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| For Information | |
| Public/Non Public | Public |
| Report to: | Audit and Scrutiny Panel |
| Date of Meeting: | 17th June 2014 |
| Report of: | ACO Resources |
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| Agenda Item: | 17 |

AUDIT AND INSPECTION

1. Purpose of the Report

- 1.1 To provide the Audit and Scrutiny Panel with an update on the status of audits and inspections taking place in Force. This report also informs the Panel of expected future audits and inspections.

2. Recommendations

- 2.1 That the Audit and Scrutiny Panel note the progress made against audit and inspection recommendations.
- 2.2 That the Audit and Scrutiny Panel take note of forthcoming audit and inspections.

3. Reasons for Recommendations

- 3.1 To enable the Audit and Scrutiny Panel to fulfil its scrutiny obligations to oversee and consider Force arrangements to deliver against audits and inspections.

4. Summary of Key Points

- 4.1 The actions outlined in this report are the result of recommendations made by the Force's internal auditor Baker Tilly (formerly RSM Tenon) and external inspectorates, such as Her Majesty's Inspectorate of Constabulary (HMIC) and Criminal Justice Joint Inspectorate (CJJI). They are managed through the Force Action Plan process and reported at the Chief Officer Portfolio Boards on a monthly basis.
- 4.2 Status of actions arising from audits and inspections – Appendix 1 outlines the status of all live actions arising from audits and inspections and those completed in Quarter 4.

4.3 **Completed actions** – Appendix 2 outlines the actions arising from audits and inspections that have been completed during Quarter 4.

4.4 **Overdue actions** - There is 1 action arising from audit and inspection which is currently overdue:

- **RSM Tenon (Baker Tilly) – Environmental Policy.**

Action: Update the Carbon Management Plan to include understanding of current performance against the reduction target and report this quarterly to the Environmental Management meeting.

Comment: The Carbon Management Plan has been updated to show all new and prospective energy reduction initiatives. Benchmarked data is currently being processed to show realisation of benefits in line with previous year's performance and will be presented at the next Environmental Management Group. The efficiency savings feature also in the 'Designing the Future' strategy.

4.5 **Recent Audits and Inspections.**

HMIC: Making Best Use of Police Time. 24th – 27th March 2014. (Hot debrief notes only).

HMIC: Custody Health Check (rolling programme). 2nd May 2014. Awaiting feedback.

Baker Tilly: Absence Management 10th – 14th March 2014. Awaiting final report.

Baker Tilly: Data Protection Act Compliance. 22nd - 24th April. Awaiting final report.

Baker Tilly : Workforce Planning. December 13/14. On Force Action Plan.

Baker Tilly: Estates Management. October 13/14. On Force Action Plan.

Baker Tilly: Health and Safety. November 13/14. On Force Action Plan.

Baker Tilly: Environmental Policy. September 13/14. On Force Action Plan.

Baker Tilly: Data Protection Act Compliance. 22nd-24th April 2014. Awaiting final report.

4.6 **Forthcoming audits and inspections –**

HMIC: Valuing the Police 4 (VtP4). 12th – 14th May.

- In VtP4 HMIC will seek an update on how forces are responding to the remainder of the spending review but in particular look at the preparations for 2015/16 and beyond. It is their intention to have a stronger focus on service delivery, the effectiveness of forces' responses (in particular the contribution of collaboration) and the management and approach to future risk.

HMIC: Building the Picture – Information Management. 23rd - 25th June.

The inspection will focus on:

- If force strategies, policies and procedures for information management adhere to the principles of the MoPI doctrine, are proportionate to risk and fit for purpose;
- If information and intelligence are captured, recorded, evaluated, acted upon, audited and retained by the police (including safeguarding interventions) in an effective way;
- If the use of the PND is effective and efficient;
- If HMIC can identify inspection criteria that can be introduced into other future inspections
- Specific considerations during field work will be;
- How information is recorded, reviewed, and retained, and deleted;
- The provision, quality and timeliness of data to PND;
- The process for inclusion and handling of sensitive information;
- The ability of forces to automate or link police information and intelligence data.

Baker Tilly: ICT Resilience (Disaster Recovery). 24th – 26th June.

- This audit will review what systems there are: Restart process, backup / system resilience, assurance system providers, compatibility of and, interoperability and integration of systems

HMIC: Police Integrity and Corruption. 23rd – 25th July

- The inspection will assess the integrity and leadership across the whole police service, but with a particular focus on officers and staff at superintendent level and above as the senior leaders of the service, including those who aspire to the highest levels of the service.
- Given the links between leadership, integrity and culture matters HMIC will liaise closely with the College of Policing assessment of culture.
- What progress police forces have made on relationship integrity and transparency issues since our December 2012 report.
- Whether the boundaries and thresholds in relation to professional conduct and standards are consistent and clear, including forces' progress in communicating and embedding the Code of Ethics.
- How the Police Service looks for, challenges and investigates unprofessional conduct and standards and whether this is undertaken in an efficient and effective way. A focus on counter corruption capability and capacity.

4.7 Two audit and inspections have been confirmed from Quarter 2 – 2014/15.

CJJI: Effectiveness of local criminal (CJ) partnerships. Fieldwork scheduled from July 2014. (actual date tbc)

- A joint report published in May 2012, identified that changes to funding and accountability arrangements had led to some LCJBs merging, and others operating in a more limited way or even shutting down altogether. The report found that there was little clarity about how the activities of local

CJS agencies would be coordinated in the future, in many parts of the country. The focus is how local CJ inter-agency work is managed and supported and the effectiveness of relationships in driving new and innovative changes to improve efficiency and effectiveness.

HMIC: Thematic. Crime Data Integrity (CDI). Audit 30th June – 4th July. Inspection 8th – 10th July.

- This inspection will examine the effectiveness of the police in dealing with reports of crime by members of the public. It is envisaged that this will include whether the police determine correctly that there has been a crime. HMIC will examine incidents already reported to the police and crimes which have subsequently been recorded. Interviews with staff and visits to departments will help us understand the reasons for any issues around crime recording standards. In addition to crime recording, HMIC intend to examine some categories of outcomes (detections).
- Audit only. For the audit element of the inspection we intend to examine a number of incidents recorded on forces' incident systems and track them through the process.

4.8 A number of audit reports have recently been received and actions need to be agreed for these, there are also a number of reports due. All of these reports will be scrutinised and where necessary actions agreed and added to the Force Action Plan.

Audit reports received and actions to be generated:

General Ledger
Payroll Expenses
Payments and Creditors

Audits reports due:

Budgetary Control
Cash, Banking and Treasury Management
Income and Debtors
Fixed Assets', inventories and insurance

5. Financial Implications and Budget Provision

5.1 There are no direct financial implications. If financial implications arise from recommendations raised from audits, inspections and reviews these implications are considered accordingly. Where an action cannot be delivered within budget provision, approval will be sought through the appropriate means.

6. Human Resources Implications

6.1 There are no direct HR implications. Where an audit or inspection has Human Resources implications, these will be managed through the Force Action Plan.

7. Equality Implications

- 7.1 There are no direct equality implications. Any equality implications which arise from an audit or inspection recommendation will be managed on an individual basis.

8. Risk Management

- 8.1 There is a risk to Force reputation, if mandatory or agreed actions identified as a result of audit or inspections are not completed. The degree of risk will depend on the nature of the audit or inspection and will be assessed on a case by case basis.

9. Policy Implications and links to the Police and Crime Plan Priorities

- 9.1 Where an audit or inspection recommends changes to Force Policy or Strategy, those changes will be managed through the Force Action Plan.

10. Changes in Legislation or other Legal Considerations

- 10.1 Where an audit or inspection relates to a change in Legislation or other legal considerations, those changes will be managed through the Force Action Plan.

11. Details of outcome of consultation

- 11.1 This process for monitoring audits, inspections and reviews has been agreed by the Chief Officer Team (COT).
- 11.2 Issue owners are consulted through the action monitoring process.

12. Appendices

- 12.1 Appendix 1: Status of actions arising from audit and inspections – Quarter 4.
Appendix 2: Summary of actions completed during Quarter 4.

Appendix 1. Audit and Inspection Action Status Report - Quarter Four

| Status Key | | Definition | | | | | | |
|---|-------------------------|---|--------------------|-------------------------|----------------|--------------------|------------------|----------|
| Red – Overdue | | The action has passed its Target Completion Date and requires urgent review | | | | | | |
| Green – On schedule | | The action is likely to be completed by its Target Completion Date | | | | | | |
| Title | Scrutiny Body | Audit / Inspection | Chief Officer Lead | Total number of actions | Number overdue | Number on schedule | Number completed | Status |
| Procurement - Programme of Change | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 7 | | | 7 | Complete |
| Culture Review | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 2 | | 1 | 1 | On going |
| Proceeds of Crime Act Audit Report 01.11/12 | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 7 | | 1 | 6 | On going |
| Partnerships Governance 2012 | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 1 | | 1 | | On going |
| Environmental Policy | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 2 | 1 | 1 | | On going |
| Estates Management | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 1 | | 1 | | On going |
| Health and Safety | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 1 | | 1 | | On going |
| Workforce Planning. | Baker Tilly (RSM Tenon) | Audit | ACO Monckton | 4 | | 4 | | On going |
| | | | | 25 | 1 | 10 | 14 | |

| Nottinghamshire Police Appendix 2: Completed Actions | | | | | | | |
|--|--|-----------|---|-----------|-------------------|---------------|--|
| System Reference | Project or Action overview | Priority | Action Owner | End Date | Original End Date | Action Status | Action Update Detail |
| BT/849e/141113 | <p>Action: Develop and deliver a People Plan to address culture, motivation and Morale.</p> <p>Issue or recommendation: A review of the PEOPLE strategic plan should be undertaken, particularly with the appointment of the PCC to demonstrate what this looks like now, what has been delivered against the plan and what is in the pipeline for the future.</p> | Very High | Sharon Ault (Head of HR and Organisational Development) | 30/4/2014 | 30/4/2014 | closed | <p>Update Jan 2014: The people strategy will be developed for the 2014/15 Business Planning process. Separate work is being undertaken to identify the strands of work required for the culture programme.</p> <p>ACO Scrutiny 25/02/2014. Sharon Ault reports this review is now complete and she needs to share with ACO.</p> <p>DCC Scrutiny 03/03/2014. People plan presented. Feedback given. Needs further development.</p> <p>DCC scrutiny 31/03/2014. Support closure. This is now governed through the Corporate Services Board.</p> |