



**POLICE & CRIME
COMMISSIONER**
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**Leicestershire
Police**

Protecting our communities

Meeting: **JOINT AUDIT, RISK & ASSURANCE PANEL**

Time/Date: **MONDAY 13 MAY 2013 – 9.00 A.M.**

Location: **SNOOKER MEETING ROOM, POLICE HEADQUARTERS**

Officer to contact: **PETER LEWIS, CHIEF FINANCE OFFICER (Tel: 0116 229 8980)**

AGENDA

<u>Item</u>	<u>Report of</u>	<u>Marked</u>
1. Apologies		
2. Urgent Business		
3. Declarations of Interest		
4. Minutes of the meeting held on 12 March 2013 (attached)		
5. Welcome		
6. Internal Audit Progress Report	Mr D Harris / Mrs S Lane	A
7. External Interim Audit Report 2012/13	Mr M Jones/ Mrs S Bagnall	B
8. Closedown of Accounts 2012/13	Finance Director	Oral report
9. Risk Management – Corporate Risk Register Action Plan	Chief Finance Officer	C
10. Risk Management – Assurance Framework	Chief Finance Officer	D
11. Police & Crime Plan 2013-17– Update	Chief Finance Officer	E
12. JARAP Handover Arrangements	Chief Finance Officer/ Finance Director	F (to follow)

13. Dates of forthcoming meetings:

- 28 June 2013 at 1pm
- 24 September at 2pm
- 3 December 2013 at 1pm
- 28 January 2014 at 1pm

Interim Panel Members

Mrs W Martin
Mrs D Newton
Mr D Prince
Mrs A Roberts

Office of Police & Crime Commissioner

Mr P Stock (Chief Executive)
Mr P Lewis (Chief Financial Officer)

Office of Chief Constable

Mr S Edens (Deputy Chief Constable)
Mr P Dawkins (Finance Director)

Auditors

Mr D Harris (RSM Tenon)
Mrs S Lane (RSM Tenon)
Mrs S Bagnall (PricewaterhouseCoopers)
Mr M Jones (PricewaterhouseCoopers)

OFFICE OF THE POLICE AND CRIME COMMISSIONER

Minutes of a meeting of the Joint Audit, Risk and Assurance Panel (JARAP) meeting held at Police Headquarters, Enderby at 9.00 a.m. on Tuesday 12 March 2013

Present

Mr D Prince (Chair), Mrs W Martin, Mrs D Newton, Mrs A Roberts, Mr P Lewis (Chief Finance Officer), Mr S Edens (Deputy Chief Constable), Mr P Dawkins (Director of Finance), Mrs A Perry, (Head of Governance), Mr M Humphrey, Mr D Harris and Mrs S Lane (RSM Tenon) and Mr M Jones and Mrs S Bagnall, (PricewaterhouseCoopers).

01/13. Apologies

Apologies were received from Mr Mark Jones, (PricewaterhouseCoopers).

02/13. Urgent Business

There was no urgent business.

03/13. Declarations of Interests

The Chair invited members who wished to do so to make declarations of any interests in respect of items on the agenda for the meeting.

No such declarations were made.

04/13. Minutes of the meeting held on 13 December 2012

With the amendment to the word 'qualified' in the second paragraph in 09/12 to read 'unqualified', the minutes of the meeting held on 13 December 2012, having been previously circulated, were confirmed as a correct record and duly signed.

05/13. Terms of Reference

The Panel considered a report of the Chief Finance Officer seeking agreement to the amendment of the Joint Audit, Risk and Assurance Panel Terms of Reference for recommendation to the Executive Board. A copy of the report marked 'A' is filed with the minutes.

Members suggested an amendment to para 6.2 where the word 'Office' be inserted in the last sentence prior to the words 'PCC' and 'Chief Constable'.

With this amendment the Panel RESOLVED to approve the Terms of Reference for presentation to the Executive Board on 26 March 2013 for endorsement.

06/13. Internal Progress Report

The Panel considered a report of the internal auditors, RSM Tenon, providing an update on the work completed to date against the internal audit plan for 2012/13. A copy of the report marked 'B' is filed with the minutes.

The Chairman requested that the Panel's complicity in the timing of the workstreams outlined in the Plan be recorded.

The Panel was pleased to note the comment that no weaknesses have been identified within the reports that will result in a qualified Head of Internal Audit Opinion.

The Panel RESOLVED to note the update of the progress report and requested that a further progress report on firearms be provided to the next meeting.

07/13. Internal Audit Strategy 2013/14

The Panel considered a report of the Chief Finance Officer presenting the approach taken to develop the internal audit strategy for 2013/14 to 2015/16 and the annual plan for 2013/14. A copy of the report marked 'C' is filed with the minutes.

The Chief Finance Officer highlighted the focus of the Strategy on the change programme of the reduction of time spent on systems.

The Chairman questioned the timing of the audit of integrity and standards currently scheduled for 2015/16. The Chairman made the point that this was an important area of business and the audit may need to be advanced. It was agreed that this be considered during the assurance mapping work which would be undertaken.

Members questioned data quality and why this audit was not being undertaken in the current year to provide assurance to the PCC and Chief Constable regarding recording and data quality. It was agreed that this was another area which would be addressed throughout the assurance mapping work which would identify the high risk areas and inform the prioritisation of the schedule of work.

The Chief Finance Officer confirmed that the Police and Crime Commissioner was responsible for the treasury management policy and that the policy would be reviewed annually at the time of budget setting and six monthly thereafter at the Executive Board. The Chairman requested that this also be considered within the assurance mapping work.

The Panel RESOLVED to note the Internal Audit Strategy 2013/14.

08/13. Appointment of External Auditors

The Panel received a report of the Chief Finance Officer updating the Panel on the external auditor appointments notified by the Audit Commission. A copy of the report, marked 'D', is filed with the minutes.

The Panel AGREED to note the contents of the report.

09/13. External Audit Plan 2012/13

The Panel received a joint report of the Chief Finance Officer and Director of Finance seeking endorsement of the draft External Audit Plan 2012/13. A copy of the report marked 'E' is filed with the minutes.

Following a discussion on the reporting of 'clearly trivial' issues under the threshold of £250,000 in relation to the audit of the 2012/13 group financial statements to the Panel, it was agreed that the threshold of £250,000 remain, but that for transparency, issues under this level, other than those categorised as purely technical, also be reported to the Panel.

The Chief Finance Officer informed that the intention was for the EMSOU financial statements audit to be allocated 5 days and that the cost of the audit would be re-charged on a pro-rata basis.

Regarding the risk of fraud at appendix 1 of the report, auditors requested if there was any specific area of focus the Panel had identified. Other than EMSOU, identified previously, the Panel offered no further suggestions. In relation to the questions for the Panel regarding their views on fraud, contained within Appendix 1 to the report, the Panel gave the following answers:-

Whether you have knowledge of fraud, either actual, suspected or alleged, including those involving management.	No
What fraud detection or prevention measures (e.g. whistleblower lines) are in place in the entity?	The Police Authority had insisted on a policy being in place for this and the Force had reacted accordingly. However the OPCC had not formally adopted and communicated this policy. A code of conduct specifically for staff of OPCC had been distributed to all reminding them of their duties. A report on what the Force and OPCC have in place to be presented to the next meeting.
What role you have in relation to fraud?	Ensure policies are implemented and protocols in place.
What protocols/procedures have been established between those charged with governance and management to keep you informed of instances of fraud, either actual, suspected or alleged?	The Panel will receive regular updates and the Chairman is informed of issues between meeting dates. The Panel will ensure that recommendations from audit reports were implemented. Section 11 of the Terms of Reference for the Panel also provide for regular external auditor updates summarising work done and emerging findings.

The Chairman requested that an update on fraud policies be presented to the next meeting.

The Panel RESOLVED to note the contents of the report.

10/13. Closing the Accounts 2012/13

The Panel received a joint report of the Chief Finance Officer and Director of Finance updating the Panel on the proposed closedown arrangements for the end of the 2012/13 accounting year. A copy of the report marked 'F' is filed with the minutes.

The Panel requested that the date of the JARAP in September be advanced in order to allow time for the sign off of the accounts.

The Panel AGREED to note the contents of the report and endorse the timetable as outlined in Appendix A to the report with the proviso that the September meeting be advanced.

11/13. Management of Risk – Corporate Risk Register

The Panel considered a joint report from the Office of Police and Crime Commissioner and Office of Chief Constable regarding progress made in establishing the Police and Crime Commissioner's corporate risk and associated risk profile. A copy of the report marked 'G' is filed with the minutes.

In reviewing the Corporate Risk Register the Chairman proposed the register be amended at page G-13 by removing the first bullet point and enhancing the second to include the capacity issue.

The Panel RESOLVED to:-

- (a) endorse the PCC Corporate Risk Register as amended as a basis for determining future audit and assurance resources; and
- (b) receive timescales for the action plan to the next meeting.

12/13. Risk Management – Update Position

The panel received a report of the Chief Constable informing of the Force Risk Register highlighting the high priority and newly registered risks and the current state of Business Continuity (BC). A copy of the report marked 'H' is filed with the minutes.

The Chairman commented that it would be good practice for the new members of JARAP to attend a meeting of the Force Strategic Organisational Risk Board.

The Panel RESOLVED to note the contents of the report and the current risks.

13/13. Police and Crime Plan – Progress to Date

The Panel received a report of the Chief Finance Officer informing on progress to date with the development of the Police and Crime Plan. A copy of the report, marked 'I' is filed with the minutes.

The Chief Finance Officer stated that the consultation period ended on 10 March and that that 'themes' were being identified.

The Panel RESOLVED to note the progress of the development of the Police and Crime Plan.

14/13. JARAP Recruitment Update, HANDOVER, Workplan and Protocol

The Panel considered a report of the Chief Finance Officer updating on progress being made with the recruitment of a JARAP chairperson and members and to consider the options for handover and future workplan. A copy of the report marked 'J' is filed with the minutes.

The Chief Finance Officer informed that interviews for the Chairperson role would take place on 14 March and interviews for members of the Panel would take place on 22 March.

The Chairman proposed the following documents be provided as part of handover to the new JARAP:-

- the handover report provided to Sir Clive from the old Audit Committee for the Police Authority;
- a report from the Panel regarding their work over the last six months;
- a copy of the internal audit certificate and internal audit plan;
- timetable for statement of accounts;
- Force and OPCC risk registers;
- Terms of reference for the Panel;
- The assurance plan;
- Audit reports on risk, whistleblowing and data quality;
- Information about the Strategic Organisational Risk Board;

The Chairman also proposed that the May meeting of the Panel be the handover meeting and to include induction for the new Panel members.

The Chairman stated that it would be advisable for the new Chair of the JARAP to form a working relationship with the Chair of the Police and Crime Panel and to share the terms of reference for JARAP and work programme for the Panel.

The Panel RESOLVED to note the contents of the report.

15/13. Date of Next Meeting

The Panel RESOLVED that the date of the next meeting be 2.30 p.m. on 1 May 2013 with a reserve date of 9.00 a.m. on 13 May 2013, the final date to be determined following the outcome of the recruitment process for JARAP members.

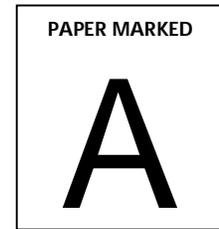
Chairman

12 March 2013

9.00 a.m. – 10.50 a.m.

**POLICE & CRIME
COMMISSIONER FOR
LEICESTERSHIRE**

**JOINT AUDIT, RISK &
ASSURANCE PANEL**



Report of **OFFICE OF THE POLICE AND CRIME COMMISSIONER AND
OFFICE OF CHIEF CONSTABLE**

Subject **INTERNAL AUDIT PROGRESS REPORT**

Date **MONDAY 13 MAY 2013 – 9.00 A.M.**

Author : **MR D HARRIS, RSM TENON – HEAD OF INTERNAL AUDIT**

Purpose of Report

1. This report provides an update of work completed to date against the internal audit plan for 2012/13.

Recommendation

2. The Panel is recommended to consider progress on the Internal Audit Plan 2012/13.

Background

3. The internal audit plan for 2012/13 was approved by the previous Audit and Risk Committee in March 2012. Progress against this plan is summarised in the Internal Auditors Progress Report with copies of high and medium recommendations.

Implications

Financial : Audit fees are contained within the budget

Legal : Effective audit is a statutory requirement

Equality Impact Assessment : None.

Risks and Impact : Effective audit will identify risks and impact; not having such audit may allow risks to the financial probity of the organisation to go undetected

Link to Police and Crime Plan : None direct

List of Attachments / Appendices

Appendix 1: Internal Audit Progress Report

Background Papers

Internal Audit Strategy 2012/13 presented to the Audit and Risk Committee in March 2012.

Person to Contact

Mr D Harris, RSM Tenon - Tel 07792948767

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**Office of the Police and Crime Commissioner for Leicestershire
and Leicestershire Police Force**

Internal Audit Progress Report
Joint Audit, Risk and Assurance Panel Meeting:
13 May 2013

Prepared by Daniel Harris, Head of Internal Audit

Introduction

The internal audit plan for 2012/13 was approved by the Audit Committee (of the previous Authority) in March 2012. This report provides an update on progress against that plan and summarises the results of our work to date. Further details of the reports presented to this meeting can be found in the Key Findings from Internal Audit Work below including all High and Medium priority recommendations (we have not included Low priority recommendations).

Summary of Progress against the Internal Audit Plan

Assignment <i>Reports considered today are shown in bold</i>	Status	Opinion	Actions Agreed (by priority)		
			High	Medium	Low
2012/13					
Payroll Provider Review (1.12/13)	Final	Green	0	0	0
Transition Governance – Work Stream Management (2.12/13)	Final	Amber / Green	0	2	0
Governance – Transition (Commissioning, Partnerships and Communications) (3.12/13)	Final	Green	0	1	0
Winsor Review – Advisory (4.12/13)	Final	Advisory	1	0	2
Follow Up – Part 1 (5.12/13)	Final	Little	0	10	6
Advisory Review of Efficiency Savings Plan (6.12/13)	Final	Advisory	2		
Key Financial Controls (EMSOU) (7.12/13)	Final	Amber / Green	0	3	9
Transition Asset Management (8.12/13)	Final	Amber / Green	0	1	0
Governance – Transition Preparation for Day One of the PCC (9.12/13)	Final	Advisory	10		
Income & Debtors (10.12/13)	Final	Green	0	0	3
Cash, Banking & Treasury Management (11.12/13)	Final	Green	0	0	2
Key Financial Controls (12.12/13)	Final	Green	0	0	0
Performance Management (13.12/13)	Final	Amber / Green	0	0	3
Follow Up - Part 2 (14.12/13)	Final	Adequate	0	2	1
Risk Management – Assurances (15.12/13)	Final	Amber / Green	0	2	3
eBay Procedures (16.12/13)	Final	Advisory	0	7	0
HR – Regional Review	Quality Assurance stage				
Information Systems Assurance Audit	Quality				

– Disaster Recovery / Business Continuity	Assurance stage				
Zanzibar	Delayed to 2013/14 at the request of management				
Winsor Review – Assurance	Delayed to 2013/14 at the request of management				
Value for Money / Efficiency Work	Delayed to 2013/14 at the request of management				

Other Matters

Planning and Liaison: We have met with management to discuss the progress of the 2012/13 audit plan and scope any remaining work for 2012/13. We have also discussed the 2013/14 audit plan which has already been presented to the Panel.

No weaknesses have been identified within our reports so far for 2012/13 that will result in a qualified Head of Internal Audit opinion.

Internal Audit Plan 2012/13 - Change Control:

There have been no further changes to the Audit Plan since the last meeting. Changes previously reported are listed below.

Action	Date	Agreed By
Benevolent Fund review added, this work has been completed.	August 2012	P Stock P Dawkins
Key Financial Controls (EMSOU) Added	May 2012	P Stock P Dawkins (and other Regional Treasurers)
Zanzibar delayed to 2013/14 due to national delay in implementation	Original Summer 2012	P Stock P Dawkins
Winsor Assurance Review delayed until 2013/14	December 2012	P Stock P Dawkins P Lewis
Value for Money / Efficiency review delayed until Summer 2013/14 to allow for further work to be completed. (This has been included within the change programme within 2013/14)	December 2012	P Dawkins P Lewis
Proposal for the Information Systems Assurance Audit coverage include Disaster Recovery / Business Continuity following the physical changes to the processes	December 2012	Presented to JARAP
Review of eBay procedures added to the plan at the request of management.	January 2013	R Gilbert P Dawkins

Internal Audit Team:

Daniel Harris, Director - Head of Internal Audit

Suzanne Lane, Senior Manager

Completion of 2012/13 Internal Audit Plan

Total year allocation	130 days
Year to date used	128 days
Expected total days	130 days

Information and Briefings: We have not issued any updates electronically since the last Audit Committee:

Key Findings from Internal Audit Work (High and Medium Recommendations only)

Assignment: Performance Management t (13.12.13)	Opinion:	AMBER / GREEN
	Recommendations	0 High 0 Medium 3 Low
<p>Key Findings:</p> <p>Whilst some areas of weakness were identified, we found that adequate management action was being taken to address and progress these areas including the development of the new Performance Dashboard therefore we have not repeated these recommendations within the report, but these have impacted on the overall assurance level.</p> <p>We identified three areas of weakness in the areas of:</p> <ul style="list-style-type: none"> Current reporting tools to the different performance meetings were in two formats and reported at varied timescales; which was not consistent when correlating the data between that reported at the PDG and at the PCC Exec meeting; the new dashboard was expected to address this issue with more real time reporting on a consistent format. As a result of this no recommendation was made. There was minimal evidence of PA scrutiny of performance data documented prior to November 2012, we found that this had been challenged since the arrival of PCC. The one to one meetings that were being held as private meetings between the PCC and Chief Constable had been planned to be attended by Head of Governance (OPCC) so a full record of decisions and actions taken would be maintained. We have made a Low priority recommendation to provided further guidance in this area. From review of the 'Core Skills of Analysis' report undertaken to review Performance Analyst skills; the Dashboard templates and through discussions with the DCC, we established that although there were issues with existing mechanisms for analysis and reporting of performance data, clear, and well documented plans were being progressed, and would address these issues. As a result of this no recommendation was made. <p>We have taken these into consideration when formulating our opinion and management should ensure that they progress the actions identified to further improve the control framework. We have made two further low priority recommendations which can be found in the main body of the report.</p>		

Assignment: Follow Up – Part Two (14.12.13)	Opinion:	ADEQUATE
	Recommendations	0 High 2 Medium 1 Low

Key Findings:

Taking account of the issues identified in the remainder of the report and in line with our definitions set out in Appendix A, in our opinion Leicestershire Police has demonstrated adequate progress in implementing actions agreed to address internal audit recommendations.

We have reiterated recommendations where these have not yet been implemented. In addition, we have made new recommendations where appropriate; these are detailed in the action plan.

Recommendation	Management Response	Responsible Officer	Date
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Health & Safety (Second Review) [5.11.12]

<p>Rec 1.6 – Medium</p> <p><u>Vehicle Checks</u></p> <p>The SM's / management should ensure they check that the spreadsheets are being maintained and kept up to date and that all required daily / weekly checks are being completed. Where non compliance is identified this should be escalated. It may be appropriate for this to be addressed at a local level also to identify any trends or location specific issues which may be preventing the appropriate numbers of vehicle checks being recorded</p>	<p>Local spreadsheet in place and being monitored.</p> <p>Action completed (however process is on-going)</p>	<p>2013/14</p>	<p>Support Managers</p>
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Seized / Found Property [7.11/12]

<p>Rec 1.7 - Medium</p> <p><u>Revised recommendation</u></p> <p>(i) The work completed with Forensics and Drugs Reception, should be formally documented to demonstrate what progress has been made to align systems and reporting of items 'booked out to Officers'.</p> <p>Plans should be put into place to</p>	<p>(i) & (ii) KiM property management system is being developed to allow drugs reception staff to monitor the drugs and complete appropriate HO returns from within KiM itself. This will remove the need for their own access database that they currently use. As a result they will be able to monitor on KiM all drugs seized</p>	<p>July 2013</p>	<p>Emma Corns</p>
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<p>address the numbers of outstanding items 'booked out to Officers', to reduce these to a manageable level.</p>	<p>and booked onto KiM. Therefore removing the need to book items out when really they were being destroyed by drugs reception staff and as a result KiM not being updated.</p> <p>Work is already commenced and due to be introduced June 2013. The Force has also purchased the KiM interface to Socrates which will enable the Forensics system to talk to KiM, this enabling the Force to keep on top of forensics related property. This is due to be introduced in September 2013. The Force is working hard to reduce the outstanding reviews and as a result the 'booked out to officers' numbers are decreasing.</p>		
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<p>Assignment: Risk Management (15.12/13)</p>	<p>Opinion:</p>	<p>AMBER / GREEN</p>
	<p>Recommendations</p>	<p>0 High 2 Medium 3 Low</p>
<p>Key Findings:</p> <p>Design of control framework</p> <p>We have identified two weaknesses in the control framework which have resulted in Medium Priority Recommendations being made in the following areas:</p> <ul style="list-style-type: none"> Assurances on the control in place to manage risk should be identified, documented and used to inform the risk management process. Enhancements to the arrangements on risk management should be progressed to provide feedback to the OPCC for the production of the annual statements. We have been advised this matter is to be taken forward by the OPCC as part of the year end process, but the Force has made little progress to implement recommendations made in our previous review on this issue. The Force should determine how the departmental interface and risk management arrangements with departments/ directorates can best be served, setting out the requirements, tasks and responsibilities to be followed to increase the level of involvement on risk management matters at the departmental level across the Force. <p>In addition, we have also made 2 Low Priority recommendations.</p> <p>Application of and compliance with control framework</p>		

We have made no further High or Medium Priority recommendations on the application of the control framework, however, we have made 1 Low Priority recommendation.

Recommendation	Management Response	Responsible Officer	Date
<p>Rec 7 - Medium</p> <p>Assurances on the control in place to manage risk should be identified, documented and used to inform the risk management process. In addition, these should be used to inform the annual assurance statement of the OPCC and the Force.</p>	<p>Agreed</p> <p>To be taken forward</p> <p>A meeting is also being scheduled in by the OPCC as well to cover this jointly.</p>	OPCC CFO	31 May 2013
<p>Rec 10 - Medium</p> <p>To increase involvement of risk management matters at departmental level within the Force, we recommend it is determine how the departmental interface and risk management arrangements with departments/ directorates can best be served, setting out the requirements, tasks and responsibilities to be followed.</p>	<p>Agreed</p> <p>However: Workshops to be timetabled with BCU / Directorate SMT's to ensure they are fully informed about risks, interdependencies and the procedure and to ensure all risks captured</p> <p>Will also set up High level training for SMT members</p>	Insp Malloy Risk and BC Coordinator	30th Sept 2013

Assignment: Ebay Procedures (16.12/13)	Opinion:	ADVISORY
	Recommendations	0 High 7 Medium 0 Low

Key Findings:

Design and application of the control framework

We have identified seven weaknesses in the control framework which have resulted in Medium Priority recommendations being made in the following areas:

- Procedures for are required to be developed for the use of Ebay to provide greater assurances that the work of the team can continue in the correct manner in event of any prolonged absences and to provide the team a framework to illustrate that a clear and transparent process has been followed.
- There should be further restrictions established over access to the PayPal account and to consider options to limit the onward transfer of funds to specific accounts only.
- In order to provide assurances that only bonafide transactions are completed when transfers of funds are made, reports should be run and be subject to independent checks for assurance purposes.
- The PayPal account provides the means to effect secure payment facilities for buyers. We found that the account is presently also being used as a 'holding' account for income to the organisation until such time as

the POCA cases are deemed to be closed and this could be held for a number of months. Therefore, we consider that a separate bank account should be opened and regular transfers made from the PayPal account into a specific Economic Crime Unit (ECU) account to avoid leaving any significant balances in the account.

- There is a need to ensure that arrangements are set up and carried out to reconcile the bank account on a regular basis and that once completed should be subject to an independent review / sign off.
- Any wholesale transfer from the PayPal account to a new bank account should be reconciled and evidence retained to confirm the balances / items are deemed to be accurate and that all monies are accounted for.
- There is a need to ensure that fees charged by Ebay are subject to regular checks to ensure these are being accurately charged.

Recommendation	Management Response	Responsible Officer	Date
<p>Rec 1 - Medium</p> <p>Seek to produce documented procedures and associated guidance that covers key tasks so that these are accessible and provide confirmation of correct procedures to be followed.</p>	<p>Agreed</p> <p>To determine where resources can be provided to carry out this task.</p>	30/06/2013	Southern Hub FFI Manager
<p>Rec 5 (i) - Medium</p> <p>To change the password to PayPal account and limit access to two persons only and consider whether there is more potential to limit / restrict transfers to specific accounts only.</p>	<p>This has been reviewed but the scope to limit access levels via the software is restricted. However, the risk will be reduced by opening a separate bank account</p>	Implemented	Southern Hub FFI Manager
<p>Rec 5 (ii) - Medium</p> <p>To set up arrangements and associated controls to extract, check and retain evidence of reports produced from PayPal to monitor transfers completed by staff in the team, for assurance purposes.</p>	<p>Agreed</p>	30/05/2013	Asset Realisations Manager
<p>Rec 5 (iii) - Medium</p> <p>To open, set up and manage a separate bank account for transfer of monies from PayPal so these are actioned in a prompt and timely manner.</p>	<p>Agreed. Further work being undertaken to clarify whether this needs to be an interest earning account under the legislation.</p>	30/06/2013	Head of Finance
<p>Rec 5 (iv) - Medium</p> <p>Ensure arrangements are set up to reconcile the bank account on a regular basis and that this is subject an independent review / sign off.</p>	<p>Agreed</p> <p>Resources and responsibility is to be determined and allocated</p>	31/07/2013	Southern Hub FFI Manager

Rec 5 (v) - Medium Any wholesale transfer from the PayPal account to a new bank account should be reconciled and evidence retained to confirm the balances / items are deemed to be accurate and that all monies are accounted for.	Agreed	30/06/2013	Asset Realisations Manager
Rec 8 - Medium Seek to carry out a reconciliation to confirm that Ebay fees are correctly charged in line with transactions processed each month.	Agreed Resources and responsibility is to be determined and allocated	30/06/2013	Southern Hub FFI Manager

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regard to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

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POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE

JOINT AUDIT, RISK & ASSURANCE PANEL

PAPER MARKED

B

Report of OFFICE OF THE POLICE AND CRIME COMMISSIONER AND
 OFFICE OF CHIEF CONSTABLE

Subject EXTERNAL INTERIM AUDIT REPORT 2012/13

Date MONDAY 13 MAY 2013 – 9.00 A.M.

Author : MR M JONES, PRICEWATERHOUSECOOPERS

Purpose of Report

1. This report provides an update of work completed to date against the internal audit plan for 2012/13.

Recommendation

2. The Panel is recommended to consider progress on the External Audit Plan 2012/13.

External Audit Plan

3. At each meeting of the Panel the external auditor presents a progress report. A representative of the external auditor, PricewaterhouseCoopers, will introduce the attached paper.

Implications

Financial : Audit fees are contained within the budget

Legal : Effective audit is a statutory requirement

Equality Impact Assessment : None.

Risks and Impact : Effective audit will identify risks and impact; not having such audit may allow risks to the financial probity of the organisation to go undetected

Link to Police and Crime Plan : None direct

List of Attachments / Appendices

Appendix 1: PWC External Audit Progress Report 2012/13

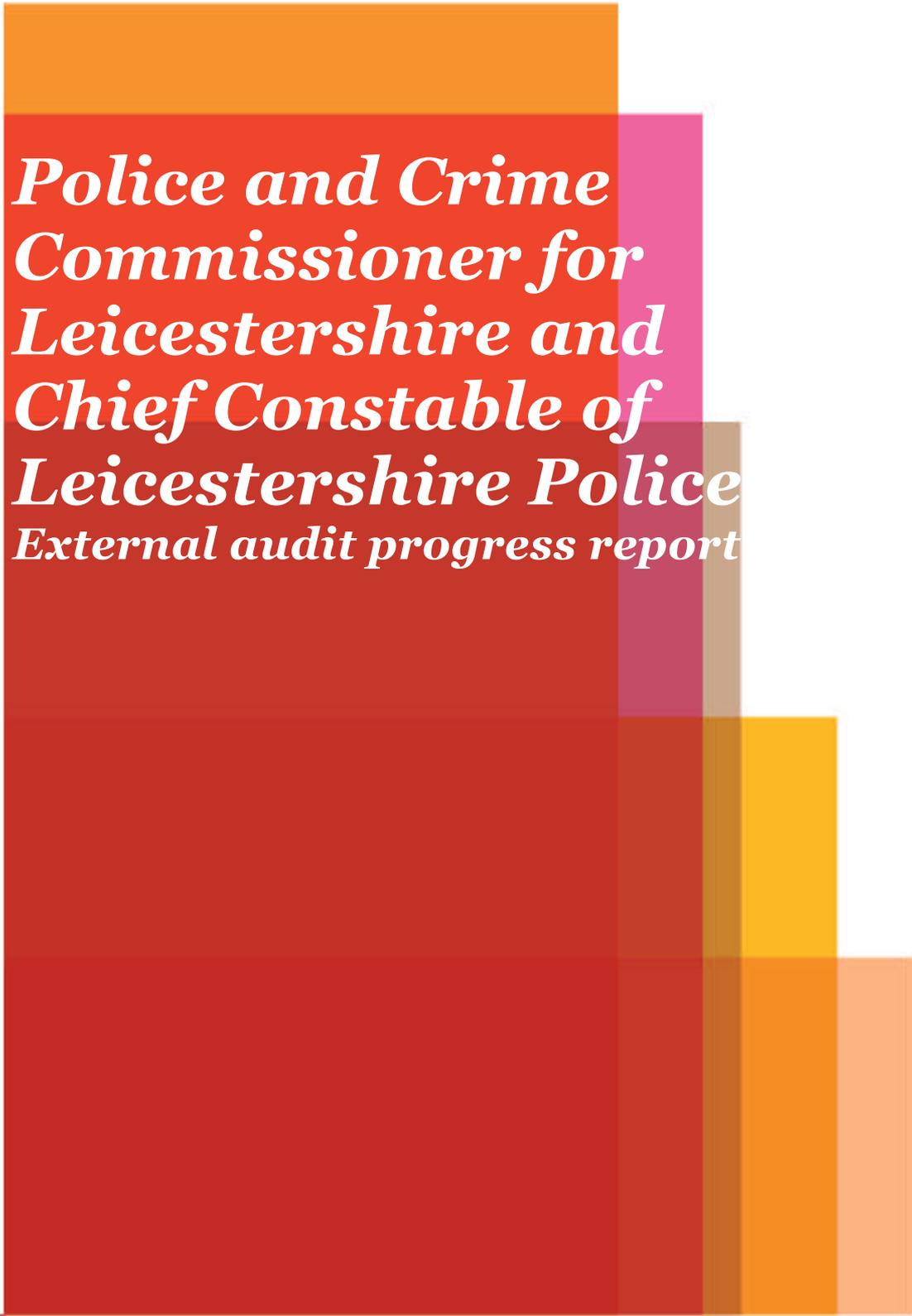
Background Papers

None

Person to Contact

Mr P Lewis, Chief Finance Officer - Tel 0116 229 8984

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*Police and Crime
Commissioner for
Leicestershire and
Chief Constable of
Leicestershire Police
External audit progress report*

*Joint Audit, Risk and
Assurance Panel*

*Report date:
29 April 2013*

*Meeting date:
13 May 2012*

Introduction

Following the appointment of the Police and Crime Commissioner (PCC) and the Office of the PCC and Chief Constable (CC) of Leicestershire becoming 'corporation sole' bodies on 22 November 2012, you established an independent Joint Audit, Risk and Assurance Panel (JARAP). We presented a joint Audit Plan to JARAP on 12 March 2013, which set out our plans for the audits of the 2012/13 financial statements of the PCC, CC and Group. The Group consists of the consolidated accounts of the PCC and CC. We also set out the key areas of risk and our proposed audit approach in response to those risks.

In this report we provide to JARAP an update on progress against the Audit Plan since your last meeting, including the conclusions from our interim audit visit which took place during March 2013.

During the interim audit visit we:

- updated our understanding and evaluation of key financial controls;
- reviewed the work of your internal auditors; and
- undertook testing on the control environment.

Interim audit visit

We commenced our interim audit visit on 18 March 2013. We are required by auditing standards to report to you any significant deficiencies in internal control identified by our audit. We are pleased to report that we did not identify any significant matters that we need to bring to your attention arising from the interim audit.

We would like to thank the finance team for their assistance during the interim audit.

Internal audit

We have liaised throughout the year with your internal auditors, RSM Tenon. Our review of the work of Internal Audit that was completed at the time of our interim audit was undertaken during our interim audit in March 2013.

We have reviewed the following files in detail and can confirm that we are able to place the planned level of reliance on the work of Internal Audit:

- Key financial controls;
- Income & debtors; and
- Cash, banking & treasury management.

As in previous years, as at the time of our interim audit, Internal Audit had not undertaken their work on the Payroll and Pensions Provider (Mouchel). This review was planned to take place after the end of the financial year in order to ensure that controls throughout the full financial year could be assessed. We will undertake our review of this work during our final audit visit in July 2013.

We do not have any matters to bring to your attention with regards to the work of Internal Audit and we would like to thank Internal Audit for their assistance to date.

IT general controls

As part of our audit of the PCC and CC for the financial year ending 31 March 2013 we have performed a review over the Information Technology General Controls (ITGCs) that are in operation. The work performed forms part of our assurance programme and is primarily aimed at giving us comfort over the integrity of information produced by the PCC's and CC's systems as part of our audit of the respective financial statements.

Our work has concentrated on a review of the ITGCs around the Network and Accounting systems. We have reviewed control activities, specifically considering; program changes, computer operations and access to programs and data.

Our review of ITGCs took place during the week commencing 1 April 2013. Appendix 1 to this report contains the more significant findings from our work. However, they are not significant in the context of our audit and at this stage are expected to result in only minor changes to our planned audit approach in order to ensure that the risks identified are mitigated during the course of our planned work. They have been included in this report for your information. We also noted some minor compliance matters which have been reported separately to Paul Dawkins, Director of Finance.

Final Audit Visit

Our final audit visit is scheduled to commence on 1 July 2013. In the interests of audit efficiency, we have requested that the draft financial statements are made available to us before the commencement of the final audit visit.

We fully expect that this request will be met as the draft financial statements need to be certified by the respective responsible financial officer by 30 June 2013 to meet the national deadline for the approval of draft financial statements.

East Midlands Special Operations Unit (EMSOU)

We understand that there has been a further increase in the scale and nature of the activities of EMSOU in 2012/13. As a result, we anticipate that there will be an increase in the amount of work we will be required to undertake in order to enable us to respond to the anticipated requests from other auditors. Any additional work required in this area will result in a request for additional audit fees, which we would expect to be shared between the constituent bodies.

As one of the arrangements is led by another body, the PCC for Derbyshire, we will be contacting the respective external auditors in order to obtain the comfort we will require for our audit of the PCC for Leicestershire.

During the 2012/13 financial year, Internal Audit undertook a review of the Key Financial Controls in place at EMSOU. We have reviewed the findings of the work of Internal Audit during our interim audit visit.

Audit Commission approval is required prior to any variations from the scale fee being agreed. Although we did include an estimate of the cost of providing the expected assurances to the auditors of the other bodies within the draft Audit Plan, we have not yet received any such requests. On this basis we have not yet sought approval from the Audit Commission.

Value for Money Conclusion

We are planning to undertake the work required to support our Value for Money Conclusion as part of our final audit visit in July 2013.

Additional procedures for the National Audit Office (NAO)

The NAO has issued procedures to auditors, via the Audit Commission, in respect of two aspects of the audit of accounts:

- group instructions under ISA (UK&I) 600; and
- a request to undertake specific audit procedures in order to provide the NAO with additional assurance over the amounts recorded in the Whole of Government Accounts (WGA) L Pack submission.

We will seek to comply with both elements and to report to the NAO in accordance with its requirements. In the unlikely event that we cannot comply with aspects of the instructions, we will raise the issue with the JARAP.

We have confirmed that the expectation of the NAO is that the Leicestershire Police ‘Group’ will produce the WGA L Pack submission. There is no requirement to prepare a response at PCC and CC entity level.

The deadline for submission of our opinion on the WGA is 7 October 2013. As was the case last year, we will seek to complete this work prior to the deadline for giving our opinion on the financial statements (30 September 2013). If this proves not to be the case the audit completion certificate cannot be issued until the WGA submission is submitted.

Update against the risks in the plan

For each of the risks identified in the 2012/13 Audit Plan we have provided a short update on work completed to date.

Detail of audit risks identified

Risk arising	PCC		CC		Categorisation of risks
	Financial Statements	Value for Money	Financial Statements	Value for Money	
Impact area					● Significant or ● Other
Management override of controls	◆		◆		● Significant
Reason for risk identification					

International Standards of Auditing (ISA (UK&I) 240) requires that we plan our audit work to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk that management may override controls in order to manipulate the financial statements.

“Management is in a unique position to perpetrate fraud because of management’s ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that would otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk is nevertheless present in all entities. Due to the unpredictable way in which such override could occur, it is a risk of material misstatement due to fraud and thus a significant risk.” ISA 240 paragraph 31.

Progress update (to be considered in the context of the Audit Approach set out in the 2012/13 Audit Plan)

This is an area we tend not to complete a great deal of work on during our interim audit. A key process in this area is the authorisation and supporting evidence for journals. Testing of journals will be performed during our final audit visit as in previous years.

The work we will perform will be focussed to ensure that it addresses the risks identified through the ITGC work, see Appendix 1.

<i>Risk arising</i>	<i>PCC</i>		<i>CC</i>		<i>Categorisation of risks</i>
<i>Impact area</i>	<i>Financial Statements</i>	<i>Value for Money</i>	<i>Financial Statements</i>	<i>Value for Money</i>	● Significant or ● Other
Fraud risk in income and expenditure recognition	◆		◆		● Significant

Reason for risk identification

Under International Standards of Auditing (ISA (UK&I) 240) there is a (rebuttable) presumption that there are risks of fraud in revenue recognition.

“When identifying and assessing the risks of material misstatement due to fraud, the auditor shall, based on a presumption that there are risks of fraud in revenue recognition, evaluate which types of revenue, revenue transactions or assertions give rise to such risks.” ISA 240 paragraph 26.

Because of the nature of the transactions in local government, we extend this presumption to the recognition of expenditure. This is because the opportunities to perpetrate fraud, which the ISA considers are usually present in relation to revenue, are more likely to present themselves through manipulation of expenditure in the public sector. Accounting policies or the treatment of income and expenditure may lead to material misstatements in the reported revenue position. Fraud risk is discussed further in Appendix 1.

Progress update (to be considered in the context of the Audit Approach set out in the 2012/13 Audit Plan)

As part of the interim audit we assessed the control activities in the main financial systems. Our work did not identify any significant weaknesses to report to you.

We have undertaken our review of your IT systems during April 2013, the results of which are included in Appendix 1 to this report. The findings we have reported have not resulted in any significant changes to our audit plan and are not considered to be significant.

<i>Risk arising</i>	<i>PCC</i>		<i>CC</i>		<i>Categorisation of risks</i>
	<i>Financial Statements</i>	<i>Value for Money</i>	<i>Financial Statements</i>	<i>Value for Money</i>	
<i>Impact area</i>					● Significant or ● Other
Transition to PCC and accounting under the new arrangements	◆		◆		● Significant
Value for Money		◆		◆	● Other

Reason for risk identification

On 15 September 2011 the Police Reform and Social Responsibility Act 2011 received Royal Assent in Parliament, introducing a significant change in the way the police forces in England and Wales are governed and held accountable. On 22 November 2012, a Police and Crime Commissioner (PCC) was elected and appointed for Leicestershire and the Police Authority ceased to exist. The PCC and Chief Constable (CC) of Leicestershire became ‘corporation sole’ bodies.

The risk is split between a financial statements risk and a value for money risk:

- The 2012/13 audit requires new accounting arrangements to be implemented with single entity and group financial statements being produced for the first time. The single entity financial statements will be driven by the governance arrangements established at individual bodies between the PCC and the CC. There will need to be a robust assessment of the proposed accounting treatment in line with the principles established in the Police Local Authority Accounting Panel (LAAP) Bulletin 95 and the Code of Practice on Local Authority Accounting.
- The 2012/13 audit requires a separate Value for Money conclusion to be given for the PCC and CC ‘corporation sole’ bodies and will require evaluation of the arrangements established between the PCC and CC and how the transition has been implemented and managed. We have not identified any additional risk factors based on the previous findings of HMIC on transition arrangements and how transition has been implemented within Leicestershire within our preliminary discussions to date.

Progress update (to be considered in the context of the Audit Approach set out in the 2012/13 Audit Plan)

Accounting Arrangements

We have reviewed your proposed approach to the new accounting arrangements against the principles established within the Police LAAP Bulletin 95 and the Code of Practice on Local Authority Accounting. We have provided initial comments on your proposed approach.

We are expecting a further document which details your assessment of the governance arrangements established between the PCC and CC with a particular focus upon the treatment of the assets which are owned by the PCC but used by the CC in delivery of operational policing.

We requested a skeleton set of accounts in advance of you producing the full financial statements so that we could undertake a full technical review to assist you in ensuring full compliance. You have provided us with an outline of the notes that you anticipate will be included in each set of financial statements. We have provided feedback on these proposals.

We will undertake the audit of the single entity and group financial statements during our final audit visit in July 2013.

Value for Money

We are planning to undertake the work required to support our Value for Money conclusion during our final audit visit in July 2013.

<i>Risk arising</i>	<i>PCC</i>		<i>CC</i>		<i>Categorisation of risks</i>
<i>Impact area</i>	<i>Financial Statements</i>	<i>Value for Money</i>	<i>Financial Statements</i>	<i>Value for Money</i>	● Significant or ● Other
East Midlands Special Operations Unit (EMSOU)	◆				● Other

Reason for risk identification

Leicestershire is the lead body for EMSOU. As well as accounting for its contribution and share of the assets and liabilities, Leicestershire prepares the key financial statements for the Unit as a whole. These “group” accounts have previously been included as a disclosure note in the former Police Authority’s accounts. Based upon initial discussions it is our expectation that EMSOU disclosures will be included in the accounts of the PCC.

As Leicestershire is the lead body for EMSOU, in previous years we have received requests from the auditors of other east midlands police authorities for information relating to the audit of EMSOU.

We understand that there has been a further increase in the scale and nature of the activities of EMSOU in 2012/13. Where arrangements have been introduced where Leicestershire is not the lead body, the risks to the organisation and to the accounting will be different to those where Leicestershire is the lead.

Progress update (to be considered in the context of the Audit Approach set out in the 2012/13 Audit Plan)

We have not yet received any requests from the auditors of the other parties involved in these arrangements. If and when we do receive requests we will undertake any necessary procedures to enable us to respond to those requests during our final audit visit in July 2013.

Where Leicestershire is not the lead body, we will be requesting information from the auditors of the lead body in order to verify the information which is required for disclosure in the PCC’s financial statements.

Property, Plant and Equipment: Capital Schemes and Valuation	◆	◆	◆	◆	● Other
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Reason for risk identification

The economic climate has continued the uncertainty around the value of many land and building assets, and the risk of such assets being overvalued on the balance sheet remains high. We will expect the PCC and CC to have carried out impairment reviews to ensure that assets are not overvalued at the year end, and to process downward revaluations where appropriate.

Progress update (to be considered in the context of the Audit Approach set out in the 2012/13 Audit Plan)

We have not been informed of any significant matters which will impact upon the 2012/13 financial statements.

You have shared with us your initial discussions and scoping meetings held with your valuer. We will review the outputs from the valuer as part of our final audit visit in July 2013.

<i>Risk arising</i>	<i>PCC</i>		<i>CC</i>		<i>Categorisation of risks</i>
<i>Impact area</i>	<i>Financial Statements</i>	<i>Value for Money</i>	<i>Financial Statements</i>	<i>Value for Money</i>	● Significant or ● Other
Going Concern / Financial Climate: Short / Medium Term Financial Strategy and Financial Standing		◆		◆	● Other

Reason for risk identification

There continues to be a significant challenge around reducing costs over the next few years as a result of the Government’s Comprehensive Spending Review (CSR) and the indicative police grant figures.

In addition to the identification and delivery of sustainable savings the Group will need to consider the potential impact that such schemes will have on service provision and operational performance.

You have historically been good at identifying and delivering savings against a robust change management programme. However, the scale of the challenge over the next few years is significant and much of the good practice you have demonstrated will need to continue and be intensified if your planned savings are to be delivered.

During 2011/12 and 2012/13 you have continued to deliver savings. However, the environment continues to be challenging. You will need to ensure that a robust Medium Term Financial Strategy is in place so that you can demonstrate how you will be financially resilient in the years ahead.

Progress update (to be considered in the context of the Audit Approach set out in the 2012/13 Audit Plan)

As you are in the process of updating your Medium Term Financial Plan (MTFP) we agreed to delay our review until this has been completed.

The remainder of our work to assess Going Concern and Value for Money will be completed during our final audit visit in July 2013.

Appendix 1: IT General Controls Recommendations

Issue	Risk	Recommendation	Management response	Impact on the Audit Approach
<p>Network Leaver access not removed</p> <p>During our testing we detected 1 item in the sample where access to the network had not been removed on a timely basis, with the account still active on the network at the time of our work.</p> <p>We understand that this was a special request to allow the emails of the individual to be accessed by members of the team.</p>	<p>Unauthorised access to the network.</p>	<p>We have requested that management investigate further to identify if this is an isolated incident or if there are further breaches.</p> <p>Management should ensure that internal policies on removing leavers' access on a timely basis are adhered to.</p>	<p>We have discussed this matter with Paul Fingleton and Deivya Singh (ISS managers). The account was kept open by D Singh in order to access the emails for a search on financial transactions, however, following this the account should have been closed but this was not processed.</p>	<p>This individual case is not considered to have a significant impact upon the audit, as the individual concerned did not have access to the Sage accounts system.</p> <p>The impact on our audit approach will be determined following the results of the investigation to identify any other similar incidents/breaches.</p>

Issue	Risk	Recommendation	Management response	Impact on the Audit Approach
Follow up of previous year issues				
<p>System Administrator Access – SAGE</p> <p>It has been identified that there are 7 individuals who have “System Manager Menu” access to SAGE, of these 6 are individuals within Finance. The level of access associated with these accounts allows an individual to self authorise transactions.</p>	<p>Unauthorised access to programs and modifications to data.</p>	<p>Management should review the number of users who have “System Manager Menu” access to determine if this is appropriate for the individual’s role.</p> <p>Regular checks should be undertaken on the transactions which are processed through these accounts in order to confirm that these transactions are appropriate.</p>	<p>Response provided by Andrew Dale in previous year:</p> <p><i>The seven current “system managers” consist of the Finance Director, Head of Finance, Corporate Accountant, Accountancy & Budgeting Team (day to day administrators) and an Information Systems Analyst (Sage administrator on the Oracle side). I am content that these system managers are justified and all are competent in their knowledge and use of the system. Transactions are monitored and authorised appropriately irrespective of the level of access that system manager grants – this is backed up with internal audit testing. Should one of these key users leave the organisation, their access would be revoked. Similarly should their role change the level of access would be reviewed accordingly.</i></p>	<p>No checks have been performed in the current year.</p> <p>Our testing of journals raised in the year will focus in particular upon those with “System Manager Menu” access to SAGE.</p>

In March 2010 the Audit Commission issued a revised version of the 'Statement of responsibilities of auditors and of audited bodies'. It is available from the Chief Executive of each audited body and on the Audit Commission's website. The purpose of the statement is to assist auditors and audited bodies by explaining where the responsibilities of auditors begin and end and what is to be expected of the audited body in certain areas. Our reports are prepared in the context of this Statement. Reports and letters prepared by appointed auditors and addressed to members or officers are prepared for the sole use of the audited body and no responsibility is taken by auditors to any member or officer in their individual capacity or to any third party.

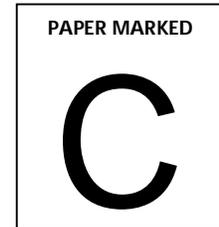
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This report has been prepared for and only for the Police and Crime Commissioner for Leicestershire and the Chief Constable of Leicestershire Police in accordance with the Statement of Responsibilities of Auditors and of Audited Bodies (Local Government) published by the Audit Commission in March 2010 and for no other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**POLICE & CRIME
COMMISSIONER FOR
LEICESTERSHIRE**

**JOINT AUDIT, RISK &
ASSURANCE PANEL**



Report of **OFFICE OF POLICE AND CRIME COMMISSIONER**

Subject **RISK MANAGEMENT – CORPORATE RISK REGISTER ACTION PLAN**

Date **MONDAY 13 MAY 2013 – 9.00 A.M.**

Author : **CHIEF FINANCE OFFICER**

Purpose of Report

1. To assure the Joint Audit, Risk and Assurance Panel (JARAP) of progress made in establishing the Police and Crime Commissioner (PCC) corporate risk register, associated risk profiles and draft action plan.

Recommendation

2. The JARAP is recommended to review and comment upon the draft PCC Corporate Risk Register Action Plan, which is presented as an early version to show the progress being made.

Background

3. The effective management of risk is highlighted as a key factor of successful organisations, both within the public and private sector. It is recognised as a main ingredient of good governance, providing the ability to direct and control resources in a proper manner in the pursuance of objectives.
4. As a starting point, to achieve the above, the Office of the Police and Crime Commissioner (OPCC) presented a risk register to the JARAP meeting on 12 March 2013. This document was discussed and amended, to become the basis of an action plan, which is presented here in draft form.

Draft Risk Register Action Plan

5. The draft PCC Corporate Risk Register Action Plan is attached at Appendix A. This early version of the action plan has been created by the identified action owners, considering the actions that need to be taken in order to mitigate the risks that have been identified. Some actions have already been completed, some are underway and some are yet to be undertaken.
6. The individuals tasked with ensuring that the actions are completed have considered:

- How the action will be completed?
 - The resource implications of the action?
 - The timeline for completion?
 - The success measures that will confirm that the actions have been effectively completed?
 - An overall priority for each action.
7. While good progress has been made in putting forward the actions, further work is required on the action plan. Particularly:
- Challenge of the proposed actions by the risk owner;
 - Consideration of the impact of the actions, working together, on the residual assessment of each risk; i.e. when the actions are completed, will the risk be further mitigated?;
 - An overall review of the action plan to consider the balance of actions whether further mitigations are required in any areas.
8. A separate risk assurance plan is to be developed, and this is presented as a separate report on this agenda.

Conclusion

9. The development of the risk register and action plan has progressed well to date, but there is further work to be done on actions, assurances and mitigations. These will be reported to a subsequent meeting of the JARAP.

Implications

Financial :	resource requirements to enable development and implementation of the above can be found from existing budgets.
Legal :	without the operation of a Corporate Risk Register the PCC / OPCC will not be working in accordance with the Financial Management Code of Practice.
Equality Impact Assessment :	none.
Risks and Impact :	as identified in the PCC Corporate Risk Register.
Link to Police and Crime Plan :	the corporate risks identified, if not effectively managed, are likely to lead to failure to achieve some objectives of the Police & Crime Plan.

List of Attachments / Appendices

Appendix 1: PCC Corporate Risk Register Action Plan

Background Papers

Corporate Risk Register as presented to the JARAP on 12 March 2013

Person to Contact

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Headline Risk Item 1	“Failure to manage public expectations of the PCC role “	Residual Risk 	Overall Owner Paul Stock	Target Date	Residual Risk when actions complete 
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Develop a proactive public communications strategy	A proactive communications strategy has been developed and is being followed through.	Alice Oliver	April 2013	Following the strategy will ensure a consistent and continuous programme of communication which will increase awareness of the Commissioner’s role.
2	Develop a proactive community engagement strategy	A proactive community engagement strategy has been developed and is being followed through. More resource is required to fully undertake the actions within.	Alice Oliver	March 2013	Following the strategy will ensure a consistent and continuous programme of engagement which will ensure that all sectors of community feel they have a chance to influence local policing priorities.
3	Increase proactive use of website and other media	The website continues to be updated on an almost daily basis with news and relevant documents/information. We also have two Twitter accounts in operation – one for the OPCC with corporate information (880 followers) and one which Sir Clive updates himself (1,115 followers). Both are used several times a	Alice Oliver	Ongoing	Proactively using new and social media allows us to instantly update the public and media on news from the OPCC and interact with those who

		<p>week. We also have a Facebook page, although this is not being widely used by the public.</p> <p>http://www.leics.pcc.police.uk/Home.aspx</p> <p>https://twitter.com/LeicsPCC</p> <p>https://twitter.com/clive_loader</p> <p>https://www.facebook.com/pages/Office-of-the-Police-and-Crime-Commissioner-for-Leicestershire/396826163671300</p>			have online access.
4	Facilitate the PCC's public presence and impact (including support and development for PCC and staff)	<p>A series of events has been booked into the PCC's diary for Forums on specialist subjects and for public 'surgeries'. We are also taking the Executive Board meeting out of HQ and into the community to increase awareness and attendance by public. Additional support from governance support officers/engagement specialist is required to fully undertake all events and ensure outcomes are fed back. The Commissioner also regularly visits groups and organisations on an ad-hoc basis, when invited to do so – many of which are open to media.</p>	Alice Oliver	Ongoing	Going out into the community shows that the Commissioner is a "PCC for all" and gives those who cannot travel far, or can/will not use online media, the opportunity to engage face-to-face with the OPCC in their community.
5	Secure the appropriate capability and capacity to support the engagement process	<p>One recruitment process has not produced the desired results, so the job design and person specification are being rewritten in order to secure a better outcome.</p>	Paul Stock	30 June 2013	Appropriate capacity will enable the PCC and OPCC to engage actively and effectively with people and communities.
6	Actively foster positive relations with the media/press	<p>We have contact with local and national media most days, both reactively and proactively. So far the coverage has generally been neutral or positive.</p>	Alice Oliver	Ongoing	Maintaining an open and honest relationship with the media is crucial to continuing positive or neutral coverage which

					explains and informs the public on the activities and decisions of the OPCC.
7	Apply a proportionality mechanism for dealing with public enquiries to ensure best use of PCC time and resources		Angela Perry		<p>For all enquiries a triage system is in place ..\..\..\PCC 4 - CORRESPONDENCE and GENERAL MATTERS\1 - Correspondence\Triage Process.doc</p> <p>Requests for PCC attendance controlled by Head of Governance in discussion with Engagement Officer where necessary.</p> <p>PCC diary commitments colour coded and linked to strategic priorities within the Plan.</p>

Headline Risk Item	“Over-burdensome scrutiny diminishes effectiveness of the PCC”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
2			Paul Stock		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Further proactive work with the PCP to enhance relationships and avoid over-burdensome scrutiny	Discussions are currently taking place with the secretariat of the PCP to schedule appropriate meetings with relevant agendas. In this way the PCP can be assured of access to necessary information and the OPCC can plan effectively	Paul Stock	During April / May 2013, to create plan for 2013/14	Effective planning will provide assurance to the PCP and reduce the likelihood of overburdensome scrutiny.
2	Enhanced proactive work with Local Government partners for the purpose of strengthening relationships	Work is ongoing through the Strategic Partnership Board (SPB), and it's Working Group, to redesign the terms of reference and supporting structure for the SPB. PCC increasing the amount of time spent with partners	Paul Stock	31 May 2013	Improved engagement through the SPB will assist in improving relationships and confidence, and hence joint working in areas of mutual benefit.
3	Effective recruitment, induction and development of new JARAP members	First process did not result in a Panel being recruited, and the interim JARAP continued. Second process underway with Chairperson selected and panel selection due to be complete before 13 May. Induction process to be designed, including discussions with Regional colleagues on CIPFA input	Peter Lewis	08 May 2013 (Panel in place) May / June for the induction process	JARAP Chairperson and members feel equipped for and supported in their role.

4	Develop a JARAP work programme	Proposed work programme was presented to and agreed by the interim JARAP at their meeting in March 2013	Peter Lewis	Complete	Structured work programme in place to provide assurance to the Panel that relevant items will be covered in a timely manner
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Headline Risk Item	“OPCC Corporate Governance Failure”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
3			Paul Stock		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Embed new governance arrangements		Angela Perry		Corporate Governance Framework reviewed by Leicestershire County Council, OPCC and East Midlands' Legal Services Unit and amended based on feedback. Amended version to be approved by PCC. Review of compliance with the Framework to be undertaken Autumn 2013.
2	Enhance the use of the Executive Board and review effectiveness on a cyclical basis		Angela Perry		Discussion taken place between PCC and CC at 1-2-1 meeting on 15 April 2013. Agreed that current arrangement not effective. New Terms of Reference for an internal Strategic Business Meeting have been

					drafted. The Terms of Reference to be presented to Executive Board on xx May 2013 for approval. Review of new arrangements to be undertaken within overall governance review Autumn 2013.
3	Recruitment to agreed structure to enhance governance and control including appropriate competences and skills		Angela Perry		Two new Governance Support Officers appointed. Start date to be confirmed. Selection based on competencies outlined the Person Specification for the role.

Headline Risk Item	“Failure to maintain ethical standards and integrity in policing and OPCC activity”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
4			Paul Stock		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Embed the OPCC Code of Conduct and Corporate Governance Code		Angela Perry		Promoting the values for the PCC and Force and demonstrating values of good governance through upholding high standards of conduct and behaviour is contained within the Corporate Governance Framework. The Police & Crime

					Plan sets out the PCC's expectations of staff to abide by the Nolan Principles for Standards in Public Life.
2	Ensure recruitment and induction process for OPCC staff is robust		Angela Perry		<p>Recruitment to all posts within OPCC based on competencies within Person Specifications for the roles. Force HR Officer has been involved and advised on all recruitment. For all posts recruitment has included a number of elements ie, psychometric tests, presentations, desk top exercises, in addition to a formal interview.</p> <p>An induction programme for all staff, including seconded staff from the Force, is drafted prior to arrival of individual. The programme covers a wide introduction to the OPCC and Force.</p>
3	Develop a cyclical assurance plan for ensuring the on-going effectiveness of policing standards and integrity		Angela Perry		To be addressed through the Strategic Business meeting held between the PCC and COG. This will include oversight of the action plan of the HMIC report 'Without Fear or Favour'. The JARAP Terms of

					Reference include the adequacy of arrangements for ensuring compliance with relevant regulatory, legal and code of conduct requirements and fraud and corruption and other relevant bodies or professional standards.
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Headline Risk Item	“Failure in accountability of the PCC, i.e. doing the right thing at the right time and holding the Chief Constable to account”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
5			Paul Stock		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Create clarity on decision making process in the absence of the PCC		Angela Perry		The Corporate Governance Framework provides for delegation to the Chief Executive Officer and clarity on the areas of decision making.
2	Improving briefing on lines of enquiry for the PCC to hold CC to account		Angela Perry		A SPOC in place for the Force for all lines of enquiry relating to operational policing. Workshop with Executive

					<p>Team for the Force planned for xx May 2013 to discuss how to discuss working arrangements for the future.</p> <p>Recruitment of two Governance Support Officers will increase capability and expertise of team in this area.</p> <p>Secondment of Performance Officer from Force and recruitment of Commissioning Officer will also increase expertise within the OPCC Team.</p>
3	Develop audit trail of PCC and CC meetings to evidence that the CC is being held to account effectively		Angela Perry		<p>1-2-1 meetings between PCC and CC are diarised weekly. PCC works to agenda of issues to raise and discuss. Note of actions from the meetings is produced and distributed to PCC/CC/CEO/CFO . Issues not resolved from previous meetings brought forward. Issues requiring wider discussion will be brought to internal Strategic Business meeting.</p>
4	Develop systematic and structured discussions between PCC		Angela Perry		<p>1-2-1 meetings between PCC and CC are diarised weekly. PCC works to agenda of issues to raise and</p>

	and CC				discuss. Note of actions from the meetings is produced and distributed to PCC/CC/CEO/CFO
5	Develop systematic and structured discussions between CEO and DCC	Fortnightly meetings take place to ensure effective engagement on strategic and tactical matters	Paul Stock	In place and ongoing	Effective engagement seeks to enable better work planning and relationships
6	Develop systematic and structured discussions between CFO and FD	Weekly meetings take place covering both strategic planning and tactical matters	Peter Lewis	In place and ongoing	Effective engagement seeks to enable better work planning and relationships

Headline Risk Item	Lack of capacity in the OPCC”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
6			Paul Stock		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Recruit, induct and develop permanent resource	Recruitment has taken place for Governance Support Officers and for the Senior Commissioning Manager. Recruitment underway for the CFO role, and the engagement and consultation roles are being redesigned ready for recruitment	Paul Stock	30 June 2013	Resources are put in place and can be developed to meet the requirements of the OPCC. This will address the capacity issues
2	Agree and implement with the PCC the OPCC Business	Business Plan in draft and considered by OPCC Team. Full discussion planned on 16 May 2013	Peter Lewis	31 May 2013	Clear agreement of and support for key priorities, tasks and

	Plan for 2013/14	to finalise the document			accountabilities
3	Use the Business Plan to agree clear lines of responsibility and accountability for the OPCC	Following agreement of the Business Plan, sub-team and individual objectives will be set	Peter Lewis	30 June 2013	Agreed Team objectives are cascaded down to individual level, so that resources are focused on the most important priorities and tasks
4	Complete skills analysis requirements for the OPCC	Clear specifications of roles being recruited to will seek to ensure that recruits fulfil skills requirements. As posts are populated and the Business Plan and individual targets are agreed a skills analysis can be completed, with training following	Peter Lewis	31 July 2013	Staff are focused and skilled to be able to fulfil roles effectively
5	Undertake OPCC Team development sessions to focus and develop the workforce	First team session takes place on 16 May, focused on the Business Plan. Others will follow as the vacancies are filled on a permanent basis.	Peter Lewis	31 August 2013	The OPCC team works together more effectively to produce even better results with the resources available

Headline Risk Item	"Fail to deliver Police & Crime Plan"	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
7			Clive Loader		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Develop on-going review of effectiveness of partner delivery	Formal communication and performance relationship established with partners receiving transitional funding. Work almost complete.	Sarita Adams	Work to be completed May 2013.	Good quality information will enable the OPCC to put in place effective commissioning arrangements.

2	Pursue rigorously the Change Programme with the Force in order to deliver a balanced MTFS (with regards savings and impact on service quality) including appropriate measures	The Force has put in place a Change Team that is pursuing a programme of work to deliver options for change for consideration by the PCC and Chief Constable. There are regular updates between the Ch Supt leading the Change Team and the CFO. Strategic Teams are meeting on 9 May to review progress and there will be a further discussion on 28 May. Options for change will be delivered by 30 June at the latest to inform the ongoing discussion about closing the MTFS gap	Peter Lewis	Stage dates are 09 May 2013 – strategic discussion 28 May 2013 – strategic discussion 30 June 2013 – options ready	It is essential that the next version of the Plan, to be launched on 1 October, contains a balanced MTFS. The Change work is intended to deliver that.
3	Develop a mechanism for structured and controlled changes to the Plan	Police and Crime Plan Steering Group is in place, including representatives of OPCC, Force and partners. This will drive forward the next revision of the Plan, culminating in presentation to the PCP in September 2013	Paul Stock	30 June 2013 – options for change 30 June 2013 – commissioning options September 2013 - PCP	In conjunction with 2 above, the revised Plan will be even more credible as it addresses the challenging funding situation
4	Develop a launch plan for the Police and Crime Plan	The launch of the Plan was through the PCP with some media coverage. The Commissioner will be promoting the Plan at the public events planned throughout the summer and a link straight to the Plan can be found on our website	Alice Oliver	From 31 March 2013 onwards	Publication of the Plan caused traffic to our website to more than double in early April. Highlighting of the Plan at events and meetings will continue to increase knowledge and understanding of the Commissioner's aims and objectives
5	Develop a summary version of Police and Crime Plan for general	An executive summary of the Plan has been produced and is available from the office or on the website in regular and large print versions, for	Alice Oliver	30 April 2013	Producing different versions of the Plan will help all audiences from internal 'experts' to general public

	circulation	those with visual impairment (other versions are available on request). A leaflet has also been produced. http://www.leics.pcc.police.uk/Planning-and-Money/Police-and-Crime-Plan.aspx			(including those with visual impairment) to understand the Plan.
6	Ensure clarity over roles and responsibilities for Crisis Management between PCC, CC and partners	Initial discussions to take place with Force experts to identify the scope of this work and where refinement is needed	Peter Lewis	Initial scoping meeting by 31 May 2013	Clarity of roles is created
7	Develop an on-going collaboration audit and assurance plan	Regional Chief Finance Officers are discussing this matter and have committed some of their internal audit days to an audit of the collaborative arrangements	Peter Lewis	30 June 2013	Regional PCCs can be better assured of the effectiveness and value for money of the collaborative arrangements

Headline Risk Item	"Data quality issues/failure"	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
8			Peter Lewis		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Review the findings of recent data quality review audits to understand current position	Initial engagement between the OPCC and the Data Quality Audit team has taken place. In addition, data quality is one of the pilot areas to test our assurance mapping approach. Further work is to be	Gavin Halligan-Davis	31 May 2013	Limited impact of the actions to date

		undertaken in this area to understand what assurance can be taken from the audit reports and follow up actions			
2	Identify and communicate data requirements to the Force	A performance dashboard has been designed and agreed between the OPCC and the Force. This will be produced for the first time in May. Monthly reviews of the management information gateway (MIG) to identify areas for the PCC to discuss with the Chief Constable in one to one sessions	Gavin Halligan-Davis	31 May 2013 for first dashboard and then ongoing	Effective performance information is provided to the PCC to enable him to carry out his function of holding the Chief Constable to account.
3	Develop an on-going data audit and assurance programme	A programme of work exists, but further review of the outputs is being undertaken. The pilot assurance review mentioned above will assist with this.	Gavin Halligan-Davis	31 May 2013	The programme in place is supporting data quality improvements, but further work is required to see how this might be further extended

Headline Risk Item	“Fail to manage key relationships”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
9			Clive Loader		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Define and identify who the key partners are and align to Police & Crime Plan objectives	Developed six commissioning themes, and confirmed key stakeholders within each. Relationships being built (mtgs held/communication	Sarita Adams	June 2013	Good foundations have been laid upon which to build the next version of the Plan and the supporting commissioning

		opened) with all relevant stakeholders. Victims and Witnesses theme less progressed, at this time			work
2	Find opportunities to better understand the complexities and interdependencies of the partner landscape	Analysis of all current commissioning/decision making structures and systems across the six themes. The SPB Working Group has agreed that aligning effort in this way should be led by a task and finish group	Sarita Adams	30 June 2013	Some work has been undertaken, but more needs to be done to enable the partnership to achieve mutual aims as efficiently as possible
3	Further develop the Police & Crime Plan in consultation with partners	The Plan issued before 31 March 2013 was completed in consultation with partners and this was noted at the PCP. Further versions will be developed in a similar manner	Paul Stock	First version complete Second version to be completed by 1 October 2013	Partners feel involved in the development of the Plan and hence can support its priorities
4	Further strengthen the relationship between the PCC/OPCC and the Panel	Improved engagement on the final version of the Plan assisted in this aim. Continuing such engagement and supporting the PCP in its work will further assist. Work planning is referred to earlier	Sir Clive Loader	Ongoing	Effective engagement will assist both the PCC and the PCP to fulfil their functions
5	Prioritise efforts that will influence national policy and enhance the reputation of the OPCC	There is ongoing engagement at the national level through a variety of forums; e.g. APCC and APACE. Leics OPCC selected as a pilot for youth commission work	Paul Stock	Ongoing	Improved impact of the OPCC through learning and influencing the outcomes of pilots and other policy initiatives
6	Develop soft assurance mechanism(s)/network(s)	Some engagement to date with the HMIC, including a piece of work commissioned by the PCC on Regional collaboration. More arrangements to be investigated and implemented	Paul Stock	Ongoing	Assurance to be drawn when work is undertaken and complete

Headline Risk Item	“Poor/ineffective Commissioning”	Residual Risk	Overall Owner	Target Date	Residual Risk when actions complete
10			Paul Stock		
Action Number	Individual Risk Actions	Details of Specific Actions	Owner	Target Date	Impact
1	Develop commissioning framework and action plan to deliver intentions by 30 th June 2013	<p>Evidence base examined ref PCP objectives</p> <p>Need analysed relative to Plan objectives</p> <p>Gap analysis/risks under review (changes in other funding streams which impact on objectives)</p> <p>Financial Planning and options analysis work completed by April 23rd 2013</p> <p>Review OPCC “fit for purpose” assessment of procurement/contracting and external commissioning structures</p>	Sarita Adams	30 June 2013	Good foundation work has been completed, and now more detailed work, especially with partners, is required, to deliver commissioning intentions effectively.
2	Engage with partners	<p>Scoping mtgs held ref commissioning themes:</p> <p>Mental health</p> <p>Offending and reoffending</p> <p>Communities and neighbourhoods</p> <p>Mtgs with chairs of LSCB and LSAB, and key vulnerability leads – plans in place to examine how existing structures might support commissioning agenda</p> <p>Mtg with Regional Police</p>	Sarita Adams	30 June 13	Good foundation work has been completed, and now more detailed work, especially with partners, is required, to deliver commissioning intentions effectively.

		leads for victims and witnesses undertaken (24 th April) to provide additional context for victims and witnesses commissioning theme structure, ahead of scoping group to be held.			
3	Identify and deliver resourcing requirements (including building sufficient capacity and capability) to deliver effective commissioning	First phase commissioning work resource requirement assessment completed. Identification of key on going resource components around a) performance b) commissioning skills c) contracting d) partnership skills.	Sarita Adams	April 2013	As the timetable for commissioning is being pulled together, then resource requirements are being more clearly identified.
4	Using existing communications to inform the public of the commissioning role	Partnership page prepared for website. Procurement systems and templates being finalised. Provider registration to be communicated widely in early May 2013.	Sarita Adams	15 May 2013	Having well informed public and partners will support effective commissioning for outcomes

**POLICE & CRIME
COMMISSIONER FOR
LEICESTERSHIRE**

**JOINT AUDIT, RISK &
ASSURANCE PANEL**

PAPER MARKED

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Report of **OFFICE OF THE POLICE AND CRIME COMMISSIONER**

Subject **RISK MANAGEMENT – ASSURANCE FRAMEWORK**

Date **MONDAY 13 MAY 2013 – 9.00 A.M.**

Author : **CHIEF FINANCE OFFICER**

Purpose of Report

1. To provide the Joint Audit, Risk and Assurance Panel (JARAP) with an update on progress being made towards producing an assurance framework for both the Office of the Police and Crime Commissioner (OPCC) and the Office of the Chief Constable (OCC).

Recommendation

2. It is recommended that the JARAP notes the progress being made and comments on the approach being taken.

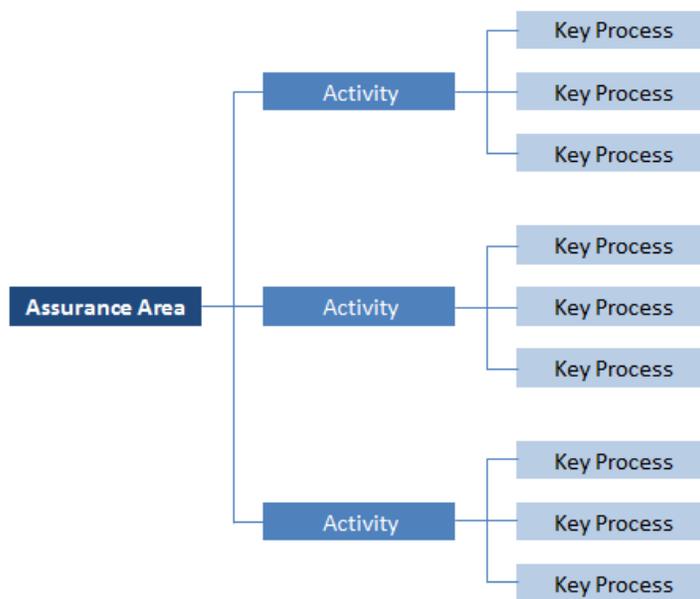
Background

3. In order to provide the JARAP, Police and Crime Commissioner (PCC) and Chief Constable with assurance over key processes an assurance mapping exercise is being undertaken.
4. Assurance mapping requires the identification of key sources of assurance that provide confidence that key processes, physical mechanisms/installations and regulation are being applied and complied with. For example, these sources of assurance could be management inspections or checks, management information reports, internal audits and other external inspections.

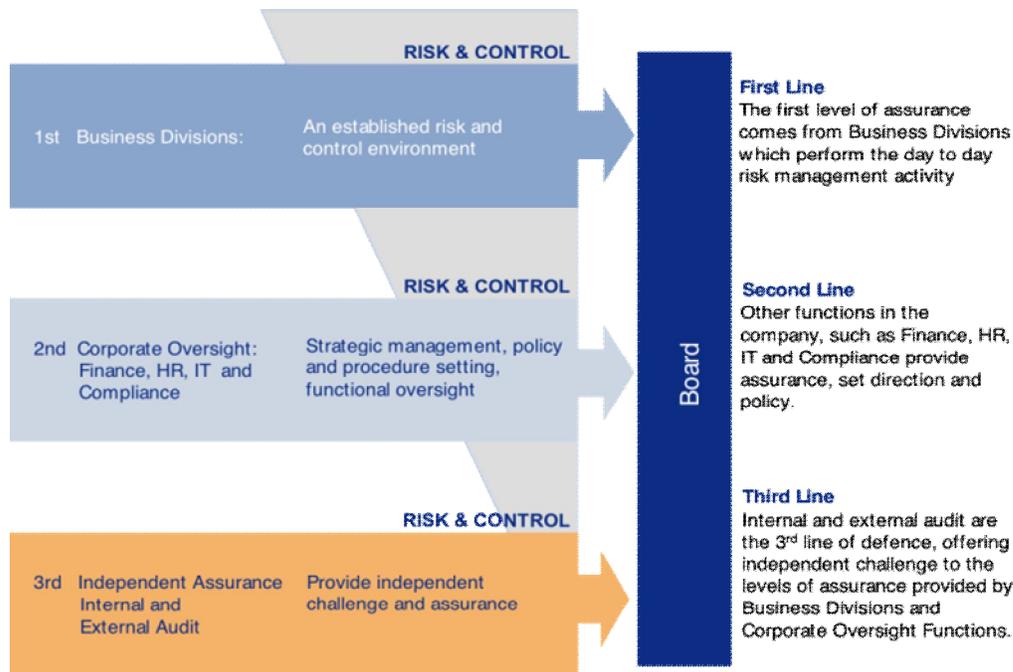
Creating the Framework

5. The exercise to be carried out will map the assurance landscape for the OPCC and OCC, and help to identify those activities where the JARAP, PCC and Chief Constable do not currently have assurance or where the assurances are weak. It will also help to identify where assurance over activities is duplicated or disproportionate.

6. A number of assurance areas have been identified that will provide a framework for the mapping of key activities and sources of assurance. The assurance areas identified are:
- People (recruitment, development and retention)
 - Information Quality
 - Information Security
 - Information Systems
 - Finance
 - Risk Management
 - Strategy (Including change management; direction, planning & partnerships)
 - Resources – Estates & Vehicles
 - Resource Deployment (effective utilisation of resources)
7. The first step in the assurance mapping process will be to identify all of the key activities that are in place for each assurance area. Once the key activities have been established these will then be broken down into key processes that are relied upon to deliver/support these activities.
8. The diagram below illustrates how each assurance area will be broken down into component key processes.



9. Once the key processes have been identified the sources of assurance will be mapped making reference to three lines of assurance as illustrated below.



10. In addition to identifying the source of assurance for each key process they will also be given a RAG (Red, Amber, Green) rating based on how effective the assurance is. The table below defines how the RAG rating system will be used.

Rating	Description.
RED	Assurance indicates poor effectiveness of controls.
AMBER	Some assurance in place or full assurance in place but process (control) is still maturing so effectiveness of controls in place cannot be fully assessed at this moment but should improve.
GREEN	Full assurance provided on the effectiveness of controls.

11. When the assurances in place are mapped and a RAG rating is applied, assurances will be mapped in an assurance dashboard such as the one illustrated below.

Assurance Area: People	Activity: Recruitment			
	1 st Line	2 nd Line	3 rd Line	Overall
CRB Checks	HR Confirm	Finance check	Internal Audit	
Qualifications	HR Confirm	None	None	Monitor/Action
References	HR Confirm	None	None	Monitor/Action
Financial Vetting	HR Confirm	Finance Check	Internal Audit	Action

NB Illustrative only

12. The rating levels for the first and second lines of assurance will be based on a self-assessment by the process owners. The rating for third line of assurance will be based on the independent source's opinion.
13. By considering the collective assurances in place an overall assurance rating will be identified and this will help not only provide a level of confidence over the assurances in place, but also indicate what, if any, action should be taken. This will also help to drive what future assurances maybe required. For example, if we consider the illustrative assurance dashboard above, the need for 2nd or 3rd line assurance may be sought for the Qualifications and References checks. However, it is clear that the assurance provided by Internal Audit over Financial Vetting has identified fundamental control weaknesses, so action is required to improve the controls that make up that process.
14. Once the assurance mapping is complete it will be reviewed on a cyclical basis and updated as required ensuring that an up to date view over key assurance is maintained.
15. It is estimated that the initial pilot phase, covering data quality and HR, will be complete by the end of May. This will enable the OPCC and the OCC to determine the resources required to complete the full exercise and hence prepare a full timetable.

Implications

Financial:	resource requirements to enable development and implementation of the above can be found from existing budgets.
Legal:	the completion of an assurance framework will assist the OPCC and OCC to work in accordance with the Financial Management Code of Practice. It will also assist the JARAP to fulfil its purpose.
Equality Impact Assessment:	none.
Risks and Impact:	the completion of the framework will assist in mitigating risks to the OPCC and OCC
Link to Police and Crime Plan:	the framework will assist in mitigating risk and hence will support the overall achievement of the objectives of the Police & Crime Plan.

List of Attachments / Appendices

None.

Background Papers

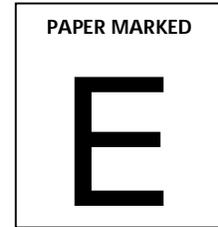
Corporate Risk Register as presented to the JARAP on 12 March 2013
 Corporate Risk Register Action Plan as on the agenda for this meeting of the JARAP

Person to Contact

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**POLICE & CRIME
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**JOINT AUDIT, RISK &
ASSURANCE PANEL**



Report of **OFFICE OF THE POLICE AND CRIME COMMISSIONER**

Subject **POLICE AND CRIME PLAN 2013-17 – UPDATE**

Date **MONDAY 13 MAY 2013**

Author **CHIEF FINANCE OFFICER**

Purpose of Report

1. To update the JARAP on the progress being made with the development of the next version Police and Crime Plan.

Recommendation

2. The Panel is recommended to note the update and comment as appropriate.

Police and Crime Plan – 2013 to 2017

3. The Police and Crime Commissioner (PCC) is required to produce a Police and Crime Plan as soon as possible after taking office and not later than the 31 March following the appointment. That Plan must cover the period until the 31 March following the next PCC elections.
4. The Commissioner produced a draft Plan for consideration by the Police and Crime Panel (PCP) on 30 January 2013 and then undertook significant consultation on the draft, as was reported to the last meeting of the JARAP on 12 March 2013.
5. A final version of the report was presented to the PCP on 25 March, where members of that Panel resolved: "That the Panel accepts and supports in full the Police and Crime Plan, as amended in the light of the comments submitted (in the attached document)". Furthermore, the minutes of the meeting record that: "The Panel welcomed the changes made to the Plan since the version received at its meeting in January and congratulated the PCC on having listened and responded positively to its comments and to the wider responses to his consultation".
6. However, there is still not a balanced medium term financial strategy (MTFS) within the Plan; i.e. there is a projection of the funding gap to 2016/17, but no conclusions as to how that gap will be bridged while still enabling the Chief

Constable, PCC and others to deliver against the priorities and targets of the Plan.

7. Consequently, the PCC has consistently stated that he wished to allow time for a coherent change programme to be created, and for his commissioning proposals to be developed. Combined, these should enable the priorities and targets of the Plan to be met within the resources projected to be available.
8. Therefore the PCC will be publishing a refreshed Plan by 1 October 2013 that sets out the commissioning intentions and shows how progress will be made towards a balanced MTFS. This will then be reflected in the Chief Constable's delivery plan for the priorities and targets set out in the Police and Crime Plan.
9. The Chief Constable has set up a Change Team, which is currently preparing options for consideration. They are working to the priority in the Police and Crime Plan of "to develop and produce a comprehensive suite of change options to create a force that is for 2016/17 within the funding available". The Chief Constable is also creating his "control strategy", which will set out his approach to delivering the priorities and targets within the Police and Crime Plan.
10. The Office of the Police and Crime Commissioner (OPCC) is working on commissioning options, with the intention of using the funds available to him to enable achievement of the priorities and targets in the Plan.
11. Over the next few months the PCC, Chief Constable and partners will be discussing how the change programme, control strategy, commissioning intentions and updated financial information will work together to influence the next version of the Plan. That is, given the above, are the targets as currently set still achievable?
12. In order to support the development of the Plan, a multi-agency task and finish group has been set up, with the purpose of "ensuring that the next version of the Police and Crime Plan is ready for consideration by the Police and Crime Panel in September 2013 having taken account of all relevant influences and updates".

Conclusion

13. It is recognised that the Police and Crime Plan is a fundamental tool for the PCC to carry out his duties. It is therefore essential that we continue to build upon the solid foundations laid so far to make the next publication even more robust. In particular, the next Plan needs to be credible in terms of resource planning, and hence deliverability.

Implications

- | | |
|-------------|--|
| Financial : | None direct, but the Police and Crime Plan will assist the Commissioner and Chief Constable in focusing resources to achieve desired outcomes. |
| Legal : | It is a statutory requirement to have a Police and Crime Plan. |

Equality Impact Assessment : None in regard of this report, but an EIA has undertaken on the Plan, and a further EIA will be carried on future iterations.

Risks and Impact : None direct in regard of this report, but an effective Plan is essential to directing the resources of both organisations and hence reducing risk of non-delivery of objectives.

Link to Police and Crime Plan : This report focuses on the delivery of the Plan, not just one aspect of it.

List of Attachments / Appendices

None

Background Papers

Police and Crime Plan as presented to, and amended by, the Police and Crime Panel on 25 March 2013, now published on the PCC website

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