



Internal Audit

FINAL

PFCC Cumbria & Cumbria Constabulary

Assurance Review of Risk –Mitigating Controls (Deep Dive)

2023/24

January 2025

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The management of risk and operation of mitigating controls is a key element in ensuring that the Force can deliver its strategic objectives.

SCOPE

Risks from the OPFCC and Force's risk registers were selected, and the effectiveness of the identified controls reviewed. The scope of the review did not include consideration of all potential mitigating arrangements or their effectiveness in minimising the opportunities for the identified risks to occur.

KEY STRATEGIC FINDINGS



Evidence was provided to demonstrate that the controls recorded in the Risk Registers remain in place for the sample of risks reviewed.



Risks are regularly reviewed to ensure that the controls are relevant, and scores are up to date.



The Risk Strategy clearly sets out the risk appetite.

GOOD PRACTICE IDENTIFIED



Operational risks are generally only included within the risk register for the period that the specific issue remains valid.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
No recommendations were made.							

PRIORITY GRADINGS

1 **URGENT** Fundamental control issue on which action should be taken immediately.

2 **IMPORTANT** Control issue on which action should be taken at the earliest opportunity.

3 **ROUTINE** Control issue on which action should be taken.

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No operational effectiveness matters were identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Assignment Engagement Details

TIAA Auditors	Title	Contact Email	Telephone
Andrew McCulloch	Director – Operations	Andrew.McCulloch@ttaa.co.uk	07980787926
David Robinson	Director of Audit	David.Robinson@ttaa.co.uk	07766553339
Constabulary and OPFCC Staff	Title		
Steve Tickner	OPFCC Chief Finance Officer		
Phil Robinson	OPFCC Head of Estates		
Christy Laverack	OPFCC Partnerships and Commissioning Manager		
Alison Blenkarn	OPFCC Partnership and Commissioning Officer		
Lisa Hodgson	OPFCC Governance Officer		
Carl Patrick	Constabulary Chief Superintendent (Operations Command)		
David Ashton	Constabulary Chief Superintendent Crime & Intel Command		
Andy Wilkinson	T/ Chief Superintendent Cumberland BCU		
Exit Meeting Date	2 nd September 2024		
Attendees	Joanne Head, Governance Manager		

OPFCC Chief Executive/Chief Finance Officer Comment	<p>I welcome this report and the assurance. I am pleased that the report provides a substantial assurance and our risk mitigation processes are working well.</p> <p>OPFCC Chief Executive Gill Shearer 21/01/2025</p>
Deputy Chief Constable's Comment	<p>I have read the contents of this report and I am please to note that the review of the Constabulary Strategic Risk Register and associated risk mitigations in place has provided substantial assurance with no recommendations. The Constabulary regularly monitors strategic risks through the Chief Officers Group and subsequently through reporting to the Joint Audit Committee.</p> <p>DCC Darren Martland 20/01/2025</p>
Considered for Risk Escalation	N/A

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings

- The Commissioner's Risk Management Strategy was last reviewed and updated in March 2023. This sets out the general approach to risk management including: How risks are identified; management of the risk registers; risk classification; risk assessments and scoring (including guidance in relation to how to determine the risk likelihood and impact); and responsibilities and governance.
- The latest internal audit review of the risk management arrangements, carried out in April 2023, was awarded substantial assurance with two Priority 3 recommendations. A review of the latest risk registers identified that these recommendations have been implemented.
- Two risks from the OPFCC risk register and three risks from the Force's risk registers were selected. The risks selected were: R1 Strategic Finance; R3 Estates Resource; R08 Victim Services; R09 Safer Streets Fund; and R10 Independent Custody Visiting Scheme Membership. A series of discussions were undertaken with staff, which involved review of each control recorded relating to the selected risks and established that the controls remained in place and were operating as intended. The outcome of this is shown below.

Other Findings



PFCC R1 Strategic Finance (Reduction in real term resources within the medium-term time horizon to provide sufficient funding for the Commissioner and Constabulary to deliver current levels of policing service).

The Chief Finance Officer stated that this risk has been in place since before they took up the post 12 months ago. The unmitigated score is an impact of 4 and likelihood of 4. After controls the impact reduces to 3, giving an overall score of 12. Observations in relation to the stated controls are as follows:

The Medium-Term Financial Forecast is reviewed in February of each year with a mid-year review completed in September. The latest Budget for 2024/25 and Financial Forecasts in relation to 2025/26 to 2028/29, presented to the Public Accountability Conference in February 2024, took into consideration updated inflationary uplifts and budget settlements and showed a balanced budget for 2024/25 and anticipated savings to 2028/29 of £16M. The budget has been balanced in the short term and reserves provide additional security. It was established that the annual budget for 2024/25 is fully balanced and the budgets for 2025/26 to 2028/29 and include the savings budget of £16M as previously referenced.

In relation to assurances in place, it was confirmed that internal controls in place include the approved Financial Regulations and the Scheme of Delegation, which provide controls around the financial invoice approval process. Monthly budget monitoring reports are provided to the Commissioner and the Chief Officer Group. Members of the Finance Team are assigned to command units to assist in managing budgets. These meet monthly and review variances, transactions and to undertake forecasting for the remainder of the year. Financial awareness training and briefings are undertaken with Managers. In addition, the most recent internal audit review of preparedness for funding cuts, undertaken in April 2023, provided reasonable assurance. The Constabulary has committed to preparing an enhanced savings and efficiencies plan headed by the DCC. This is in progress (known as the Futures Programme, which is to be completed by the Autumn of 2024) to evaluate where savings can be made and is aimed towards identifying the £2M savings needed for the next year (2025/26), which will contribute towards the required overall savings of £16M.



PFCC R3 Estates Resource. (There is insufficient estate resource in place to support the new combined PFCC service delivery model and comply with statutory and best practice requirements).

The risk was initially highlighted when the fire service transferred across to the Commissioner. The Head of Estates stated that fire service's estate function, brought in from the county council through a Service Level Agreement, does not provide the range of services that it should have. The risk scoring was reviewed in June but remained the same (at a likelihood and impact of 4 each). It has been acknowledged that some resources are not in place and therefore the impact has remained high, albeit this may reduce to 3 at the next update. A business case relating to the Delivery of Estates Services to the OPFCC Police and Fire Estate has been compiled, setting out the service delivery model for both police and fire services. The proposed preferred option is for the police estates team to be increased, and the service, employed by the Commissioner, to be provided across both police and fire. This is to be presented to the Executive Board on 20th August 2024.



PFCC R08 Victim Services (Failure to secure from partners funding for the Bridgeway and victim services (domestic abuse) contracts for 2024-25 and beyond).

The risk was first identified during 2023/24 due to a change in the Local Authority structure. Discussions with the Partnerships and Commissioning Manager identified that, although the risk is currently scored as 16 (both likelihood and impact are 4), these are both to be reduced to 1 and the risk is likely to be removed altogether at the next review as three years of funding has been obtained from the local authorities and Public Health England have taken over the therapeutic element of the service. Funding has now been secured from all partners for 2023-24, although a gap of £17k remains. The responsibility for funding of therapeutic services has been accepted by the north and south Integrated Care Boards (ICB's) who are independently negotiating and allocating funding. This has meant that the OPFCC has now stepped back from this element of the funding model.

Other Findings



PFCC R09 Safer Streets Fund. (Failure by the Home Office to confirm 18-month funding and only provide 6 months funding will put the two-year delivery model at risk, especially the outreach service).

The risk was first identified due to delays with the bid funding linked to the grant agreement sent in October 2023 which only covered six months. The Partnership and Commissioning Officer confirmed that the Commissioner has committed match funding during the third financial year of this project, i.e. April – September 2025. They have permitted this funding to be used at any point within the two-year funding window affording greater flexibility which can be passed on to suppliers. The Home Office provided £820K and the Commissioner topped this up to £1M. Existing suppliers have been able to cover some of the outreach and ASB victim work. A reduced budget for 2024/25 was confirmed alongside the policing settlement on 15th December 2023 allowing suppliers to reprofile the budget to plan to deliver a reduced service. Although the risk was scored as 12 in March 2024, this has been reduced to 1 as at August 2024 as all of the funding has been received and this has been allocated into the budget. The risk is subsequently to be removed at the next risk register review. Funding for the delivery of the project has also been reprofiled to maximise the service that can be provided.

The PFCC and service providers reprofiled the projects to match the revised funding allocation. Work is also ongoing to support the suppliers as they mobilise the project. Evidence was provided by the Partnerships and Commissioning Officer confirming that the funding from the OPFCC can be used in different years, with the caveat that the total budgeted amount cannot be exceeded. In addition, the signed off grant variation notice from the Home Office regarding the repurposing of underspend from 2023-24 was provided.



PFCC R10 Independent Custody Visiting Scheme Membership (Failure to adequately resource the Custody Visiting Scheme with enough volunteers to carry out weekly visits).

This risk was first identified in March 2024 due to low numbers of Panel members in the west area. This was caused by a number of volunteers leaving or coming towards the end of their nine-year term, and there was a possibility that the number of volunteers in the west region may be as low as three. The risk scoring was last reviewed and updated in June 2024. Previously it was rated as six (an impact of 3 and likelihood of 2), however as five new volunteers have been recruited, it has been reduced to four (impact of 2 and likelihood of 2).

Independent Custody Visitors (ICV's) from other Panels have indicated they would be willing to travel to other custody suites to assist with visits. Although volunteers from other area Panels had agreed this arrangement, it was subsequently not required as the existing members in the west region agreed to provide sufficient cover by increasing the frequency of their volunteering.

The Governance Officer stated that a county-wide recruitment programme, including newspaper adverts in West Cumbria, has been carried out with some success and nine volunteers have been recruited; two in the north, five in the west, one in Kendal and one in Barrow. Following interviews and completed vetting the new volunteers have received induction training.

It was noted that in March the risk scoring was an impact of 3 and likelihood of 2. As volunteers have been recruited, the risk score was reduced to an impact of 2 and likelihood of 2, however this recruitment should reduce the risk likelihood, rather than the impact. The Governance Officer agreed to look at the scoring at the next review in August.

This risk will also be reviewed in three months to assess the progress of the recruitment and induction process. Discussion with the Governance Officer identified that the risk is to stay on the register until the end of the year as volunteers undergo a six-month probationary period. The number of volunteers who remain following the six-month period will be reviewed and the risk may subsequently be removed from the Risk Register.

Other Findings



Constabulary R59. There is a risk that we are unable to perform Force wide Command and Control activities from a central location, lose Operational and Situational awareness across our geographical footprint and are unable to respond to requests for emergency assistance from officers.

Saab run the constabularies command and control system and provide the Situational Awareness for Enhanced Security (SAFE) System. It was noted that staff within the service with significant experience of the system had been headhunted by Saab, resulting in a reduction in knowledge and experience. Appropriate contract management has now been put in place to mitigate against this. In addition, a service level agreement (SLA) has also been put in place and additional staff have been trained in use of the system to provide adequate resilience.

Furthermore, strategic workplans have been undertaken nationally, including the Saab SAFE Strategic Forum, which is managed by the Chief Constable of West Mercia Police.

The replacement for the Airwave mobile radio communications network has been budgeted for within the medium-term financial plan and the current contract for Airwave has been extended until at least 2028.

It was proposed that the Impact score be reduced from 5 to 4, and Likelihood score reduced from 4 to 3 (reducing the overall score from 20 to 12). This recommendation was endorsed at SMT on 4th September 2024.



Constabulary R57. There is a risk that additional demand relating to the West Cumbria Coal Mine development, will overtake our current capacity. This is caused by potential protest activity which may occur on both a national and potentially international scale.

There is a requirement for forces to provide sufficient numbers of appropriately trained officers to man all incidents of civil unrest or protest. To mitigate this, the constabulary would consider bringing in staff from other areas, and plans have been developed to determine where these additional officers would be based and housed and how they would be provided with the required operational equipment. An assessment of the local cell capability has also been completed, including the required numbers of detention officers and custody sergeants. Consideration has also been given to moving detained prisons out to other areas.

Following the outcome of the court case being disclosed, the likelihood of this risk may reduce from 4, however the impact would remain at 5.



Constabulary R58. There is a risk that the organisation does not achieve accreditation in line with the Forensic Science Regulator statutory code. This is caused by a lack of capacity and expertise within the Forensic Science Activities.

Discussion with the Head of Crime, Public Protection, Intelligence & Forensics, who joined the force in July 2024, identified that this risk was first identified 2019. This relates to not achieving the required ISO accreditation awarded by UKAS.

Relevant Standard Operating Procedures have been reviewed and updated where required. Additional training has been provided to crime scene investigators in order to mitigate the risk, and this has resulted in the risk score being amended to an impact of 3 (this was previously 4) and a likelihood of 4. The next steps involve testing the competency levels and equipment and ensuring that the correct roles are in place. A deadline of the second half of 2026 has been set.

The risk score is to be reviewed in 2025, and if it is determined that the deadline will not be achieved, the score will be re-assessed and increased.



Delivery Risk:

Failure to deliver the service in an effective manner which meets the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
PM	Performance Monitoring	There are agreed KPIs for the process which align with the business plan requirements and are independently monitored, with corrective action taken in a timely manner.	Out of scope	-	-
S	Sustainability	The impact on the organisation's sustainability agenda has been considered.	Out of scope	-	-
R	Resilience	Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	-

Other Findings



The audit demonstrated that both strategic and operational risks are subject to regular review by risk owners and senior management. In addition, the Risk Registers for the OPFCC and the Constabulary are presented to the Joint Audit Committee for scrutiny.

Scope and Limitations of the Review

- The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan. As set out in the Audit Charter, substantive testing is only carried out where this has been agreed with management and unless explicitly shown in the scope no such work has been performed.

Disclaimer

- The matters raised in this report are only those that came to the attention of the auditor during the course of the review, and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

Effectiveness of arrangements

- The definitions of the effectiveness of arrangements are set out below. These are based solely upon the audit work performed, assume business as usual, and do not necessarily cover management override or exceptional circumstances.

In place	The control arrangements in place mitigate the risk from arising.
Partially in place	The control arrangements in place only partially mitigate the risk from arising.
Not in place	The control arrangements in place do not effectively mitigate the risk from arising.

Assurance Assessment

- The definitions of the assurance assessments are:

Substantial Assurance	There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved.
Reasonable Assurance	The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved.
Limited Assurance	The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved.
No Assurance	There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Acknowledgement

- We would like to thank staff for their co-operation and assistance during the course of our work.

Release of Report

- The table below sets out the history of this report.

Stage	Issued	Response Received
Audit Planning Memorandum:	16 th January 2024	16 th January 2024
Draft Report:	4 th September 2024	
Revised Draft Report:	9 th January 2025	21 st January 2025
Final Report:	21 st January 2025	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	PFCC Cumbria & Cumbria Constabulary		
Review:	Risk –Mitigating Controls (Deep Dive)		
Type of Review:	Assurance	Audit Lead:	David Robinson – Director of Audit

Outline scope (per Annual Plan):	Three risks each from the OPFCC and Force’s risk registers will be selected and the effectiveness of the identified controls will be reviewed. The scope of the review does not include consideration of all potential mitigating arrangements or their effectiveness in minimising the opportunities for the identified risks to occur.		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	Delivery	Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.

Planned Start Date:	23/07/2024	Exit Meeting Date:	02/09/2024	Exit Meeting to be held with:	Joanne Head
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SELF ASSESSMENT RESPONSE

Matters over the previous 12 months relating to activity to be reviewed	Y/N (if Y then please provide brief details separately)
Has there been any reduction in the effectiveness of the internal controls due to staff absences through sickness and/or vacancies etc?	N
Have there been any breakdowns in the internal controls resulting in disciplinary action or similar?	N
Have there been any significant changes to the process?	N
Are there any particular matters/periods of time you would like the review to consider?	N