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**JOINT INDEPENDENT AUDIT COMMITTEE**  
**October 2023**

SUBJECT	Internal Audit Reports Implementation Progress
REPORT BY	DCC Steve Cooper
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<b>SUMMARY AND PURPOSE OF REPORT</b>	
To consider the progress made with the implementation of the recommendations from internal audit reports.	
<b>RECOMMENDATION</b>	<i>That the progress update be noted.</i>

**A. SUPPORTING INFORMATION**

This report summarises the progress on the implementation of audit recommendations as of July 2023. An analysis of progress on recommendations is detailed in Appendix A. Audits that have been reported as complete to the previous committee are not included.

**B. FINANCIAL CONSIDERATIONS**

There are no direct financial implications arising from this report.

**C. LEGAL AND HUMAN RIGHTS CONSIDERATIONS**

The provision of internal audit services is one of the means by which the Police and Crime Commissioner discharges their responsibilities to secure the maintenance of an efficient and effective police force under section 1 (6)(b) of the Police Reform and Social Responsibility 5 2 Act 2011, and the Chief Finance Officer meets her responsibilities under section 151 of the Local Government Act 1972, section 73 of the Local Government Act 1985 and section 112 of the Local Government Finance Act 1988 for ensuring the proper administration of the Commissioner’s financial affairs.

**D. PERSONNEL, EQUAL OPPORTUNITIES AND DIVERSITY ISSUES**

(including any impact or issues relating to Children and Young People)

None.

**E. REVIEW ARRANGEMENTS**

The Committee are advised of progress in relation to all Internal Audit Reports at each meeting.

**F. RISK MANAGEMENT**

Risks are detailed as appropriate within appendices to this report.

**G. PUBLIC ACCESS TO INFORMATION**

Information in this report along with any supporting material is subject to the Freedom of Information Act 2000 and other legislation.

**Appendix A – Internal Audit Recommendations**

**INTERNAL Audits 2020/23**

<b>Date</b>	<b>Title</b>	<b>Recommendations</b>	<b>Total Number Outstanding</b>	<b>Total Number Closed</b>	<b>Update</b>
<b>Mar 2020</b>	<b>Balance Transfers 2020 - All Recommendations closed by Mazars</b>				
<b>Mar 2020</b>	<b>Health and Safety Follow-up 2020 - All Recommendations closed by Mazars</b>				
<b>Apr 2020</b>	<b>Programme Management 2020 - All Recommendations closed by Mazars</b>				
<b>Sep 2020</b>	<b>Victims' Code of Practice September 2020 - All Recommendations closed by Mazars</b>				
<b>Oct 2020</b>	<b>Estates Management October 2020 - All Recommendations closed by Mazars</b>				
<b>Dec 2020</b>	<b>Workforce Planning December 2020 – All Recommendations closed by Mazars</b>				
<b>Jan 2021</b>	<b>Information Assurance Follow up January 2021 – All Recommendations closed by Mazars</b>				
<b>Feb 2021</b>	<b>Debt Management Feb 2021 - All Recommendations closed by Mazars</b>				
<b>Feb 2021</b>	<b>Core Financials Systems Assurance Feb 2021 - All Recommendations closed by Mazars</b>				
<b>Feb 2021</b>	<b>Seized Property February 2021 - All Recommendations closed by Mazars</b>				
<b>Apr 2021</b>	<b>Wellbeing April 2021 - All Recommendations closed by Mazars</b>				
<b>Apr 2021</b>	<b>Complaints Management April 2021 - All Recommendations closed by Mazars</b>				
<b>Sep 2021</b>	<b>Firearms Licensing September 2021 - All Recommendations closed by Mazars</b>				
<b>Mar 2022</b>	<b>Business Change - All Recommendations closed by Mazars</b>				
<b>Mar 2022</b>	<b>GDPR Follow Up 21-22 - All Recommendations closed by Mazars</b>				

<b>Mar 2022</b>	<b>Information Assurance Follow Up March 2022 - All Recommendations closed by Mazars</b>	
<b>Mar 2022</b>	<b>Risk Management 21-22 - All Recommendations closed by Mazars</b>	

Apr 2022	Health and Safety Follow Up 21-22 – Satisfactory Assurance			Claire Salter
<p><b>CC/74b2/20422</b></p>	<p>The Health and safety team should continue to monitor and prioritise the completion of mandatory training for staff.</p> <p>The importance of completing the training should be effectively communicated to ensure completion rates are increased.</p>	1	1	<p>New mandatory e-learning H&amp;S packages has been reintroduced by the College and the H&amp;S team will be monitoring the completion rates. We are also continuing the basic H&amp;S input as part of new officers and staff intakes.</p> <p>To be monitored.</p>
May 2022	Procurement May 2022 – Satisfactory Assurance			Danny Baker
<p><b>MS/34b9/15922</b></p>	<p>The Force to review the Financial Regulations, including the Contract Standing Orders, to reflect any changes following the cessation of services from Mint and changes due to UK's exit from the EU.</p>	2	0	<p>The contract standing orders have been fully refreshed and went for approval at JIAC in July 2023. Minor addition to be finalised with the PCC and PCC CFO.</p> <p>Proposed closure October 2023.</p>
<p><b>MS/f49b/15922</b></p>	<p>The Force to determine and publish clear expectations for requestors and the procurement team with respect to the lead times required for procurement activities, including the authorisation of STAs, to ensure that services can be delivered when required and following appropriate procurement activity.</p>			<p>A pipeline activity document is being finalised and specific training is being planned to be delivered to key stakeholders for awareness and understanding. This will also include key elements of the contract standing orders to help simplify it for the end user.</p> <p>Proposed closure December 2023.</p>

Oct 2022	Medium Term Financial Planning 22-23 – Significant Assurance		Danny Baker
CD/0482/71022	The Force should implement formal and regular budget holder training to support the effective management and monitoring of budgets. A training needs analysis should be completed to ensure that it is delivered to those most in need.	1	1  Budget holder training is currently taking place, and 5 budget holder training sessions have been run covering around 90 senior and key stakeholders. The training programme will be built on within finance to encompass an even wider range of activities to ensure even more appropriate and effective way of working.  Proposed closure October 2023.
Nov 2022	Seized Property Nov 2022 - All Recommendations closed by Mazars		
Nov 2022	Business Continuity and Emergency Planning Nov 2022 – Significant Assurance		
	The Force should implement a detailed technical guide for all members of staff on rotational schemes to supplement the training provided.	1	0  Table-top exercises are taking place and have been planned throughout the year. On completion, a further training guide will be developed, and ultimately placed on the intranet to be always accessible.  To be monitored.

Feb 2023	Environmental Sustainability - 22/23 – Limited Assurance			
	<p>The Force should ensure that a new Environmental Management Strategy is developed</p> <p>The Environmental Management Strategy should set out at minimum:</p> <ul style="list-style-type: none"> <li>• Environmental Policy</li> <li>• Environmental Goals &amp; Targets</li> <li>• Environmental Management System (EMS)</li> <li>• Stakeholder Engagement</li> <li>• Continuous Improvement</li> <li>• Environmental Responsibilities</li> <li>• Governance</li> </ul> <p>The Force should ensure that an updated Carbon Reduction Plan is produced, with clear targets and deadlines for the reduction of emissions.</p>	6	2	<p>The Force has engaged expert external Consultants to develop a new Environmental Strategy and roadmap to net carbon zero. This work is due to be completed by January 2024.</p> <p><b>Proposed closure January 2024.</b></p>
	<p>Governance mechanisms for environmental sustainability should be established, including, but not limited to the following:</p> <ul style="list-style-type: none"> <li>• Strategic governance body eg. sub-committee or steering group</li> <li>• A sponsor in senior management to provide leadership</li> <li>• Operational delivery group</li> <li>• Clear definition of roles and responsibilities across all mechanisms</li> </ul> <p>The governance forum should be responsible for the delivery of the Strategy.</p>			<p>The new Force Governance Structure includes a new Sustainability Board which will feed up to the Force Executive Board through DCC Cooper, who is the senior management sponsor. The Chief Finance Officer will chair this Board and membership includes representatives from across the organisation.</p> <p>Terms of Reference are currently being developed and the Board will be responsible for the delivery of the Environmental Strategy.</p> <p><b>Proposed closure once meeting established.</b></p>

	<p>The Force should address the environmental skills gap.</p> <p>For example, by reinstating the environmental officer position, or by procuring the services of an external consultant to help with environmental initiatives.</p>			<p>A draft Job Description for a Sustainability Officer has been developed and has been sent to People Services for Hay grading. This will be used to bid for additional budget to increase the establishment as part of the 2024/25 Budget setting process.</p> <p>Proposed closure April 2024.</p>
	<p>The Force should review whether it has capability to undertake emissions reporting for all departments.</p> <p>If it is found that the Force lacks capability, the Force should engage with a supplier or develop capability internally.</p> <p>The Force should consider undertaking SECR reporting and consider publishing it publicly as a matter of best practice and transparency.</p>			<p>A draft Job Description for a Sustainability Officer has been developed and has been sent to People Services for Hay grading. This will be used to bid for additional budget to increase the establishment as part of the 2024/25 Budget setting process.</p> <p>External Consultants have been appointed to help produce a new Environmental Strategy and roadmap to become carbon neutral. A kick off meeting was held last week, and a new strategy is expected early January. The Consultants will be working with all relevant departments and will be helping calculate our baseline carbon emissions as part of the process.</p> <p>Proposed closure January 2024.</p>



	<p>Once fully established, Procurement should ensure that:</p> <ul style="list-style-type: none"> <li>• A sustainability assessment of the Force’s supply chain is undertaken to identify areas of improvement and set sustainability goals.</li> <li>• Environmental sustainability should be embedded within the supplier selection process e.g. scoring of tenders and KPIs.</li> <li>• Procedures should be implemented to obtain assurance regarding suppliers’ commitments over the life of the contract.</li> </ul>			<p>This will feature in the procurement strategy which will be finalised soon but also the sustainability element will no doubt increase as the Force widens its approach to the sustainability agenda.  <b>To be monitored.</b></p>
	<p>When the new/updated Environment Strategy is completed, the Force should consider implementing a mandatory training programme covering areas such as energy conservation, waste reduction, and information on the Force’s environmental policies and procedures.</p> <p>The Force should also consider implementing more specific training courses for staff with specific responsibilities eg. training related to sustainable supply chain practices for procurement staff.</p>			<p>It is proposed to implement this recommendation in 2024/25 once the new Environmental Strategy is in place and hopefully a Sustainability Officer Post has been established.  <b>Proposed closure January 2024.</b></p>

Mar 2023	Custody Arrangements 2022-23 – Limited Assurance			
<b>CC/c4a6/15323</b>	Higher mattresses should be available at the Nottingham Custody Suites (NCS) and utilised when identified as necessary to meet detainee needs.	2	4	<p>Higher mattresses that can be stacked to achieve the desired height have been sourced. A risk assessment is also in place for the use of these.</p> <p>The force has a local practice to divert disabled prisoners to Mansfield as those beds are suitable.</p> <p>There are no mattresses that are a single unit to achieve the desired height. Estates are getting a quote to have one cell amended to be fit for purpose.</p> <p>Once the quote is received it will be progressed through the appropriate governance channels.</p> <p><b>To be monitored.</b></p>
<b>CC/c4b6/15323</b>	Whilst audit is aware that there is a plan in place to implement a forensic testing surface, review of this timeline should be prioritised. Management should ensure that the forensic suite progress is monitored to ensure there are no further delays to its implementation.			<p>Work commenced at Mansfield on 19<sup>th</sup> June 2023. An activity request will follow for NCS. This work cannot commence until we have designed out the air flow exchange during the build phase.</p> <p><b>To be monitored.</b></p>

<b>Mar 2023</b>	<b>Cyber Security Governance - March 2023 – Limited Assurance</b>			
	The Force should implement a cyber security training course to be taken annually, with supporting periodic awareness. The course should cover common security risks such as malware, phishing, security of equipment, social engineering etc.	2	2	A cyber action plan has been created and is with Chief Superintendent Lawton to review before SIRO sign off.  <b>Proposed closure February 2024.</b>
	As already underway the Force should continue to liaise with PDS to gain its SyAP and related Airwave accreditations.			This is an ongoing piece of work and is supported by monthly meetings chaired by Supt Burrows.  <b>To be monitored.</b>
<b>Apr 2023</b>	<b>Transport 2022-23 – All Recommendations closed by Mazars</b>			
<b>Apr 2023</b>	<b>Risk Management 2022-23 – Significant Assurance</b>			
	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.	2	0	Following the 3-monthly risk review meetings with department heads, target scores are being populated and updated as required. They are now an integral part of the risk review, ensuring that they are updated with the inherent and residual.  <b>Proposed closure October 2023.</b>

	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.			A key part of risk review meetings is to ensure all boxes are populated. If there are any that are empty, follow up conversations take place to ensure we have all areas covered. Control measures are to be included, even if is a planned control. It is noted that in the event of no mitigation, this risk should be escalated through the risk governance process.  <b>Proposed closure October 2023.</b>
<b>Apr 2023</b>	<b>Seized Property - April 2023 – Satisfactory Assurance</b>			
<b>CD/a490/1823</b>	<p>The Force should develop specific training for the use of NICHE for seized property and provide this to all new officers and transfers.</p> <p>Additionally, a refresher course should also be developed to utilise the new training portal being developed.</p> <p>This training should include information regarding data quality within NICHE, common errors, the impact of errors and how to report data quality issues.</p>	2	0	<p>In order to address this recommendation, the following actions have been taken,</p> <ul style="list-style-type: none"> <li>• The A&amp;E Sergeant has joined the data quality board in order to raise areas of business improvement.</li> <li>• All policies have been updated.</li> <li>• A seminar has been undertaken to showcase areas for improvement.</li> <li>• A review of current training lesson plan has been done.</li> <li>• The A&amp;E website has been created with current policies and procedures.</li> <li>• The training school (core trainers) stakeholders primarily have been consulted.</li> </ul> <p>Two classes have been booked for the training input and packaging etc. These dates are Friday 6<sup>th</sup> October and weds 18<sup>th</sup> October.</p>

				<p>(6<sup>th</sup> October) is for overall training and the (18<sup>th</sup>) is for Niche etc.</p> <p>The intention at this stage is to observe the training and record any feedback from students on the learning retention and application etc.</p> <p>It's first phase of understanding what is required to improve this area (L&amp;D).</p> <p>To be monitored.</p>
<p><b>CD/349f/1823</b></p>	<p>The Force should reinforce to officers the importance of updating NICHE in a timely manner to provide a full audit trail of exhibit movements. This should ensure that officers move items on NICHE after they are physically moved, to ensure that the most up-to-date location is stored on NICHE at any time.</p> <p>Where necessary, this should continue to include the contact of offending officers with the policy and any additional training required.</p> <p>The Force should investigate the ability to place physical dividers between racking locations on rolling shelving at Southern Main Store to ensure that items are kept in their recorded positions while using rolling shelving.</p>			<p>Two classes have been booked for the training input and packaging etc. These dates are Friday 6<sup>th</sup> October and weds 18<sup>th</sup> October.</p> <p>(6<sup>th</sup> October) is for overall training and the (18<sup>th</sup>) is for Niche etc.</p> <p>The intention at this stage is to observe the training and record any feedback from students on the learning retention and application etc.</p> <p>It's first phase of understanding what is required to improve this area (L&amp;D).</p> <p>To be monitored.</p>

Apr 2023	Core Financials - April 2023 – Limited Assurance			
	<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>	4	6	<p>Letters and copies of older invoices have been sent to customers requesting payment and older debts have been settled, with the total debt reducing from £7.3 m at the end of April 2023 to £4.5 m at the end of July 2023.</p> <p>We are currently doing a review of the older debt where it is believed it will be irrecoverable or too old to realistically be recovered due to inactivity of sending chasing letters whilst with MFSS.</p> <p>The debt policy is in the process of review and will be ratified shortly.</p> <p><b>To be monitored.</b></p>
	<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>			<p>Invoice requests are completed, signed and dated by the business requestor and are sent through the purchasing section who raises to the invoices in the Efinancials system. The access to create an invoice is restricted to this section only to eliminate the risk of fraud and create segregation duties.</p> <p>If a credit note is required these are authorised by the Financial Controller or equivalent person if they are unavailable.</p> <p><b>Proposed closure October 2023.</b></p>

	<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>			<p>An extract from the MHR system is reviewed weekly and also forms part of the monthly checks. The system contains rules which automatically reduce the claim if it is outside the expenses policy. Other checks include checking for receipts and unusual expenses, especially those with line manager approval, and where necessary the individual is contacted if there any queries.</p> <p>The expenses policy requires updating and this has been added to People services Policy Schedule.</p> <p>Proposed closure December 2023.</p>
	<p>The Force should ensure that all paying-in vouchers are clearly double signed, this is to ensure appropriate review of all receipted monies.</p>			<p>There is a secondary review of paying-in vouchers to ensure appropriate review and all are double signed.</p> <p>Proposed closure October 2023.</p>