.</li> <li>▪ Access to local and/ or national support programmes.</li> <li>▪ Introduction of Chief Information Officer functions and change lead to oversee projects and contracts.</li> <li>▪ Review of commercial contract arrangements in Northumbria Police.</li> </ul>	
Likelihood Impact	2 4	<b>8</b>

<b>9</b>	<b>Strategic Risk – Public Confidence</b>  <b>The loss of public confidence in Northumbria Police due to the behaviour, conduct, actions or inaction of Northumbria Police as an organisation or individuals representing the Force, including reduced legitimacy due to poor engagement, abuse of powers and disproportionality in practices.</b>	
Owner(s)	Deputy Chief Constable	
Governance and Oversight	Confidence and Standards Board	
Context	<ul style="list-style-type: none"> <li>▪ Force or an associated individual acts, in an inappropriate, discriminatory way or demonstrates corrupt behaviour.</li> <li>▪ Death or serious injury following police contact, or following other adverse or critical incident, as a result of police action or omission.</li> <li>▪ Misuse or deliberate disclosure of sensitive data or information.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Current operating context and legitimacy in use of police powers</li> <li>▪ Disproportionality in use of powers.</li> <li>▪ Embed organisational learning across the Force.</li> <li>▪ Compliance with all elements of the national guidance on vetting.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Abuse of authority for financial or sexual purpose, fraud or theft.</li> <li>▪ Litigation, legal action against the Force.</li> <li>▪ Reduced public confidence.</li> <li>▪ Increased civil interest.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Governance arrangements.</li> <li>▪ Completion of Equality Impact Assessments.</li> <li>▪ External advisory groups.</li> <li>▪ Dedicated Counter Corruption Unit with appropriate capacity and capability to deliver a full range of covert tactics.</li> <li>▪ Forcewide internal communications to increase awareness of behaviour and standards, such as corruption, ethical dilemmas, understanding boundaries.</li> <li>▪ Vetting procedures in-line with National Code of Practice.</li> <li>▪ Identification and review of organisational learning, with organisational learning a standing agenda item within the Governance and Decision-making structure.</li> <li>▪ Abuse of authority problem profile.</li> <li>▪ Unconscious bias training for all staff.</li> <li>▪ Focus on diversity in recruitment, attraction, selection and retention.</li> </ul>	
Likelihood Impact	2 4	<b>8</b>



<b>10</b>	<b>Strategic Risk – Regulation &amp; Standards</b>  <b>Northumbria Police and / or its staff fail to operate within the regulatory framework applicable to policing activity as defined by law or by Northumbria Police and in doing so create risks which may result in harm to individuals, groups or organisations.</b>	
Owner(s)	Deputy Chief Constable	
Governance and Oversight	Confidence & Standards Board	
Context	<ul style="list-style-type: none"> <li>▪ Litigation, legal action and/or prosecution of the Force and/ or individuals by former officers or staff members.</li> <li>▪ Failure to comply with regulatory framework.</li> <li>▪ EU Exit.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Operational risks affecting policing as a result of exit from the European Union.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Litigation, legal action and/or prosecution of the Force and/ or individual staff.</li> <li>▪ Associated costs of dealing with litigation.</li> <li>▪ Negative impact on the workforce and public confidence,</li> <li>▪ Failure to achieve/ maintain relevant ISO/ IEC accreditation in line with relevant codes of practice,</li> <li>▪ Failure to comply with relevant Health and Safety regulations.</li> <li>▪ Loss of the key European law enforcement statutory instruments.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ International Crime Co-ordination Centre in place to manage risks associated with the loss of EU policing tools, supported by a national media campaign.</li> <li>▪ Force, regional and national communication and meeting structure to discuss the loss of EU tools and wider implications of Brexit.</li> <li>▪ Contingency plans with Crown Prosecution Service, HM Courts and Tribunals Service and Probation in response to Brexit.</li> <li>▪ Central review of all civil claims, with adverse trends and lessons learnt reported to Confidence and Standards Board.</li> <li>▪ Audit arrangements and Quality Management System.</li> <li>▪ ISO governance meeting.</li> <li>▪ Health and Safety Management System and provision of health and safety advice.</li> <li>▪ Investigations and review of health and safety incidents, with lessons learnt reported to Confidence and Standards Board.</li> </ul>	
Likelihood Impact	3 3	<b>9</b>

<b>II</b>	<b>Strategic Risk – Strategy</b>  <b>Northumbria Police fails to deliver its strategic objectives and those of the Police and Crime Plan, due to ineffective business planning, including performance, risk, demand, transformation, workforce and financial management.</b>	
Owner(s)	Chief Constable	
Governance and Oversight	Executive Board	
Context	<ul style="list-style-type: none"> <li>▪ Failure to deliver the Force Strategy 2025.</li> <li>▪ Failure to deliver against objectives set out in the Police and Crime Plan.</li> <li>▪ Failure to achieve the business benefits from the Transformation Programme.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Suspension of court trials resulting in significant backlog of court trials and an increased risk of victim attrition.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Deteriorating performance resulting in policing priorities not being achieved.</li> <li>▪ A decline in quality and service delivery, leading to a reduction in satisfaction and confidence.</li> <li>▪ Adverse external inspection reports, leading to recommendations and wider escalation.</li> <li>▪ Reduction in services provided to victims and witnesses as a result of ineffective partnership working with other criminal justice agencies.</li> <li>▪ Delays to criminal justice outcomes.</li> <li>▪ Slippage/ failure of projects, which hamper the achievement of objectives.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Business planning cycle and delivery of local business plans.</li> <li>▪ Forcewide Performance Management Framework.</li> <li>▪ Oversight and management of performance using the Governance and Decision-making structure.</li> <li>▪ Transformation 2025 Programme.</li> <li>▪ Local Criminal Justice Board, LCJB Plan and supporting governance structures.</li> <li>▪ Operation Talla Gold/ Silver structure.</li> <li>▪ Effective relationships and communication with partners locally enabling response to national issues (e.g. LCJB Strategic Recovery Group).</li> </ul>	
Likelihood Impact	2 4	<b>8</b>

<b>12</b>	<b>Strategic Risk – Workforce</b>  <b>Recruitment and retention of a skilled, capable, resilient and diverse workforce with capacity and capabilities required to deliver current and future policing effectively and efficiently.</b>	
Owner(s)	Director of People & Development	
Governance and Oversight	Strategic Resourcing Board/ Wellbeing and Leadership Board/ Diversity, Equality and Inclusion Board	
Context	<ul style="list-style-type: none"> <li>▪ A shortfall in resource, in terms of capacity and capability, to meet current or future policing demands.</li> <li>▪ An inability to attract and retain a diverse workforce.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ COVID-19 – Lack of appropriate utilisation by the workforce of Personal Protective Equipment (PPE).</li> <li>▪ COVID-19 – Inability to meet the uplift requirement and the capacity for internal resources to continue to deliver uplift in three month rolling cycles.</li> <li>▪ COVID-19 – Additional pressure on workforce wellbeing.</li> <li>▪ Impact on the investigative capability across the Force, including insufficient numbers against PIP2 trained officer profile combined with lack of experience of those trained, within the Secondary Investigation Unit.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Reduction in service quality/ delivery leading to reduced public trust and confidence.</li> <li>▪ Increased demand and potential impact on wellbeing.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Resourcing Strategy in place together with a comprehensive approach to workforce planning.</li> <li>▪ Revised workforce principles in place to respond to COVID-19 and the future workplace considerations.</li> <li>▪ Leadership capabilities plan.</li> <li>▪ DE&amp;I delivery plan.</li> <li>▪ Uplift focus on increasing diversity.</li> <li>▪ Established Area Command Local Health Management Groups.</li> <li>▪ Training plans in place.</li> <li>▪ Working groups/ meetings to monitor performance/ identify and resolve risks/ issues in specific areas.</li> <li>▪ Implementation of a new graduate IPLDP course to provide an investigative career path for officers.</li> <li>▪ Centrally managed recruitment and allocation of resources.</li> <li>▪ Introduction of local points of contact for all PPE queries / issues.</li> <li>▪ Communication plans implemented.</li> <li>▪ Monthly progress reports/ returns provided to the National Police Uplift Programme.</li> <li>▪ Regular and formal engagement with staff associations and the Federation. Understanding of workforce skills and leadership development opportunities.</li> </ul>	
Likelihood	3	<b>12</b>
Impact	4	



**Overview of the RAG status of Strategic Risk – OPCC**

LIKELIHOOD	Very High (5)				
	High (4)				
	Medium (3)			(OPCC) Finance  (OPCC) Partnership and Collaboration	
	Low (2)			(OPCC) Public Confidence	
	Very Low (1)	(OPCC) Governance			
	Very Low (1)	Low (2)	Medium (3)	High (4)	Very High (5)
IMPACT					

**OPCC has identified risks in four thematic risk areas: Finance; Governance; Partnership and Collaboration; and Public Confidence**

<b>OPCC</b>	<b>Strategic Risk – Finance (OPCC)</b>	
	<b>Government reduces funding to PCCs/Police Forces which results in a reduced service ability. The need to contain expenditure within available resources and enable Northumbria Police to police effectively.</b>	
Owner(s)	Chief Finance Officer – OPCC	
Governance and Oversight	Joint Business Meeting/OPCC Business Meeting	
Context	<ul style="list-style-type: none"> <li>▪ The PCC has a robust, balanced MTFS that meets the medium term financial plans of the Chief Constable and facilitates delivery against the Police and Crime Plan.</li> <li>▪ The balanced nature is predicated by the risk of Home Office funding being guaranteed for one year only which requires an annual review of the MTFS and potential reprioritisation of spending plans</li> <li>▪ Affordability may also be affected by changes in national interest rates.</li> <li>▪ Reserves policy is crucial to medium term sustainability.</li> <li>▪ In-year financial monitoring must be robust.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ An in-year potential budget pressure as a consequence of COVID-19.</li> <li>▪ An in-year potential overspend as reported to PCC at quarter 1 2020/21.</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Short notice change to national funding may require a change in short and medium term force financial planning, including a need to deliver unplanned savings thereby impacting on service delivery.</li> <li>▪ Any in-year pressures which become a forecast overspend must be addressed through consideration of in-year savings and discussion with the CC.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Transparent ownership of financial matters between the PCC and Chief Constable.</li> <li>▪ Comprehensive approach to business planning cycle and annual budget setting process.</li> <li>▪ Well understood in-year financial monitoring and reporting governance.</li> <li>▪ Medium and long term financial planning.</li> <li>▪ Regular oversight of revenue &amp; capital budget.</li> <li>▪ Maintain adequate risk assessed reserves.</li> <li>▪ Audit Committee /Internal Audit Treasury Management strategy in place outcomes reviewed by PCC.</li> <li>▪ HMICFRS inspection regime.</li> </ul>	
Likelihood Impact	3 4	12

<b>OPCC</b>	<b>Strategic Risk – Governance (OPCC )</b>	
	<b>Existing arrangements for the PCC to carry out robust scrutiny and hold the Chief Constable to account for efficient and effective delivery of the Police and Crime Plan are ineffective or inconsistent.</b>	
Owner(s)	Chief of Staff and Monitoring Officer	
Governance and Oversight	Joint Business Meeting/ Annual Scrutiny Programme/CC/PCC Governance Meeting/ JIAC/Police and Crime Panel/PCC/CC 1:1 Meeting	
Context	<ul style="list-style-type: none"> <li>▪ Ineffective governance, scrutiny, oversight of services and outcomes delivered and lack of reaction to organisational learning by NP</li> <li>▪ Need to target resources and priorities towards changing performance/landscapes or community needs.</li> <li>▪ Chief Constable setting high performance standards and appropriate culture and values is crucial to meaningful scrutiny.</li> <li>▪ Trust in the transparency of NP.</li> <li>▪ Effective governance includes effective oversight of complaints against the Chief Constable and Northumbria Police.</li> <li>▪ Effective systems and controls to manage risk are needed to support the delivery of service.</li> <li>▪ A strong relationship between the Office of the Police and Crime Commissioner and Force which is resilient to external factors.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ National PCC Review</li> <li>▪ Development of a new Police and Crime Plan</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Loss of public confidence.</li> <li>▪ Reputational risk</li> <li>▪ A decline in quality and service delivery, leading to a reduction in public satisfaction with policing.</li> <li>▪ Deteriorating performance resulting in policing priorities not being achieved.</li> <li>▪ Poor relationship with Northumbria Police.</li> <li>▪ Government Intervention.</li> <li>▪ Challenge by the Police and Crime Panel</li> <li>▪ Adverse external inspection reports, leading to recommendations and potential escalation.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Police and Crime Plan (regularly reviewed)</li> <li>▪ Joint Business Meeting</li> <li>▪ Annual Scrutiny Programme</li> <li>▪ Provision of the Complaints Statutory Review Process</li> <li>▪ Public and Partnership Engagement and Feedback</li> <li>▪ PCC and Chief Constable 1:1s</li> <li>▪ Police and Crime Panel Scrutiny</li> <li>▪ Scrutinising Force response to HMICFRS Inspection Findings</li> <li>▪ Audit Committee, audit, annual governance statement</li> <li>▪ Contributing to Governments PCC Review</li> </ul>	
Likelihood Impact	1 2	2

<b>OPCC</b>	<b>Strategic Risk – Partnership &amp; Collaboration (OPCC )</b>	
	<b>Reduction in or withdrawal of current and future partnership arrangements for the OPCC and force lead to the need to identify, develop and retain partnerships and inability to support communities with sustainable multi agency responses.</b>	
Owner(s)	Chief of Staff and Monitoring Officer	
Governance and Oversight	Joint Business Meeting/VRU Strategic Board/Local Criminal Justice Board	
Context	<ul style="list-style-type: none"> <li>▪ Uncertainty of sustained resourcing to deliver current public health approach collaboration - Violence Reduction Unit and other joint projects including Victims Services..</li> <li>▪ Challenging budget and service pressures within organisations both in public and voluntary sector can lead to silo working.</li> <li>▪ Potential for national issues and crisis to affect collaborative working.</li> <li>▪ Requirement to retain engagement of the public as a partner.</li> <li>▪ Ensuring external factors do not alter relationships preventing joint working.</li> <li>▪ Clear outcomes not being identified and reported can risk sustainability and ongoing partner engagement.</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Comprehensive Spending Review/Sustainability of Violence Reduction Unit</li> <li>▪ PCC Review Government ambition to strengthen and expand the role of PCCs and maximise potential for wider efficiencies.</li> <li>▪ Impact of the current pandemic on the Local Criminal Justice System</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Reduced public confidence.</li> <li>▪ Reduced opportunities for more efficient and effective services.</li> <li>▪ Missed opportunities to prevent and reduce crime and disorder and maintain an efficient and effective Criminal Justice System</li> <li>▪ Increased costs due to poor partnership and commissioned service management.</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Effective partnership governance arrangements that identify and report outcomes and progress</li> <li>▪ Comprehensive public engagement and communication strategies to inform multi agency responses.</li> <li>▪ Scrutiny of effectiveness of Force collaborative activity.</li> <li>▪ Focus on accessing funds for collaborative working and lobbying government for sustained funding streams.</li> <li>▪ VRU Strategic Board and Response Strategy</li> <li>▪ PCC Chairing Local Criminal Justice Board, development of LCJB Business Plan and Covid Recovery Group.</li> <li>▪ Collaboration and engagement with other PCCs, nationally and regionally.</li> <li>▪ Comprehensive engagement with and monitoring of commissioned services.</li> <li>▪ Regular 'sector' engagement meetings with potential and current partners.</li> </ul>	
Likelihood	3	<b>12</b>
Impact	4	



<b>OPCC</b>	<b>Strategic Risk – Public Confidence (OPCC)</b>  <b>Loss of public confidence in the PCC resulting from a lack of engagement and communication leading to to reflect public priorities in the Police and Crime Plan. Failure to hold the Chief Constable to account on behalf of the public for delivery of their priorities or deliver other statutory obligations.</b>	
Owner(s)	Chief of Staff and Monitoring Officer and Director of Planning and Delivery	
Governance and Oversight	Joint Business Meeting/Annual Scrutiny Programme/	
Context	<ul style="list-style-type: none"> <li>▪ A robust communications plan is needed to demonstrate effective and visible accountability of the chief constable to the PCC.</li> <li>▪ PCC needs to understand and react to changing communities or priorities and reflect this in the Police and Crime Plan.</li> <li>▪ Engagement with communities to identify and respond to trends identified through the complaints process and external communication to reflect organisational learning.</li> <li>▪ The OPCC business must ensure compliance with legal, information management legislation and transparency guidance .</li> </ul>	
Current factors	<ul style="list-style-type: none"> <li>▪ Role of social media in shaping public perceptions</li> <li>▪ Changes to law to allow the public to report crimes via social media</li> </ul>	
Potential consequence	<ul style="list-style-type: none"> <li>▪ Reputational damage</li> <li>▪ Police and Crime plan and actual delivery not aligned to public concerns and priorities</li> <li>▪ Reduction/loss of satisfaction and confidence in OPCC and in Police by local people</li> <li>▪ Loss of trust/confidence in the PCC as a result of crime perceptions</li> <li>▪ Poor service delivery damages public confidence</li> <li>▪ Relationship with force and partners</li> <li>▪ Government penalties Poor assessment results</li> </ul>	
Summary of Controls	<ul style="list-style-type: none"> <li>▪ Police and Crime Plan (regularly updated to reflect the priorities of local people)</li> <li>▪ Annual Scrutiny Programme</li> <li>▪ Reporting back to the public on their concerns and progress towards the Police and Crime plan</li> <li>▪ Annual Report</li> <li>▪ OPCC Business Plan</li> <li>▪ Governance Framework</li> <li>▪ Annual Assurance Statement/Audit Committee</li> <li>▪ Internal Audit</li> <li>▪ OPCC Website</li> <li>▪ Data Protection Officer</li> <li>▪ Independent Complaints Review process</li> <li>▪ Service level agreement with Northumbria Police</li> </ul>	
Likelihood Impact	2 4	<b>8</b>

