Police & Crime Commissioner for Lincolnshire & Lincolnshire Police

Internal Audit Progress Report

Presented to JIAC – 5th December 2022

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This report ("Report") was prepared by Mazars LLP at the request of the Lincolnshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Lincolnshire 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 Lincolnshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Lincolnshire 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 A1 of this report for further information about responsibilities, limitations and confidentiality.

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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 ending 31st March 2023, which was considered and approved by the JIAC at its meeting on 28th April 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 organisations' 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 Forces' 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 is accordance with the Public Sector Internal Audit Standards (PSIAS).

02 Current progress

2021/2022

Since the last meeting of the JIAC in April 2022 we have issued final reports in regard to Collaboration - EMSOU Wellbeing, Procurement, Contract Management, Seized Property, Future Services Programme & of Medium Term Financial Planning please refer to Appendix 3 for full details.

Summary of 2021/22 plan:

Lincolnshire 2021/22 Audits	Status	Assurance Opinion	Priority 1 (Fundamental)	Priority 2 (Significant)	Priority 3 (Housekeeping)	Total
Wellbeing	Final	Limited	1	2	1	4
Partnerships	Final	Satisfactory	-	2	1	3
Complaints Management	Final	Satisfactory	-	1	-	1
Core Financials	Final	Significant	-	1	2	3
Future Services Programme	Final	Significant	-	-	-	-
Seized Property	Final	Satisfactory	-	2	2	4
Procurement	Final	Limited	1	1	-	2
Contract Management	Final	Satisfactory	-	2	-	2
Medium Term Financial Planning	Final	Significant	-	-	1	1
Collaboration: Wellbeing	Final	Limited	-	4	-	4
		Total	**2**	**15**	**7**	**24**

2022/2023

The delivery of the agreed 2022/23 Internal Audit Plan has started well and we are pleased to inform the committee that the final reports for Archive Management – Follow Up, Estates Management & Risk Management have been issued. See Appendix A3 for full details.

We have also been in touch with key contacts and have agreed dates confirmed in late November to complete the IT audit and also in January to deliver the Core Financials audits and have reached out to book in all remaining audits across quarter 4.

A detailed discussion on the 2022/23 Collaboration Audit Plan was held at the regional CFO meeting with a number of proposals put forward by Internal Audit. It was agreed that the plan should include a total of six audits with the focus being to get this completed earlier in the 2022/23 year. We are pleased to update the committee that the final reports in respect of EMCHRS L&D Governance, EMSOU – Business Continuity and EMSOU – Risk Management have all been completed. Moreover, the draft report for EMSOT Closedown has been issued and the remaining audits of Digital Currency and Performance Management are going through final quality review before being issued. See Appendix 4 for full details.

03 Performance 21/22

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.

Number	Indicator	Criteria	Performance
1	Annual report provided to the JIAC	As agreed with the Client Officer	N/A
2	Annual Operational and Strategic Plans to the JIAC	As agreed with the Client Officer	Achieved
3	Progress report to the JIAC	7 working days prior to meeting.	Achieved
4	Issue of draft report	Within 10 working days of completion of final exit meeting.	77% (7/9)
5	Issue of final report	Within 5 working days of agreement of responses.	100% (9/9)
6	Follow-up of priority one recommendations	90% within four months. 100% within six months.	N/A
7	Follow-up of other recommendations	100% within 12 months of date of final report.	N/A
8	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork.	100% (9/9)
9	Customer satisfaction (measured by survey) “Overall evaluation of the delivery, quality and usefulness of the audit” – Very Poor, Poor, Satisfactory, Good, Very Good.	85% average satisfactory or above	100% (7/7) 1 x Very Good 5 x Good 1x Satisfactory

Performance 21/22

To provide the Committee with further clarity on the status of each audit within the plan below us a suggested further performance information for consideration:

Audit	Date of ToR	Start of Fieldwork	Days' Notice	Exit meeting	Draft Report	Time from Close to Draft Report (10)	Final Management Comments Received	Time to Receive Management Comments	Final Report Issued	Time Taken to issue Final (5)
Wellbeing	18-May-21	16-Aug-21	63	03-Sep-21	10-Sep-21	5	04-Oct-21	16	04-Oct-21	0
Partnerships	02-Aug-21	13-Sep-21	30	13-Oct-21	22-Oct-21	7	17-Dec-21	40	17-Dec-21	0
Complaints Management	19-Aug-21	11-Oct-21	37	02-Dec-21	20-Dec-21	18	19-Jan-22	19**	19-Jan-22	0
Core Financials	06-Oct-21	06-Dec-21	43	13-Jan-22	25-Jan-22	12**	16-Feb-22	16**	16-Feb-22	0
Procurement	14-Dec-22	19-Jan-22	36	18-Mar-22	21-Mar-22	2	16-May-22	41	16-May-22	0
Contract Management	14-Dec-22	19-Jan-22	36	18-Mar-22	21-Mar-22	2	14-Jun-22	62	15-Jun-22	1
Futures Services Programme	08-Nov-21	07-Feb-22	91	21-Feb-22	2-Mar-22	15	31-Mar-22	21	4-Apr-22	2
Seized Property	31-Jan-22	16-Feb-22	16	28-Feb-22	14-Mar-22	10**	20-Apr-22	28	20-Apr-22	0
MTFP	07-Mar-22	23-Mar-22	13	12-May-22	20-May-22	7	14-Jun-22	18	15-Jun-22	1

*Working Days

**Ongoing Comms during this period with extra information provided

Performance 22/23

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.

Number	Indicator	Criteria	Performance
1	Annual report provided to the JIAC	As agreed with the Client Officer	N/A
2	Annual Operational and Strategic Plans to the JIAC	As agreed with the Client Officer	Achieved
3	Progress report to the JIAC	7 working days prior to meeting.	Achieved
4	Issue of draft report	Within 10 working days of completion of final exit meeting.	0% (0/3)*
5	Issue of final report	Within 5 working days of agreement of responses.	100% (3/3)
6	Follow-up of priority one recommendations	90% within four months. 100% within six months.	N/A
7	Follow-up of other recommendations	100% within 12 months of date of final report.	N/A
8	Audit Brief to auditee	At least 10 working days prior to commencement of fieldwork.	100% (9/9)
9	Customer satisfaction (measured by survey) “Overall evaluation of the delivery, quality and usefulness of the audit” – Very Poor, Poor, Satisfactory, Good, Very Good.	85% average satisfactory or above	100% (3/3) 3 x Very Good

*4-7 days over the ten largely caused by Annual Leave & Auditor Study Leave in Aug & Sept

Performance 22/23

To provide the Committee with further clarity on the status of each audit within the plan below us a suggested further performance information for consideration:

Audit	Date of ToR	Start of Fieldwork	Days' Notice	Exit meeting	Draft Report	Time from Close to Draft Report (10)	Final Management Comments Received	Time to Receive Management Comments	Final Report Issued	Time Taken to issue Final (5)
Archives Man-Follow Up	23-Jun-22	1-Aug-22	28	11-Aug-22	02-Sep-22	17	14-Sep-22	9	14-Sep-22	0
Estates Management	4-Jul-22	1-Aug-22	21	16-Aug-22	02-Sep-22	14	14-Sep-22	9	14-Sep-22	0
Risk Management & Assurance Map	25-Jul-22	22-Aug-22	21	14-Sept-22	03-Oct-22	14	27-Oct-22	19	27-Oct-22	0
IT Resilience	12-Sep-22	28-Nov-22	56							
IT Cyber Security	12-Sep-22	13-Feb-23	111							
Core Financials	28-Oct-22	3-Jan-23	48							

A1 2021/22 Plan Overview

Audit area	Planned Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Wellbeing	Aug 21	Sep 21	Oct 21	Nov 21	Final Report Issued
Partnerships	Sep 21	Oct 21	Dec 21	Mar 22	Final Report Issued
Complaints Management	Oct 21	Dec 21	Jan 22	Mar 22	Final Report Issued
Core Financials	Dec 21	Jan 22	Feb 22	Mar 22	Final Report Issued
Procurement	Jan 22	Mar 22	May 22	Sept 22	Final Report Issued
Contract Management	Jan 22	Mar 22	*Jun 22*	Sept 22	Final Report Issued
Future Services Programme	Feb 22	Mar 22	Apr 22	Apr 22	Final Report Issued
Seized Property	Feb 22	Mar 22	*Apr 22*	Sept 22	Final Report Issued
Medium Term Financial Planning	Mar 22	Jun 22	Jun 22	Sept 22	Final Report Issued
IT Governance	TBC			TBC	Deferred to 22/23
IT Benefits Realisation	TBC			TBC	Deferred to 22/23
Information Management	TBC			TBC	Not required

2022/23 Plan Overview

Audit area	Planned Fieldwork Date	Draft Report Date	Final Report Date	Target JIAC	Comments
Follow Up - Wellbeing & Archives Man	Aug 22	Sept 22	Sept 22	Dec 22	Final Report Issued
Estates Management	Aug 22	Sept 22	Sept 22	Dec 22	Final Report Issued
Risk Management & Assurance Mapping	Aug 22	Oct 22	Oct 22	Oct 22	Final Report Issued
Core Financials	Jan 23				
Stock Control	Jan 23				
Sustainability	Feb 23				
Learning & Development	Feb 23				
Data Quality	Feb 23				
Follow Up - Procurement	Feb 23				
Equality, Diversity & Inclusion	Feb 23				
Business Continuity	Feb 23				
Follow Up - Wellbeing & Archives Man	Mar 23				
IT Governance & IT Benefits Realisation	n/a				Following Planning meetings these audits have been combined into an IT Resilience Review
IT Resilience	Nov 22				ToR and Date Agreed
IT Cyber Security	Feb 23				

A2 Reporting Definitions

Definitions of Assurance Levels		
Assurance Level	**Adequacy of system design**	**Effectiveness of operating controls**
Significant Assurance:	There is a sound system of internal control designed to achieve the Organisation's objectives.	The control processes tested are being consistently applied.
Satisfactory Assurance:	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.
Limited Assurance:	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.
No Assurance:	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.

Recommendation Priority	Description
1 (Fundamental)	Recommendations represent fundamental control weaknesses, which expose the Organisation to a high degree of unnecessary risk.
2 (Significant)	Recommendations represent significant control weaknesses which expose the Organisation to a moderate degree of unnecessary risk.
3 (Housekeeping)	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 2021/22

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 2021/22 plan.

Procurement 21/22

Overall Assurance Opinion	Limited

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

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

- There are robust and effective governance arrangements underpinning the Force's arrangements with G4S for delivering the procurement service.
- Procurement activity is governed by Contract Regulations and that these are available to all relevant staff.
- Appropriate guidance and support is provided to staff in regards to the correct processes to follow for procuring goods and services.
- Where contracts have been awarded, their tendering, evaluation and award are in accordance with Contract Regulations
- Best value principles, for example, through the use of quotes, tenders, national and regional frameworks, etc are applied. This includes opportunities for collaborative procurement, including those with other Forces or other local public sector organisations.
- Any variations from the standard procurement practices are effectively controlled and there is appropriate monitoring and oversight of all variations.
- Expenditure with regards to goods and services is incurred in accordance with Contract Regulation and where there is a contract / agreement in place, expenditure is only incurred with these suppliers.
- Requisitions and purchase orders are approved at the appropriate level and in accordance with approved delegated authorities.
- The contracts are signed in line with the schemes of delegation

The objectives of our audit were to evaluate the adequacy and effectiveness of the Procurement function 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 Procurement 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.

We raised one priority 1 (fundamental) recommendation and one priority 2 (significant) recommendation and the detailed recommendation, finding and management response are provided below:

Recommendation 1 (Priority 1)	The Force to investigate these instances and determine the cause of the issue.

	The Force should also consider procurement training for all relevant staff, including guidance on the use of exceptions to the Contract Regulations and the stages required before the service delivery of a contract can begin.
Finding	Audit reviewed a sample of six contracts that underwent the Exceptional Purchase Action (EPA) process as part of our Core Financials review in 2020/21. This is where exceptions to the Contract Regulations are permitted and will usually be for one of the following reasons: ○ Where goods, works or services can only be obtained from one source. ○ Where it is deemed an extreme urgency or. ○ Where the marketplace is limited and/or restricted (e.g. by quality standards). This review found that all six had Contract Award dates after the recorded Contract Start date, indicating the service delivery had commenced prior to the award of a contract. This is a breach of the Contract Regulations, as the exceptions to the Regulations do not permit service delivery for a contract to begin unless authorisation to award the contract on the EPA basis is granted. They also state that any EPA awarded contract will be reported to the Police & Crime Commissioner and JIAC. We followed up this recommendation by reviewing the dates logged for all EPA awarded contracts for 2021. From our review of the contracts awarded in 2021, 58 of 250 (23%) were issued using EPA. The monetary value of this was £2.1m EPA contracts out of £13.4m total contract awards (15%). When reviewing the information recorded regarding the contract award and start dates, we noted 24 EPA awarded contracts that breached the Contract Regulations. This represents 41% of all EPA awarded contracts and 10% of all contract awards. However, in monetary terms, this breaching EPAs totals £1.1m or 52% of all EPA awarded contracts and 8% of all contract awards. The breaches identified include contracts where the service had commenced prior to a contract being awarded. This results in a risk where the Force does not have any contract terms to rely on in disputes. We additionally identified governance failures, where contracts over £25k had not been reported and therefore proper scrutiny and oversight had not been gained. However, it was noted that the Force is now reporting these on an annual basis and therefore these contracts are to be reported on in the future. *Risk:* Non-compliance with the Contract and Procurement Regulations. The Force enters contracts which do not represent value for money for the organisation. The Force enters into contracts which does not fulfil one of the criterions of the exceptions to the Regulation. The Force enters into contracts with unfavourable terms, which exposes Lincolnshire to an unnecessary amount of risk including reputational and financial risk.
Response	The 24 EPA contracts which technically breached the Contract Regulations have been looked into. • 8 of these are below £25k and fall within the scope of a single source approval as opposed to full EPA process. Two originated with the OPCC; 6 from within the force/G4S. Of those 6, all were concerned with the renewal of subscriptions, or license/service contract renewals where this had to be provided by the supplier of the original software or equipment.

	One was for the franking machine renewal, which can only be provided by the Royal Mail. It could be argued that none of these should require an EPA/single source approval as there is no choice in procurement method. The action will be to update the list of circumstances which fall outside the requirement in the Contract Regulations. • 7 related to the appointment of consultancy services to support the FSP and were appointed by the OPCC. Whilst the P600/EPA's were signed off between the 19th/20th January, the contracts commenced on 1st January, reflecting the urgency of commencing the work. The approvals were expedited as soon as possible but were delayed by the Xmas/new year holiday periods. This was an exceptional circumstance and unlikely to be repeated. No further action. • The remaining 9 had approval delayed for a variety of reasons: • 3 originated from LRSP, a collaborative partnership with LCC; • 3 related to apprenticeship/ management training providers where specific training requirements and/or local provision restricted procurement options • 2 were extensions of ICT support contracts for existing software packages which had to be with the software suppliers. Again, there was no choice in provider in these cases, so should be exempted from the requirement. • 1 re: community consultation could have been retendered, but the previous supplier was preferred to maintain the consistency of approach and comparability of results across previous years, thereby adding to the value of the results. It is acknowledged that 7 of these would require an EPA and should have been better managed to sign off the approvals before the service commenced. Director of Finance & Corporate Services to liaise with Procurement/CPT to ensure that service managers raise requests in a timely fashion, allowing prompt approval.
Responsibility / Timescale	DoF&CS/ Head of Procurement – by end of Q1 2022/23

Recommendation 2 (Priority 2)	The Force should ensure that this the Financial, Contract and Procurement Regulations are reviewed and updated, if necessary, as a matter of urgency
Finding	A Financial, Contract and Procurement Regulations ('Contract Regulations') document is in place, which sets out the framework within which Procurement functions and tasks are completed. This was last updated in June 2019 and was due for the next review and renewal in June 2020. However, our previous review over Core Financials noted that this was due for review in January 2021, however the June 2019 version was still published publicly and in circulation at the time of this audit. *Risk:* There is an inconsistent approach to procurement activities. Best practice and updated guidance is not being followed within the Force.
Response	The Regulations have been updated to reflect the end of the G4S contract and will be reviewed by JIAC on 25th April. Approval following JIAC review
Responsibility / Timescale	PCC CFO/ DoF&CS

By end of May 2022

Contract Management 21/22

Overall Assurance Opinion	Satisfactory

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 responsibility for managing individual contracts are clearly defined and communicated across the Force, including where G4S may carry out this responsibility on behalf of the Force.
- Staff responsible for contract management are provided with appropriate guidance, support or training.
- There is an effective contract management framework in place that is underpinned by clear and agreed performance measures.
- Comprehensive and timely management information is provided to the Force / OPCC to enable it to monitor performance of each contract.
- Non-delivery of the service is flagged at the earliest opportunity and actions put in place to address the issues.
- There are clear escalation procedures in place for dealing with non-performance.
- There is a robust monitoring process in place to ensure renewals/extensions of existing contracts are dealt with in a timely manner.
- Where contracts are managed by G4S on behalf of the Force, appropriate plans are in place for the transfer of this responsibility back to the Force.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Contract Management systems 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 Contract Management 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.

We raised two priority 2 recommendations (Significant) and the detailed recommendation, finding and management response are provided below:

Recommendation 1 (Priority 2)	Niche should be updated for the identified items where the property had moved location, been disposed of, or was a duplicate record. Property stores should be reviewed to identify older or pre-Niche items that are not recorded onto Niche so that these can be accurately logged onto Niche.

Finding	All property that is detained should be recorded and logged by the Officer who seized it into the Niche system. Property should also be linked to a crime occurrence and a description of the item provided. Audit reviewed 1126 items of seized property across five stations and found that 15 items were inaccurately recorded (1.3%): • 2 were unable to be located. These had been destroyed and the location not updated on Niche. • 2 were unable to be located and upon review were found to be duplicate records. • 8 could not be located at the time of the audit, however, were found at a later date. These items were in the wrong location. • 3 were noted to be in the store however did not appear on the Niche report for the location. Two of these were firearms, one of which dated to 2014 prior to Niche. *Risk:* Niche does not hold an accurate representation of the actual contents of property stores and items are misappropriated or lost.
Response	A reminder will be sent to all staff who deal with property to be vigilant when making changes to property locations or status. A lot of work has previously been undertaken to ensure pre Niche property has been recorded on the system. It is noted that 2 items were found which were pre-niche in this audit – a total of 0.17% of the sample. Currently the property store contains 46,212 niche property tags, so there is the potential for 79 items of property to be 'unrecorded' if this % is representative. To go through 46,212 items is going to be considerably time consuming. I accept this risk but will ask all staff that as they are undertaking their roles of entering and removing items from the stores they are particularly vigilant to look for any items of property without a Niche number and to address the issue if and when they locate an item.
Responsibility / Timescale	Apr 22 – Business Support Manager

Recommendation 2 (Priority 2)	As part of the property store annual audit process a full review should take place of the armoury and bulk stores in order to confirm that items are not missing property tags. Officers should be reminded of the importance of providing an accurate description of seized property.
Finding	A detained property label is attached to seized property detailing information such as the property description, property reference, crime occurrence reference, and exhibit reference. Smaller items of seized property are usually stored sealed and in evidence bags, however for bulkier items such as firearms, a tag is written and then tied to the item. Audit found that in 1/46 cases of firearms and firearm accessories sampled from an individual station armoury, the label had fell off of a rifle barrel that had been in storage since 2017. As the label was found next to the rifle barrel, we were able to identify and reconcile it. In addition to the above, in 13 cases the property and / or its tag and Niche did not reconcile:

	• 6/13 had inaccurate or missing property descriptions. Four of these cases related to firearms. • 7/13 had Niche property, occurrence, and / or exhibit references on the property tags that did not reconcile to Niche. Risk: Seized property stored is unable to be identified and reconciled back to Niche. Seized property is labelled or described inaccurately leading to safety risks.
Response	As part of the audit process an item of property has to have a property tag number to be identified and therefore this recommendation is already in place. No Further Action Officers to be reminded the importance of an accurate description, via a mail monitor and further discussion to take place with L&D to emphasis in training.
Responsibility / Timescale	n/a

Seized Property 21/22

Overall Assurance Opinion	Satisfactory

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

Our audit considered the following risks relating to the area under review:
Policies, Procedures and Training

- Policies and procedures are in place to ensure that cash/property detained is dealt with in accordance with relevant legislation and the Force's policies and procedures.
- Suitable training is provided to officers and staff to ensure that they are aware of requirements when dealing with seized property.
- An appropriate insurance policy for the handling, retention and movement of cash/property is in place.

Receiving and Recording

- Cash is counted in a secure and controlled environment, with an appropriate level of independent verification.
- Cash/property initially seized is accurately recorded on the property system in line with relevant procedures.
- Appropriate mechanisms are in place to accurately record the movement and disposal of cash/property.

Security Arrangements

- Cash/property is stored securely, with restricted and controlled access to nominated officers and staff.
- Cash/property is transported securely by the appropriate number of authorised officers or staff in line with procedural and insurance requirements.

Disposal of Property

- Physical cash/property is only retained by the Force for the necessary period of time.
- Property is disposed of in an appropriate manner and evidence of the reasons for and method of disposal is retained for confirmation.
- Authorised officers or staff provide approval for the disposal of property in line with relevant procedures.

Property Management

- An appropriate safe audit regime is in place to identify breaches of agreed procedure and confirm cash/property stored.
- Mechanisms for the storage and monitoring of high value items at the Force are in place.

Management Information

- The Force have appropriate reporting tools in place to monitor current and future levels of capacity within the storage space available.
- The Force have appropriate plans in place for the future capacity and provision of seized property.

The objectives of our audit were to evaluate the adequacy and effectiveness of Seized Property management 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 Seized Property 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 two priority 2 recommendations (Significant) and the detailed recommendation, finding and management response are provided below:

Recommendation 1 (Priority 2)	The Force should ensure that written procedures and guidance documents are developed and published for contract management. Once created these should be effectively communicated to those responsible for managing contracts.
Finding	The Financial, Contract and Procurement Regulations ('Contract Regulations') document is in place, which sets out the framework within which Finance functions and tasks are completed. We would then expect a detailed set of written procedures and guidance documents to be in place to support the specific tasks that are required to be carried out. These provide an easy way for staff to understand how to carry out functions and ensures resilience if key staff are on leave or have left the Force. Audit has been able to review these documents from G4S, however audit has not been presented with relevant policies or guidance notes for contract management at the Force and therefore have no evidence that such documents exist. *Risk:* There is an inconsistent approach to contract management activities. Best practice and updated guidance are not being followed within the Force.
Response	Given that a full restructure of both the Finance and Commercial Partnership Team is to take place before September 2022 (start date of consultation 14th June 2022), both this recommendation and 4.2 will be addressed following implementation of the new structure. Contract Management will change in 22/23 post the strategic partnership with G4S. Once the new structure has been implemented, revised procedures and guidance will be developed and appropriate training will be given. BLC have been commissioned to provide a training package for 12 months for members of the new Commercial function.
Responsibility / Timescale	Director of Finance & Corporate Services/ Head of Commercial & Contract Management Revised procedures – by 31 March 2023 Training – ongoing, to commence in September 2022

Recommendation 2 (Priority 2)	The Force should ensure that appropriate training and guidance is developed, scheduled and provided to all staff with responsibilities for Contract Management.
Finding	From our audit work, we have found that there has been no specific training undertaken for contract management, except for sessions carried out at the initiation of the G4S Partnership regarding specific penalties and enforcement clauses within that specific Service Delivery Agreement. We have noted that the Force is considering providing training as part of work being carried out with Blue Light Commercial, with this planned to be rolled out following the transfer of services from G4S Partnership. *Risk:* There is an inconsistent approach to contract management activities. Best practice and updated guidance are not being followed within the Force.
Response	Same as above

Responsibility / Timescale	Same as above

We also raised two recommendations of a housekeeping nature:

- Where errors are found staff should be made aware so that recurring errors are avoided. In addition, should repeat offenders be highlighted then targeted training should be provided.

Management accepted the above recommendation and would look to embed the culture of challenging errors rather than rectifying them directly.

- The Force should produce management information reports on seized property capacity across the current stores being utilised. These reports should then be used to assist in the planning of future seized property capacity and provision.

“The Niche team have produced a dashboard for the Region where as a Force we have some limited data. However, this data is not used to plan storage provision. This is done from a dynamic visual physical assessment based on the type and quantity of property held at each location. Observation noted but no further action to be taken”

Medium Term Financial Planning 21/22

Overall Assurance Opinion	Significant

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

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

Financial Plans

- An effective and informed medium term financial plan (MTFP) is in place to ensure that a comprehensive review of the OPCC and Force's financial position for the current and future years is undertaken and reviewed on a regular basis.
- The MTFP and financial planning process is aligned with key strategies and priorities of the OPCC and Force.
- Responsibility for creation, review and sign off of MTFP is defined and controls are in place to ensure these responsibilities are discharged effectively.
- Appropriate assumptions are made as part of the planning process.

Efficiency Savings

- Efficiency Savings are incorporated into the MTFP and these savings are monitored on a regular basis.
- Procedures and guidance are available to support the effective delivery of the savings programme, including the methodology / rationale for calculating and justifying the proposed savings.
- Responsibilities for the delivery of individual savings targets are agreed and understood.
- There is a rigorous process for challenging the proposed savings targets, including their subsequent approval.
- Processes exist to enable management to highlight potential failure to deliver efficiency savings and action taken accordingly.

Budget Management

- MTFP is regularly monitored to ensure financial performance is aligned with ongoing budget management and monitoring procedures.

Budget Variances

- Budget shortfalls/ variances to budget projections are recognised as part of the MTFP process.
- Shortfalls and variances are monitored and the MTFP updated accordingly as these occur through the financial year with future impact on deliver of the overall plan assessed.
- There are sound controls over the use of budget virements, which are in line with the Force Financial Regulations.

Management Information

- Regular monitoring is undertaken to enable timely management information to be produced to assess performance and accuracy of the MTFP.
- Budgets are loaded onto the finance system in a timely manner and updated as the year progresses in line with budget change decisions.
- Changes to the budgets on the system are appropriately authorised.

Previous Audit Recommendations

- Recommendations raised in the previous review have been implemented.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Medium Term Financial Planning process 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 Medium Term Financial Planning 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.

We raised one priority 3 recommendation of a housekeeping nature:

- The Force should implement formal 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.

Management agreed with above recommendation and with the restructure of Finance teams would implement the above by 31st March 2023.

Collaboration: EMSOU Wellbeing 21/22

Overall Assurance Opinion	Limited

Recommendation Priorities	
Priority 1 (Fundamental)	-
Priority 2 (Significant)	4
Priority 3 (Housekeeping)	-

Since 2015/16 all Forces in the East Midlands have agreed to allocate internal audit time to provide assurance over the collaborative arrangements that are in place across the region. Over the first two years Internal Audit have undertaken high level reviews of the governance arrangements within most of the regional collaboration units. A change of approach was made in 2018/19 when thematic reviews were carried out by audit and were carried out across a sample of regional collaboration units. The approach for 2021/22 has been for more targeted audits within each collaboration unit. Through review of each unit's risk register a focused risk-based approach to the Collaboration audits has been planned.

As part of this review, we have carried out an audit of the process in place within the East Midlands Special Operations Unit (EMSOU) in respect of Wellbeing. The specific areas that formed part of this review included: Governance, Strategy & Policies, Implementation Plans, Feedback & Monitoring and Lessons Learned.

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

Governance

- Governance arrangements for Wellbeing are clearly defined, including roles and responsibilities, risk management processes, decision making and reporting arrangements.
- There is consistency and a clear line of reporting between the Forces' and the collaboration unit.

Strategy and Policies

- The Wellbeing Strategy is aligned to the Forces Strategic aims and is regularly reviewed and updated.
- The collaboration unit has appropriate Policies and Procedures with regards to Wellbeing that are aligned to the Forces', which provide clear direction as to the processes to be followed.

Implementation Plans

- The collaboration unit has robust implementation plans that are aligned to strategic objective and future needs.

Feedback and Monitoring

- There are robust monitoring processes in place to ensure that the collaboration unit has up to date and accurate Wellbeing data in place.
- Training needs analysis performed by the unit captures Wellbeing related data for Officers and Staff.
- The unit identify high risk business areas where Staff / Officer Wellbeing is most impacted and have developed plans to address this.
- Actions to address areas of weakness are set, monitored and reviewed to confirm the weaknesses have been addressed. These are incorporated within action plans, to support the achievement of short / medium / long term Wellbeing targets.
- Regular Management / Performance Information reports are produced in relation to Wellbeing and are shared at appropriate governance meetings, including alignment to the Forces'.

Lessons Learned

- Where issues are identified in projects / works for Wellbeing, evaluation of the issues takes place and improvements are made to existing processes so that the issues are not repeated in future Wellbeing projects / works.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Wellbeing processes at EMSOU 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 Wellbeing process at EMSOU 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 four priority 2 (significant) recommendations and the detailed recommendation, finding and management response are provided below:

Recommendation 1 (Priority 2)	The Unit should update the Wellbeing Board Terms of Reference and Wellbeing Strategy to include details of the roles, responsibilities, risk management processes, decision making processes and reporting arrangements relevant to Wellbeing.
Finding	Audit has reviewed the Unit's Wellbeing Board Terms of Reference and the Unit's Wellbeing Strategy; noting that neither documents include information regarding the roles, responsibilities, risk management processes, decision making processes and reporting arrangements relevant to Wellbeing. *Risk*: The Wellbeing governance bodies cannot properly execute their functions as roles, responsibilities and processes are not clearly defined.
Response	The roles and responsibilities of people involved haven't been clearly defined as there isn't a dedicated resource and these people are volunteers alongside their day job. Also EMSOU employees also have a lead force employment model and forces ask us to use that resource rather than creating our own internal roles. It was also felt formalising this may detract people from volunteering. However, It is recognised as a risk and a hybrid model though the current HR review is proposed to address this. The plan is to move HR resources around to provide a dedicated lead that covers HR and Wellbeing. There will also be a THEMATIC lead appointed from our SLT management team to lead in Wellbeing (Management Away day actions can be provided to show this has been progressed at the last two SLT away days). Both these roles will then feed into the Senior HR advisor in EMSOU HR as the strategic lead and link into command. Once finalised a structure chart can be produced that will clearly outlines roles and governance.
Responsibility / Timescale	May 22 Director of Corporate, Forensic and Technical Services

Recommendation 2 (Priority 2)	The Unit to consider using implementation plans for wellbeing projects to allow tracking of actions, issues and benefits; as well as ensuring appropriate governance structures are in place.
Finding	Discussion with the HR Business Partner indicated that implementation plans are not used for wellbeing projects within EMOU as there are so few wellbeing projects initiated from within EMSOU. Projects that affect EMSOU that are initiated from Home Forces (mainly Leicestershire) do include implementation plans. Audit subsequently reviewed documentation and communication regarding several Wellbeing projects to confirm that these have taken place. From this review and subsequent discussion with the HR Business Partner, we have confirmed that formalised implementation plans were/are not in place. *Risk*: Wellbeing projects are not completed effectively as actions, issues and benefits are not appropriately monitored/delivered.
Response	Although we don't have dedicated Wellbeing implementation plans, we do have Project initiation Documents that we are promoting for the use of projects throughout the fabric of EMSOU. It is felt to have a universal form will promote people to use it for a multitude of reasons and become familiar with it. With the new structure proposal we will do some further communication to launch these

Responsibility / Timescale	Immediate Director of Corporate, Forensic and Technical Services

Recommendation 3 (Priority 2)	The Unit should utilise workforce analysis, specifically regarding any required support, Training Needs and High-Risk Business Areas, to identify training and interventions that may be most helpful.
Finding	The Unit has a diverse range of roles with impacts on the wellbeing of staff coming in varying degrees from the role and from non-work related factors. Therefore, understanding the wellbeing needs of the unit is important to delivering an effective and efficient wellbeing provision. Following discussion with the HR Business Partner, it was noted that the unit does not carry out analysis of departments/divisions to identify those at high risk of poor wellbeing and/or any required/requested training needs. *Risk*: Wellbeing projects do not deliver value for money as they are not targeted towards the needs of the workforce.
Response	In EMSOU we have worked with the Institute for Public Safety, Crime and Justice at the University of Northampton on staff surveys as well as the College of Policing conducting a peer review. We did the original one a few years ago and have been waiting for the effects of COVID to reduce so we can benchmark against the original to see if there are any improvements or new areas of risks. These can be provided and are very in-depth with a lot of analysis completed by them and fed into the EMSOU delivery plan.
Responsibility / Timescale	May 22 Director of Corporate, Forensic and Technical Services

Recommendation 4 (Priority 2)	The Unit to utilise data from available systems and external service providers to identify trends related to wellbeing and assess the effectiveness of wellbeing projects and/or actions.
Finding	It is good practice to utilise necessary data when considering Wellbeing issues, trends and opportunities. This data is usually already collected as part of other Human Resources processes, e.g. reasons for being absent/taking sick leave. Additionally, this information can be collected by external service providers (i.e. employee assistance programmes) and be reported within management information. However, a review of the Unit's governance body's agendas and minutes indicated that this information was not presented to the Wellbeing Board and that Wellbeing management information had not been provided to the Unit. Audit noted from the reviews of the Home Force's Wellbeing processes that Wellbeing data can be and is produced for presentation at governance bodies, including information provided by external suppliers. *Risk*: Initiatives and actions recommended by Wellbeing Board are not guided by the latest data and are not effective.
Response	We have a performance project and team that is building a data lake to provide One Single Version of the truth for our data and then to be produced into Power Bi dashboards that can be analysed for trends and issues etc. HR and Wellbeing data is to form part of this so we can have accurate HR info into our data lake that we can then present and interpret.

Responsibility / Timescale	May 22 Director of Corporate, Forensic and Technical Services

Summary of Reports 2022/23

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 2022/23 plan.

Archives Management Follow Up 22/23

Overall Assurance Opinion 20/21	Limited
Overall Assurance Opinion 20/21	Satisfactory

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

We have undertaken a follow-up review of the controls and processes in place in respect of archives management, which has included an update of the assurance of the control effectiveness in the environment, and an update on recommendations made in our 2020/21 review.
Our audit considered the following risks relating to the area under review:

Policies, Procedures and Training
- Policies and procedures are in place to ensure that archived items are dealt with in accordance with relevant legislation and the Force's policies and procedures.
- Suitable training is provided to officers and staff to ensure they are aware of requirements when dealing with the retention of items.

Receiving and Recording
- Items to be archived are accurately recorded on the property system in line with relevant procedures.
- Appropriate mechanisms are in place to accurately record the movement of any archived items.

Security Arrangements
- Archived items are stored securely, with restricted and controlled access to nominated officers and staff.
- Archived items are transported securely by the appropriate number of authorised officers or staff in line with procedural and insurance requirements

Disposal of Items
- Archived items are only retained by the Force for the necessary period of time.
- Archived items are disposed of in an appropriate manner and evidence of the reasons for and method of disposal is retained for confirmation.
- Authorised officers or staff provide approval for the disposal of archived items in line with relevant procedures.

Property Management
- An appropriate audit regime is in place to identify breaches of agreed procedure and items have been archived correctly.

Oversight & Scrutiny
- Mechanisms for monitoring the level of archives at the Force are in place and these are regularly reported and reviewed to ensure compliance with procedures, level of archives in use/required is monitored.

The objectives of our audit were to evaluate the adequacy and effectiveness of the management of archives management 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 Lincolnshire archive management 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 raised two priority 2 (significant) recommendations and the detailed recommendation, finding and management response are provided below:

Recommendation 1 (Priority 2)	During our previous audit, a recommendation was raised with regards to an inconsistent approach to the recording of contents of archived items on Transearch. Since the prior audit, we note that it is now the responsibility of CJU to document the contents of each archive entry, as outlined in the CJU Finalisation/Barcoding Standard Operating Procedure. Audit reperformed testing on archived items processed since our last audit to confirm the accuracy of the system. From our review we found in 1/10 samples that the contents of the item were not accurately recorded. From review of the archive items entered onto Transearch by CJU, we noted that only two individuals had processed items onto Transearch. Through discussions with the Record Archives Supervisor and Prosecutions Manager, we were informed that for both these individuals this process was not their primary role. Furthermore, we were informed by the Prosecutions Manager that the process of recording the contents of archive items upon receipt onto Transearch was planning to be moved to the Archives team at Gainsborough. This will be within the next three months. This appears to be a reasonable improvement to ensure that the process of receiving, recording and archiving items is streamlined and accurately conducted. Risk: Evidence is either misappropriated or lost that cannot be recovered, as there is no record of the contents of the archived item(s). The Force is unaware of the evidence it holds in relation to each crime. A potential data breach risks the reputation of the Force and large fines levied by the Information Commissioner's Office (ICO).
Finding	The Force should deliver refresher training to those responsible within CJU for recording the contents of items onto Transearch to ensure they are complying with the procedure
Response	From 1st October 2022 the Central Archive team will take over the responsibility for the whole of the Finalisations process from CJU. Training and a standard operating procedure have been provided for this which includes recording the contents of each archived item. Due to the above imminent change there are no plans to provide refresher training to staff within CJU.
Responsibility / Timescale	1st October 2022 – Central Archive team.

Recommendation 2 (Priority 2)	The Force should ensure that GDPR related audits are conducted on an annual basis as per the Review, Retention, and Disposals of Information Policy (PD54). The Force should extend the audit regime it currently has in place to encompass the management of archived items within its scope. This audit may include performing the following additional tests noted within the finding, although that is not an exhaustive list.
Finding	During our previous audit, a recommendation was raised with regards to the thoroughness and frequency of the Force's audit regime pertaining to Archives Management. From discussions with the IMU Security and Vetting Manager, we note that, due to a lack of auditor resource available at the Force, the scope of the audit regime has not been extended to include our recommendations, which included: • Sample test new items to confirm these have processed correctly, so that the barcode and crime number reconciles to the Transearch record, the location is accurate, and the contents of the item have been correctly recorded. • Test a sample of items that have either been moved or taken out the Archives store to confirm their location is accurate and the Archives team are aware of where they are; and • Confirm for a sample of items on the destruction list that these can be traced to the disposal schedule and both the record of the item and the physical copy of the item has been disposed. As per the Review, Retention and Disposal of Information Policy (PD 54), every 12 months, an RRD audit should be undertaken on a sample of information records to ensure these are compliant with GDPR and are being reviewed in accordance with the MoPI guidance. It is the responsibility of the Information Manager to oversee this process and ensure any highlighted weaknesses are addressed and good practices reinforced. We were provided with an audit report published February 2022 which covered the period January 2021 – January 2022. As per the policy, the audit tested 100 records for GDPR compliance, as well as compliance with MoPI requirements. From the 100, the Force report 100% compliance against major issues and 98% compliance against minor issues. The two minor issues related to insufficient oversight of non-deletion records, and subsequently two recommendations were raised, one relating to dip sampling of non-deletion records to test compliance, and the other related to the retention of juvenile photographs where an adult photograph exists and substantial changes in the individual's appearance had occurred. We note that this report was presented to the Information Management Board. However, at the time of the previous audit it was noted that the next audit was due for completion in June 2020 but had not been completed. We were informed that this was due to be completed by the end of the year (2020). Through discussions with the Security and Vetting Manager, we were informed that there has been no audit conducted by the Force between the one tested

	during this internal audit and that tested during the last audit. As such, only one audit has been completed in the past 36 months (August 2019 to present), which is non-complaint with the 12 monthly requirement. *Risk:* There are insufficient mechanisms in place to identify non-compliance in the management of archived items.
Response	The Central Archive is to be added to the December audit every year from December 2022 onwards. A visit has been arranged to the archive by the audit staff for 12th October 2022 to discuss this year's audit
Responsibility / Timescale	December 2022 – IMU Audit staff.

Estates Management 22/23

Overall Assurance Opinion	Satisfactory

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

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

- There is a comprehensive and approved Estates Strategy in place which is aligned with strategic and medium / long term objectives of the OPCC and Force.
- The Estates Strategy is in line with the approved budget and is aligned with a fully costed and approved stock condition survey.
- Delivery of the Estates Strategy is supported by an agreed implementation plan / programme of work including the disposals of estates assets.
- Capital works are carried out in accordance with the implementation plan / programme of work including the use of capital receipts from disposals.
- Non-delivery of the capital programme is flagged at the earliest opportunity and actions put in place to address the issues.
- Effective processes have been put in place for the delivery of day-to-day / reactive maintenance work.
- Budget control processes ensure that actual spend is in accordance with the approved budget.
- Joint working arrangements with the Fire service have clear and defined agreements in place that have been subject to appropriate levels of scrutiny and authorisation.
- Management information is available to enable effective monitoring of performance against the capital programme and delivery the reactive maintenance service.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Estates Management systems 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 Estates Management 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.

We raised two priority 2 (significant) recommendations and the detailed recommendation, finding and management response are provided below:

Recommendation 1 (Priority 2)	The Force should review how management information reports can be re-implemented in order to monitor performance trends related to reactive maintenance.
Finding	The progress of the Capital Building Works Programme is reported to the Asset Management Group (AMG) on a quarterly basis through a monitoring spreadsheet.

	Until the cessation of the G4S contract in March 2022, management information reports were produced for reactive maintenance. These showed the total number of requests for maintenance in each month, and the percentage that had been completed promptly. Audit requested recent management information reports, and these were only available for up to May 2022. *Risk*: Management are unaware of the overall performance of reactive maintenance work and are unable to compare trends of performance over time.
Response	A new Head of Asset & FM commenced in post on 01/09/2022 – a review of the previous management reports will be undertaken to assess the value of producing such reports and will re-implement as required.
Responsibility / Timescale	Head of A&FM 31/12/2022

Recommendation 2 (Priority 2)	The Force should ensure that stock condition surveys are undertaken in line with the Asset Condition Survey Programme.
Finding	There is an Asset Condition Survey Programme in place for 2016/17 to 2020/26. The Force aims to survey a minimum of 20% of the estate each year. Upon review of the Programme, we noted that only 3/18 of the properties last surveyed in 2016/17 had received a stock condition survey since. Based on the Programme, these properties should have received a survey in 2021/22. During discussions with the Estates Manager, it was stated that these will be completed by the end of the current financial year. *Risk:* The Force is unaware of the condition of its properties leading to unexpected costs being incurred.
Response	A new Head of Asset & FM commenced in post on 01/09/2022 – a review of the Condition Survey process will be undertaken to ensure alignment with agreed process
Responsibility / Timescale	Head of A&FM 31/03/2023

We raised two priory 3 recommendations of a housekeeping nature:

- The Force should ensure that hiring a Head of Assets & Facilities position is prioritised. A staff member should be allocated responsibility for updating the Estates Management Plan for 2023/24.
- The (Asset Management Group) AMG decision log should be updated promptly after each meeting. The minutes / transcribing of the AMG should be readily accessible and available for review. Management agreed with the recommendations and timetable for implementation was November 2022.

Management accepted the recommendations and the new Head of A&FM will complete these by End of Dec 22.

Risk Management & Assurance Framework 22/23

Overall Assurance Opinion	Significant

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:

- Poorly formulated strategy providing insufficient guidance.
- Risk management is not co-ordinated leading to poorly managed risk.
- Operational risk management is not defined or poorly co-ordinated.
- Insufficient training is provided on risk management.
- Risks are not embedded at an operational level.
- Risks are not embedded at a strategic level.
- Risks are inconsistently scored and inconsistently managed as a result.
- Risk actions are not tracked appropriately.
- Risks are not embedded throughout the Force / OPCC.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Risk Management & Assurance Mapping systems 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 Risk Management & Assurance Mapping 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.

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

Recommendation 1 (Priority 2)	The Force Risk Management Strategy should be updated to include the definition of assurance maps and roles and responsibilities for completing them. The Force should ensure that assurance maps are completed in compliance with the template and are updated on a regular basis.
Finding	The OPCC produces a Joint Assurance Map with the Force, which currently consists of seven operational assurance maps in areas such as Custody and Crime. Leads have been identified at the Force who are responsible for managing assurance maps within their departmental area. Upon review of the Force and OPCC Risk Management Strategies (RMS) we noted that only the OPCC RMS includes specific reference and a definition for the maintenance of the assurance maps.

	We found that the OPCC RPO has produced detailed guidance and a template for departmental leads producing assurance maps. However, based on review of assurance maps and Joint Assurance Review (JAR) meeting notes, we noted that some assurance maps have not been completed on a consistent basis. At the time of the audit, we found that the assurance maps listed below had not been updated since the following dates: • Custody – May 2021 • LP West – October 2021 • Crime – February 2022 We also noted that in some cases, assurance maps have not all been completed in compliance with the guidance and template. For example, the Crime and LP West assurance maps do not include dates in the 'Key Issues' section of the template. *Risk:* Assurance maps updated inconsistently or in an untimely manner leading to management being unaware of key issues.
Response	NOTE: The Joint Assurance Map and its associated processes, as described in this audit report, are no longer in use. As of the 20th September 2022 the force are developing a new, independent assurance mechanism. The RPO will make appropriate changes to the OPCC risk management strategy to align with the new assurance processes, once implemented by the Force.
Responsibility / Timescale	RPO (Date dependent on force implementation schedule.)

We raised two priory 3 recommendations of a housekeeping nature:

- The Force and OPCC should consider producing a training plan / matrix defining exactly what risk management training is required for all levels of staff.

Management agreed with the recommendation and steps have been taken to implement the above.

- The Force should undertake a review into the current risk management system and consider whether implementing an IT based risk management system would be beneficial.

Management agreed with the recommendation and options are being explored for finalisation in January 24..

Collaboration – EMSLDH Governance 22/23

Overall Assurance Opinion	Significant

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

EMSLDH is a specialist learning and development hub, which supports the transformation of professional policing practice. It consists of thematic leads for initial police learning and pathways into policing, crime and criminal justice, ICT and digital innovation. Since the original inception in 2013, namely East Midland Collaboration Human Resources Services Learning and Development (EMCHRS L&D), EMSLDH remains the largest police Learning and Development collaboration. The collaboration provides strategic learning and development support to Derbyshire, Leicestershire, Northamptonshire and Nottinghamshire.

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

- There is a Section 22 agreement in place to deliver the EMSLDH that sets out, amongst other elements, the following:
  - Decision-making and governance framework;
  - Accountability;
  - Financial / funding;
  - Workforce arrangements;
  - Legal duties; and
  - Performance and reporting.
- The corporate governance framework is supported by policies and procedures, such as a decision making framework and scheme of delegation and that these are appropriately communicated and monitored for compliance.
- The governance forums within the collaboration unit have clear terms of reference, agendas, meeting minutes or action logs.
- The roles and responsibilities of senior officers and staff within the Collaboration unit are clearly defined, particularly regarding their decision making responsibilities.
- Decisions are made in accordance with the governance framework in a clear and transparent manner, supported by the appropriate levels of relevant and timely information.
- There is appropriate oversight and scrutiny of the collaboration unit performance by the Forces that make up the collaboration unit, including annual reports against the objectives set out in the unit's strategy/business plan.

We are only able to provide an overall assessment on those aspects of the EMSLDH Governance 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 are only able to provide an overall assessment on those aspects of the EMSLDH Governance 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.

We raised two priory 3 recommendations of a housekeeping nature:

- EMSLDH should consider adding sections to the Section 22 Collaboration Agreement in respect of decision-making, legal duties, workforce arrangements, and performance and reporting where applicable.

- Decision-making responsibilities should be added to the EMSLDH Organisation Governance Chart for senior management.

Management agreed with the recommendations and timetable for implementation was November 2022.

Collaboration – EMSOU Business Continuity 22/23

Overall Assurance Opinion	Satisfactory

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

We have carried out a follow up audit of the EMSOU Business Continuity review conducted as part of the 2019/20 internal audit plan to confirm that previous recommendations for improvements to the control framework have been embedded

Our review considered the following risk areas:

- Recommendation raised in the 2019-20 Internal Audit Report have been addressed and embedded

Roles and Responsibilities

- Roles and responsibilities in respect of Business Continuity across the unit 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 is applied across the unit.
- There is clear identification of critical functions within the unit.

Plans

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

Business Continuity Test Plans

- The Business Continuity 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 processes and there is opportunity for effective challenge and scrutiny.

The objectives of our audit were to evaluate the adequacy and effectiveness of the business continuity arrangements 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 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.

We raised one priority 2 recommendation of a significant nature. Full details of the recommendation and management response are detailed below:

Recommendation 1 (Priority 2)	EMSOU should introduce a testing schedule whereby its business continuity plans will undergo regular testing.

Finding	From our testing, we noted that there was a lack of regular testing to ensure that the Business Continuity Plans remain fit for purpose. We found that there were plans for EMSOU to be included on the Nottinghamshire testing schedule for business continuity however, there have been significant delays in this being implemented. As per the previous recommendation 3.3, the lack of a testing schedule for business continuity plans was a previously identified weakness. *Risk: The Business Continuity Plans are not fit for purpose.*
Response	It was originally intended that EMSOU BC tests would fall within the Nottinghamshire Police calendar. However, due to workload this has not been possible. Going forward EMSOU will now set up its own testing calendar with assistance from Nottinghamshire Police. This will ensure that all areas of EMSOU business are routinely tested. Each HOD & the Head of Unit will be consulted during the testing calendar.
Responsibility / Timescale	Oct 22 BSU Manager

Collaboration – EMSOU Risk Management 22/23

Overall Assurance Opinion	Satisfactory

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

The audit objectives are to provide assurance that:

- Procedures are in place to ensure that risks relating to the unit are identified; assessed; recorded; and, appropriate risk owners are assigned.
- Responsibility for risk, both in terms of supporting the overall risk management process across the unit and individual risk owners, is delegated and understood.
- Risks are managed, where appropriate, at all levels of service delivery:
    - Strategic
    - Operational
    - Contracts
    - Projects
- Risk registers are in place and are adequate and reasonable in terms of risk scoring, documented mitigation and action plans
- The risk register is subject to regular review and is updated in a timely and consistent manner.
- Risk mitigation actions are in place and there is evidence they are monitored to ensure tasks are completed within agreed timescales.
- Appropriate oversight and reporting arrangements are in place and are working effectively.
- Collaboration unit risk registers are aligned with individual Force registers, including how risks are escalated and reviewed, ensuring that duplication is minimised.
- The extent to which risk registers are routinely shared with Force risk managers in order to ensure there is awareness across the region of the risks collectively being faced and how those risks are being mitigated.

The objectives of our audit were to evaluate the adequacy and effectiveness of the Risk Management systems 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 Risk Management 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.

We raised one priority 2 recommendation of a significant nature. Full details of the recommendation and management response are detailed below:

Recommendation 1 (Priority 2)	EMSOU should review its Risk Management policy and include additional detail to the policy about the process of the allocation of risk owners. The policy should also be updated to clearly state the risk registers that should be in place and how risk registers should be aligned across the unit. In addition, there should be greater detail added to the policy in regard to the process for the escalation of departmental risks.

A4 Collaboration Internal Audit Plan 21/22

Audit area	Forces	Status
EMSOT Risk Management	Leics, Lincs, Northants	As noted in section 02 EMSOT audits to be adapted and deferred into 22/23
ESMOT Business Plan	Leics, Lincs, Northants	As noted in section 02 EMSOT audits to be adapted and deferred into 22/23
EMCHRS L&D Governance	Derby, Leics, Northants, Notts	As noted in section 02 to be deferred into 22/23
EMCJS Performance Management	Leics, Lincs, Northants, Notts	Cancelled, as noted in section 02
EMSOU - Business Continuity	Five Force	As noted in section 02 to be deferred into 22/23
EMSOU - Wellbeing	Five Forces	Draft Report Issued
EMSOU Risk Management	Five Forces	As noted in section 02 to be deferred into 22/23
Asset Management (EMCJS)	Leics, Lincs, Northants, Notts	Cancelled, as noted in section 02

Collaboration Audit Plan 2022/23

Audit area	Forces	Status
EMSOT Closedown	Leics, Lincs, Northants	Draft 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

Audit area	Forces	Status
Collaboration Performance Management	Five Forces	Fieldwork Completed
Digital Currency	Five Forces	Fieldwork Completed

A5 Statement of Responsibility

We take responsibility to Lincolnshire Police and the Office of the Police and Crime Commissioner for Lincolnshire 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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