

POLICE AND CRIME COMMISSIONER FOR CAMBRIDGESHIRE AND CAMBRIDGESHIRE CONSTABULARY

Internal Audit Progress Report

21 October 2021

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1 Introduction

The internal audit plan for 2021/22 was approved by the Joint Audit Committee at the April 2021 meeting. This report provides an update on progress against that plans and summarises the results of our work to date. The Executive Summary and Key Findings of the assignments below in **bold** are attached to this progress report.

We have not finalised any reports since the last meeting.

2 Reports

2.1 Progress against the internal audit plan 2021/22 Cambridgeshire only

Assignment	Status / Opinion issued	Actions agreed			Target timing as per plan
		Low	Medium	High	
Estates – Project Management	Final Report Reasonable Assurance	2	3	0	Q1
Risk Management (OPCC & Constabulary)	Final Report Reasonable Assurance (Constabulary)	2	1	0	Q2
	Substantial Assurance (OPCC)	3	0	0	
Budgetary Control*	Draft report issued				Q3
Capital Accounting & Fixed Assets	In Progress				Q3

Assignment	Status / Opinion issued	Actions agreed			Target timing as per plan
		Low	Medium	High	
Covert Human Intelligence Source (CHIS) Payments and Covert Accounts	Planned 01 November 2021				Q3
Seized/Lost Property and Controlled Drugs	Planned 22 November 2021				Q3
Follow Up	Planned 28 February 2021				Q4
Governance (OPCC)*	Planned 04 March 2022				Q2

*Please see appendix A

2.2 Progress against the internal audit plan 2021/22 Bedfordshire, Cambridgeshire and Hertfordshire Collaborative

Assignment and Organisation Lead		Status / Opinion issued	Actions agreed			Target start date (As per Audit Plan)
			Low	Medium	High	
Remote Working*	Hertfordshire	Draft report issued				N/A
ICT – Distribution of Assets	Hertfordshire	In Progress				Q2
Proceeds of Crime	Bedfordshire	In Progress				Q2
Procurement Follow up	Cambridgeshire	In Progress				Q3
Firearms Licensing	Hertfordshire	In Progress				Q3
Corporate Review – BCH Governance *	Cambridgeshire	Planned 01 November 2021				Q1/2
ICT Risk Assessment	Hertfordshire	Planned 08 November 2021				Q3
Payroll including overtime*	Cambridgeshire	Planned 10 January 2022				Q3

* Please see appendix A

Appendix A – Other matters

Changes to the 2021/22 audit plan

Since the last Committee, we have agreed the following change to the audit plan.

Note	Auditable area	Reason for change
1	Firearms Licencing	Requested change by management following the events in Plymouth in August 2021. This replaces the Emergency Services Network review which has been put back to 2022/23.
2	Payroll	Start date delayed due to RSM auditor sickness and the audit has now been moved into Q4 with the agreement of management.
3	Governance (OPCC)	The OPCC is currently reviewing governance arrangements and requested a delay of the Internal Audit review to Q4 to give time for new processes to be embedded.

We have reported the following changes to the JAC previously:

Note	Auditable area	Reason for change
1	Corporate Review – BCH Governance	Planned start date moved from Q1/2 to Q3 due to PCC elections.
2	Budget Control	Brought forward at the request of Management as the key finance staff will be starting to focus in on the MTFP and budget setting in Nov / Dec.
3	Governance (OPCC)	Pushed back at the request of Management to enable the new PCC time to review the current framework.

4	BCH - Remote Working	We have now agreed the scope and questionnaire for this additional review on remote working. Due to the timing of the work to be completed, we will include this in the audit plan for 2021/22 and the report has now been issued.
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Annual Opinion 2021/22

The JAC should note that the assurances given in our audit assignments are included within our Annual Assurance report. In particular the JAC should note that any negative assurance opinions will need to be noted in the annual report and may result in a qualified or negative annual opinion. We have not finalised any negative opinions to date.

Added value work

We have issued the following client briefing since the last Joint Audit Committee:

- Emergency Services News Briefing (August 2021)

Quality assurance and continual improvement

To ensure that RSM remains compliant with the IIA standards and the financial services recommendations for Internal Audit we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews being used to inform the training needs of our audit teams.

The Quality Assurance Team is made up of; the Head of the Quality Assurance Department (FCA qualified) and an Associate Director (FCCA qualified), with support from other team members across the department.

This is in addition to any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments.

Appendix B – Executive summaries and action plans from finalised reports

No reports finalised.

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Emergency Services News Briefing

August 2021



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Introduction

In this edition of our news briefing, we draw attention to some of the key developments and publications affecting the sector, with particular focus on the outcomes presented by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services' (HMICFRS) State of Policing report and its inspection programme for the coming year.

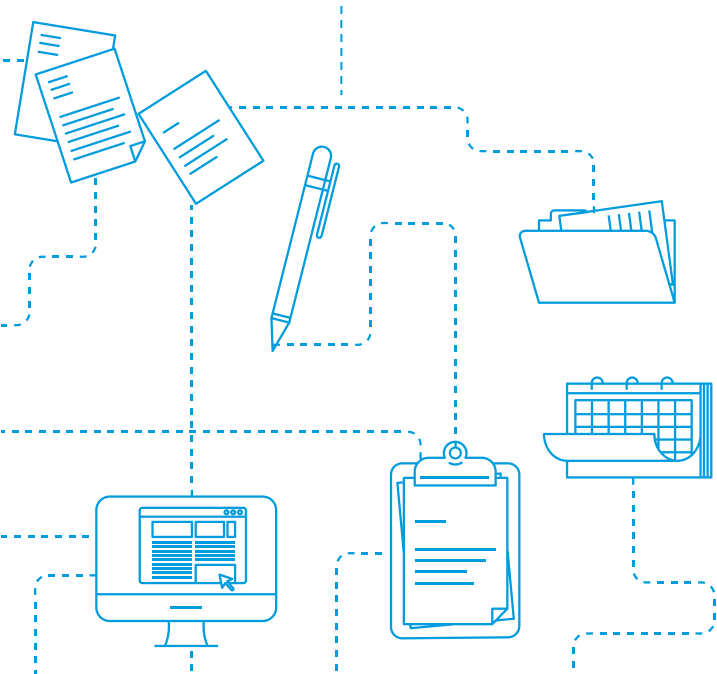
We also look at the launch of the Community Risk Management Planning Fire Standard and how the National Fire Chiefs Council plans will be delivered in the coming three years.

With a focus on risk, we provide a spotlight on risk appetite, which can be complicated to understand, a challenge to establish and difficult to apply.



A few questions for audit committees to consider on the articles covered within this publication.

- Are you fully aware of the briefings and publications referred to here?
- Have you been briefed on whether management have considered the impacts on your organisation(s), and how it affects the risk profile(s)?
- Do any of the projects covered in this briefing provide you with a third line of assurance, are you sighted on this assurance, and does this duplicate any other assurance you are receiving?
- Are there any assurance gaps highlighted by this briefing?





Police

State of Policing

The annual assessment of policing in England and Wales 2020 provides an overview of the findings of HMICFRS' inspections carried out between 31 March 2020 and 31 March 2021, including a summary of police effectiveness, efficiency and legitimacy (PEEL) inspections. HMICFRS also sets out the full list of its inspections and other work. The results of individual inspections enable an assessment of the performance of individual forces, or a more general assessment of performance in specific aspects of policing.

Key points include:

- the pandemic has intensified the vulnerability of certain people, and combined with failing public services, this has increased demand on the police;
- the service adapted well to new ways of working with some officers and staff in support roles working effectively from home. However, the majority of officers reported for duty as usual;
- there was a shift in the types of crimes being committed. With people staying at home and shops closed during lockdowns and restrictions, burglaries and shoplifting naturally reduced. These crimes however rose again following the easing of restrictions;
- the effects of lockdown led to a number of other crimes, particularly those committed online. On 12 May 2021, the government introduced the draft Online Safety Bill;
- the Home Office is responsible 'for three principal pillars of essential technology' for the emergency services. HMICFRS noted that the efficiency and effectiveness of the police has been put at risk due to the significant delays and cost overruns in technology, and failures in specification and procurement;
- the Emergency Services Network (ESN) was set to replace the current Airwave system in 2017, four years later, there has been limited progress on this initiative. HMICFRS highlighted that this is somewhat due to the failures in planning and collaboration between contractors and organisations working to different technical standards. Every year that the ESN is postponed costs the public purse around £650m and the project has already gone over budget by £3.1bn;
- the police also rely on the Police National Computer (PNC) which is due to be replaced by the new Law Enforcement Data Service (LEDS), however this too has been delayed. The delay has resulted in the 'ageing PNC' still being used as the national police computer system;
- following the Home Office's announcement of plans to increase police officer numbers by 20,000 over the next three years, the Inspectorate notes that in the year to March 2021, 8,771 officers had been recruited, against a target of 6,000;
- the inspectorate notes that when it comes to funding, there is a 'clear need for multi-year statements' to ensure that forces have the certainty, stability and predictability they need. The police need to invest for the longer term, particularly in technology, to become more efficient; and
- the inspectorate intends to propose a network code to enable the police service to achieve greater efficiency and effectiveness. The network would apply to police ICT to ensure 'the complete interoperability of ICT systems.'

[Read more](#)



Policing inspection programme and framework 2021/22

HMICFRS's inspection programme and framework for policing will comprise of PEEL assessments and national thematic inspections, amongst others for the year 2021/22. HMICFRS has also amended its [organisational strategy](#). The organisational strategy was first published in 2016; since then there have been many changes in policing and the HMICFRS (previously known as HMIC) is now responsible for inspecting fire and rescue services. Other key changes include pressures on services as a result of the pandemic and the use of new technologies, data and artificial intelligence. As a result, a revised strategy has been published.

The revised strategy explains what HMICFRS aims to achieve as it fulfils statutory objectives, and how it will continue to go about using its 'powers, insight and influence to best effect over the coming years.'

[Read more](#)

Police Remuneration Review Body report

The Police Remuneration Review Body (PRRB) has published a report setting out its analysis of evidence provided by relevant organisations and makes recommendations for police officers' pay in England and Wales. [The government responded to the report in Parliament](#). The Home Secretary, Priti Patel, has also written to the Chair of the Police Remuneration Review Body in response to the report. The Home Secretary stated that police officers earning more than £24,000 would not receive any additional pay, while those earning less than this amount will receive an additional £250. The pay award will take effect from 1 September 2021.

[Read more](#)

National Crime Agency inspection

HMICFRS has published the findings from its inspection of the National Crime Agency (NCA). HMICFRS is required by the Crime and Courts Act 2013 to inspect the NCA, the inspection examines its crime reduction (investigations) function managed through its UK-wide branch network.

HMICFRS found that the NCA has struggled to improve its slow and inefficient IT systems due to the short-term and uncertain nature of its funding, which could be detracting from the agency's operational work.

The inspectorate made several recommendations, including that:

- the Home Office should make it clear how much money the NCA will have for the next three years to allow the agency to invest in longer-term projects;
- the NCA should ensure officers are not using personal mobile phones to obtain evidence and communicate during covert operations;
- the NCA should ensure all officers have access to a radio during operations or when dealing with suspects, and that officers have the knowledge and confidence to use these radios correctly; and
- the NCA should consider investing in updated surveillance equipment so that officers have the quality of equipment needed to tackle the most sophisticated criminals.

[Read more](#)



A review of 'Fraud: Time to choose'

HMICFRS has published a report presenting findings on the progress that has been made following the 2019 [inspection of the police response to fraud](#) where there was 16 recommendations made and five areas for improvement identified. It found that 10 of 16 recommendations have been implemented, with progress made on a further two. Three recommendations remain outstanding, and one is no longer relevant.

Recommendations from the 2019 HMICFRS report that are yet to be implemented include:

- evaluating the effectiveness of fraud protection advice given to the public by police forces;
- identifying, evaluating and disseminating best practice advice on the police response to fraud; and
- police forces publishing their policies for responding to and investigating fraud to make it clear to victims what they can expect when they report a fraud.

HMICFRS found that the detrimental effect of fraud is 'as great today as it has ever been.' In the year ending March 2021, although other crimes decreased by 19 per cent, overall levels of crime stayed the same because of a large increase in fraud and computer misuse offences. However, the inspectorate said fraud continues to be treated as a low-priority or victimless crime.

The inspectorate found that the fundamental problem is a disparity between the amount of work fraud creates for the police and the resources allocated to it. It also said that because funding is only confirmed a year at a time, and with relatively short notice, it makes it difficult to plan and invest for the long term.

The inspectorate has made three new recommendations, including that the National Police Chiefs' Council Coordinator for Economic Crime, National Crime Agency, National Economic Crime Centre and City of London Police should work together to set up an effective national tasking and co-ordination process for fraud.

[Read more](#)

Police funding for England and Wales 2015 to 2022

The Home Office has published information on agreed police funding in England and Wales between the financial years ending March 2016 and March 2022. Key findings include:

- £15,877m in police funding for England and Wales has been agreed for the financial year ending March 2022;
- overall funding has increased nominally by £433m (2.8 per cent) compared with the previous financial year; and
- funding has grown in real terms for the fifth consecutive year following a decline between the financial years ending 2011 and 2017.

[Read more](#)

Demand capacity and welfare survey

The Police Federation of England and Wales (PFEW) has published findings from a survey of 12,471 rank and file police officers. Key findings include:

- 69 per cent of all respondents linked 'work-related difficulties' to their distress. Of these respondents, 58 per cent experienced work-related mental health and wellbeing difficulties and cited heavy workloads as a factor;
- 71 per cent of those who sought help for mental health and wellbeing had disclosed this information to line managers, with 67 per cent claiming they were 'adequately' supported by the police service after doing so;
- 74 per cent indicated they were aware of force provided support services, such as resilience training, mindfulness workshops, and mental health awareness programmes; and
- 55 per cent of respondents indicated that they thought the police service encourages staff to talk openly about mental health and wellbeing.

[Read more](#)



Review into the role of police and crime commissioners

The Home Office has announced part two of the review into the role of police and crime commissioners (PCCs). Kit Malthouse, Crime and Policing Minister, wrote to all PCCs stating that the second part of the review will help examine further ways to strengthen and expand the role of the PCC with a focus on the tools and levers needed to enhance their efforts to cut crime.

The first stage of the Review, which concluded last October, made recommendations to the Home Secretary on how to improve the accountability, scrutiny and transparency of the current PCC model.

[Read more](#)

Police officer uplift quarterly update

The Home Office has published its latest statistics on police workforce numbers. The figures show that as at 30 June 2021, an extra 9,814 police officers have been recruited across all 43 police forces in England and Wales. The latest figures follow the launch of the government's [Beating Crime Plan](#), aimed at reducing crime, protecting victims and making the country safer. The plan includes ensuring each neighbourhood has named, contactable police officers, who know their area and are best placed to ensure that persistent crime and anti-social behaviour is tackled.

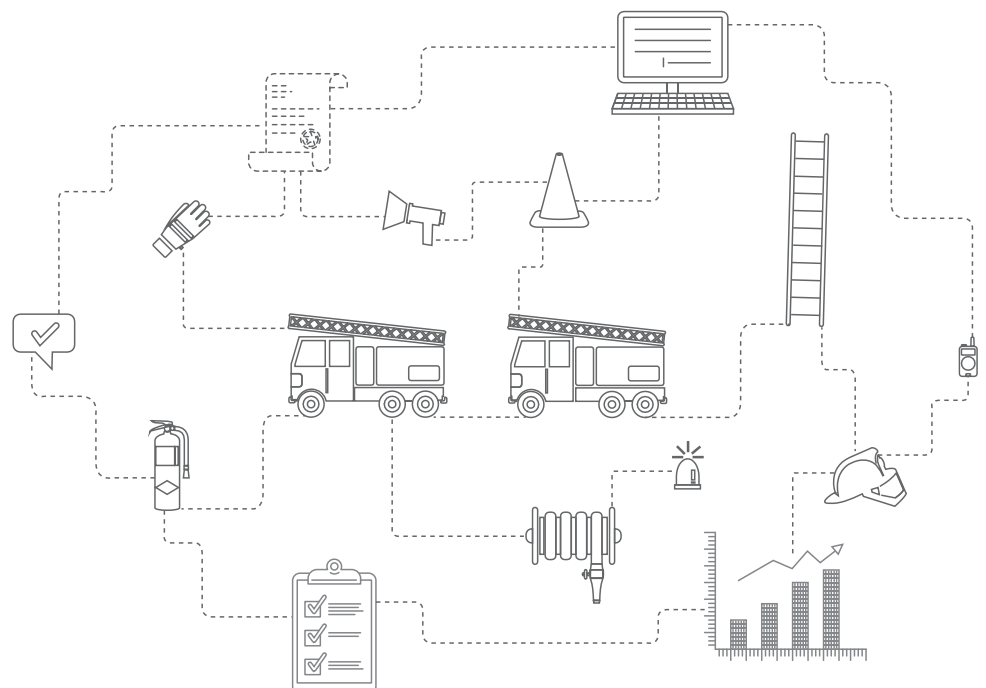
[Read more](#)

Police and Fire

Climate change risk: A guide for Audit and Risk Assurance Committees

The National Audit Office (NAO) has published a good practice guide to assist Audit and Risk Assurance Committees (ARAC) 'recognise how climate change risks could manifest themselves and support them in challenging senior management on their approach to managing climate change risks.' The guide provides examples of how climate change associated risks have been considered as part of an organisations risk management framework. The NAO provides a set of questions to assist ARAC at each of the key stages and sets out key guidance materials for organisations to utilise. The central focus of the guide are ARAC chairs however the information and principles are designed to share good practice across the public sector. The NAO states that 'climate change and the nature of its impact on organisations globally is changing rapidly. This guide acknowledges the evolving nature of climate change and its associated risks and opportunities' and will be refreshed in the future to reflect those changes.

[Read more](#)



Risk appetite – its slippery

Risk appetite - complicated to understand, a challenge to establish, difficult to apply. Many senior management team boards (or their equivalents) give up.

However, I think the risk appetite conversation is a healthy (essential) board (or their equivalent) discussion – exploring as a collective what type of risk we are facing? How much risk we are exposed to? And how much risk we are prepared to take? - in pursuit of our objectives. If we understand this then we are in a much better position to manage risk in making decisions, monitoring risks and assurances.

Decision making

- Using risk appetite themes to aid risk identification across operations.
- Inclusion in all reports to the board (or their equivalent) explicitly including risk appetite implications and how this will be addressed (if required).
- Inclusion of risk appetite themes and levels in all agendas for management meetings to keep at the forefront, in view and act as a point of reference.

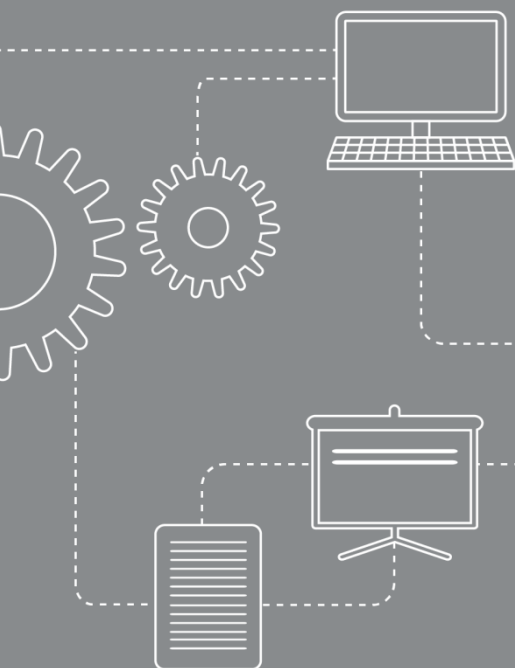
Monitoring

- Alignment of existing risks with risk appetite themes across the organisation.
- Reporting the volume (and approximation of cumulative exposure) of risks by risk theme v risk appetite.
- Development of a set of KPI's and tolerances to help measure and inform risk appetite.

Assurance

- Creation of a set of strategic risks reflective of the risk appetite themes and the development of an assurance map in connection with the key risk control environment.
- Using risk appetite to guide the development of the Internal Audit Plan (perhaps when prioritising coverage).
- Reporting on emerging risk exposures and the risk appetite implications.

Like I said, 'it's slippery.'





How has coronavirus impacted on your risk appetite

I have also shared some of the [key findings](#) from a recent RSM risk appetite survey, as well as draw on my own recent experiences, to help tease out what might be some worthwhile risk appetite takeaways for session participants.

Access the recording [here](#).

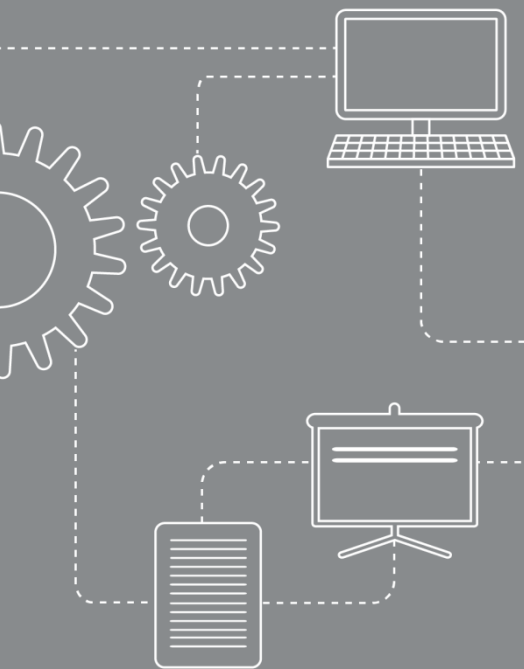
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Fire

National Fire Chiefs Council (NFCC) Plan

The NFCC has launched its three-year plan setting out how the ambitions and commitments outlined in its strategy will be delivered over the next three years. It ensures that the appropriate tools, resources and skills are in place to deliver the objectives outlined, in a way that remains relevant to, and has the greatest impact on, UK fire and rescue services.

[Read more](#)

Community Risk Management Planning

The Fire Standards Board has launched the Community Risk Management Planning Fire Standard, which aims to bring consistency to the way Community Risk Management Plans, a statutory requirement for fire and rescue services since 2004, are developed and used. These plans, also known as Integrated Risk Management Plans, outline how services will use staff and resources to keep communities safe from fire and other fire service-related risks.

The Fire Standard will provide a framework for the work of the NFCC's Community Risk Programme (CRP) which is developing a set of standardised tools and guidance to support fire and rescue services when developing their Community Risk Management Plans.

[Read more](#)

National Operational Guidance consultation

The National Fire Chiefs Council (NFCC) has launched a consultation for the National Operational Guidance for Fire Control Command. The draft content has been created to assist fire and rescue services in ensuring appropriate arrangements are in place for fire control command and will form part of the full suite of National Operational Guidance for fire control that is currently being developed. The consultation has now closed and responses will be considered by the fire control project team prior to draft guidance being presented to the Operations Committee in September 2021.

[Read more](#)

New Fire Protection Learning Portal

NFCC and the Local Authority Building Control (LABC) have announced a new learning portal for protection-based fire and rescue service staff to enable fire safety regulators and fire engineers to access training materials. The platform will be utilised to upload training materials for fire and rescue services as part of the national learning and guidance work that has now started and provide access to a back catalogue of over 100 existing LABC fire-safety related articles. It will provide certificates for e-learning packages completed within the virtual learning environment, which will also help fire services to demonstrate their commitment to continuing professional development in line with the competency framework recommendations. Importantly, this collaboration will provide a better understanding of the 'cross-over' issues faced by both parties in carrying out their regulatory functions.

[Read more](#)



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