



Police & Crime Commissioner for  
Nottinghamshire & Nottinghamshire Police  
Internal Audit Progress Report

Presented to JIAC: 18<sup>th</sup> May 2023

**mazars**

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## *Disclaimer*

This report (“Report”) was prepared by Mazars LLP at the request of the Nottinghamshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Nottinghamshire and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit the Nottinghamshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Nottinghamshire and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in Appendix A4 of this report for further information about responsibilities, limitations and confidentiality.

## 01 Summary

The purpose of this report is to update the Joint Independent Audit Committee (JIAC) as to the progress in respect of the Operational Plan for the year ended 31<sup>st</sup> March 2023, which was considered and approved by the JIAC at its meeting on 28<sup>th</sup> February 2022.

The Police and Crime Commissioner and Chief Constable are responsible for ensuring that the organisations have proper internal control and management systems in place. In order to do this, they must obtain assurance on the effectiveness of those systems throughout the year and are required to make a statement on the effectiveness of internal control within their annual report and financial statements.

Internal audit provides the Police and Crime Commissioner and Chief Constable with an independent and objective opinion on governance, risk management and internal control and their effectiveness in achieving the organisation's agreed objectives. Internal audit also has an independent and objective advisory role to help line managers improve governance, risk management and internal control. The work of internal audit, culminating in our annual opinion, forms a part of the OPCC and Force's overall assurance framework and assists in preparing an informed statement on internal control.

Responsibility for a sound system of internal control rests with the Police and Crime Commissioner and Chief Constable and work performed by internal audit should not be relied upon to identify all weaknesses which exist or all improvements which may be made. Effective implementation of our recommendations makes an important contribution to the maintenance of reliable systems of internal control and governance.

Internal audit should not be relied upon to identify fraud or irregularity, although our procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control will not necessarily be an effective safeguard against collusive fraud.

Our work is delivered in accordance with the Public Sector Internal Audit Standards (PSIAS).

## 02 Current progress

### 2022-2023

We are pleased to inform the committee that the final report for **Business Continuity & Emergency Planning, Transport, Core Financials & Risk Management have** been issued, see Appendix A3 for full details. In addition to this we are awaiting management comments to the draft for the audits of - Cyber Security, Environmental Sustainability & Seized Property.

One remaining audit of IT Asset Management has yet to be issued in draft, however fieldwork has been completed and this is due to be issued shortly. The audit was scheduled for the end of March and due to staff sickness (at Mazars) across April this has delayed the issued of this audit.

In regard to the 22/23 Collaboration Audit Plan, the audit of Performance Management has been issued as final report see Appendix A3 for full details. The EMSOT Closedown audit has been issued in draft with further information needed before we can issued as final, the Digital Currency audit has also been issued in draft and is being actively chased to get management comments.

## 03 Performance

The following table details the Internal Audit Service performance for the year to date measured against the key performance indicators that were set out within Audit Charter.

### 2022/23

Number	Indicator	Criteria	Performance
1	Annual report provided to the JASP	As agreed with the Client Officer	Achieved
2	Annual Operational and Strategic Plans to the JASP	As agreed with the Client Officer	Achieved
3	Progress report to the JASP	7 working days prior to meeting.	Achieved
4	Issue of draft report	Within 10 working days of completion of final exit meeting.	46% (6/13)*
5	Issue of final report	Within 5 working days of agreement of responses.	100% (7/7)
8	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork.	100% (13/13)
9	Customer satisfaction (measured by survey)	85% average satisfactory or above	100% (1/1) 1 x Very Good

\*Of the audits that missed the 10 day deadline these were 6-26 days over the criteria. These were all unfortunate timing issues with auditor, manager or partner being on leave or unavailable during the quality review process. However, it is acknowledged that this is an area for focus and improvement moving forward.

## A1 Plan overview 2022/2023

Audit area	Proposed Dates	Draft Report Date	Final Report Date	Target JASP	Comments
MINT	Q1	May 22	May 22	Aug 22	
Custody	Q1	July 22	Mar 23	Mar 23	
MTFP	Q2	Aug 22	Sept 22	Nov 22	
Environmental Management	Q4	Feb 23		Jul 23	Draft Issued
Business Continuity	Q3	Nov 22	Apr 23	May 23	
Core Financials	Q3	Apr 23	May 23	May 23	
Fleet Management / Transport	Q4	Apr 23	Apr 23	May 23	
Asset Management	Q4	Apr 23		Jul 23	Fieldwork Ongoing
Seized Property	Q4	Apr 23		Jul 23	Draft Issued
Risk Management	Q4	Apr 23	Apr 23	May 23	
Cyber Security	Q4	Mar 23		Jul 23	Draft Issued
OPCC Supplier Review	Q3	Oct 22	Nov 22	Nov 22	
Grant Funding Review	Q3	Dec 22	Mar 23	Mar 23	

## Collaboration Audit Plan 2022/23

Audit area	Forces	Status
EMSOT Closedown	Leics, Lincs, Northants	Draft Report Issued.
EMSLDH Governance	Derby, Leics, Northants, Notts	Final Report Issued.
EMSOU - Business Continuity	Five Force	Final Report Issued
EMSOU Risk Management	Five Forces	Final Report Issued
Collaboration Performance Management	Five Forces	Final Report Issued.
Digital Currency	Five Forces	Draft Report Issued.

## A2 Reporting Definitions

Definitions of Assurance Levels		
Assurance Level	Adequacy of system design	Effectiveness of operating controls
<b>Significant Assurance:</b>	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
<b>Satisfactory Assurance:</b>	While there is a basically sound system of internal control, there are weaknesses which put some of the Organisation's objectives at risk.	There is evidence that the level of non-compliance with some of the control processes may put some of the Organisation's objectives at risk.
<b>Limited Assurance:</b>	Weaknesses in the system of internal controls are such as to put the Organisation's objectives at risk.	The level of non-compliance puts the Organisation's objectives at risk.
<b>No Assurance:</b>	Control processes are generally weak leaving the processes/systems open to significant error or abuse.	Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Priority	Description
<b>Priority 1 (Fundamental)</b>	Recommendations represent fundamental control weaknesses, which expose the organisation to a high degree of unnecessary risk.
<b>Priority 2 (Significant)</b>	Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk.
<b>Priority 3 (Housekeeping)</b>	Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk.



## A3 Summary of Reports

Below we provide brief outlines of the work carried out, a summary of our key findings raised, and the assurance opinions given in respect of the final reports issued since the last progress report in respect of the 2022/2023 plan.

### Core Financials 22/23

<b>Overall Assurance Opinion</b>	<b>Limited</b>
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<b>Recommendation Priorities</b>	
Priority 1 (Fundamental)	2
Priority 2 (Significant)	3
Priority 3 (Housekeeping)	5

The objectives of our audit were to evaluate the adequacy and effectiveness of the Core Financials processes with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the Core Financials process that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

The scope of review included:

#### General Ledger

- Accounting transactions are incorrectly recorded in the accounts.
- Management is not aware of performance issues due to lack of detailed management accounts.
- Missing transactions are not identified due to reconciliations not being completed.

#### Cash, Bank & Treasury Management

- Missing transactions are not identified due to reconciliations not being completed.
- Receipted monies are not accurately recorded.
- Treasury and other financial decisions are not made based on available cash due to lack of monitoring.
- Investments made do not constitute good value for money.
- Borrowing undertaken does not constitute good value for money.

#### Payments & Creditors

- New suppliers can be paid without review and verification.
- Supplier details can be amended without review and verification.
- Payments are made without authorisation and not in a timely manner.
- Payments are made for goods and/or services prior to their receipt.

- BACS payments are incorrectly processed.

#### Income & Debtors

- New debtors can be invoiced without review or verification.
- Invoices are raised incorrectly and/or inappropriately.
- Non-invoiced income is not recorded accurately.
- Credit notes are raised incorrectly and/or inappropriately.
- Income past due is not subject to appropriate debt management actions.
- Recoverable debts are written off inappropriately.

#### Payroll

- New starters are added to the payroll without review and verification.
- Leavers are not removed from the payroll in a timely manner, leading to overpayments.
- Changes to payroll are not reviewed and verified.
- Statutory deductions are not added accurately to the payroll.
- Voluntary deductions are not added accurately to the payroll in a timely manner.
- Expenses are paid outside of the expenses policy.
- Overtime is paid outside of the overtime policy.
- Payroll payment runs are incorrectly processed.

#### Other (Cross Cutting Themes)

- Inconsistent approaches are taken to financial activities.
- Systems can be inappropriately accessed.
- Fraudulent activity is not prevented or identified

### **Audit Opinion**

A key control of the finance systems at the Force is the ability to have a clear audit trail for all changes made within the system, this would document any manipulation of data for example a user changing supplier bank details to their own for a single payment and then changing them back again. During our audit it was identified that this key control for the new finance system was not initially activated, therefore we were unable to carry out some of our compliance testing in respect of the period April 2022 to October 2022.

As we are now aware that management have addressed the audit trail issue we have not raised a specific recommendation in respect of this issue. However, we have taken this into consideration when reaching our overall assurance opinion.

### **Performance Dashboard**

Based upon the scope and objectives of the review outlined within Appendix A1 of this report we have provided a summary of the results of this audit, categorised into each area of the review undertaken. As these are reviewed on a cyclical basis audit have provided the previous Core Financial audit findings to show a comparison.

Key control area	November 2021		March 2023	
	Assessment	Level of issue	Assessment	Level of issue
<b>General Ledger</b>				
Journals	Control effective	No issues noted	Control effective, except for	Housekeeping
Management Accounts	Control effective	No issues noted	Control effective	No issues noted
Reconciliations	Control effective	No issues noted	Control effective	No issues noted
<b>Cash, Bank &amp; Treasury Management</b>				
Receipts of Cash & Cheques	Control effective	No issues noted	Control effective, except for	Housekeeping
Cash Flow	Control effective	No issues noted	Control effective	No issues noted
Investments	Control effective	No issues noted	Control effective	No issues noted
Borrowing	Control effective	No issues noted	Control effective	No issues noted
<b>Payments &amp; Creditors</b>				
New Suppliers	Control effective	No issues noted	Control effective, except for	Housekeeping
Supplier Amendments	Control effective	No issues noted	Control effective	No issues noted
Payments	Control effective	No issues noted	Control effective	No issues noted
Goods / Service Receipts	Control effective	No issues noted	Control effective	No issues noted
BACS Processing	Control effective	No issues noted	Control effective	No issues noted
<b>Income &amp; Debtors</b>				
New Debtors	Control effective	No issues noted	Control effective, except for	Significant
Invoices Raised	Control effective	No issues noted	Control effective, except for	Significant
Other Income Streams	Control effective	No issues noted	Control effective	No issues noted
Credit Notes	Control effective	No issues noted	Control not effective	Fundamental
Debt Management	Control effective, except for	Significant issue	Control not effective	Fundamental

Key control area	November 2021		March 2023	
	Assessment	Level of issue	Assessment	Level of issue
Write Offs	Control effective	No issues noted	Control not effective	Fundamental
<b>Payroll</b>				
Starters	Control effective	No issues noted	Control effective, except for	Housekeeping
Leavers	Control effective	No issues noted	Control effective, except for	Housekeeping
Variations	Control effective	No issues noted	Control effective, except for	Housekeeping
Deductions	Control effective	No issues noted	Control effective, except for	Housekeeping
Expenses	Control effective	No issues noted	Control effective, except for	Significant
Overtime	Control effective	No issues noted	Control effective	No issues noted
Payroll Runs	Control effective	No issues noted	Control effective	No issues noted
<b>Other (Cross Cutting Themes)</b>				
Policies, Procedures & Guidance	Control effective	No issues noted	Control effective, except for	Housekeeping
System Access	Control effective	No issues noted	Control effective	No issues noted
Fraud Prevention	Control effective	No issues noted	Control effective	No issues noted

We identified two priority 1 (fundamental) recommendation and three Priority 2 (significant) recommendations, the detailed recommendation, finding and management response are provided below:

<b>Recommendation 1 (Priority 1)</b>	The Force should remind staff of the need to ensure an authorised credit note form is held prior to processing
<b>Finding</b>	<p>A request to raise a credit note form must be completed by a requesting service department and emailed to a shared inbox, where the Requisitions Team will accordingly create a credit note.</p> <p>Details such as the requestor, customer name and billing address, description, amount and relevant cost and account codes must be sufficiently completed on the request form.</p> <p>Further, the request form must be authorised by the budget-head or another member of staff with sufficient authority within the service department before the Requisitions Team will accordingly create within the system. The request form</p>

	<p>should detail the name and signature of the authoriser, alongside the date authorisation was given, to provide validity the request is legitimate.</p> <p>As part of our audit, we selected a sample of ten credit notes, to confirm whether they were appropriately raised and authorised, and noted:</p> <ul style="list-style-type: none"> <li>- In all ten cases, a Credit Note Request Form was either not used or not authorised.</li> </ul> <p>The value of Credit Notes tested ranged from £115 - £685k.</p> <p>Audit did note in four cases where a request to raise an invoice form was used as opposed to the correct request to raise a credit note form and confirmed in all cases they were not authorised either.</p> <p><i>Note – a sample of six Credit Notes were selected between the period April to August 2022. The remaining four fell within the period November 2022 to February 2023.</i></p> <p><i>Risk:</i> Credit notes are raised incorrectly and/or inappropriately leading to financial losses.</p>
Response	<p>A new form has been designed and will be implemented. A request for a credit note will only be actioned once this form has been completed, providing an explanation of why the credit note is required.</p> <p>This is then reviewed and authorised by the Financial Controller or Head of Finance.</p>
Responsibility / Timescale	<p>Immediate Financial Controller</p>

Recommendation 2 (Priority 1)	<p>As the Force are now aware of their debt position, they should begin to chase historic debt and take relevant debt management actions (to be outlined within their policy) accordingly.</p> <p>Further, the Force should complete and ratify their 'Management of Accounts Payable and Receivables' Policy, to ensure a consistent approach is taken regarding outstanding debt.</p>
Finding	<p>At the time of follow-up in March 2023, following issues regarding data extraction around bank reconciliations being corrected, the Force were able to identify their position regarding outstanding debt for the first time since the switch away from MFSS.</p> <p>Reports were generated which totalled the monetary amount of Aged Invoices to be £5,586,490. 67% of this relates to invoices overdue by more than 90 days (£3,728,098).</p> <p>However, due to the system issues experienced since the switch away from MFSS, they have not been able to chase outstanding debts since April 2022. Moreover, this also means that no write offs have been processed.</p> <p>The Force are currently in the process of completing a 'Management of Accounts Payable and Receivables' Policy, detailing the debt recovery actions that should be taken dependant on the timeframe of outstanding debt, however this is currently in draft and yet to be ratified.</p> <p><i>Risk:</i> The Force do not receive the monies they are due.</p>

Response	<p>A new draft debt policy has been provided for review to internal audit and we are in the process of circulating to obtain management sign-off by the CFO and Head of Finance.</p> <p>An aged debt report is being designed to capture the outstanding debt and age profile now that the bank account has been reconciled and AR postings have been made to give the outstanding debt position.</p> <p>This report will be used to monitor and be used in the process of recovering outstanding debt; and also identify aged debt that may require writing off according to the debt policy.</p> <p>Ongoing, debt collection will be actively monitored and chased, with a monthly report being produced highlighting any potential risk for senior management to base decisions on.</p>
Responsibility / Timescale	<p>End of May 23</p> <p>Financial Controller</p>

Recommendation 3 (Priority 2)	<p>The Force should record the member of staff verifying whether data has been inputted into iTrent correctly, along with the date and time ensuring a sufficient audit trail is present.</p>
Finding	<p>The Force utilise an integrated HR and Payroll system, iTrent. The People Services team, within HR, are responsible for ensuring data is populated correctly into the system and adequately verified. The Payroll team only have read-only access and have responsibility for the processing of Payroll payments only.</p> <p>The responsibility for ensuring accuracy of data input into the iTrent system is within the People Services team, who perform secondary checks to verify accuracy prior to the Payroll Team processing payments.</p> <p>The People Services Team maintain manual spreadsheets, held away from the system, to record changes made to iTrent. Each month, two teams will go through the spreadsheet (one held for Police Officers and another for Police Staff) and verify whether data has been inputted correctly. However, no record is made of who completed the verification check.</p> <p><i>Risk:</i> Data populated into the Payroll system may not be subject to appropriate review and verification thus leading to errors regarding the processing of payroll payments.</p>
Response	<p>The spreadsheet files currently used to record the changes will be adapted to contain additional fields to record that a secondary check (ie name and date) was undertaken of to verify any amendments made to an officer/staff payroll details before passing this information onto payroll.</p>
Responsibility / Timescale	<p>End of May 23</p> <p>PS Support Partner</p>

Recommendation 4 (Priority 2)	<p>The Force should ensure that all forms are adequately authorised by a secondary member of staff to ensure sufficient segregation of duties.</p> <p>Invoices should be raised in a timely manner to minimise the risk of not being paid potentially causing financial instability.</p>
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Finding	<p>New debtors are created on eFinancials by the Requisitions Team, following either submission of a new debtor form or request to raise an invoice form by a requesting service department to a shared inbox.</p> <p>All forms must be appropriately authorised with the name, signature and date of the authoriser before the Requisitions Team can create accordingly.</p> <p>We selected a sample of 25 new debtors in total, to agree to supporting evidence and verify whether segregation of duties was present, and noted:</p> <ul style="list-style-type: none"> <li>- 24/25 cases where the New Debtor Request Form either had no authorisation or was authorised by the same member of staff.</li> </ul> <p><i>Note – a sample of 15 new debtors were selected between April to August 2022. The remaining 10 fell between the period November 2022 to January 2023.</i></p> <p>In February 2023, we selected a sample of 10 debtor invoices raised (between November 2022 and January 2023) and noted the following exceptions:</p> <ul style="list-style-type: none"> <li>- 8/10 cases where the Request to Raise an Invoice Form either had no authorisation or were authorised by the same member of staff; and</li> <li>- 6/10 cases where the invoice was not raised in a timely manner (exceeding 30 days).</li> </ul> <p><i>Risk:</i> The Force do not receive the monies they are owed, due to either incorrect set-up of the debtor on the Finance system or invoices not being sent out in a timely manner.</p>
Response	<p>The New Debtor forms follows the same process as the New Supplier via the Systems Team.</p> <p>Requests are supported by email approval; however, we note the form is not physically signed by one or more member.</p> <p>The aim moving forward is to encourage requests forms to be signed by the appropriate requestor and approver to challenge and ensure segregation of duties are met.</p> <p>The day to day credit control activities falls under the responsibility of the Senior Finance Assistance, and we are currently looking at implementing KPI reporting to monitor the turnover of requests.</p>
Responsibility / Timescale	<p>End of June 23 Financial Controller</p>

Recommendation 5 (Priority 2)	<p>The Force should ensure appropriate level of spot checks are established to provide assurance over the self-approval expenses.</p> <p>The Force should update their expenses policy to include coverage of car parking tolls. This will ensure a consistent approach to processing expenses is taken.</p> <p>Similarly, the Force should update their 'Professional Subscriptions Manager Guide' to correctly refer to the systems now utilised.</p>
Finding	<p>All expenses must be submitted by staff through the online Employee-Self Serve portal on iTrent. Expenses do not require approval and are self-posted, however the Force do have a policy in place detailing where receipts must be submitted for specific expenses.</p> <p>Certain expenses, such as subsistence meal allowance, require receipts and forms to be completed by staff where expenses are auto-capped due to pre-determined rates. We were informed that expenses do not always require a receipt</p>

	<p>to be submitted, notably for mileage claims, but individuals are required to keep these and provide them upon request.</p> <p>We selected a sample of 20 expenses, to confirm whether the claim was appropriate and supporting documentation was retained, and found:</p> <ul style="list-style-type: none"> <li>- In two cases, where claims were unclear as per the Force's policy (relating to car parking tolls);</li> <li>- In two cases, expenses paid were more than claimed (both claims related to mileage claims);</li> <li>- In two cases, a receipt was not evidenced at all (one case relating to a subsistence claim and another relating to car parking toll); and,</li> <li>- In one case, the receipt was not relevant to the claim (subsistence claim)</li> </ul> <p><i>Note – a sample of 10 expenses were selected between the period April to August 2022. The remaining ten fell within the period November 2022 to February 2023.</i></p> <p>Further, review of the Force's 'Professional Subscriptions Manager Guide' (detailing guidance on submission of expenses relating to professional subscriptions), found the policy referring to the use of an old system (MFSS). This policy was also last reviewed in February 2017.</p> <p>Risk: Incorrect or fraudulent expense payments are paid by the Force.</p>
Response	<p>Professional subscriptions policy requires review and update by People Services to ensure it fits in with the current MHR system and MFSS references have been removed.</p> <p>A dip sample of expenses to be carried on a monthly basis to expenses submitted comply with expense policies.</p>
Responsibility / Timescale	<p>End of June 23 Payroll &amp; Pensions Manager</p>

We also raised two priority 3 recommendations of a housekeeping nature that are summarised below:

- Best practice within the sector includes the regular spot checking of manual journals, at least quarterly. The Force should undertake regular checks of journals posted to the General Ledger, and should establish a set protocol of journals to be targeted (eg. time specific entries, high-value entries).
- The Force should ensure that all forms are adequately authorised by a secondary member of staff to confirm the request is legitimate and adequate segregation of duties is present.
- Supporting evidence should be retained for all voluntary deduction requests. Further, all voluntary deduction requests should be subject to a secondary check to ensure accuracy of the deduction. Evidence of the check should also be retained.
- The Force should ensure that old and outdated forms used by MFSS are not accepted as part of their financial processing.
- The Force should ensure that all paying-in vouchers are clearly double signed, this is to ensure appropriate review of all receipted monies.

Management accepted all recommendations (albeit the Journals recommendation was partially accepted) with implementation dates from immediate to Sept 23.



## Business Continuity & Emergency Planning 22/23

Overall Assurance Opinion	Significant
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Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	-
Priority 3 (Housekeeping)	1

Our audit considered the following risks relating to the area under review:

### Roles and Responsibilities

- Roles and responsibilities in respect of Business Continuity & Emergency Planning across the OPCC and Force are clearly defined, with officers and staff having a full understanding and accountability for associated processes.

### Policies and Procedures

- Effective policies and procedures are maintained and regularly reviewed to ensure a consistent and effective approach to Business Continuity & Emergency Planning is applied across the OPCC and Force.
- There is clear identification of critical functions across the Force and Departments.

### Plans

- Three are effective Business Continuity Plans and Emergency Plans to ensure that incidents are effectively escalated and emergency action is mobilised where required.

### Business Continuity Test Plans

- The Business Continuity Plans and Emergency Plans are subject to regular testing to ensure they remain fit for purpose

### Continuous Improvement and Lessons Learnt

- The delivery of testing plans, associated outcomes and unplanned events is monitored with systems embedded to drive continuous improvement and lessons learnt. Where issues are identified these are appropriately escalated.

### Monitoring and Reporting

- There is regular monitoring and reporting of business continuity and emergency planning processes and there is opportunity for effective challenge and scrutiny.

### Previous Audit Recommendations

- Recommendations raised in the previous review have been implemented.

The objectives of our audit were to evaluate the efficiency and effectiveness of internal controls in operation in respect of Business Continuity and Emergency Planning, with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be

noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the Business Continuity and Emergency Planning processes that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

We raised one Priority 3 (housekeeping) recommendation which is summarised below:

- The Force should implement a detailed technical guide for all members of staff on rotational schemes to supplement the training provided.

Management agreed with the above recommendation with an implementation date of May 23.

## Transport 22/23

Overall Assurance Opinion	Satisfactory
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Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	1
Priority 3 (Housekeeping)	2

Our audit considered the following risks relating to the area under review:

- There is a comprehensive and approved Transport/Fleet Management Strategy in place which is aligned with the strategic and medium / long term objectives of the OPCC and Force.
- Delivery of the Strategy is supported by an agreed implementation plan and there are robust monitoring arrangements in place.
- An effective maintenance programme is in place that supports the objective that fleet vehicles are available when and where required.
- The maintenance programme is supported by an effective schedule of inspections and services.
- The Force utilises a robust fleet management system upon which a complete and up to date record of vehicles is maintained.
- There are appropriate system controls to ensure that the system is protected and integrity can be maintained.
- Procurement arrangements in respect of the Force's vehicle fleet demonstrate the principles of value for money.
- Budget control processes ensure that actual spend is in accordance with the approved budget.
- Management information is available to enable effective monitoring of performance against the Fleet Management Strategy and delivery the maintenance programme.

The objectives of our audit were to evaluate the adequacy and effectiveness of the transport system with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the transport system that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

We identified one Priority 2 (significant) recommendation, the detailed recommendation, finding and management response are provided below:

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<p>Recommendation 1 (Priority 2)</p>	<p>The Force should ensure that all vehicle servicing requirements are accurately recorded on TranMan to ensure that servicing due dates are correctly calculated.</p> <p>Additionally, the Force should endeavour to schedule all servicing jobs in a timely manner against the calculated service and/or MOT due dates calculated within TranMan.</p>
<p>Finding</p>	<p>Timely servicing of vehicles ensures that they are running efficiently and effectively, maintaining service delivery across the Force. The scheduling of services is maintained within Civica Transport Manager (TranMan) based on service groups and their service mileage and/or interval (time in weeks).</p> <p>Audit reviewed a sample of 15 vehicles to confirm that they had been serviced within their service group requirements and noted that:</p> <ul style="list-style-type: none"> <li>• 9/15 vehicles were recorded in TranMan with the incorrect service schedule date; however they had been serviced prior to their correct service mileage and/or interval elapsing.</li> <li>• 1/15 vehicles was services after their required service date had elapsed.</li> </ul> <p>The accurate recording of vehicle history and requirement in TranMan; and the timely servicing of vehicles in line with their recorded required servicing schedule ensures that service delivery is maintained and that officer, staff and the public are kept safe.</p> <p><i>Risk:</i> Vehicles are not maintained in accordance with their required servicing schedule and the increased risk to staff, officers and the public by vehicle failure and/or failure to respond to incidents.</p>
<p>Response</p>	<p>We have service schedule parameters within Civica Tranman which reduce service requirements below the manufacturer recommendations. Due to vehicle availability and enabling police to carry out duties we may, on occasion service a vehicle slightly before or after the planned date within Tranman. This will still remain compliant with manufacturer scheduling.</p>
<p>Responsibility / Timescale</p>	<p>Immediate. April 2023</p> <p>Continuous monitoring.</p> <p>Internal, periodic checks to take place by Rachael Whinham, Simon Morris, Chris Ackroyd and Darren Porter.</p> <p>This will be required quarterly.</p>

We raised two Priority 3 (housekeeping) recommendation which is summarised below:

- The Force should include a performance measure in reporting packs to the Corporate Performance Review regarding the on-time delivery of scheduled servicing.
- The Force should ensure that vehicle services are accurately recorded in TranMan as per the completed job card.

Management agreed with the above recommendation with an implementation date of July 23.

## Risk Management 22/23

<b>Overall Assurance Opinion</b>	<b>Significant</b>
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<b>Recommendation Priorities</b>	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	-
Priority 3 (Housekeeping)	2

An audit of risk management was undertaken as part of the 2020/21 internal audit report with a limited overall assurance opinion, with recommendations related to compliance with Risk Strategy, Incomplete Risk Registers, Training and Organisational Risk, Learning, Standards and Integrity Board meetings and actions.

The specific areas that formed part of this review included risk management strategy, identification of strategic and operational risks, risk scoring and training.

Based upon the scope and objectives of the review we have provided a summary of the results of this audit, categorised into each area of the review undertaken.

Key control area	February 2022		March 2023	
	Assessment	Issues	Assessment	Issues
<b>Risk Management Strategy</b>				
Risk Management Strategy	Control effective	No issues noted	Control effective	No issues noted
<b>Roles, Responsibilities and Training</b>				
Strategic Responsibility	Control effective	No issues noted	Control effective	No issues noted
Operational Responsibilities	Control effective	No issues noted	Control effective	No issues noted
Appropriate Training	Control effective, except for	Significant Issue	Control effective	No issues noted
<b>Operational Risk Management</b>				
Risk Identification	Control effective, except for	Fundamental Issue	Control effective	No issues noted
Strategic and Operational Split	Control effective	No issues noted	Control effective	No issues noted
Risk Management Framework	Control effective	No issues noted	Control effective	No issues noted
Risk Assessment and Analysis	Control effective, except for	Significant Issue	Control effective, except for	Housekeeping Issue
Risk Registers	Control effective	No issues noted	Control effective	No issues noted
Project Risks	Control effective	No issues noted	Control effective	No issues noted

Key control area	February 2022		March 2023	
	Assessment	Issues	Assessment	Issues
Risk Appetite	Control effective	No issues noted	Control effective	No issues noted
<b>Strategic Risk Management</b>				
Risk Based Decision Making	Control effective	No issues noted	Control effective	No issues noted
Risk Based Planning	Control effective	No issues noted	Control effective	No issues noted
Alignment to Strategy Documents	Control effective	No issues noted	Control effective	No issues noted
<b>Scoring and Actions</b>				
Appropriate Scoring	Control effective	No issues noted	Control effective	No issues noted
Action Plans	Control effective	No issues noted	Control effective	No issues noted
<b>Governance</b>				
Reporting and Governance	Control effective, except for	Housekeeping Issue	Control effective, except for	Housekeeping Issue

We raised two Priority 3 (housekeeping) recommendation which is summarised below:

- The Force and OPCC should ensure that risk registers reporting to governance bodies includes target scores for risks, to ensure appropriate scrutiny of planned future controls. (Dec 23)
- The Force and OPCC should ensure that risk register reviews include confirming that all necessary fields have been completed for all risks and that appropriate current controls are in place to support the residual risk score. (Aug 23)

Management agreed with the above recommendation with an implementation dates, highlighted above.

## Collaboration: Performance Management 22/23

Overall Assurance Opinion	Satisfactory
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Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	2
Priority 3 (Housekeeping)	-

Our audit considered the following risks relating to the area under review:

- The collaboration units do not have a governance framework for managing performance and therefore poor performance is not addressed
- Lack of performance targets/measures and therefore a lack of clarity on levels of performance
- The collaboration units do not produce performance information in a timely manner.
- The collaboration units are not producing performance reports so those charged with governance can carry out their responsibilities effectively.
- Where benchmarking data is available it is not utilised to demonstrate levels of performance
- Where underperformance is highlighted actions are not put in place to address this.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Collaboration Performance Management processes with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the Collaboration Performance Management processes that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.

We identified two Priority 2 (significant) recommendations, the detailed recommendations, finding and management response are provided below:

Recommendation 1 (Priority 2)	The Units should ensure that they have clear performance targets that align to their business plans/objectives.
Finding	At the most recent review by the Regional Performance Analyst in September 2022, it was noted that EMSOU required clearer SMART performance targets for how well the unit is performing against its objectives.
	For EMSLDH it was noted that the performance reporting currently carried out did not clearly align to the unit's business plan/strategy.
	For EMCHRS OHU, it was noted that current performance information does not relate to the unit's business plan and that clear SMART targets should be set to



	<p>allow for effective monitoring and reporting. However, this would be dependent on a new case management system.</p> <p>Risk: Lack of performance targets/measures and therefore a lack of clarity on levels of performance.</p>
Response	<p>EMSOU Performance Manager will expand an existing framework to include key performance questions which reflect EMSOU strategic priorities to give a more broader, qualitative view of performance which shows outcomes and impact rather than just outputs. The Regional Performance Analyst will be involved with this work to ensure it reflects PCC need.</p> <p>EMSLDH Response: Via the Regional L&amp;D Management Board, EMSLDH have been requested to revise performance reporting in line with the recommendation made within this report, whereby performance will clearly align to EMSLDH Business Plan and Strategy and will be ratified at the next Regional L&amp;D Management Board. In addition EMSLDH will revise activity tracking. These will be shared throughout the year with the PCC and CC Board.</p> <p>EMCHRS OHU- this collaboration disbanded as of end of FY 2022/23 so no longer appropriate to action.</p>
Responsibility / Timescale	<p>Nicci Mayo</p> <p>September 2023</p> <p>Peter Ward</p> <p>July 2023</p>

Recommendation 2 (Priority 2)	<p>Benchmarking opportunities should be explored by the Units and the Regional Performance Analyst so that performance can be appropriately measured and compared.</p>
Finding	<p>Benchmarking is an important tool to allow organisations to measure themselves against similar comparators and identify best practice. However, due to limited data and opportunities, the only benchmarking carried out is by EMSOU using NFIB data to compare themselves against other ROCUs.</p> <p>Audit has noted that there are programmes underway to try and develop benchmarking, such as the National Strategic Performance Framework, however these opportunities are not yet well developed.</p> <p>Risk: Units are not aware of their performance and are not able to identify best practice.</p>
Response	<p>Benchmarking between ROCU's is a known difficulty due to differences in recording practices and ROCU frameworks. As highlighted, there is national work ongoing around improving the ability to benchmark between ROCU's and other capabilities. EMSOU and the Regional Performance Analyst will continue to monitor this work with expectations of embedding in practice when national work completed.</p>



There is some benchmarking and highlighting of best practice currently through the ROCU Executive Performance report; the Regional Performance Analyst will work with the EMSOU Performance Manager to ensure that PCC's are appropriately sighted on existing activity.

Responsibility /  
Timescale

Nicci Mayo  
September 2023

## A4 Statement of Responsibility

We take responsibility to Nottinghamshire Police and the Office of the Police and Crime Commissioner for Nottinghamshire for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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