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Our reference: JAC/IR

Date: 15th November 2023

AGENDA

TO: THE MEMBERS OF THE JOINT AUDIT COMMITTEE

**CUMBRIA POLICE, FIRE & CRIME COMMISSIONER, CUMBRIA CONSTABULARY AND
CUMBRIA FIRE & RESCUE SERVICE - JOINT AUDIT COMMITTEE**

A Meeting of the Joint Audit Committee will take place on **Wednesday 22nd November 2023**
in the **Control Room 1, Police HQ Penrith**, at **10:30am**.

Please note – 9am There will be a confidential meeting of Committee and the external
auditors Grant Thornton prior to the main meeting.

**Gill Shearer
Chief Executive**

Note: Members are advised that allocated car parking for the meeting is available in the
Visitors' Car Park at the Police HQ.

Note: If members of the public wish to participate in this meeting please contact
inge.redpath@cumbria.police.uk by 15th November 2023 for an invitation.

COMMITTEE MEMBERSHIP

Mrs Fiona Moore (Chair)
Mr Malcolm Iredale
Wing Commander (Retired) Tim Mann
Mr Jake Cornthwaite
Mr Mike Roper

AGENDA

PART 1 – ITEMS TO BE CONSIDERED IN THE PRESENCE OF THE PRESS AND PUBLIC

Note – Items to be considered by exception, it is assumed that members will have read all papers before the meeting.

Agenda Item	Agenda Item	Officer/Lead	Time (Est)
1	APOLOGIES FOR ABSENCE	Chair	10.30
2	<p>URGENT BUSINESS AND EXCLUSION OF PRESS AND PUBLIC</p> <p>To consider (i) any urgent items of business and (ii) whether the press and public should be excluded from the Meeting during consideration of any Agenda item where there is likely disclosure of information exempt under s.100A(4) and Part I Schedule A of the Local Government Act 1972 and the public interest in not disclosing outweighs any public interest in disclosure.</p>	Chair	10.30
3	<p>DISCLOSURE OF PERSONAL INTERESTS</p> <p>Members are invited to disclose any personal/prejudicial interest, which they may have in any of the items on the agenda. If the personal interest is a prejudicial interest, then the individual member should not participate in a discussion of the matter and must withdraw from the meeting room unless a dispensation has previously been obtained.</p>	Chair	10.35
4	<p>MINUTES OF MEETING AND MATTERS ARISING</p> <p>To receive and approve the minutes of the committee meeting held on 20th September 2023.</p>	Chair	10.40
5	<p>ACTION SHEET</p> <p>To receive the action sheet from previous meetings.</p>	Chair	10.45
6	<p>CORPORATE UPDATE</p> <p>To receive a briefing on matters relevant to the remit of the Committee.</p> <p>a) Constabulary</p> <p>b) The OPFCC</p> <p>c) Fire & Rescue</p> <p>d) Finance</p>	<p>Deputy Chief Constable</p> <p>OPFCC Chief Exec</p> <p>Deputy Chief Fire Officer</p> <p>PFCC or CC Chief Finance Officer</p>	<p>10.50</p> <p>11.00</p> <p>11.10</p> <p>11.20</p>

7	<p>INTERNAL AUDIT – SUMMARY INTERNAL CONTROLS ASSURANCE REPORT</p> <p>To receive the Internal Auditors the Summary Internal Controls Assurance (SICA) Report. To include arrangements for Quality Assurance and Improvement.</p> <p>a) PFCC/Constabulary b) Fire & Rescue</p>	Director of Audit TIAA Ltd	11:30
8	<p>INTERNAL AUDIT REPORT(S)</p> <p>To receive reports from the Internal Auditors in respect of specific audits conducted since the last meeting of the committee.</p> <p>a) PFCC/Constabulary i. Assurance Review of Vetting ii. Assurance Review of Fleet - Strategy and Management of Fleet iii. Assurance Review of Absence Management b) Fire & Rescue i. None</p>	Director of Audit TIAA Ltd	11.40
9	<p>MONITORING OF AUDIT, INTERNAL AUDIT AND OTHER RECOMMENDATIONS AND ACTION PLANS</p> <p>To receive an updated summary of actions implemented in response to audit and inspection recommendations.</p> <p>a) PFCC/Constabulary b) Fire & Rescue</p> <p>A verbal update will be provided by TIAA Ltd</p>	Director of Audit TIAA Ltd	11.50
10	<p>AUDIT FINDINGS REPORT</p> <p>To receive the audit findings report from External Audit in respect of the annual audit of the financial statements</p> <p>a) PFCC/Constabulary b) Fire & Rescue (N/A for 2022/23)</p>	Engagement Lead Grant Thornton	12.00
11	<p>AUDIT ANNUAL REPORT</p> <p>To receive the audit annual report from External Audit for the years to 31st March 2023.</p> <p>a) PFCC/Constabulary Deferred to March 2024 meeting after the audit of accounts and VFM work have been completed. b) Fire & Rescue (N/A for 2022/23)</p>	Engagement Lead Grant Thornton	12.10
12	<p>JAC ANNUAL REPORT</p> <p>To receive the annual report of the Joint Audit Committee following the committees review of effectiveness.</p> <p>Deferred to March 2024 meeting, 360' Review of JAC still to be completed.</p>	CC CFO	12.20

13	<p>ANNUAL REVIEW OF GOVERNANCE To review the PFCC, Constabulary and Fire arrangements for governance:</p> <ul style="list-style-type: none"> a) Role of the Chief Finance Officers <ul style="list-style-type: none"> i. Constabulary ii. PFCC & Fire b) Joint Procurement Regulations c) OPFCC Arrangements for Anti-fraud & Corruption/Whistleblowing <ul style="list-style-type: none"> i. OPFCC Arrangements for Anti-Fraud and Corruption (Final - October 2023) ii. OPFCC Confidential Reporting (Whistleblowing) Policy (Final October 2023) d) Constabulary Arrangements for Anti-fraud & Corruption/Whistleblowing e) Fire Arrangements for Anti-fraud & Corruption/Whistleblowing f) Financial Regulations & Financial Rules Deferred to March 2024 meeting – a verbal update will be provided at the meeting g) OPFCC Grant Regulations & Procedures 	<p>Constabulary CFO PFCC CFO</p> <p>OPFCC Chief Exec</p> <p>OPFCC Chief Exec</p> <p>Head of PSD</p> <p>Deputy Chief Fire Officer</p> <p>Constabulary CFO</p> <p>OPFCC Chief Executive</p>	<p>12:30</p> <p>12:35</p> <p>12:40</p> <p>12:45</p> <p>12:50</p> <p>12:55</p> <p>13:00</p>
14	<p>ANNUAL STATEMENT OF ACCOUNTS To receive the audited Statement of Accounts and consider a copy of a summarised non-statutory version of the accounts.</p> <ul style="list-style-type: none"> a) The Police and Crime Commissioner for Cumbria (PCC/Constabulary Group) b) The Chief Constable of Cumbria Constabulary c) Cumbria Fire & Rescue (N/A for 2022/23) 	<p>PFCC CFO</p> <p>Constabulary CFO</p>	13:05
15	<p>ASSURANCE FRAMEWORK STATEMENT OF ACCOUNTS To receive a report from the PFCC CFO in respect of the PFCC, Constabulary and Fire framework of assurance.</p>	PFCC CFO	13:15
16	<p>ANNUAL GOVERNANCE STATEMENT DEVELOPMENT AND IMPROVEMENT PLAN UPDATE To receive an update on progress against the development and improvement plan within the annual governance statements:</p> <ul style="list-style-type: none"> a) PFCC (PFCC CFO) b) Constabulary (CC CFO) c) Fire (PFCC CFO) N/A for 2023/24. 	<p>PFCC CFO</p> <p>Constabulary CFO</p>	13:20

17	<p>TREASURY MANagements ACTIVITIES To receive for information reports on Treasury Management Activity - Quarter 2.</p> <p>a) The Police, Fire and Crime Commissioner for Cumbria (PFCC/Constabulary Group) b) Cumbria Commissioner Fire & Rescue Authority</p>	Constabulary CFO	13:25
18	<p>POINTS FOR CONSIDERATION BY THE COMMISSIONER AND THE CHIEF CONSTABLE</p>		13:30

Future JAC Meeting Dates (For Information)

20th March 2024 @ 10.30 – Fire HQ Penrith
 26th June 2024 @ 10.30 – Conference Room 1
 25th September 2024 @ 10.30– Fire HQ Penrith
 27th November 2024 @ 10.30 – Conference Room 1
 26th March 2025 @ 10.30– Fire HQ Penrith

Future Police, Fire and Crime Panel Meeting Dates (For Information)

31st January 2024 – Conference Room A/B, Cumbria House, Carlisle.

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Agenda Item 4 – Part 1

CUMBRIA POLICE, FIRE & CRIME COMMISSIONER ,CUMBRIA CONSTABULARY AND CUMBRIA FIRE & RESCUE SERVICE - JOINT AUDIT COMMITTEE

Minutes of a meeting of the Joint Audit Committee held on Wednesday 20th September
2023 Control Room, Fire HQ, Penrith, at 10.30am.

PRESENT

Mrs Fiona Moore (Chair)
Mr Malcolm Iredale
Wing Commander (Retired) Tim Mann
Mr Jake Cornthwaite
Mr Mike Roper

Also present:

Office of the PFCC

Chief Executive (CE), Office of the Police, Fire and Crime Commissioner (Gill Shearer)
PFCC Chief Finance Officer/CFRS Chief Finance Officer (PFCC CFO & CFRS CFO), (Steven Tickner)

Cumbria Constabulary

Deputy Chief Constable (DCC), (Darren Martland)
Chief Finance Officer (CC CFO), (Michelle Bellis)
Financial Services Officer (FSO), (Inge Redpath)

Cumbria Fire & Rescue Service

Deputy Chief Fire Officer (DCFO), (Brian Steadman)
Head of Performance and Assurance (HPA), (Mark Clement)

Internal Audit

Audit Manager(AM), TIAA, (Andrew McCulloch)

External Audit

Engagement Lead (EL) Gareth Winstanley

PART 1 – ITEMS CONSIDERED IN THE PRESENCE OF THE PRESS AND PUBLIC

The Chair called the meeting to order at 10.30am

813. APOLOGIES FOR ABSENCE

Apologies were received from:

Engagement Lead, Grant Thornton LLP (Michael Green)
Chief Superintendent (Michael Bird)

814. URGENT BUSINESS AND EXCLUSION OF PRESS AND PUBLIC

The Committee considered that the Presentation of the review of Statutory Accounts Audit – Enquiries of Management should be considered in Part 2 of the agenda in accordance with s100A(4) Part 1 of Schedule A of the Local Government Act 1972 on the grounds that the presentation material included both commercially sensitive and operationally sensitive information.

Items for Exclusion of Press and Public

- i. Statutory Accounts Audit – Enquiries of Management

10:32 the Meeting moved to the Part 2 Item

10:50 the Meeting returned to Part 1 Items

815. DISCLOSURE OF PERSONAL INTERESTS

There were no disclosures of any personal interest relating to any item on the agenda.

816. MINUTES OF THE PREVIOUS MEETING

The Committee received and reviewed the minutes of the meeting held 21st June 2023.

RESOLVED, that the minutes be recorded as a true record of the meeting held on 21st June 2023.

817. MATTERS ARISING

A member asked for clarification on item 797 corporate update around the number of 999 and 101 calls answered within the agreed timeframe and how Cumbria were now in the top 5 of forces for the past 7-8 months, the PCC statement of account for 2022/23 noted an area for improvement was around how the force answered calls.

The DCC confirmed that there had been a huge push to improve standards of call handling and deployment of officer and the forces is now performing to a consistently high standard.

818. ACTION UPDATE AND PLAN

The Action Update and Plan has been reviewed by committee and the following point were noted:

Item 776 – Corporate Update

The DCC provided a short briefing on the impact on the force from the high-profile murders in the press and the accusations about the Metropolitan Police Service, but these accusations were now levied at all police forces. Overall there are two key issues for Cumbria Constabulary:

1. The Casey Review which was a review into the standards of behaviour and internal culture of the Metropolitan Police Service but does now apply to all forces and this report was very scathing of the Metropolitan Police Service and made 8

recommendations.

2. The HMICFRS conducted a review into standards and Cumbria formed part of the inspection. This report made 43 recommendations for policing in general, every force is required to reply and return their responses to the NPCC, Cumbria Constabulary have implemented all 43 recommendations.

The Force was required to undertake a “Data Wash” meaning all staff were checked through the Police National Database (PND) which threw up lines of enquire which have all been investigated and there were no counter corruption issues identified.

One of the biggest issues for policing is the abuse of position for sexual purpose, we take a very firm line on this and as a result there have been 3 officers who have had accelerate misconduct hearings.

All officer and staff are vetting before joining and a decision has been made to vet anyone moving department or changing role.

The NPCC are producing new guidelines on what forces can look out for moving forward.

The Chair asked if the DCC was happy with the culture within Cumbria Constabulary?

The DCC feel that Cumbria is a good force, but nobody is being complacent, and we should all challenge behaviour where necessary.

Item 777 - Internal Audit – Summary Internal Controls Assurance Report

For the DCC to create a presentation on the governance of HMICFRS to link to JAC4 Review of Effectiveness Action Plan 2022/23.

The DCC summarised to say that the force has moved from a PEEL (Police Effectiveness Efficiency Legitimacy) Assessment which was a visit every year/every other year in the form of a tabletop exercise for 2 week and then a report would be produced to what we have now which is inspectors in and out of the force over a 12-month period, sitting in on meetings, attending briefings. This form of inspections now covers 11 questions, and we are grades on a scale of 1-5 (outstanding, good, adequate, requires improvement and inadequate) last year our grades were 1 outstanding, 3 good, 4 adequate, 1 requires improvement plus one still waiting for a grade, and one not graded. The force is in a good place, but the HMICFRS have intensified their inspection processes.

ACTION: for the DCC/Constabulary CFO to circulate the HMICFRS Inspection report to committee.

The Joint Audit Committee – Review of Effectiveness Action Plan 2022/23 and 2023/24

The chair advised that they wished to keep the action as per the plan and add in Fire where necessary and the chair would email the Constabulary CFO after the meeting.

RESOLVED, all other items were resolved.

819. CORPORATE UPDATES

a) Cumbria Constabulary

The DCC gave the corporate update on behalf of the Constabulary and covered the following:

The appointment of the new Chief Constable Rob Carden who assumed post on 1st August 2023 following the retirement of Mrs Skeer, he has created a new framework for the force under the new 4C's, Contempt for Criminality, Care for Victims, Communities First and Care for Colleagues and Staff. He will be going out on a roadshow in October to outline his expectations for the force under his 4C's approach.

A new police operating model was introduced last September and now we are looking at review of enabling services (back-office functions) looking at workloads, savings, pay against other organisations within the areas and this is due to conclude at the end of October.

Finally the "Right Care, Right Person" initiative. The police spend around 80% of their time dealing with none crimes issues like social economic issues, mental health, and drug related issues. The Right Care, Right Person puts the onus on the appropriate agency to deal with individuals in crisis. The police will always turn up if there is a threat to life or criminal activity. We have implemented this over a number of months collaborating closely with partner agencies and changing the mindset of those in our control room to ensure that callers are directed to the appropriate agencies for welfare check etc. we are adopting the Humberside police model and we have a go live date for "Right Care, Right Person" of 8th January 2024.

A member asked if through the enabling services review of the possibility of closer working with Fire for back-office functions to create savings etc.

The DCC said that Bluelight collaboration would be explored.

A member asked if there were any figures on the increased capability to tackle crime given the Right Care, Right Person approach used by Humberside police.

The CE gave the figure as a 7% increase which does not sound a great deal, but the DCC assured committee that this was a vast improvement overall.

b) The OPFCC

The CE gave the update on behalf of the OPFCC and covered the following:

A bid has been submitted for the Safer Streets 5 Fund which is a government fund and indication are we will receive additional funding of 1million for project across the county dealing with antisocial behaviour and antisocial driving.

A Fire and Rescue consultation has been undertaken and we are in the process of finalising the views of the public which allow the priorities for Fire and Rescue to be set going forward and this will be linked to the Fire Community Risk Management Plan (CRMP).

The budget cycle is starting which will lead to council tax precepts for both Police & Fire and Rescue.

The OPFCC have secured £2million plus are hopeful of securing an additional £1.4million from the Home Office for work around primarily Fire and Rescue but looking at collaboration and efficiencies.

c) Fire & Rescue Service

The DCFO gave the update on behalf of the Fire & Rescue Service and covered the following:

Firstly he welcomed the Committee to Fire Service HQ.

The appointment of the new Chief Fire Officer Rick Ogden who was the Assistant Chief Fire Officer and came from London Fire Brigade. We also have a new Temporary Assistant Chief Fire Officer Brian Massie. The Chief Fire Officer is doing a service relaunch at the end of October to put his stamp on the service.

Performance shows that fires are down 16% on the 3-year rolling average and road traffic incidents are also down. The fire service like the police have move to a BCU model in line with the unitary authorities and this is working really well within community hubs.

Operation response is around 5% being on actual fires and a large proportion of time around fire prevention and protection. June was a good example of work done during the very hot weather around targeted campaign with police and lake wardens to look at wild camping and secondary fire caused by disused BBQ's this resulted in a drop of 72% antisocial fires in one weekend. Although fires have reduced across the county there seems to be an issue in Barrow with a doubling of antisocial fires one of which resulted in 6 properties being burnt out. Work done within the community of Barrow has seen a 74% decrease in antisocial fires.

Targeted work has been undertaken with the protection department looking at 144 Hotel audits and surprisingly 78 hotels were deemed unsatisfactory resulting in 2 enforcement and 2 probation notices being issued.

Recruitment for back-office staff is very slow under similar position to the police in that other organisations within Cumbria can offer significantly more for similar roles.

The Fire and Rescues service is also having issues with unitary authority service level agreement that was put in place when the split was made, and this is slowing down HR processes and other delays so myself and the PFCC CFO are working on solutions to this and other issues.

There is a transferee process taking place for 8 transferees and a new whole-time recruitment in January 2024.

As seen in the media Fire service culture has come under the spotlight again the HMICFRS are now doing a thematic inspection of all Fire and Rescue services. Again not unlike the police we do have pockets of bad behaviour within the service, and we continue to challenge this bad behaviour.

Previously we did not automatically DBS check fire service officers and staff, but we are now doing all 660 staff and we have introduced a whistleblowing helpline.

Following the last HMICFRS inspection we have 19 areas requiring improvement and 87 action of which 65% have been completed.

As DCFO I am now also the Senior Information Risk Owner (SIRO) for Cumbria Fire and Rescue Service and we are making changes and having an audit done around data protection, whilst also amending job description where the role included being an information asset owner.

As mentioned by the CE the Fire and Rescue Service are undertaking their Community Risk Management Programme and have had over 400 responses from the public, showing that the public are generally satisfied with Cumbria Fire and Rescue Service.

d) Finance

The Constabulary CFO gave an update on the PFCC/Constabulary financial position covered the following:

Currently supporting the external auditors in the 2022/23 audit which is going well, responding to queries quickly. The financial services team are looking at the budget setting process for 2024/25 and hopefully will have a continuation budget ready for the Chief Officers and the PFCC by the end of November 2023. We are having staffing issues as we are competing against the unitary authorities for a small pool of job seekers.

The PFCC CFO then updated the meeting around the review of the MTFP process for this year to try and align with Fire for a mid-year review. The PFCC CFO has also been working on a range of strategies and policies for the Fire and Rescue Service around money laundering and antifraud and corruption. Budget monitoring for Fire and Rescue has been hindered due to the lack of information coming from the unitary authorities, there is also an issue with the payment of invoices through the unitary authorities which we believe is simply down to the volume and workload on Cumberland Council, however this is a service that Fire and Rescue are paying for. There is a meeting set up for early October with the Chief Executives of the unitary authorities to try and resolve these issues.

820. INTERNAL AUDIT – SUMMARY INTERNAL CONTROLS ASSURANCE REPORT

The Internal Audit summary internal controls assurance report has been received and reviewed by committee.

a) PFCC/Constabulary

The AM explained that there has been delays in getting some of the audit work completed due to staff annual leave on both sides, but all work should be back on track by the end of quarter 3.

A member asked if internal audit have the capability to do all the reviews.

The AM confirmed that everything will be completed within the time scale for this year.

b) Fire and Rescue – awaiting discussion with the PFCC

The AM gave an update on the Fire and Rescue and explained that a plan was drawn up, but internal audit has been asked to hold back until discussion had been had with the PFCC.

The DCFO confirmed that the audit plan is in place it just needed to be juggled around a little to ensure that staff were in place and information could be obtained from places like the unitary authorities to allow the audits to be undertaken.

The Chair expressed concerns about getting the assurance that is needed as they have no fall-back position with the being the first year of Fire governance for the committee.

The CE gave assurance that the plan will be completed but just in a different order to that details earlier this year, assurance can also be gained from the recent HMICFRS inspection in February looking at aspects around the financial position.

The PFCC CFO also explained that the financial transaction all goes through Cumberland Council, and he had spoken to internal auditors at Cumberland Council to establish what audits they are undertaking on the financial systems to give committee some assurance on the financial systems.

RESOLVED, that the report be noted.

821. INTERNAL AUDIT REPORT(S)

There are no Internal Audit reports finalised for this meeting.

822. MONITORING OF AUDIT, INTERNAL AUDIT AND OTHER RECOMMENDATIONS AND ACTION PLANS

a) PFCC/Constabulary

The monitoring of audit, internal audit and other recommendations and action plans report has been received and reviewed by committee.

A member raised a question regarding the table which should show all the recommendations but only shows those completed, can internal audit update the table moving forward to show the status of all recommendations as well as in the text of the report.

The AM will update the table moving forward.

b) Fire and Rescue – N/A for Fire at this stage

RESOLVED, that the report be noted

12:00 Break in the meeting
12:08 The meeting was called back to order

823. EXTERNAL AUDIT – AUDIT PLAN

The External Audit – Audit Plan have been received and reviewed by committee.

A member made comment around ICT audit (page 17) as it looked like staff were giving themselves access to areas and programmes causing a weakness in control?

The constabulary CFO responded to say sometimes in order to fix an issue staff require a higher level of access than would be normally given and the issue in this case was that the permission was not removed in a timely manner.

A member then asked why staff are not removed from the system the day they leave as opposed to within the week.

The constabulary CFO responded to clarify that when a staff member leaves their badge which gives them access to the buildings and printers is removed along with their laptop, so they do not have any means of access either the building or the systems, this gives ICT time to remove them from all systems within the week.

The EL gave assurance that there has never been any abuse of the systems noted by the External Audit team.

The constabulary CFO made comment around the audit fees. Public Sector Audit Appointments (PSAA) who allocate auditors have started a consultation on fees for 2023-24 audits, the proposed fees are looking to increase from £73k to £170k about a 150% increase, there are lots of details as to why the fees have increase such as issues within the audit community and getting auditors to bid for the work, the constabulary are engaging with the process and attending a meeting next week.

The PFCC CFO expressed concerns around the cost of the audit of the account for Fire and Rescue which look to be around £101k and compared with the size of Fire and Rescue compared with the PFCC/Constabulary it does seem disproportional and the PFCC CFO has responded to PSAA already asking for a full breakdown of the fees.

RESOLVED, that the report be noted

824. STRATEGIC RISK REGISTERS

Risk Registers and supporting documentation have been received and reviewed by committee.

a) OPFCC

A member asked why there was only a small amount of risk on the OPFCC risk.

The CE explained that these are only strategic risks for the Office of the Police, Fire and Crime Commissioner, other risks sit on the Constabulary and Fire and Rescue risk registers.

b) PFCC/Constabulary

A member asked why all changes were not documented in the executive summary, such as the changes to risk 28?

The DCC explained this was due to the scheduling of meetings but would ensure that all changes were brought out in the executive summary moving forward.

A member asked about Risk 53 and around what the final sentence means “Whilst it is unlikely all 17 will occur a significant number will”.

The DCC explained that there is the potential to lose 17 firearms officers over the next few months for different reason however this is unlikely.

c) Fire & Rescue

The DCFO clarified that moving forward there would be a direction of travel shown on the risk register.

A member questioned Risk 22 should the score be higher due to recruitment?
The DCFO confirmed that the risk is well known and under review month by month.

ACTION: for the CE to align the PFCC and Fire and Rescue risk registers so that they are all shown in the same format as the Constabulary.

RESOLVED, that the report be noted

825. PFCC ANNUAL REPORT

The PFCC Annual Report has been received and reviewed by committee.

A member thanked the CE for the hard work and the good layout of the Annual report for the public.

RESOLVED, that the report be noted.

826. TREASURY MANAGEMENT ACTIVITIES

The Treasury Management Activity for Qtr1 to 30th June 2023 has been received and reviewed by committee.

a) The Police and Crime Commissioner for Cumbria (PFCC/Constabulary Group)
No comments noted on this report.

b) Cumbria Commissioner Fire & Rescue Authority
No comments noted on this report.

RESOLVED, that the report be noted.

827. POINT FOR CONSIDERATION BY THE COMMISSIONER, THE CHIEF CONSTABLE, AND THE CHIEF FIRE OFFICER

There were no points for consideration for the Commissioner, the Chief Constable, and the Chief Fire Officer however the committee would like the following noted:

- a) To gain assurance that the constabulary are complying with all rule and regulations, Action log 814 created 20/09/23 for the DCC to create a simplistic breakdown of the different routes in terms of legislation and governance so committee are sighted on authorised professional practice and changes to policies and procedures, this will give assurance to Committee that all relevant laws and regulations have been complied with.
- b) To align all the risk registers into the same format for ease of reading and understanding, Action log 824 created 20/09/23 for the CE to align the OPFCC and Fire and Rescue Strategic risk registers so that they are all shown in the same format as the Constabulary.

828. AOB

None recorded.

Meeting ended at 13:55

Future JAC Meeting Dates (For Information)

22nd November 2023 @ 10.30 – Conference Room 1

20th March 2024 @ 10.30 – Fire HQ Penrith

26th June 2024 @ 10.30 – Conference Room 1

25th September 2024 @ 10.30 – Fire HQ Penrith

27th November 2024 @ 10.30 – Conference Room 1

26th March 2025 @ 10.30 – Fire HQ Penrith

Future Police, Fire and Crime Panel Meeting Dates (For Information)

9th October 2023 - Committee Room1, County Hall, Kendal.

31st January 2024 – Conference Room A/B, Cumbria House, Carlisle.

Signature_____

Date_____

Joint Audit Committee – Action Update and Plan

Completed
Ongoing within Original Timescale
Ongoing with original timescale extended
Overdue

Minute Item and date	Action to be taken	Person Responsible	Target Date	Comments	Status
776 (22/03/23)	Corporate Update	DCC	May 23 Sep 23	For the DCC to provide a short briefing on the impact on the force from the high-profile murders in the press and the accusations about the MET Police. September 2023 – The new temp. DCC Darren Martland has researched the background of this action and will provide a verbal update at the meeting. November 2023 – The DCC provided an update at the 20/09/23 meeting and this action can now be closed.	Completed
776 (22/03/23)	Corporate Update	Constabulary CFO	Nov 23	September 2023 – Welcome Pack document for OPFCC/Constabulary will be issued before the November JAC meeting. November 2023 – the updated JAC Induction Pack and Handbook is currently being finalised and will be provided to members by the end of November.	Ongoing with original timescale extended
777 (22/03/23)	Internal Audit – Summary Internal Controls Assurance Report	DCC	TBC	For the DCC to create a presentation on the governance of HMICFRS to link to JAC4 Review of Effectiveness Action Plan 2022/23. September 2023 – The new temp. DCC Darren Martland has researched the background of this action and will provide an update at the meeting. November 2023 – The DCC provided an update at the 20/09/23 meeting and this action can now be closed.	Completed
783(b) (22/03/23)	Risk Management Strategy	Constabulary CFO	Sep 23 Nov 23	The Constabulary CFO to look making clearer descriptions around the actual risk and then what mitigations have been put in place that will now reduce the risk. May 2023 – This will be incorporated into the next report in September. September 2023 – A meeting is to be held later in September between the Constabulary CFO and Ch Supt Bird with a view to aligning the terminology in the Constabulary Risk Register updates and the bi-annual risk management updates. The meeting has not yet taken place due to diary commitments. November 2023 - The detailed discussions have still to take place but descriptions will be updated for the next reported SRR update to committee in March 2024.	Ongoing with original timescale extended

798 (30/05/23)	Joint Audit Committee – Updated Terms of Reference	Constabulary CFO	Sep 2023	<p>For the Constabulary CFO to amend para 4.5 and 5.1 to convey clearer meanings. September 2023 – the wording is taken from the CIPFA publication “AUDIT COMMITTEES: PRACTICAL GUIDANCE FOR LOCAL AUTHORITIES AND POLICE \ 2018 EDITION”.</p> <ul style="list-style-type: none"> Para 4.5 reads as follows and the part of concern to members is highlighted in green “Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.” Para 5.1 reads as follows and the part of concern to members is highlighted in green Review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit of the financial statements that need to be brought to the attention of the Commissioner and/or the Chief Constable. <p>It is felt that these paragraphs should remain, in relation to 4.5, this is to give JAC members the potential to raise concerns if they feel that the PFCC/CC relationship with the HMICFRS is not effective. Members receive updates on HMICFRS reports, all of which are published on the HMICFRS website. In relation to 5.1, the accounting policies are published as part of the SoA, this is to give members the opportunity to question if they feel that an accounting policy is not appropriate. The CFOs will provide overall assurance that the accounting policies are in their professional opinion appropriate and have been followed. November 2023 – This matter was discussed at the September JAC meeting and the action can now be closed.</p>	Completed
814 (20/09/23)	Statutory Accounts Audit – Enquiries of Management	DCC	Nov 2023	<p>For the DCC to create a simplistic breakdown of the different routes in terms of legislation and governance so committee are sighted on authorised professional practice and changes to policies and procedures, this will give assurance to Committee that all relevant laws and regulations have been complied with. November 2023 – an update will be provided at the meeting.</p>	Ongoing within original timescale
818 (20/09/23)	Action Update and Plan	DCC/ Constabulary CFO	Nov 2023	<p>For the DCC/ Constabulary CFO to circulate the HMICFRS Inspection report to committee</p> <p>November 2023 - The most recent PEEL inspection report was published on 28/04/2022 and this was circulated to members by email on 10/06/2022. All HMICFRS are published on the HMICFRS website https://hmicfrs.justiceinspectors.gov.uk/ and can be accessed there. In future where relevant reports are published a link will be provided to members. This action can now be closed.</p>	Completed
824 (20/09/23)	Strategic Risk Registers	PFCC Chief Executive	Mar 2024	<p>For the CE to align the PFCC and Fire and Rescue strategic risk registers so that they are all shown in the same format as the Constabulary.</p>	Ongoing within original timescale

Joint Audit Committee – Review of Effectiveness Action Plan 2022/23

Note – we are still awaiting an updated plan from JAC members for 2023/24.

Ref	Improvement Area	Planned Action	Owner	Review Date	Status
JAC1	Support and monitor the OPFCC, Fire and Rescue and Cumbria Constabulary plans to address the ongoing funding environment and sustainability.	Members to maintain awareness of the national position in relation to the Funding Formula; to receive annual training on the budget and MTFP and consider as appropriate the arrangements flowing from significant changes in funding levels. JAC members to consider efficiency aspects of any recommendations or reports to Committee	JAC	March 2023	Ongoing
JAC2	Support and challenge any new governance arrangements for example arising from restructuring and capacity reviews; Local Government Reorganisation and Fire; greater collaboration with other organisations; joint working on delivery of services.	JAC to seek assurance regarding the sufficiency of all new arrangements supported by appropriate documentation including Financial Regulations and ensure governance arrangements are considered as part of the risk assessment process. To receive specific briefings on all re-structuring, particularly as a result of Local Government Reorganisation and its impact on the Police and Crime Plan. To receive specific briefings on Fire Governance arrangements.	JAC	March 2023	Ongoing
JAC3	Achieve a greater understanding of partnerships the OPFCC, Fire and Rescue and Cumbria Constabulary are involved with.	The DCFO to organise and introduction day for all members and this would include visits to different stations and a presentation on partnerships.	JAC	March 2023	Ongoing
JAC4	Achieve a greater understanding of the findings of HMICFRS reports; how these are reflected in the risk registers and evidence of benefit realisation following implementation of inspection findings.	The DCC to brief JAC members at the November meeting on HMICFRS as the first part of the understanding/integration process for inclusion in the risk register and continuous improvement loop.	JAC	March 2023	Ongoing
JAC5	To improve engagement with the Chief Constable of Police and Crime Commissioner (Committee Chair) and attend Police and Crime Panel Meetings and other governance committees as necessary/considered beneficial to enhance the work of JAC.	Update August 2022 – Appointments have been arranged for the Chair of the committee to meet the Chief Executive & Assistant Chief Officer (13/09/22 @ 14:00), Commissioner (13/09/22 @ 14:30) and Chief Constable 13/09/22 @ 15:00)	JAC	March 2023	Ongoing

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Internal Audit

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Police and Crime Commissioner for Cumbria and Cumbria Constabulary

Summary Internal Controls Assurance (SICA) Report

2023/24

November 2023

Summary Internal Controls Assurance

Introduction

1. This summary controls assurance report provides the Joint Audit Committee with an update on the emerging Governance, Risk and Internal Control related issues and the progress of our work at the Police and Crime Commissioner for Cumbria and Cumbria Constabulary as at 14th November 2023.

Whistleblowing - driving the conversation

2. **The importance of a healthy culture.**

We have seen, over the last few months, the publication of several high-profile reports such as the Metropolitan Police (Casey Review March 2023), University Hospitals Birmingham (Bewick Report March 2023) and Plaid Cymru's review (conducted by Nerys Evans May 2023) where a common theme for each organisation was reported around the treatment of whistleblowers as well as 'poor' organisational culture, failures in leadership and poor whistleblowing reporting mechanisms.

There are so many high-profile incidents that have arisen over the last few years across many sectors and industries, perhaps most notably the #METOO campaign which highlighted sexual abuse in the entertainment industry spanning decades, where, despite there being many reported incidents, the individuals were ignored, ostracised or simply closed down and the matter covered up.

There is a real drive within government to look at the Whistleblowing Laws in the UK to drive through change. It is anticipated that there will be greater onus on organisations to improve their culture and to provide greater support and protection for whistleblowers. The outcome of the government's research is due for completion by the Autumn 2023.

In anticipation of the key messages coming out from the government, we in TIAA are using our expertise and knowledge to support organisations by:

1. Working with organisations to 'health check' organisational culture in respect of whistleblowing;
2. Providing a platform for those responsible for governance, raising concerns, whistleblowing and freedom to speak up guardians to share knowledge expertise, good practice in a forum event.
3. Examining poor practice and looking at the lessons to be learnt from recent incidents in webinar events and through consultation exercises such as online surveys.
4. Sharing the information through benchmarking reports and roundtable events.

Please use this link to keep up to date with our campaign and/or to be part of the conversation and drive through real change and improvement in this important area.

<https://www.ttaa.co.uk/publications/ttaa-organisational-culture-and-whistleblowing-webinar/>

Audits completed since the last SICA report to the Audit Committee

3. The table below sets out details of audits finalised since the previous meeting of the Joint Audit Committee.

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
Vetting	Reasonable	20/09/2023	13/11/2023	13/11/2023	0	2	1	0
Absence Management	Reasonable	20/09/2023	13/11/2023	13/11/2023	0	2	1	0
Fleet – Strategy and Management of Fleet	Reasonable	06/09/2023	13/11/2023	13/11/2023	0	3	1	0

Progress against the 2023/24 Annual Plan

4. Our progress against the Annual Plan for 2023/24 is set out in Appendix A.

Changes to the Annual Plan 2023/24

5. There are no proposed changes to the planned work for 2023/24.

Progress in actioning priority 1 & 2 recommendations

6. We have made no Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA.

Frauds/Irregularities

7. We have not been advised of any frauds or irregularities in the period since the last SICA report was issued.

Other Matters

8. There has been no briefing notes and fraud digests issued since the previous SICA report.

Responsibility/Disclaimer

9. 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. The matters raised in this report not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. 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.

Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Absence Management	1	Final report issued	Completion delayed due to availability of TIAA and CC staff
Vetting	1	Final report issued	Completion delayed due to availability of TIAA and CC staff
Fleet - Strategy and Management of Fleet	1	Final report issued	Completion delayed due to availability of TIAA and CC staff
Grievance Reporting and Management	2	Proposed start date 25 th January 2024	
Corporate Health and Safety	2	Proposed start date 2 nd January 2024	
Use of Social Media	2	Proposed start date 5 th February 2024	
Risk - Insurance	3	Proposed start date 11 th December 2023	
Recruitment - Induction	3	Field work commenced 30 th October 2023	
ANPR Cameras	3	Proposed start date 15 th January 2024	
Accounts Payable (Creditors)	3	Proposed start date 8 th January 2024	
Risk –Mitigating Controls (Deep Dive)	3	Proposed start date 4 th December 2023	
Partnerships and LGR	4	To be arranged	
Victim Support Services	4	To be arranged	
General Ledger	4	To be arranged	
Follow-up	1 – 4	To be arranged	

KEY:

	To be commenced		Site work commenced		Draft report issued		Final report issued
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Briefings on developments in Governance, Risk and Control

TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Anti-Crime which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. There have been no briefing notes issued that are relevant to Cumbria Fire and Rescue Service since the last meeting of the Joint Audit Committee.

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Cumbria Fire and Rescue Service

Summary Internal Controls Assurance (SICA) Report

2023/24

November 2023

Internal Audit

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Summary Internal Controls Assurance

Introduction

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In anticipation of the key messages coming out from the government, we in TIAA are using our expertise and knowledge to support organisations by:

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<https://www.ttaa.co.uk/publications/ttaa-organisational-culture-and-whistleblowing-webinar/>

Audits completed since the last SICA report to the Audit Committee

3. There have been no audits finalised since the previous meeting of the Joint Audit Committee.
4. There are no issues arising from our work at this point in the year that would require the annual Head of Audit Opinion to be qualified.

Progress against the 2023/24 Annual Plan

5. Our progress against the Annual Plan for 2023/24 is set out in Appendix A.

Changes to the Annual Plan 2023/24

6. There are no proposed changes to the Annual Plan.

Progress in actioning priority 1 & 2 recommendations

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Progress against Annual Plan

System	Planned Quarter	Current Status	Comments
Estates Management – Property Compliance	2	Fieldwork commenced 30 th October 2023	
Fleet – Strategy and Maintenance	3	Fieldwork commenced 14 th November 2023	
Key Financial Controls	3	Planned start 11 th December 2023	
Equality, Diversity and Inclusion	4	Planned start 29 th January 2024	
Governance – Strategic Control	4	Planned start 8 th February 2024	
Follow Up	4	Date to be confirmed	

KEY:

	To be commenced		Site work commenced		Draft report issued		Final report issued
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TIAA produces regular briefing notes to summarise new developments in Governance, Risk, Control and Anti-Crime which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. There have been no briefing notes issued that are relevant to Cumbria Fire and Rescue Service since the last meeting of the Joint Audit Committee.

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Police and Crime Commissioner Cumbria and Cumbria Constabulary

Assurance Review of Vetting

2023/24

November 2023

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Everyone in policing must maintain the highest ethical and professional standards, and must act with the utmost integrity. This is crucial in ensuring that public trust and confidence in the service is maintained.

SCOPE

The review considered the extent to which vetting procedures have been strengthened in line with recent guidance and whether national recommendations in this area have been adopted and implemented. The review also considered what controls are in place to ensure that business interest, secondary employment and any declarations of interests are considered when undertaking vetting.

KEY STRATEGIC FINDINGS



The Force Vetting Policy and associated procedures are aligned to the Authorised Professional Practice (APP).



All recommendations contained within the effectiveness of vetting and counter-corruption arrangements by HMICFRS in December 2021 have been implemented.



Arrangements are in place to ensure that all new starters undergo vetting before they commence employment.



One member of staff who returned from maternity leave in February 2023 has not been re-vetted within the required renewal period.

GOOD PRACTICE IDENTIFIED



Data in relation to vetting decisions has been investigated to identify any disproportionality in relation to the protected characteristics of applicants.

ACTION POINTS

Urgent	Important	Routine	Operational
0	2	1	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)
1	Directed	No strategic risks in relation to vetting have been identified by the Constabulary. Given the recent high-profile cases of officers convicted of serious offences, it is recommended that the risk management of this area remains a high focus with mitigating controls being regularly reviewed.	Risks in relation to the vetting arrangements be identified and appropriate controls recorded.	2	<p><i>Whilst this was not listed as a strategic risk on the risk register, vetting has been and is discussed regularly with the executive at Chief Officer Group and Strategic Management Board, to track progress. This has included several workstreams that have now been achieved, e.g., back record conversion of all vetting files onto CoreVet system, Historical Data Wash of officer and staff details through PND and HMICFRS inspection areas for improvement and recommendations.</i></p> <p><i>To raise this as a risk would now be retrospective when the workstreams are complete. However, we suggest vetting be added to the command risk register as an alternative and should we be unable to fulfil the demands of the upcoming APP and legislative changes, it can be escalated to the strategic risk register.</i></p>	01/12/2023	Head of PSD

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.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	<p>Data provided showed that, at the time of the audit, there were three members of staff where the vetting renewal date had passed. Two of these were on career breaks (both returning in 2024) and are therefore not currently at work.</p> <p>In relation to the third, they were on maternity leave at the time that the re-vetting became due in January 2022. The Vetting Researcher confirmed that vetting renewal forms were sent out in November 2021, prior to the maternity leave commencing, however these were not returned. There has been no contact since they returned to work in February 2023 and they have therefore been working for the last six months with no up to date vetting in place. The Head of Professional Standards Department confirmed that the member of staff is a Detective Sergeant.</p>	It be ensured that all staff returning to work following career breaks, including maternity leave, have up to date vetting in place at the time of their return.	2	<p><i>There is a process for identifying overdue reviews in CoreVet. This will be made to include a process of vetting being informed when staff return from career breaks.</i></p> <p><i>NB. The vetting for this officer was immediately actioned and clearance granted on 02/10/23.</i></p>	01/12/2023	Head of PSD
2	Directed	<p>Testing was undertaken of a sample of 20 employees, encompassing police officers and support staff, with start dates from January 2023 to date. This showed that vetting had been carried out that was appropriate to their role and that the vetting had been passed prior to the member of staff commencing their employment.</p> <p>It was noted that in one case the decision record had not been uploaded into CoreVet, however, evidence was provided to demonstrate that the clearance certificate email had been sent.</p>	It be ensured that decision records are held in CoreVet as evidence of the vetting checks completed and decisions made.	3	<i>This was raised with the vetting manager by the auditor, who explained it was due to human error.</i>	07/09/2023	Head of PSD

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 of Audit	Andrew.McCulloch@tiaa.co.uk	07980787926
David Robinson	Audit Manager	David.Robinson@tiaa.co.uk	07766553339

Constabulary Staff	Title
Hayley Wilkinson	Head of PSD
Peter Morley	Force Vetting Manager
Kathrine Reeves	Vetting Researcher

Exit Meeting Date	8 th September 2023
Attendees	Hayley Wilkinson, Head of PSD

Director/Commander Comment	<p>I welcome this report and its findings. In the last 12 months there has been a significant focus on vetting arrangements owing to national scandals that significantly affected public confidence. This has led to multiple workstreams mandated nationally, and some managed locally resulting from our last HMICFRS inspection. 43 AFI's (areas for improvement) and recommendations arising from the national thematic inspection on vetting were mandated by NPCC and the HMICFRS for completion by all forces by June 2023. Cumbria Police achieved that deadline and have sent the returns to the HMICFRS. They will be subject to audit in our PEEL inspection which is already underway.</p> <p>In November 2023, the new vetting APP is being launched and will affect the demands of the PSD vetting team. To ensure that the department has the capability and capacity to meet those demands, Chief Officers have approved a formal business change review of PSD (including vetting) for which the TOR are already drafted for approval. This will ensure the Constabulary remains positioned to fully comply with all elements of the vetting APP.</p> <p>T/Ch Supt Bird 2989</p>
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<p>Deputy Chief Constable's Comment</p>	<p>T/Ch Supt Bird has highlighted some of the vital developments in recent months aimed at bringing quality and consistency to vetting standards across police forces in England and Wales, and to restore public confidence. This remains a priority for Chief Officers and is the reason we have commissioned a full business change review of the department. This will ensure that the Force is well positioned to meet its obligations linked to vetting, whilst continuing to protect its colleagues and the public. My scrutiny of the PSD function will continue within the PSD, and HMIC governance boards.</p> <p>The HMICFRS actions in relation to vetting have been reviewed and have been fully completed.</p> <p>DCC Martland</p>
<p>Considered for Risk Escalation</p>	<p>Nothing to escalate</p>

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.	Not in place	1	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	2, & 3	-

Other Findings

- 

The Force Vetting Policy is currently at version 4 and was last updated in March 2023 to reflect that vetting reviews are completed in accordance with the Authorised Professional Practice (APP). This sets out the types of security vetting that are carried out, vetting reviews and renewals and the recording and review of diversity data in relation to vetting decisions.
- 

Whilst the practices and rules regarding vetting are set out in the APP, the Constabulary has documented guidance in relation to the periodic vetting reviews. These were last reviewed and updated in April 2023.
- 

A review into the effectiveness of vetting and counter-corruption arrangements at Cumbria Constabulary was undertaken by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) in December 2021. A number of areas for improvement were noted including that: The force does not have a system to ensure it periodically renews vetting clearances in line with the Authorised Professional Practice (APP) on vetting; The Force does not have a consistent process for informing the FVU when personnel move into designated posts; The force is not fully compliant with the APP on vetting; and The force does not monitor vetting decisions for any disproportionality.

The latest areas for improvement (AFI) action plan / Recommendation Outstanding List was provided by the Head of the Police Standards Department (PSD). This document notes all recommendations and AFIs as being implemented in full.



The APP on Police Vetting 2021 requires that a review of all posts in the force must be conducted to ensure that they have been designated the appropriate vetting level. This must be reviewed periodically to ensure that the information is kept up to date. There are three levels of force vetting applicable to the police service. These are non-police Personnel Vetting (NPPV), Recruitment Vetting (RV) and Management Vetting (MV). Police staff and police officers must be vetted to the appropriate level for their job. The Constabulary have determined and documented which posts come under the categories of Management Vetting, Security Check vetting and Developed Vetting.



Authentication is used to confirm an individual's identity prior to vetting being completed. There are two separate processes for this to accommodate police appointments (RV & MV) and non-police (NPPV). For police appointments, the Recruitment Team completes authentication prior to sending the notification to the Vetting Team for vetting to commence. Authentication documents are stored on the iTrent account for the candidate. For non-police personnel, internal vetting sponsors complete authentication before requesting vetting. They do this by signing a form to confirm that this has been completed prior to submitting it via SharePoint to the Vetting Team who then commence the vetting process.

Consent from the applicant is required for any biometric vetting undertaken for police officers. The Recruitment team arrange a date for biometrics to be taken at a police station and candidates are informed that, by attending the biometric appointment, they are consenting to the fingerprints and sample taken being the subject of a speculative search of the Police database.



A suitable process is in place to ensure that all new starters are identified, and the required vetting completed prior to the member of staff commencing their employment. The Recruitment Team receives a notification on iTrent detailing who the successful candidate is following the recruitment process and automated emails are sent to the relevant departments. This includes the Vetting Team who create a profile on CoreVet and send out a vetting application form to the candidate. Vetting is then completed and iTrent updated with the result, which generates an automated email notification to the Recruitment Team.

In order to identify staff who have changed roles to one that requires a higher level of vetting, Vetting Managers are required to generate a report periodically to check that the level of vetting held matches the role. This practice is in the early stages of being implemented. Discussions with a Vetting Manager identified that he is finalising the arrangements with the Recruitment Team so that their establishment spreadsheet of posts has the correct required level of vetting recorded. Once this is completed, the establishment spreadsheet will be updated to show all staff and what level of vetting that they have and what is required for their post. The process will then involve a weekly report being generated from the establishment spreadsheet so that checks can be made to see that those in post have the correct level of vetting.



Vetting renewal periods are set for each clearance level, ranging from three years for NPPV to 10 years for RV. The process of identify when the periodic re-vetting is required is automated on CoreVet with the re-vetting date generating a notification on the dashboard that the renewal is due in 42 days. The vetting team send out a renewal application at this point so that there is sufficient time to complete it before the expiry date of the vetting already in place.



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.	In place	-	-
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 Vetting APP requires that Forces monitor statistics in relation to vetting decisions and investigate where there is a disproportionality in relation to the protected characteristics of applicants. A report provided by the Head of PSD containing data for all applicants processed from 1st January to 2nd June 2023 (385 applicants) showed that there were 14 rejections (3.6%). The rejections rates of male and female applicants were similar at 4% and 3% respectively. Only six applicants identified as non-white and one of these was rejected. Although this is a large proportion of the rejections, the data set is too small to make appropriate comparisons. In relation to sexuality, one applicant who identified as gay/lesbian and two of those who preferred not to state their sexuality were rejected. One applicant identifying as disabled was rejected. Discussions with the PSD identified that vetting data is presented at the monthly PSD Governance Board for internal scrutiny. However, due to the small numbers of vetting data, there is only a sufficient data set to present and review this 6-monthly from a disproportionality perspective. Vetting data is also presented quarterly to the Constabulary's external Ethics and Integrity Panel to identify, understand and respond to any disproportionality.



The Head of the Police Standards Department (PSD) is designated as the Force Vetting Officer (FVO) and is supported by two Vetting Managers.

Scope and Limitations of the Review

1. 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

2. 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

3. 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

4. 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

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

Release of Report

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

Stage	Issued	Response Received
Audit Planning Memorandum:	7 th July 2023	14 th July 2023
Draft Report:	20 th September 2023	13 th November 2023
Final Report:	13 th November 2023	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Police and Crime Commissioner Cumbria and Cumbria Constabulary		
Review:	Vetting		
Type of Review:	Assurance	Audit Lead:	David Robinson

Outline scope (per Annual Plan):	The review considered the extent to which vetting procedures have been strengthened in line with recent guidance and whether national recommendations in this area have been adopted and implemented. The review also considered what controls are in place to ensure that business interest, secondary employment and any declarations of interests are considered when undertaking vetting.		
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>	<p>Delivery</p> <p>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.</p> <p>Sustainability: The impact on the organisation's sustainability agenda has been considered.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	

Planned Start Date:	13/07/2023	Exit Meeting Date:	08/09/2023	Exit Meeting to be held with:	Head of the Police Standards Department and T/Chief Superintendent
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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



Internal Audit

FINAL

PCC Cumbria & Cumbria Constabulary


Assurance Review of Fleet - Strategy and Management of Fleet

2023/24

November 2023

Executive Summary

OVERALL ASSESSMENT







ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The Constabulary needs to be providing and maintaining a vehicle fleet which is safe, modern, fit for purpose and readily available, to meet the diverse and variable demands across the organisation.



SCOPE

The review considered the strategy for the management and replacement of the fleet of vehicles and effectiveness of the delivery of the fleet management repairs and maintenance arrangements, including the planning of services and MOT's, responsive repairs and general maintenance.

KEY STRATEGIC FINDINGS

-  **A Fleet Strategy is in place and a detailed Fleet Demand review was undertaken in 2023 by the Director of Corporate Support.**
-  **Processes operating for vehicle servicing and repairs is appropriate but there are no formal procedures for staff to follow.**
-  **Vehicle checks by users are not always being undertaken in the prescribed manner or frequency.**
-  **Additional performance indicators relating to the workshop function would help identify any pinch points in the processes operating.**

GOOD PRACTICE IDENTIFIED

-  **The Constabulary has set service schedules at values lower than the manufacturers' guidelines to add additional assurance that they won't be exceeded.**
-  **The use of external independent MOT test stations provides an additional assurance on the work undertaken by the Constabulary's workshops.**

ACTION POINTS

Urgent	Important	Routine	Operational
0	3	1	1

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)
1	Directed	<p>The Fleet team provide the essential support for the availability of vehicles, maintenance and repairs to vehicles, fitting/defitting of vehicles and disposals.</p> <p>Through visits to the Fleet team offices at Penrith and discussions with the staff, it was identified that whilst many of the activities and practices are well organised and have appropriate controls, there is a heavy reliance on staff knowledge of process and policy. An example of this is the servicing schedules of vehicles, which although are set appropriately and also risk based, are not directed by a formal policy.</p>	<p>Policies be documented for the areas that fall under the Fleet team to provide clear direction and to support the delivery of the Fleet Strategy.</p>	2	<p>Specific - Fleet governance, policy and procedures are to be created. Setting guidelines and standard operating procedures for the fleet team for all core functions of fleet services.</p> <p>Measurable - Once established an internal audit plan is to be implemented to regularly test and revise.</p> <p>Achievable – Yes, these documents will contain all current working practices and procedures.</p> <p>Relevant – The fleet team requires guiding documents in policy and procedure. This will aid business continuity and allow best practice development with revisions and audits.</p> <p>Time-bound – Complete by Jun 24 with audit plan to commence Aug 24.</p>	<p>Development Sept 23 – Apr 24</p> <p>Implementation Apr 24 – Jun 24</p> <p>Internal audit Aug annually</p>	Head of fleet

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
2	Directed	Furthermore, many activities undertaken have become custom and practice but there are no documented procedures. This provides a potential point of failure should key staff be absent for a prolonged period or leave the employ of the Constabulary.	Procedures be documented for the activities undertaken across the Fleet team.	2	<p>Specific – Fleet activities to be identified and procedure documents created to reflect along side rec 1.</p> <p>Measurable – Will regularly been seen in the application of activities carried out by the fleet team. Alongside the audit plan they will be refined into best practice.</p> <p>Achievable – Yes, these documents will consolidate all working practices.</p> <p>Relevant – This will give the fleet team procedures to follow increasing resilience and preventing single point of failure.</p> <p>Time-bound – along side rec 1, Complete by Jun 24 with audit plan to commence Aug 24.</p>	<p>Development Sept 23 – Apr 24</p> <p>Implementation Apr 24 – Jun 24</p> <p>Internal audit Aug annually</p>	

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
3	Directed	<p>All vehicles are required to have a weekly check undertaken by a user to confirm key elements of the vehicle are in place and to identify any issues with tyres or damage. A review of the dashboard data for Cumberland BCU during the audit fieldwork identified 61% of vehicles compliant. Of the 30 vehicles overdue, there were 21 that were still recorded as available and therefore in use.</p> <p>Further investigation identified that some vehicle checks were being completed and submitted for vehicles that were unavailable and off the road. This activity suggests that users may either not understand the reason for the checks or that they are potentially submitting checks that may not have actually been done.</p>	The completion of weekly vehicle checks be reviewed to ensure that all users understand the process and requirements for the checks being required.	2	<p>Specific - Agenda item added to next TVG meeting 16 Oct 23 to review this process and implement stronger control measures. Guidance on vehicle check completion is to be reviewed with Driving school for relevance and currency, then published on force intranet "Need to know".</p> <p>Measurable – effective communication and completions will see vehicle check compliance rise.</p> <p>Achievable – Yes.</p> <p>Relevant - Vehicle safety checks are an important part of ensuring vehicles are fit for service and operational use.</p> <p>Time-bound – Complete by 31 Oct 23.</p>	<p>Next TVG 16 Oct 23</p> <p>Reviewed and actions allocated to complete by 31 Oct 23.</p>	Head of fleet
4	Delivery	<p>The Fleet Strategy identifies the key performance indicators, the majority of which are reported through the PowerBi dashboard.</p> <p>It was identified that there are no performance indicators available to monitor the elements of the processes undertaken by the maintenance and service provision. Testing noted that, when looking at the time a vehicle spent off the road, there was no indication if this was due to in-house delays or external factors. Additional performance indicators would help to identify any internal pinch points.</p>	Performance indicators for the repairs and maintenance function be developed to help identify where and when issues may be arising.	3	<p>Specific - Once governance, policy and procedures and fleet strategy revised and implemented, a KPI package is to be developed.</p> <p>Measurable – Yes, the nature of KPI is to give measurable data for action.</p> <p>Achievable – Yes, this will allow the fleet team to fine tune delivery of service.</p> <p>Relevant – Will allow transparency of service delivery to the force identifying issues and pinch points for action.</p> <p>Time-bound – Complete by April 24.</p>	April 24	Head of fleet

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
1	Delivery	<p>As referenced elsewhere in this report, the Constabulary are currently operating two of three depots, which impacts on the volume of work that can be undertaken as well as the turnaround time for vehicles in for service or repair. During the testing undertaken, it was also noted that vehicles booked in don't always get started as expected and are therefore unavailable for longer or they remain in operation longer before work is carried out.</p> <p>It was noted, during discussions, that the Technicians are responsible for the ordering and receipting of all materials required. With the difficult recruitment of further technicians, it is suggested that a review of the technician duties is undertaken to determine how much time is spent on administration duties that could be made available for vehicle related work if there was administration support available.</p>	<p>Consideration be given to a review of technician duties to identify if administrative support would provide additional time for technicians to undertake vehicle work rather than administration of parts orders and booking of vehicles to external providers.</p>	<p><i>Cumbria constabulary is currently partaking in an enabling services review. Head of fleet has requested that this be considered during the review.</i></p> <p><i>Head of fleet has engaged with head of business development to arrange analytical breakdown of the technician's admin functions and time to highlight any changes that can be implemented to drive efficiencies.</i></p>

Assignment Engagement Details

TIAA Auditors	Title	Contact Email	Telephone
Andrew McCulloch	Director of Audit	Andrew.McCulloch@tiaa.co.uk	07980787926
David Robinson	Audit Manager	David.Robinson@tiaa.co.uk	07766553339

Constabulary Staff	Title
Stephen Kirkpatrick	Director of Corporate Support
Ian Shaw	Interim Fleet Manager
Dianne Hill	Fleet Management Information Officer

Exit Meeting Date	18 th August 2023
Attendees	Stephen Kirkpatrick, Director of Corporate Support

Director/Commander Comment	<p>I am content that the reasonable assurance provided within this audit of Fleet Services represents an accurate and balanced view of the function.</p> <p>I am very pleased to observe that the audit has recognised the good practices in regarding service scheduling and MOT testing QA.</p> <p>The four actions, and one further observation are all accepted and will be action by the Fleet services team as per the management responses detailed.</p> <p>Whilst the audit identifies governance improvements being required (predominantly policies and procedures), I am very pleased to observe that no issues with the maintenance and servicing approach were identified which is a testament to the high standards of work that is achieved across all aspects of Fleet Services.</p>
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Deputy Chief Constable's Comment	<p>I have read this report and the comments from Stephen above, and I am encouraged to see that the actions raised are being addressed. A review of our fleet arrangements had already been commissioned and completed, the recommendations of which are currently being refined and will be addressed and tracked through the Strategic Change Board. Equally the independent enabling services review has provided further opportunity to address some of the issues the audit highlights around governance, and its recommendations are currently being considered by Chief Officers.</p> <p>T/DCC Martland</p>
Considered for Risk Escalation	<p>Nothing to escalate.</p>

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.	Partially in place	1, 2, & 3	-
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.	Partially in place	-	-

Other Findings

- A Fleet Strategy that covers the period 2022 to 2025 has been developed that provides a link between the Constabulary's strategic objectives and priorities for the vehicle fleet. The Strategy is also aligned to the delivery of Vision 25.
- The Strategy is clearly set out with a simple overview of the Vision, Fleet Objectives and Fleet Strategy Actions. The four objectives are: Continually evolving to meet current and emerging operational needs; Excellent Maintenance arrangements to ensure safe a highly available provision; Affordability, provide an asset portfolio which is financially sustainable; and Reduce the carbon impact of operating a Police fleet - Plan Zero.
- An Action Plan has been developed that sets out the key actions along with the timescale, key decisions and resource. An example of this is the introduction of telematics, which will improve vehicle utilisation and measure/capture benefits and align to the efficiency plan. This was originally expected to be rolled out in April 2023, however, a slight delay in the procurement and provision of the system has delayed this to late summer of 2023.

Other Findings

-  Appendices in the Strategy clearly set out the activities of the Fleet team as well as vehicle replacement criteria (Time/Mileage) and the use of a PowerBi dashboard to monitor performance.
-  In 2023, a Fleet Demand Review was undertaken by the Director of Corporate Support, which benchmarked the Constabulary's fleet against National benchmarking data, undertook an analysis of demand and growth requests, as well as setting out proposals for plain and marked vehicles, and the structure of the Fleet team.
 The review also considered benchmarking of vehicle costs by type with a similar constabulary, availability of vehicles, sustainability and capital replacement costs over a 5 year rolling programme.
-  Four vehicles classified as unavailable were reviewed to ascertain the reason and confirm the status. In each instance, records were held to show the position of each vehicle with two relating to main dealer delays due to potential warranty claims, one booked for MOT but not yet done and one that had been off the road awaiting a new clutch for three weeks.
-  The Constabulary has three service and maintenance depots although one is currently closed due to reduced numbers of staff. There are nine Technician posts with two vacancies at the time of the audit fieldwork. It was advised that, although a recruiting exercise has been underway for some time, there is a lack of applicants across Cumbria for such roles.
-  Testing was undertaken on a variety of selected samples to review the processes undertaken by the Constabulary for vehicle servicing, vehicle MOTs, end of life disposal and vehicles scrapped.
-  A sample of 15 vehicles of varying types was selected to review the servicing records. All data was readily available and all but two vehicles were serviced in accordance with the schedules provided by the Fleet team. The two vehicles not serviced at the expected time were confirmed as being off the road due to damage at the time and were subsequently serviced once they were returned.
 The service schedules have been set by the Fleet Manager and are less than the manufacturer's guidelines, although this is not formally documented in any policy, as referenced in the finding in Recommendation 1 of this report.
-  Police vehicles are exempt from requiring an MOT providing that it is provided for police purposes and maintained in an approved workshop. The Constabulary, however, put all vehicles through an annual MOT, which are undertaken by an independent third-party provider and is seen as an additional assurance on the work undertaken by the in-house service and repair depots. A sample of ten vehicles was selected for review. Two vehicles were identified as having an MOT more than one month in advance of the existing expiry date; this was confirmed as being coordinated with the vehicle service to reduce the unavailability of the two vehicles.
 A third vehicle was found to have no MOT test records, however, it was established that this vehicle had been transferred in from another Force, which didn't MOT their vehicles, and that a date had been booked for the MOT to take place.
-  A sample of five vehicles that were sold at reaching their end of life with the Constabulary and three vehicles that were scrapped was selected for review.
 For the vehicles that were scrapped, an independent third-party report was evidenced to confirm the need to scrap, with each vehicle disposal being authorised by the Fleet Manager.
 For the five vehicles that were sold, a Condition Report was provided for each vehicle, along with the CAP value and suggested reserve. All vehicles in this sample were authorised for sale by the Fleet Manager. A review of the income noted that each vehicle sold in excess of its suggested reserve and income was received that equated to 86% of the CAP value.



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.	Partially in place	4	-
S	Sustainability The impact on the organisation's sustainability agenda has been considered.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	In place	-	1

Other Findings



The Fleet Demand review confirms that the national approach to sustainability is classed as in the start-up phase with limited coordination of plans across the sector. The review identifies that Cumbria Constabulary (at 3.6%) compares favourably with the national police fleet figure of 1.7% and UK wide figure of 4.5% for all electric vehicles (EV).
 There are currently eight EVs on the Cumbria fleet, which will rise to 11, and a further 13 hybrid vehicles. The report acknowledges that infrastructure and vehicle range are significant factors in the roll out of EV vehicles going forward.

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:	19 th June 2023	19 th June 2023
Draft Report:	6 th September 2023	13 th November 2023
Final Report:	13 th November 2023	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	PCC Cumbria & Cumbria Constabulary		
Review:	Fleet - Strategy and Management of Fleet		
Type of Review:	Assurance	Audit Lead:	Andrew McCulloch

Outline scope (per Annual Plan):	The review will consider the strategy for the management and replacement of the fleet of vehicles and effectiveness of the delivery of the fleet management repairs and maintenance arrangements, including the planning of services and MOT's, responsive repairs and general maintenance.		
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>	<p>Delivery</p> <p>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.</p> <p>Sustainability: The impact on the organisation's sustainability agenda has been considered.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	19/06/2023	Exit Meeting Date:	18/08/2023	Exit Meeting to be held with:	Stephen Kirkpatrick
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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

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Internal Audit

FINAL

Police and Crime Commissioner Cumbria and Cumbria Constabulary

Assurance Review of Absence Management

2023/24

November 2023

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

As at 31st March 2023, there were 5,113 full-time equivalent (FTE) police officers on long-term absence in the 43 forces in England and Wales (equivalent to 3.5% of all officers).

SCOPE

The review considered the arrangements for: recording, reporting and monitoring absence. The scope of the review also considered the arrangements to promote wellbeing and reduce absence.

KEY STRATEGIC FINDINGS

- The process is directed by a number of appropriate and up-to-date policies.
- Training and support have been provided to line managers by the Human Resources team.
- Testing showed that review meetings with staff are not regularly conducted on a consistent basis.
- No risks have been identified in relation to absence management.

GOOD PRACTICE IDENTIFIED

- Regular performance reports are presented to Workforce Bronze and Workforce Gold.
- Support and wellbeing information is made available to staff via a dedicated section on the staff intranet.

ACTION POINTS

Urgent	Important	Routine	Operational
0	2	1	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)
1	Directed	The Temporary Chief Superintendent confirmed that there are no strategic risks recorded in relation to absence management. Although it is acknowledged that absence levels at the Constabulary are below national averages, and therefore this may not be considered a major concern and strategic risk, operational risks should be recorded, particularly in relation to the completion of review meetings, and mitigating controls identified.	Risk(s) relating to staff absence be recorded and mitigating controls identified.	2	<p><i>S – Add operational risk to the risk register regarding completion of informal review meetings</i></p> <p><i>M – Check risk register</i></p> <p><i>A – Add to the register</i></p> <p><i>R – Managers should be adhering to the attendance support processes to ensure the Constabulary is supporting staff during absences, contributing to overall welfare, wellbeing, and retention of people in the workplace who are able to perform their role</i></p> <p><i>T – With immediate effect</i></p>	With immediate effect	D Johnson HR Manager
2	Directed	A series of meetings were undertaken with Senior HR Advisors and HR Advisors to review a sample of cases of staff members who had been, or were currently, on sickness absence. The intention was to establish what actions had been taken by line managers and members of the HR Team in relation to the completion of review meetings, Stage 1 meetings, where applicable, and what support and advice had been offered to staff. The sample of 17 cases identified seven where informal review meetings (IRMs) had	Line managers be reminded of the importance of completing informal review meetings in the early stages of staff absence and at regular intervals thereafter.	2	<p><i>S – Ensure attendance support processes are adhered to in relation to conducting timely informal review meetings</i></p> <p><i>This is as per the attendance support processes and clearly defined within the attendance policy</i></p> <p><i>M – Senior HR Advisors work with managers in their Command on individual cases and can track completion of IRMs.</i></p>	With immediate effect	Di Johnson HR Manager

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.
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Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
		not been undertaken in a timely manner following commencement of the sick leave, or long periods were noted between the meetings. This also included one IRM that was undertaken after the employee had returned to work. These meetings are important as they set out what activities should be taken by the member of staff and by the Constabulary, and set timescales for a return to work or additional actions to be undertaken.			<p><i>IRMs are required for everyone who is long term absent, all managers receive an email from HR advising re the process and has a link to the IRM form</i></p> <p><i>If managers are not progressing IRMs timely, these are flagged to closed work force silver and will be discussed at weekly HR checkpoint meetings with Senior HRA.</i></p> <p><i>This part of the attendance process is covered in management training.</i></p> <p><i>Work is being undertaken in relation to using a Microsoft form as the IRM template which will provide better management information to track compliance.</i></p> <p><i>Absence data and compliance of processes will feature in future Performance Development Conferences for each Command, these are strategic inspection meetings chaired by the DCC.</i></p> <p><i>A – The IRM is part of the attendance process and guidance is provided to managers regarding completion and the reasons for conducting these meetings</i></p> <p><i>A message will be circulated to all work force bronze meetings as a reminder regarding this part of the process</i></p>		

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.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					<p>Forms part of attendance support training to managers within the Leadership Development Courses and bespoke training to specific departments ie: CCR. Additional inputs and training can be arranged if required for specific departments.</p> <p>R – An individual’s wellbeing is important, and managers should offer the right support to enable people to attend work and be properly supported. An individual’s manager is key in putting this support in place.</p> <p>The IRM is a process to ensure this support is considered and put in place, as well as providing the ability to progress through the formal support process.</p> <p>The current IRM form has lots of relevant information and signposting to different support.</p> <p>T – With immediate effect</p>		
3	Directed	It was noted that, in the sample tested, there were two members of staff where returned to work dates had been recorded within the Crown system, however it was established that they remained off sick. It is likely that the return-to-work date recorded was an anticipated return date and not an actual return date.	It be ensured that only actual return to work dates are recorded in this field within Crown Duties.	3	<p>S – Ensure managers understand their responsibility regarding updating absences on CROWN DMS.</p> <p>This forms part of attendance support training.</p> <p>M – Accurate recording on CROWN DMS for absent staff.</p>	Completed	Di Johnson HR Manager

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.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
					<p>The Attendance Support SharePoint page provides a link to the managers CROWN guidance.</p> <p>HR send weekly emails to managers if a return-to-work interview has not been completed. This email also contains a link to the managers CROWN guidance regarding how to update a period of absence if the individual is still absent. This has been in place for several weeks.</p> <p>A – Guidance provided to managers Guidance is available and signposted to managers. Resource Co-ordination are commencing CROWN master classes mid-October covering different aspects of the system, including absence management.</p> <p>R – Managers are responsible for accurately recording absences to ensure the correct support can be put in place for individuals and the establishment figures for deployable and non-deployable are correct</p> <p>T – Ongoing</p> <p>This issue was raised as part of the RTWI process and guidance was put in place immediately.</p>		

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 of Audit	Andrew.McCulloch@tiaa.co.uk	07980787926
David Robinson	Audit Manager	David.Robinson@tiaa.co.uk	07766553339

Constabulary Staff	Title
Diane Johnson	HR Manager
Emma Chalmers	Senior HR Advisor
Shannon Parker	Senior HR Advisor
Jessica Pepper	HR Advisor
Kara Neeson	HR Advisor
Gillian McEwan	Senior HR Advisor

Exit Meeting Date	5 th September 2023
Attendees	Diane Johnson, HR Manager

Director/Commander Comment	<p>I am pleased to note that this review of Absence Management within the Constabulary has resulted in an overall assessment of reasonable assurance which I feel is fair reflection of the overall position.</p> <p>The audit recognises that processes and policies are up to date and that training for managers is provided alongside robust reporting the Workforce structures.</p> <p>The review did observe that review meetings with staff are not conducted on a consistent basis with the recommendations to address being agreed and progressed by HR Management. HR have now introduced fortnightly checkpoint meetings to review and manage progress of the informal review processes.</p>
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	<p>In summary, the Constabulary will action the recommendations made within this review in order to build on the good work already in place which is evidenced by the continued low level of absences experienced.</p> <p>Stephen Kirkpatrick – Director of Corporate Support</p>
<p>Deputy Chief Constable's Comments</p>	<p>I have read this report and the comments from Stephen above and I am encouraged to see that actions raised are being addressed. Activity in relation to return to work interviews and processes will see an increase in focus as current levels of compliance within the Constabulary are unacceptable. A piece of work has been tasked to the Chief Superintendent (Westmorland & Furness Command) and this will be closely monitored through the monthly Workforce Board meetings.</p> <p>DCC Darren Martland</p>
<p>Considered for Risk Escalation</p>	<p>No</p>

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.	Not in place	1	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	2, & 3	-

Other Findings







The overarching document in relation to absence management is the Constabulary's Police Staff Attendance Capability Policy and Procedure. This was approved by the Operations Board in September 2021 and was last reviewed in October 2022. This covers the processes involved in the formal stage one and two reviews, hearings, dismissals and appeals and capability on health grounds. A flowchart provides guidance in relation to the various steps to be taken, including where these differ for police officers and other staff.

There are a number of supporting documents to the Policy, which include the Attendance Support Policy and Procedure (February 2023), Flexible Working Policy and Procedure (February 2023), Leave Policy and Procedure (June 2023) and the Limited Duties for Police Officers Policy and Procedure (July 2021).

Furthermore, the Constabulary People Strategy 2022-2025 includes details of absence data for 2018 onwards, engagement activities in place aimed at reducing long-term and stress related absences and the 2022-2025 Future Plan to analyse sickness, to identify trend and engage with business leads to identify and implement proactive interventions aimed at reducing absence.

Other Findings

-  The Attendance Support Policy and staff member's Terms and Conditions inform staff that they should report all periods of absence to their line manager who subsequently enter this into the Crown Duties system. This in turn feeds into the iTrent payroll system to ensure that the correct sick pay is paid. Documented guidance has been provided in relation to how to place an individual on sick leave, the requirement to complete regular reviews and a return to work note with the member of staff, uploading fit notes and updating the expected return to work date.
-  The Human Resources team generate daily sickness report from Crown Duties in order to identify periods of long-term absence (where a trigger has been hit or a period of 28 days or more). They send out a template email to the relevant line manager to instruct them to review the absence with the member of staff. A standard Informal Review Meeting (IRM) form is completed. These record any updates from the member of staff on the absence, underlying reasons for absences, previous actions / supportive measures put in place, how improvements can be made or ongoing support provided and details of the agreed outcomes. The expiry date of the current fit note and return to work or next review date are also recorded.
-  Each Senior Human Resources (HR) Advisor has a portfolio area and they, supported by the Human Resources Assistants, are responsible for monitoring the review dates and requesting line managers to complete the next steps. Case files are set up for each employee on the shared G drive, which is accessible only by members of the HR team and all cases are logged on a tracker spreadsheet.
-  All relevant staff have received training from the Senior HR Advisors. This included the management of long-term sickness, sick/fit notes, the consideration of temporary recuperative duties and the completion and agreement of Fair Passports, which are a record of agreed long term reasonable adjustments. In early 2023, specific training sessions were also provided to managers and supervisors and to sergeants. These covered: the attendance support process; different leave types and support mechanisms; the requirements of the flexible working process; and managing performance.



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.	In place	-	-
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



A significant volume of absence related data is reported to various groups, which include the Workforce Bronze, who meet fortnightly and include senior managers and the Human Resources Advisors, and Workforce Gold, chaired by the DCC with input from the Human Resources and Occupational Health teams, who review data and activities related to recruitment, learning and development, absence, and attendance.

Information collated includes: the percentage of employees absent at month end (split by all staff, officers only and staff excluding PCSOs). This data is also broken down by Business Command Unit and sickness reason. For information, excluding the categories of miscellaneous and unknown, the highest percentage of cases are in the groups of psychological and musculoskeletal problems.

Specifically in relation to long-term sickness, weekly reports show the reason for the absence and the number of days lost (at the time of the latest report being produced, 28th June, there were 56 cases on long-term sickness).





The Workforce Bronze meetings also review the progress made in individual cases of absence.



Commentary supporting the data tables presented to the Workforce Board detail the top three absence types within the reporting month and updates regarding any trends, initiatives and updates to guidance and support available to staff and line managers. The May 2023 report contained significant additional notes including updates on the Police Covenant, the use of Fair Passports, occupational therapy referrals and the emerging risk of the impact of the new Personal Safety Training on response officers, in particular the over 40's.

It was also noted that the report highlighted that return-to-work interviews were not being consistently undertaken with a completion rate of only 37%. Audit testing also confirmed that informal review meetings had not been completed in all cases and a recommendation has been made in relation to improving performance in this area.

Other Findings

-  The Constabulary utilises its Yammer social network to communicate with staff. Examples of communications provided in relation to absence management included reminding managers to record absence in the Crown Duties system and information regarding the Fair Passport.
-  The Constabulary utilises the Wellbeing and Inclusion Hub on its intranet page to promote welfare and support that is available to all members of staff. This includes links to information in relation to chronic illness, domestic abuse, mental health wellbeing, the menopause, carers, positive action and family support. A number of these areas have also been discussed at the monthly Wellbeing meetings.
-  The Management of Limited Duties for Police Officers Policy and Procedure sets out the arrangements in relation to police officers who are to be considered for recuperative, adjusted, or restricted duties. A spreadsheet is maintained recording all staff who are on recuperative or adjusted duties, and this is reviewed weekly by the Senior Human Resources Advisors, identifying any cases where an intervention is required. Data provided showed that there were 83 officers and 11 police staff on limited duties at the time of the audit review. Appropriate notes had been recorded against each entry on the Limited Duties spreadsheet.
-  Full quarterly reviews are undertaken to evaluate the status of all staff who are on sick leave. This includes a review of which staff are not in their substantive role and where they are currently placed. The Occupational Therapy team review any ongoing adjustments in place, for example in hours or days worked. For any staff who are not at work, consideration is given to redeployment on medical grounds into vacant posts within their command. A trail period (of a minimum of four and maximum of 12 weeks) may be used and additional training provided where required.

Scope and Limitations of the Review

1. 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

2. 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

3. 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

4. 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

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

Release of Report

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

Stage	Issued	Response Received
Audit Planning Memorandum:	16 th June 2023	23 rd June 2023
Draft Report:	20 th September 2023	13 th November 2023
Final Report:	13 th November 2023	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Police and Crime Commissioner Cumbria and Cumbria Constabulary		
Review:	Absence Management		
Type of Review:	Assurance	Audit Lead:	David Robinson

Outline scope (per Annual Plan):	The review considered the arrangements for: recording, reporting and monitoring absence. The scope of the review also considered the arrangements to promote wellbeing and reduce absence.		
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>	<p>Delivery</p> <p>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.</p> <p>Sustainability: The impact on the organisation's sustainability agenda has been considered.</p> <p>Resilience: Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.</p>	
Requested additions to scope:	(if required then please provide brief detail)		
Exclusions from scope:			

Planned Start Date:	13/07/2023	Exit Meeting Date:	30/08/2023	Exit Meeting to be held with:	Human Resources Manager
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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

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The Joint Audit Findings for The Police and Crime Commissioner for Cumbria and The Chief Constable of Cumbria Constabulary

Year ended 31 March 2023

22 November 2023



Contents



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This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260. Its contents will be discussed with management, the PCC and Chief Constable as those charged with governance, and the Joint Audit Committee.

Name: Michael Green

For Grant Thornton UK LLP

Date: 22 November 2023

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the PCC and Chief Constable or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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1. Headlines

This table summarises the key findings and other matters arising from the statutory audit of Cumbria Police and Crime Commissioner ('the PCC') and the Chief Constable of Cumbria Constabulary and the preparation of the PCC's and Chief Constable's financial statements for the year ended 31 March 2023 for those charged with governance.

Financial Statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion the financial statements:

- give a true and fair view of the financial positions of the PCC and Chief Constable's income and expenditure for the year; and
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with each set of audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report) is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our audit work was completed remotely during July - November. Our findings are summarised on pages 5 to 16.

Management has made a small number of amendments to the financial statements. These impact the PCC/CC and Group Balance Sheet and Comprehensive Income and Expenditure Statement, and are summarised in Appendix D. There are no unadjusted misstatements which management chose not to amend. Our follow up of recommendations from the prior year's audits are detailed in Appendix C.

Our work is substantially complete, our view is that the financial statements continue to be prepared to a high standard and supported by clear and comprehensive working papers. There are no matters of which we are aware that would require modification of our audit opinion for the PCC's financial statements (including the financial statements which consolidate the financial activities of the Chief Constable) or the Chief Constable's financial statements in Appendices I and J or material changes to the financial statements, subject to the following outstanding matters:

- receipt of assurances and information from the auditor of Cumbria Pension Fund
- receipt of a revised IAS 19 valuation from the Government Actuary's Department relating to the Police Pension Scheme
- conclusion of audit procedures relating to the net defined benefit pension liability
- conclusion of audit procedures relating to the valuation of land and buildings, specifically related to assets not valued in the year
- receipt of management representation letter; and
- review of the final set of financial statements.

We have concluded that the other information to be published with each set of financial statements is consistent with our knowledge of your organisations and the financial statements we have audited.

Our anticipated audit report opinions will be unqualified.

1. Headlines

Value for Money (VFM) arrangements

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether in our opinion, both entities have put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are now required to report in more detail on the overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the arrangements under the following specified criteria:

- Improving economy, efficiency and effectiveness;
- Financial sustainability; and
- Governance

We have not yet completed all of our VFM work and so are not in a position to issue our Auditor's Annual Report. A letter explaining the reasons for the delay was issued on 28 September 2023. We expect to issue our Auditor's Annual Report by 31st January 2024. This is in line with the National Audit Office's revised deadline, which requires the Auditor's Annual Report to be issued no more than three months after the date of the opinion on the financial statements.

As part of our work, we considered whether there were any risks of significant weakness in the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources. We identified no risks at the planning stage and will continue to review this as we finalise our VFM work - see section 3.

Statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audit.

We have not exercised any of our additional statutory powers or duties.

We expect to certify the completion of the audit upon the completion of our work on the PCC and Chief Constable's VFM arrangements, which will be reported in our Auditor's Annual report in January 2024.

Significant matters

We identified IFRIC14 and the recognition of a pension asset as a new risk during the course of our work, as detailed on page 10 of our report. In addition, review of the work of the actuary of the police pension scheme by Price Waterhouse Coopers as the PSAA consulting actuary identified an issue with the approach taken to part-year inflation and resulted in the actuary recalculating the liability for the year.

National context – audit backlog

Nationally there have been significant delays in the completion of audit work and the issuing of audit opinions across the local government sector. Only 12% of local government bodies had received audit opinions in time to publish their 2021/22 accounts by the extended deadline of 30 November. There has not been a significant improvement over this last year, and the situation remains challenging. We at Grant Thornton have a strong desire and a firm commitment to complete as many audits as soon as possible and to address the backlog of unsigned opinions.

Over the course of the last year, Grant Thornton has been working constructively with DLUHC, the FRC and the other audit firms to identify ways of rectifying the challenges which have been faced by our sector, and we recognise the difficulties these backlogs have caused authorities across the country. We have also published a report setting out our consideration of the issues behind the delays and our thoughts on how these could be mitigated. Please see [About time? \(grantthornton.co.uk\)](#)

2. Financial Statements

Overview of the scope of our audit

This Joint Audit Findings Report presents the observations arising from the audits that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents have been discussed with management and the Joint Audit Committee.

As auditor we are responsible for performing the audits, in accordance with International Standards on Auditing (UK) and the Code, which are directed towards forming and expressing an opinion on each set of financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the Group's/PCC and Chief Constable's business and is risk based, and in particular included:

- An evaluation of the PCC's and Chief Constable's internal controls environment, including its IT systems and controls;
- An evaluation of materiality considering the 'PCC and Chief Constable's gross revenue expenditure; and
- Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

We have not had to alter our audit plan, as communicated to you in July 2023.

Conclusion

We have substantially completed our audits of your financial statements and, subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion on the financial statements of both the PCC and the Chief Constable, as detailed in Appendix I and J. Outstanding items are detailed on page 3.

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff.

2. Financial Statements



Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Materiality levels remain the same as reported in our audit plan in July 2023.

We detail in the table opposite our determination of materiality.

	Group (£)	PCC (£)	Chief Constable (£)	Qualitative factors considered
Materiality for the financial statements	3,832,000	3,311,000	3,268,000	Financial performance, focussing on the expenditure.
Performance materiality	2,874,000	2,483,000	2,451,000	Quality of working papers in prior year and client's response to audit processes.
Trivial matters	192,000	166,000	163,000	The amount below which matters would be considered trivial to the reader of the accounts.
Materiality for senior officer remuneration	36,800	36,800	36,800	Materiality has been reduced for remuneration disclosures due to the sensitive nature and public interest.

We have determined financial statement materiality based on a proportion of the gross expenditure of the Group, the PCC and the Chief Constable for the financial year. In the prior year we used the same benchmark. For our audit testing purposes we apply the lowest of these materialities, which is £3,268,000 (PY £3,166,000), which equates to 2% of the Chief Constable's prior year gross expenditure.



2. Financial Statements: Significant risks

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

Risks identified in our Audit Plan	Relates to	Commentary
<p>Management override of controls</p> <p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>The PCC and Chief Constable face external scrutiny of its spending and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	PCC / CC /Group	<p>We have:</p> <ul style="list-style-type: none"> evaluated the design effectiveness of managements controls over journals; analysed the journals listing and determined the criteria for selecting high risk unusual journals; tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration; gained an understanding of the accounting estimates and critical judgements applied made by management and considered their reasonableness with regard to corroborative evidence; and evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions. <p>In performing the procedures above, we identified a population of journals to test using data analytic software to analyse journal entries and to split large batch journals into smaller sets of transactions that support targeted testing based on specific risk criteria assessed by the audit team. These criteria included:</p> <ul style="list-style-type: none"> Post year-end journals Material journals across the year Year-end journals Year-end income and expenditure accrual journals Journals posted by senior management Off ledger adjustments <p>Application of these routines and supplementary procedures identified a total sample of 26 journals to test.</p> <p>Our audit work has not identified any issues in respect of management override of controls.</p> <p>As part of our review of journal procedures we continue to note that only journal lines over £50k are approved by senior management, journal lines which are less than £50k, are not approved. Our sample testing of journals, including those where journal lines were less than £50k did not identify any matters for concern with all journal lines appropriate and reasonable.</p> <p>We did not identify any changes in accounting policies or estimation processes and review of key estimates has not identified any matters to bring to your attention.</p> <p>Our audit work has not identified any evidence of management over-ride of controls.</p>

2. Financial Statements: Significant risks

Risks identified in our Audit Plan	Relates to	Commentary
<p>Valuation of land and buildings</p> <p>The PCC and Group revalue their land and buildings on a rolling two-yearly basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved, £66.3 million as at 31 March 2023 and the sensitivity of this estimate to changes in key assumptions. Management will need to ensure the carrying value in the PCC and Group financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, where a rolling programme is used.</p> <p>We therefore identified valuation of land and buildings, particularly revaluations and impairments, as a significant risk of material misstatement.</p>	PCC / Group	<p>We have:</p> <ul style="list-style-type: none"> evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work; evaluated the competence, capabilities and objectivity of the valuation expert; written to the valuer to confirm the basis on which the valuation was carried out to ensure that the requirements of the Code are met; challenged the information and assumptions used by the valuer to assess the completeness and consistency with our understanding; evaluated the valuer's report to identify assets that have large and unusual changes and/or approaches to the valuation – these assets have been substantively tested to ensure the valuations are reasonable; tested a selection of other asset revaluations made during the year to see if they had been input correctly into the PCC and Group asset register, revaluation reserve and Comprehensive Income and Expenditure Statement; and evaluated the assumptions made by management for those assets not revalued during the year and how management had satisfied themselves that these are not materially different from current value at year end. <p>Our audit work identified that instead of using build rates based on Building Cost Information Service (BCIS) index, the valuer has used a Baker Mallet (BM) cost matrix, which relies partly on the nationally recognised BCIS index. In applying this cost matrix, the valuer used indices to February 23 due to the timing of the work. As part of our evaluation of appropriateness of the carrying value of assets at 31 March 2023, we identified that there were movements in indices of 3-7% from February to March, depending on the specific type of asset. In addition, our review of a sample of asset valuations identified some inconsistencies between the Gross Internal Area (GIA) figures used by the valuer in calculating value, when compared to the drawings held by the estates team.</p> <p>In order to quantify the effect of these differences we recalculated the asset values using the March BCIS index and the GIA figures provided by the Estates team. The overall difference was below our performance materiality threshold. The issues identified only related to Depreciated Replacement Cost (DRC) assets, and as we have included all DRC assets revalued in 22/23 within our sample, we have concluded that there is not a material difference for DRC assets and that the estimate is reasonable.</p> <p>The current annual valuation exercise covers a portion of the asset base as part of a cyclical approach, covering all assets over each cycle. As part of our procedures we consider whether the potential movement in valuation for those assets not covered by the annual valuation could be material. In considering this, we identified that the movement in assets not revalued could be significant and challenged management to provide evidence that this would not materially impact the carrying value of assets at the year-end. Management have obtained calculations from the valuer that indicate the range of potential impact on valuation is not material. We are currently awaiting the detailed evidence to consider this before concluding. We have raised a recommendation that management should consider the potential impact of valuation movements on assets not re-valued in the year as part of preparing the financial statements.</p>

2. Financial Statements: Significant risks

Risks identified in our Audit Plan	Relates to	Commentary
<p>Valuation of pension fund net liability/surplus The group's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£1.024 billion in the draft group's balance sheet) and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the group's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	PCC / Chief Constable / Group	<p>We have:</p> <ul style="list-style-type: none"> updated our understanding of the processes and controls put in place by management to ensure that the group's pension fund net liability is not materially misstated and evaluated the design of the associated controls; evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work; assessed the competence, capabilities and objectivity of the actuary who carried out the group's pension fund valuation; assessed the accuracy and completeness of the information provided by the group to the actuary to estimate the liability; tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary; undertaken procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performed any additional procedures suggested within the report; and requested assurances from the auditor of Cumbria Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements. <p>Pages 12 provide a detailed assessment of the estimation process for the valuation of the pension fund net liability. This process identified that the actuary of the police pension scheme (Government Actuary's Department) had not included an adjustment for part-year inflation in calculating the liability as at 31 March 2023. Given the current inflationary environment, this is anticipated to have a material impact on the valuation and following discussion with management, a revised IAS 19 valuation has requested. We are currently awaiting the updated valuation to be provided for review and consideration. Whilst a material adjustment is anticipated, such an adjustment to the pension liability would not impact overall useable reserves of the group.</p> <p>Other assumptions used in calculating the net pension liability/surplus of both schemes are considered to be in line with expectations and we have not identified any further issues with the estimation process.</p> <p>Review of the net defined pension liability relating to the Local Government Pension Scheme identified that IAS 19 valuation for the year moved the position from a £60.9m net liability in 2022 to a £20.7m net asset at 31 March 2023. This is consistent with many local government schemes nationally and is the first time this has occurred since IFRS based financial statements have been produced. The reporting of a net asset position has required auditors to consider the requirements of IFRIC 14 and we discuss this in more detail on page 10.</p>

2. Financial Statements: new issues and risks

This section provides commentary on new issues and risks which were identified during the course of the audit that were not previously communicated in the Audit Plan and a summary of any significant deficiencies identified during the year.

Issue	Commentary	Auditor view
<p>Valuation of LGPS pension net asset</p> <p>The methods applied in the calculation of the IAS 19 estimates are routine and commonly applied by all actuarial firms in line with the requirements set out in the Code of practice for local government accounting (the applicable financial reporting framework). However, for the first time since IFRS have been adopted the Authority has had to consider the potential impact of IFRIC 14 - IAS 19 -the limit on a defined benefit asset. Because of this we have assessed the recognition and valuation of the pension asset as a significant risk as the group's draft accounts included a £20.7m pension asset for the LGPS.</p>	<p>IFRIC 14 addresses the extent to which an IAS 19 surplus can be recognised on the balance sheet and whether any additional liabilities are required in respect of onerous funding commitments.</p> <p>IFRIC 14 limits the measurement of the defined benefit asset to the 'present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.</p> <p>We have:</p> <ul style="list-style-type: none"> • challenged management on the presentation of any pension asset; • received calculations from the actuary's assessing any asset ceiling in place potentially reducing the amount of any asset recognised and reperformed those calculations; • challenged the actuary on the assumptions used within that calculation; and • assessed the sufficiency of the financial statement disclosures provided in respect of the pension surplus. 	<p>The PCC/CC had not fully considered the potential impact of IFRIC14 before any audit challenge.</p> <p>Following discussion with management, the actuary has updated the IAS 19 valuation including consideration of the requirements of IFRIC 14.</p> <p>The revised calculations have identified that the previously calculated asset should not be recognised and that the net liability/asset should be nil.</p> <p>We are currently reviewing the calculation and assumptions used by the actuary but anticipate the financial statements will need to be adjusted to remove the £20.7m asset to reflect a nil balance. The adjustment does not impact overall useable reserves of the group.</p> <p>The anticipated adjustment is included in Appendix D.</p> <p>We have also included a recommendation relating to this matter in Appendix B.</p> <p>Please see Appendix B for action plan and D for adjustments proposed.</p>

2. Financial Statements: key judgements and estimates

This section provides commentary on key estimates and judgements in line with the enhanced requirements for auditors.

Significant judgement or estimate	Relates to	Summary of management's approach	Audit Comments	Assessment
Land and Building valuations – £66.325m	PCC / Group	<p>Land and buildings comprises £38.25m of specialised assets such as police stations, which are required to be valued at depreciated replacement cost (DRC) at year end, reflecting the cost of a modern equivalent asset necessary to deliver the same service provision. The remainder of other land and buildings (£28.07m) are not specialised in nature and are required to be valued at existing use in value (EUUV) at year end.</p> <p>The PCC engaged Carigiet Cowen to complete the valuation of properties as at 31/3/2023 on a two yearly cyclical basis.</p> <p>The total year end valuation of land and buildings was £66.325m, a net increase of £6.709m from 2021/22.</p>	<p>The PCC's accounting policy on valuation of land and buildings is included in Note 9 to the financial statements.</p> <p>Key observations</p> <p>The values in the valuation report have been used to inform the measurement of property assets at valuation in the financial statements. We have:</p> <ul style="list-style-type: none"> assessed the qualifications, skills and experience of the Valuer and determined the service to be appropriate; reviewed the underlying information prepared by the PCC and supplied to the Valuer and considered it to be complete and accurate; concluded that the Valuer prepared their valuations in accordance with the RICS Valuation – Global Standards using the information that was available to them at the valuation date in deriving their estimates. <p>Our review of the calculations performed by the valuer, demonstrated that the calculations had been based on realistic and sound assumptions supported by appropriate evidence at the time the work was completed as outlined on page 8. We did note that the movement in relevant indices to the end of the year could impact the reported valuations but we have gained assurance that this would not be material.</p> <p>As noted on page 8, our work identified that management had not undertaken a detailed review of those land and building assets which had not been revalued during 2022/23, to establish whether they remained materially stated. The value of assets not revalued in 2022/23 was £32.891m and given the general increase in build costs during the past 12 months we would have expected an assessment to be undertaken to ensure that those asset values remained materially correct. When challenged management engaged the external valuer to assist them in undertaking an assessment.</p> <p>Conclusion</p> <p>Subject to completion of work to review the impact of potential movements on assets not valued in the year, we are satisfied that the estimate of your land and buildings valuation is appropriate.</p>	Light purple

Assessment

- [Dark Purple] We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- [Blue] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- [Grey] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- [Light Purple] We consider management's process is appropriate and key assumptions are neither optimistic or cautious





2. Financial Statements: key judgements and estimates

Significant judgement or estimate	Relates to	Summary of management's approach	Audit Comments	Assessment																								
Police Pension Scheme net liability - £1.0424bn	PCC/ Chief Constable / Group	<p>The PCC's and Chief Constable's total pension liability at 31 March 2023 is £1.0424bn (PY £1.520bn comprising the Police Officers Pension Scheme (the Chief Constable operates three pension schemes for police officers, these are the 1987, 2006, 2015 Police Pension Schemes for officers)</p> <p>The PCC and Chief Constable uses GAD to provide actuarial valuations of the Group's assets and liabilities derived from these schemes. A full actuarial valuation is required every three years. The latest full actuarial valuation was completed in 2022. A roll forward approach is used in intervening periods, which utilises key assumptions such as life expectancy, discount rates, salary growth and investment returns. Given the significant value of the net pension fund liability, small changes in assumptions can result in significant valuation movements.</p>	<p>We have:</p> <ul style="list-style-type: none"> Updated our risk assessment procedures performed including understanding management's processes and controls for the determination of the estimates. This included understanding methods, assumptions and data used, as well as instructions issued to management's experts and the scope of their work; undertook procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) <table border="1"> <thead> <tr> <th>Police Pension Scheme Assumptions</th> <th>Actuary Value</th> <th>PwC range</th> <th>Assessment</th> </tr> </thead> <tbody> <tr> <td>Discount rate</td> <td>4.8%</td> <td>4.7-4.9%</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Pension increase rate</td> <td>2.7%</td> <td>2.7%</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Salary growth</td> <td>4.2%</td> <td>3.95% – 4.45%</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Life expectancy – Males currently aged 45/65</td> <td>21.9 Current 23.3 Future</td> <td>21.6-23.3 22.9-23.8</td> <td>● - Assumptions considered reasonable</td> </tr> <tr> <td>Life expectancy – Females currently aged 45/65</td> <td>24.2 Current 26.0 Future</td> <td>24.2-25.7 25.5-26.7</td> <td>● - Assumptions considered reasonable</td> </tr> </tbody> </table> <ul style="list-style-type: none"> identified that GAD had not considering part-year inflation when producing their IAS 19 estimate as at 31 March 2023. Consequently we challenged this and management have requested a revised actuary report based on updated inflationary figures. <p>Based on our review of the assumptions and subject to the pension amendments we are satisfied that the pension liability is materially correct.</p>	Police Pension Scheme Assumptions	Actuary Value	PwC range	Assessment	Discount rate	4.8%	4.7-4.9%	● - Assumptions considered reasonable	Pension increase rate	2.7%	2.7%	● - Assumptions considered reasonable	Salary growth	4.2%	3.95% – 4.45%	● - Assumptions considered reasonable	Life expectancy – Males currently aged 45/65	21.9 Current 23.3 Future	21.6-23.3 22.9-23.8	● - Assumptions considered reasonable	Life expectancy – Females currently aged 45/65	24.2 Current 26.0 Future	24.2-25.7 25.5-26.7	● - Assumptions considered reasonable	Light purple
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2. Financial Statements: Information Technology

This section provides an overview of results from our assessment of Information Technology (IT) environment and controls which included identifying risks from the use of IT related to business process controls relevant to the financial audit. To support the financial statement audits of the Police and Crime Commissioner and the Chief Constable of Cumbria Constabulary for the year ended 31 March 2023, we completed a design and implementation review of the IT General Controls (ITGC) for applications identified as relevant to the audit.

No deficiencies were identified from this work, however a small number of improvement opportunities were recommended to prevent inappropriate access to the Oracle system and the ability to create erroneous transactions. The improvement recommendations related to self assignment of highly privileged roles in Oracle Cloud, and timeliness of access revocation. Further detail can be found in our April 2023 ITGC report.

IT application	Level of assessment performed	Overall ITGC rating	ITGC control area rating			Related significant risks/other risks
			Security management	Technology acquisition, development and maintenance	Technology infrastructure	
Oracle	ITGC assessment (design and implementation effectiveness only)					N/A

Assessment

-  Significant deficiencies identified in IT controls relevant to the audit of financial statements
-  Non-significant deficiencies identified in IT controls relevant to the audit of financial statements/significant deficiencies identified but with sufficient mitigation of relevant risk
-  IT controls relevant to the audit of financial statements judged to be effective at the level of testing in scope
-  Not in scope for testing

2. Financial Statements: other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

Issue	Commentary
Matters in relation to fraud	We have previously discussed the risk of fraud with the Joint Audit Committee and no issues were identified and we have not been made aware of any incidents in the period and no other issues have been identified during the course of our audit procedures.
Matters in relation to related parties	We are not aware of any related parties or related party transactions which have not been disclosed.
Matters in relation to laws and regulations	You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
Written representations	Letters of representation have been requested from both the PCC and the Chief Constable.
Confirmation requests from third parties	We requested permission from management to send confirmation requests to confirm cash and investment counterparties. This permission was granted and the requests were sent. All of these requests were returned with positive confirmations.
Accounting practices	We have evaluated the appropriateness of the PCC's and Chief Constable's accounting policies, accounting estimates and financial statement disclosures. Our review found no material omissions in the financial statements.
Audit evidence and explanations/ significant difficulties	All information and explanations requested from management were provided.

2. Financial Statements: other communication requirements



Our responsibility

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK) 570).

Issue	Commentary
Going concern	<p>In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2020). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies.</p> <p>Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities:</p> <ul style="list-style-type: none"> the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of the PCC's and Chief Constable's financial sustainability is addressed by our value for money work, which is covered elsewhere in this report. <p>Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the PCC and Chief Constable meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated:</p> <ul style="list-style-type: none"> the nature of the PCC and Chief Constable and the environment in which they operate; the PCC's and Chief Constable's financial reporting framework; the PCC's and Chief Constable's system of internal control for identifying events or conditions relevant to going concern; and management's going concern assessment. <p>On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that:</p> <ul style="list-style-type: none"> a material uncertainty related to going concern has not been identified for either the PCC or the Chief Constable; and management's use of the going concern basis of accounting in the preparation of both sets of financial statements is appropriate.

2. Financial Statements: other responsibilities under the Code

Issue	Commentary
Other information	<p>We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Governance Statement and Narrative Report and Pension Fund Financial Statements), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>No inconsistencies have been identified. We plan to issue an unmodified opinion in this respect – refer to Appendix I and Appendix J.</p>
Matters on which we report by exception	<p>We are required to report on a number of matters by exception in a number of areas:</p> <ul style="list-style-type: none"> • if the Annual Governance Statement does not comply with disclosure requirements set out in CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit, • if we have applied any of our statutory powers or duties. • where we are not satisfied in respect of arrangements to secure value for money and have reported [a] significant weakness/es. <p>We have nothing to report on these matters.</p>
Specified procedures for Whole of Government Accounts	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA audit instructions. However, in the case of Cumbria PCC/Chief Constable of Cumbria Constabulary, no work is required as the entity is below the group reporting threshold of £2 billion determined by the NAO.</p>
Certification of the closure of the audit	<p>We intend to delay the certification of the closure of the 2022/23 audit of the Cumbria PCC and Chief Constable of Cumbria Constabulary in the audit reports, as detailed in Appendix I and J, due to further time being needed to complete our Value for Money work. The NAO has extended the timetable for completion of the Value for Money work to three months post completion of the financial statements audit.</p>

3. Value for Money arrangements (VFM)

Approach to Value for Money work for 2022/23

The National Audit Office issued its guidance for auditors in April 2020. The Code requires auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under the three specified reporting criteria.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years)



Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information

Potential types of recommendations

A range of different recommendations could be made following the completion of work on the body's arrangements to secure economy, efficiency and effectiveness in its use of resources, which are as follows:



Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

3. VFM: our procedures and conclusions

We have not yet completed all of our VFM work and so are not in a position to issue our Auditor's Annual Report. An audit letter explaining the reasons for the delay is attached in the Appendix K to this report. We expect to issue our Auditor's Annual Report by no later than 31 January 2024. This is in line with the National Audit Office's revised deadline, which requires the Auditor's Annual Report to be issued no more than three months after the date of the opinion on the financial statements.

As part of our work, we considered whether there were any risks of significant weakness in the PCC and Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources. To date, we have not identified any such risks or findings that would impact the audit opinion on the accounts.

4. Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. We have complied with the Financial Reporting Council's Ethical Standard and confirm that we, as a firm, and each covered person, are independent and are able to express an objective opinion on the financial statements

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

Details of fees charged are in Appendix E, we confirm that there are no non-audit fees.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [Grant Thornton International Transparency report 2023](#).

4. Independence and ethics

As part of our assessment of independence we note the following matters:

Matter	Conclusion
Relationships with Grant Thornton	We are not aware of any relationships between Grant Thornton and Cumbria PCC/Chief Constable of Cumbria Constabulary that may reasonably be thought to bear on our integrity, independence and objectivity.
Relationships and Investments held by individuals	We have not identified any potential issues in respect of personal relationships with Cumbria PCC/Chief Constable of Cumbria Constabulary .
Employment of Grant Thornton staff	We are not aware of any former Grant Thornton partners or staff being employed, or holding discussions in respect of employment, by Cumbria PCC/Chief Constable of Cumbria Constabulary in a senior management role covering financial, accounting or control related areas.
Business relationships	We have not identified any business relationships between Grant Thornton and Cumbria PCC/Chief Constable of Cumbria Constabulary.
Contingent fees in relation to non-audit services	No non-audit services are provided.
Gifts and hospitality	We have not identified any gifts or hospitality provided to, or received from, a member of Cumbria PCC/Chief Constable of Cumbria Constabulary senior management or staff.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention and consider that an objective reasonable and informed third party would take the same view. The firm and each covered person [and network firms] have complied with the Financial Reporting Council's Ethical Standard and confirm that we are independent and are able to express an objective opinion on the financial statements

Following this consideration, we can confirm that we are independent and are able to express an objective opinion on the financial statements. In making the above judgement, we have also been mindful of the quantum of non-audit fees compared to audit fees disclosed in the financial statements and estimated for the current year.

Appendices

- A. Communication of audit matters to those charged with governance
- B. Action plan – Audit of Financial Statements
- C. Follow up of prior year recommendations
- D. Audit Adjustments
- E. Fees and non-audit services
- F. Auditing developments
- G. Management Letter of Representation – PCC
- H. Management Letter of Representation – Chief Constable
- I. Audit opinion – PCC
- J. Audit opinion - Chief Constable
- K. Audit letter in respect of delayed VFM work

A. Communication of audit matters to those charged with governance

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	•	
Overview of the planned scope and timing of the audit, form, timing and expected general content of communications including significant risks	•	
Confirmation of independence and objectivity	•	•
A statement that we have complied with relevant ethical requirements regarding independence. Relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged. Details of safeguards applied to threats to independence	•	•
Matters in relation to the group audit, including: Scope of work on components, involvement of group auditors in component audits, concerns over quality of component auditors' work, limitations of scope on the group audit, fraud or suspected fraud.	•	•
Views about the qualitative aspects of the Group's accounting and financial reporting practices including accounting policies, accounting estimates and financial statement disclosures		•
Significant findings from the audit		•
Significant matters and issue arising during the audit and written representations that have been sought		•
Significant difficulties encountered during the audit		•
Significant deficiencies in internal control identified during the audit		•
Significant matters arising in connection with related parties		•
Identification or suspicion of fraud involving management and/or which results in material misstatement of the financial statements		•
Non-compliance with laws and regulations		•
Unadjusted misstatements and material disclosure omissions		•
Expected modifications to the auditor's report, or emphasis of matter		•

ISA (UK) 260, as well as other ISAs (UK), prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table here.

This document, the Audit Findings, outlines those key issues, findings and other matters arising from the audit, which we consider should be communicated in writing rather than orally, together with an explanation as to how these have been resolved.

Respective responsibilities

As auditor we are responsible for performing the audit in accordance with ISAs (UK), which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance.

The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

Distribution of this Audit Findings report

Whilst we seek to ensure our audit findings are distributed to those individuals charged with governance, we are also required to distribute our findings to those members of senior management with significant operational and strategic responsibilities. We are grateful for your specific consideration and onward distribution of our report to all those charged with governance.

B. Action Plan– Audit of Financial Statements

We have identified recommendations for the Group/PCC and Chief Constable as a result of issues identified during the course of our audit. We have agreed our recommendations with management and we will report on progress on these recommendations during the course of the 2023/24 audit. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.

Assessment	Issue and risk	Recommendations
High	Management had not undertaken a detailed review of land and building assets not revalued during 2022/23 as part of its arrangements for preparing the financial statements to ensure that they remained materially stated.	<p>As part of the process for preparing the financial statements management should undertake a detailed review of those assets which have not been revalued to ensure that they remain materially stated.</p> <p>Management response</p> <p>We have reviewed the process with regards to instruction to the valuers and subsequent management review and assurances. In relation to 2023/24, a revised letter of instruction is to be provided to the valuer which clearly sets out the expectation for the valuation exercise and desk top review of out of scope assets. On receipt of the valuation reports, a meeting will be held between the OPFCC CFO, Head of Estates and Valuer to discuss any matters arising and any further assurances required. The matters raised in relation to the Gross Internal Areas used in calculations will also be reviewed.</p>
Medium	From discussions with the actuarial firms, we understand that the application of IFRIC 14 is not within their normal scope. As such, unless they are instructed otherwise by the employer, they will produce IAS 19 disclosures assuming there are no IFRIC 14 adjustments to any surplus or deficit. This means there is a risk that material adjustments are not factored into the IAS19 disclosures.	<p>We recommend that Cumbria Police instruct their actuary to calculate any potential asset ceiling under IFRIC14 where pension schemes are in surplus to ensure they are reflected in their IAS19 calculations.</p> <p>Management response</p> <p>The situation with a pension fund surplus is a new occurrence in 2022/23. The additional calculations have been received and reflected in the accounts. Should the situation arise again in the future, these additional calculations will be requested from the scheme actuary upon receipt of the initial actuarial disclosures and appropriate changes made to the accounts.</p>
Medium	There had been no adjustment for the difference between fair value depreciation and historical cost depreciation between the: <ul style="list-style-type: none"> - revaluation reserve - the capital adjustment account. 	<p>There should ensure that the difference between fair value depreciation and historic cost depreciation is adjusted for.</p> <p>Management response</p> <p>As part of the year end process, the difference in the fair value depreciation and historic cost depreciation will be revisited and if material, will be reflected in the accounts. Historically the amount has not been material and previous advice from the external auditors has been to exclude on the grounds of materiality.</p>
Low	Review of the arrangements to support the related party disclosures within note 21 identified some discrepancies between the working papers provided and the individual related party declarations.	<p>There is a need to ensure that declarations made are accurately reflected in the related party disclosure note.</p> <p>Management response</p> <p>In relation to related party transactions, an additional level of quality assurance will be implemented within the financial services team to ensure that disclosures made on individual forms are correctly recorded on the working papers provided to the audit team.</p>

Controls

- High – Significant effect on financial statements
- Medium – Limited Effect on financial statements
- Low – Best practice

C. Follow up of prior year recommendations

We identified the following issues in the audit of Cumbria PCC and Chief Constable's 2021/22 financial statements, which resulted in recommendations being reported in our 2021/22 Audit Findings report. We are pleased to report that management have implemented most of our recommendations.

Issue and risk previously communicated

Assets with no remaining asset life yet still in asset register

Our review of the asset register identified a number of IT, Vehicle and Furniture, Equipment and Plant assets which had been fully depreciated and had no remaining asset life yet were potentially still in use. The impact of this is that the gross book value of these asset categories in disclosure Note 9 could be overstated. Assets are not automatically separately identified on the asset register with some grouped together making it difficult to quantify the value of assets which remain in use or have been disposed.

Where adaptations have been made to vehicle assets these are shown in total for the year rather than allocated or apportioned across the PCC's asset base. The adaptations have been allocated a one year life, rather than the asset life associated with the asset they relate to.

Update on actions taken to address the issue

In preparation for the 2022/23 closure of accounts a review of Vehicle, ICT and Intangible assets was undertaken.

Assets with a gross book value of £6.517m had been fully depreciated and had reached the end of their asset lives and have now been written out of the asset register – Appendix D provides more information. In addition, the remaining lives of vehicle and ICT assets have been re-assessed for accuracy and adjustments made where required. The remaining assets with a nil net book value at 31/3/23, which have a gross book value of £2.335m will be considered in 2023/24.

Specifically in relation to vehicles a new methodology for the allocation of adaptation costs has been developed. This allocated the total cost of adaptation in the year over the vehicles purchased in the year so that in future, when a vehicle is disposed of, an appropriate proportion of the adaptation cost is also removed. This also means that the adaptation costs are now depreciated over the life of vehicles rather than in a single year (the year following purchase).

Automatic accruals

With the introduction of the new Oracle Fusion system in October 2020 automatic accruals for any goods received not invoiced (GRNI) were adopted. The accruals are made on a monthly basis and then reversed out the following month. Additionally at year end a list of open orders is reviewed by the relevant Financial Services Officer (FSO) to ensure that there are no open orders where receipting has potentially been missed.

From our review of journals we identified that a regular monthly journal for a significant amount which was reversed out the following month, in some months this was as large as £300m. This has been happening as the automatic accrual function on the new system had not been correctly understood.

A decision was made to switch off automatic accruals as at 31/03/22 until they could be certain that they were accurate. Procedures were put in place to ensure that the accruals were correct at year end, including running a report of all invoices over £10k and FSOs individually checking to ensure that all items are posted in the correct year.

There is still an ongoing issue with regards to automatic accruals and as such these have not yet been reinstated. Financial services staff check open orders on a regular basis and advise the Commercial team where adjustments/corrections are required.

Full use is made of the regular GRNI reports and in particular at year end these are used to inform the manual accruals process to ensure the accounting ledger accurately records transactions in the correct year.

During 2023/24 it is intended that some financial training will be provided to budget holders, this will include a refresher on what their responsibilities are in relation to order and receipting of goods and services.

C. Follow up of prior year recommendations

We identified the following issues in the audit of Cumbria PCC and Chief Constable's 2021/22 financial statements, which resulted in recommendations being reported in our 2021/22 Audit Findings report. We are pleased to report that management have implemented most of our recommendations.

Issue and risk previously communicated

Lack of third party assurance report for iTrent.

The CC and PCC outsources the hosting of its payroll system, iTrent, to the vendor, Midland HR.

Our audit identified that there was no third party assurance report (ISAE 3000 or ISAE 3402) available to provide independent assurance over the controls operated by Midland HR.

Specifically, the PCC/CC and ourselves are unable to gain assurance over the appropriateness of privileged access to the iTrent database hosted by Midland HR, which if breached could lead to erroneous payroll transactions being made.

Please note that an ISO 27001 certification or an IT Health Check does not provide the required level of assurance.

Update on actions taken to address the issue

The Head of Central Services is currently negotiating with MHR to obtain a copy of the ISAE 3000 report for 2022/23. MHR are currently requesting a payment of £6,000 for this report. The Head of Central Services is challenging why we should pay for this report when it should be being provided as part of MHR demonstrating the robustness of their system.

In future contracts with MHR (or any subsequent supplier of payroll services), the requirement to provide this assurance report will be included.

IT Audit Findings

The following IT recommendations were made:

1. The PCC and CC should consider reducing the levels of access for three users with the Application Implementation Consultant role and replacing it with a less privileged role for day-to-day activities.
2. It is recommended that the PCC and CC implement audit logging for financially critical areas including, but not limited to:
 - Accounts Payable (including Suppliers);
 - Cash Management;
 - Accounts Receivable; and
 - General Ledger.

The auditing should be sufficiently detailed to capture any changes made to Oracle Cloud such as changes to workflow approval rules or system configurations.

3. It is recommended that the PCC and CC implement a process to ensure that leaver's access to Oracle Cloud is terminated within one working day of their termination date.

The Force should also consider setting up the Import User Login History Process in Oracle Cloud. This will enable the Force to identify the last login date of individual users.

1. The access to the application implementation consultant role has been restricted to one user (Financial Services Manager (Systems)). The other users have now been moved onto the lower administrator user access. This change was delivered during 2022/23.

The 2023 IT Audit raised a new issue with regards to the self-assignment of a privileged access role within DDAT to fix an issue with a user account under the guidance of oracle. The IT audit found that the role had not subsequently been removed. A process has now been added on a monthly basis to monitor and review role access.

2. The audit logging facility has been switched on and again, the recommendation has been removed from the most recent Grant Thornton IT Audit Report in April 2023.

3. This action has been raised again as part of Grant Thornton's April 2023 IT audit.

The DDAT directorate feel that it is unreasonable to expect system access to be revoked within 24 hours, particularly as we operate in a 24/7 environment. When a person leaves their access to buildings is revoked via the PAC (door control) system and ICT equipment such as laptops and handheld devices is returned. For this reason DDAT feel that the risk is low and that removing system access within a week should be sufficient.

D. Audit Adjustments- PCC

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2023.

Detail	Comprehensive Income and Expenditure Statement £000	Statement of Financial Position £000	Impact on total net expenditure £000	Impact on general fund £000
Disposed assets with nil net book value				
A number of IT and furniture and equipment assets, with a nil net book value, were disposed of during the year but had not been removed from fixed asset register.	Nil	Disposals +6,517 Accumulated Depreciation – Disposals +6,517	Nil	Nil
Whilst there is no overall impact on the net book value of the CC and Group, disposals and accumulated depreciation are understated.				
Accounting treatment of Pension LGPS Surplus	419	(419)	Nil	Nil
Limitation of pension surplus recognised in accordance with IFRIC14				
Overall impact	419	(419)	Nil	Nil

Impact of unadjusted misstatements

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £'000	Impact on total net expenditure £'000	Impact on general fund £'000
Difference between fair value depreciation and historical cost depreciation	nil		nil	nil
There had been no adjustment for the difference between fair value depreciation and historical cost depreciation between the:				
- revaluation reserve		457		
- the capital adjustment account.		(457)		
Overall impact	Nil	Nil	Nil	Nil

D. Audit Adjustments- PCC

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure issue	Auditor recommendations	Adjusted?
Cash and Cash equivalents The financial statements did not include disclosure regarding the Police Property Act and the Proceeds of Crime and Misuse of Drugs Act	The note has been enhanced by including further disclosure regarding the Police Property Act and the Proceeds of Crime and Misuse of Drugs Act.	✓
Typographical changes A small number of typographical and consistency changes were made to the statements.	Accounts to be updated.	✓

D. Audit Adjustments- Chief Constable

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2023.

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £'000	Impact on total net expenditure £'000	Impact on general fund £'000
Accounting treatment of Pension LGPS Surplus Limitation of pension surplus recognised in accordance with IFRIC14	£20,280	£(20,280)	nil	nil
Overall impact	£20,280	£(20,280)	Nil	Nil

Misclassification and disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

Disclosure/issue/Omission	Auditor recommendations	Adjusted?
Minor typographical changes	To update in the accounts	✓

Impact of unadjusted misstatements

There were no unadjusted misstatements which we management chose not to amend.

E. Fees and non-audit services

We confirm below our final fees charged for the audit

Audit fees	PCC £	Chief Constable £
Scale fee	28,048	14,363
Additional work on Value for Money (VfM) under the new NAO Code	7,000	2,000
Increased audit requirements of revised ISA 540	1,200	600
Enhanced audit procedures on journals testing	2,000	1,000
Payroll Change of Circumstances	£-	500
Additional IT related review and Procedures for Oracle Ledger	7,000	2,500
Increased audit requirements of revised ISAs 315/240	1,250	1,250
Total proposed audit fees (excluding VAT) per audit plan	£46,498	£22,213
Additional work on pensions and IFRIC14	£2,000	£2,000
Additional work to review the revised IAS 19 valuation of the police pension scheme	£-	£1,500
Additional work regarding property, plant and equipment – assets not revalued	£1,500	-
Total audit fees (excluding VAT)	£49,998*	£25,713*

*Fee is subject to formal approval by PSAA

F. Auditing developments

Revised ISAs

There are changes to the following ISA (UK):

ISA (UK) 315 (Revised July 2020) 'Identifying and Assessing the Risks of Material Misstatement'

This impacts audits of financial statement for periods commencing on or after 15 December 2021.

ISA (UK) 220 (Revised July 2021) 'Quality Management for an Audit of Financial Statements'

ISA (UK) 240 (Revised May 2021) 'The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements'

A summary of the impact of the key changes on various aspects of the audit is included below:

These changes will impact audit for audits of financial statement for periods commencing on or after 15 December 2022.

Area of change	Impact of changes
Risk assessment	The nature, timing and extent of audit procedures performed in support of the audit opinion may change due to clarification of: <ul style="list-style-type: none"> the risk assessment process, which provides the basis for the assessment of the risks of material misstatement and the design of audit procedures the identification and extent of work effort needed for indirect and direct controls in the system of internal control the controls for which design and implementation needs to be assess and how that impacts sampling the considerations for using automated tools and techniques.
Direction, supervision and review of the engagement	Greater responsibilities, audit procedures and actions are assigned directly to the engagement partner, resulting in increased involvement in the performance and review of audit procedures.
Professional scepticism	The design, nature, timing and extent of audit procedures performed in support of the audit opinion may change due to: <ul style="list-style-type: none"> increased emphasis on the exercise of professional judgement and professional scepticism an equal focus on both corroborative and contradictory information obtained and used in generating audit evidence increased guidance on management and auditor bias additional focus on the authenticity of information used as audit evidence a focus on response to inquiries that appear implausible
Definition of engagement team	The definition of engagement team when applied in a group audit, will include both the group auditors and the component auditors. The implications of this will become clearer when the auditing standard governing special considerations for group audits is finalised. In the interim, the expectation is that this will extend a number of requirements in the standard directed at the 'engagement team' to component auditors in addition to the group auditor. <ul style="list-style-type: none"> Consideration is also being given to the potential impacts on confidentiality and independence.
Fraud	The design, nature timing and extent of audit procedures performed in support of the audit opinion may change due to: <ul style="list-style-type: none"> clarification of the requirements relating to understanding fraud risk factors additional communications with management or those charged with governance
Documentation	The amendments to these auditing standards will also result in additional documentation requirements to demonstrate how these requirements have been addressed.

G. Management Letter of Representation - PCC

Grant Thornton UK LLP
Landmark,
St Peter's Square,
1 Oxford Street,
Manchester M1 4PB

Dear Grant Thornton UK LLP

Police and Crime Commissioner for Cumbria

Financial Statements for the year ended 31 March 2023

This representation letter is provided in connection with the audit of the financial statements of the Police and Crime Commissioner (PCC) for Cumbria and its subsidiary undertaking, the Chief Constable for Cumbria for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the group and PCC financial statements give a true and fair view in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities for the preparation of the group and PCC's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.

We have complied with the requirements of all statutory directions affecting the group and PCC and these matters have been appropriately reflected and disclosed in the financial statements.

The PCC has complied with all aspects of contractual agreements that could have a material effect on the group and PCC financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include the valuation of the net pension liability and the valuation of land and buildings. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used. We are satisfied that the methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in accordance with the Code and adequately disclosed in the financial statements.

We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.

G. Management Letter of Representation - PCC

Except as disclosed in the group and PCC financial statements:

- a. there are no unrecorded liabilities, actual or contingent
- b. none of the assets of the [group and] PCC has been assigned, pledged or mortgaged
- c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.

All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.

We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The group and PCC financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.

We have considered the unadjusted misstatements included in your Audit Findings Report. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the PCC and its financial position at the year end. The financial statements are free of material misstatements, including omissions.

Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

We have updated our going concern assessment. We continue to believe that the group and PCC's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that:

- a. the nature of the group and PCC means that, notwithstanding any intention to cease the group and PCC operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
- b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
- c. the group and PCC's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the group and PCC's ability to continue as a going concern need to be made in the financial statements

The group and PCC has complied with all aspects of ring-fenced grants that could have a material effect on the group and PCC's financial statements in the event of non-compliance.

Information Provided

We have provided you with:

- a. access to all information of which we are aware that is relevant to the preparation of the group and PCC's financial statements such as records, documentation and other matters;
- b. additional information that you have requested from us for the purpose of your audit; and
- c. access to persons within the PCC via remote arrangements, from whom you determined it necessary to obtain audit evidence.

We have communicated to you all deficiencies in internal control of which management is aware.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

G. Management Letter of Representation - PCC

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the group and PCC, and involves:

- a. management;
- b. employees who have significant roles in internal control; or
- c. others where the fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We have disclosed to you the identity of the group and PCC's related parties and all the related party relationships and transactions of which we are aware.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

We are satisfied that the Annual Governance Statement (AGS) fairly reflects the PCC's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect our understanding of the group and PCC's financial and operating performance over the period covered by the financial statements.

Approval

The approval of this letter of representation was minuted by the PCC's Joint Audit Committee.

Yours faithfully

Name.....

Position.....

Date.....

H. Management Letter of Representation – Chief Constable

Grant Thornton UK LLP

Landmark,
St Peter's Square,
1 Oxford Street,
Manchester M1 4PB

Dear Sirs

Chief Constable for Cumbria Constabulary

Financial Statements for the year ended 31 March 2023

This representation letter is provided in connection with the audit of the financial statements of the Chief Constable for Cumbria Constabulary for the year ended 31 March 2023 for the purpose of expressing an opinion as to whether the Constabulary financial statements give a true and fair view in accordance with International Financial Reporting Standards, and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities for the preparation of the Constabulary's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.

We have complied with the requirements of all statutory directions affecting the Constabulary and these matters have been appropriately reflected and disclosed in the financial statements.

The Constabulary has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include the net pension liability. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used. We are satisfied that the methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in accordance with the Code and adequately disclosed in the financial statements.

We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.

H. Management Letter of Representation – Chief Constable

Except as disclosed in the financial statements:

- a. there are no unrecorded liabilities, actual or contingent
- b. none of the assets of the Constabulary has been assigned, pledged or mortgaged
- c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.

All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.

We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Constabulary's financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.

Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

We have updated our going concern assessment. We continue to believe that the Constabulary's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that :

- a. the nature of the Constabulary means that, notwithstanding any intention to cease its operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
- b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
- c. the Constabulary's system of internal control has not identified any events or conditions relevant to going concern.

We believe that no further disclosures relating to the Constabulary's ability to continue as a going concern need to be made in the financial statements

The Constabulary has complied with all aspects of ring-fenced grants that could have a material effect on the Constabulary's financial statements in the event of non-compliance.

Information Provided

We have provided you with:

- a. access to all information of which we are aware that is relevant to the preparation of the Constabulary's financial statements such as records, documentation and other matters;
- b. additional information that you have requested from us for the purpose of your audit; and
- c. access to persons within the Constabulary via remote arrangements from whom you determined it necessary to obtain audit evidence.

H. Management Letter of Representation – Chief Constable

We have communicated to you all deficiencies in internal control of which management is aware.

All transactions have been recorded in the accounting records and are reflected in the financial statements.

We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Constabulary and involves:

- a. management;
- b. employees who have significant roles in internal control; or
- c. others where the fraud could have a material effect on the financial statements.

We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

We have disclosed to you the identity of the Constabulary's related parties and all the related party relationships and transactions of which we are aware.

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Constabulary's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

The disclosures within the Narrative Report fairly reflect our understanding of the Constabulary's financial and operating performance over the period covered by the Constabulary's financial statements.

Approval

The approval of this letter of representation was minuted by the CC's Joint Audit Committee.

Yours faithfully

Name.....

Date.....

Position.....

I. Audit opinion- PCC

Our audit opinion is included below. We anticipate we will provide the PCC with an unmodified audit report.

Independent auditor's report to the Police and Crime Commissioner for Cumbria

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Police and Crime Commissioner for Cumbria (the 'Police and Crime Commissioner') and its subsidiary the Chief Constable for Cumbria (the 'group') for the year ended 31 March 2023, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Fund Account and Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Police and Crime Commissioner as at 31 March 2023 and of the group's expenditure and income and the Police and Crime Commissioner's expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Police and Crime Commissioner and the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Police and Crime Commissioner and group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Police and Crime Commissioner and the group to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 that the Police and Crime Commissioner and group's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Police and Crime Commissioner and the group. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Police and Crime Commissioner and group and the Police and Crime Commissioner and group's disclosures over the going concern period.

I. Audit opinion- PCC

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Police and Crime Commissioner and the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Finance Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Chief Finance Officer is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with 'Delivering Good Governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Police and Crime Commissioner under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or

I. Audit opinion- PCC

- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Police and Crime Commissioner and the Chief Finance Officer

As explained more fully in the Statement of Responsibilities, the Police and Crime Commissioner is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Chief Finance Officer. The Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Police and Crime Commissioner's and the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Police and Crime Commissioner and the group without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Police and Crime Commissioner and the group and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the Local Government Act, 2003), the Police Reform and Social Responsibility Act 2011, the Public Service Pensions Act 2013, the Police Pension Fund Regulations 2006 and the Police Pensions Regulations 2015.

We enquired of management and the Police and Crime Commissioner concerning the Police and Crime Commissioner and group's policies and procedures relating to:

- the identification, evaluation and compliance with laws and regulations;
- the detection and response to the risks of fraud; and
- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

We enquired of management, internal audit and the Police and Crime Commissioner whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of:

- management override of controls. We determined that the principal risks were in relation to journal entries that could be used to manipulate the Authority's financial performance for the year as well as potential management bias in determining accounting estimates for the valuation of land and buildings; and the net pension liability.

I. Audit opinion- PCC

Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud,
- journal entry testing, with a focus on non-routine transactions, and journal entries falling within identified risk criteria including, journals posted by senior officers, material journals, large year-end journals, post year-end journals year-end accruals and journals reducing expenditure at the year-end,
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of land and buildings and the pension liability, and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the police sector
- understanding of the legal and regulatory requirements specific to the Police and Crime Commissioner and group including:
 - the provisions of the applicable legislation
 - guidance issued by CIPFA/LASAAC and SOLACE
 - the applicable statutory provisions.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- the Police and Crime Commissioner and group's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- the Police and Crime Commissioner and group's control environment, including the policies and procedures implemented by the Police and Crime Commissioner and group to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

I. Audit opinion- PCC

Report on other legal and regulatory requirements – the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

Our work on the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Police and Crime Commissioner’s arrangements in our Auditor’s Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in a further auditor’s report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2023.

Responsibilities of the Police and Crime Commissioner

The Police and Crime Commissioner is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor’s responsibilities for the review of the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Police and Crime Commissioner has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of ‘proper arrangements’. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Police and Crime Commissioner plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Police and Crime Commissioner ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Police and Crime Commissioner uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Police and Crime Commissioner has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor’s Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

I. Audit opinion- PCC

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Police and Crime Commissioner for Cumbria for the year ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed:

- our work on the Police and Crime Commissioner’s arrangements for securing economy, efficiency and effectiveness in its use of resources
- the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Police and Crime Commissioner for the year ended 31 March 2023.

We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2023.

Use of our report

This report is made solely to the Police and Crime Commissioner, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Police and Crime Commissioner those matters we are required to state to the Police and Crime Commissioner in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:

Michael Green, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Manchester

Date:

J. Audit opinion- Chief Constable

Our audit opinion is included below. We anticipate we will provide the Chief Constable with an unmodified audit report.

Independent auditor's report to the Chief Constable of Cumbria Constabulary

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of the Chief Constable for Cumbria Constabulary (the 'Chief Constable') for the year ended 31 March 2023, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies, and include the police pension fund financial statements comprising the Fund Account and Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Chief Constable for Cumbria Constabulary as at 31 March 2023 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Chief Constable in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Chief Finance Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Chief Constable's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Chief Constable to cease to continue as a going concern.

In our evaluation of the Chief Finance Officer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 that the Chief Constable's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Chief Constable. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Chief Constable and the Chief Constable's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Chief Finance Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

J. Audit opinion- Chief Constable

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Chief Constable for Cumbria Constabulary's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Chief Finance Officer's with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Statement of Accounts, other than the financial statements and our auditor's report thereon. The Chief Finance Officer's is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with 'Delivering Good Governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE, or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Chief Constable under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or;
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

J. Audit opinion- Chief Constable

Responsibilities of the Chief Constable and the Chief Finance Officer's

As explained more fully in the Statement of Responsibilities, the Chief Constable is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. That officer is the Assistant Chief Officer. The Chief Finance Officer's is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, for being satisfied that they give a true and fair view, and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Chief Constable without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Chief Constable and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the Local Government Act, 2003), the Police Reform and Social Responsibility Act 2011, the Public Service Pensions Act 2013, the Police Pension Fund Regulations 2006 and the Police Pensions Regulations 2015.

We enquired of management and the Chief Constable concerning the Chief Constable's policies and procedures relating to:

- the identification, evaluation and compliance with laws and regulations;
- the detection and response to the risks of fraud; and
- the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

We enquired of management, internal audit and the Chief Constable whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of:

- management override of controls. We determined that the principal risks were in relation to journal entries that could be used to manipulate the Authority's financial performance for the year as well as potential management bias in determining accounting estimates for the net pension liability.

J. Audit opinion- Chief Constable

Our audit procedures involved:

- evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud,
- journal entry testing, with a focus on non-routine transactions, and journal entries falling within identified risk criteria including, journals posted by senior officers, material journals, large year-end journals, post year-end journals, year-end accruals and journals reducing expenditure at the year-end,
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of land and buildings and the pension liability, and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's.

- understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
- knowledge of the police sector
- understanding of the legal and regulatory requirements specific to the Chief Constable including:
 - o the provisions of the applicable legislation
 - o guidance issued by CIPFA/LASAAC and SOLACE
 - o the applicable statutory provisions.

In assessing the potential risks of material misstatement, we obtained an understanding of:

- the Chief Constable's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
- the Chief Constable's control environment, including the policies and procedures implemented by the Chief Constable to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

J. Audit opinion- Chief Constable

Report on other legal and regulatory requirements – the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

Our work on the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Chief Constable’s arrangements in our Auditor’s Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in a further auditor’s report. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2023.

Responsibilities of the Chief Constable

The Chief Constable is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Auditor’s responsibilities for the review of the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023. This guidance sets out the arrangements that fall within the scope of ‘proper arrangements’. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Chief Constable plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Chief Constable ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Chief Constable uses information about its costs and performance to improve the way it manages and delivers its services.

We document our understanding of the arrangements the Chief Constable has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor’s Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for the Chief Constable for Cumbria Constabulary for the year ended 31 March 2023 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed:

- our work on the Chief Constable’s arrangements for securing economy, efficiency and effectiveness in its use of resources
- the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Chief Constable for the year ended 31 March 2023.

We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2023.

J. Audit opinion- Chief Constable

Use of our report

This report is made solely to the Chief Constable, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 44 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Chief Constable those matters we are required to state to the Chief Constable in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:

Michael Green, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Manchester

Date:

K. Audit letter in respect of delayed VFM work

The Police and Crime Commissioner for Cumbria

1-2 Carleton Hall,

Penrith,

Cumbria

CA10 2AU.

28 September 2023

Dear Mr McCall

The original expectation under the approach to VFM arrangements work set out in the 2020 Code of Audit Practice was that auditors would follow an annual cycle of work, with more timely reporting on VFM arrangements, including issuing their commentary on VFM arrangements for local government by 30 September each year at the latest. Unfortunately, due to the timing of our audit, on-going challenges impacting on the local audit market, including the need to meet regulatory and other professional requirements, we have been unable to complete our work as quickly as would normally be expected.

The National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible can be issued in line with national timetables and legislation. As a result, we have therefore not yet issued our Auditor's Annual Report, including our commentary on arrangements to secure value for money. We now expect to publish our report no later than 31st January 2024.

For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

Yours faithfully

Michael Green

Michael Green

Key Audit Partner and Engagement Lead

K. Audit letter in respect of delayed VFM work

The Chief Constable for Cumbria Constabulary

1-2 Carleton Hall,

Penrith,

Cumbria

CA10 2AU.

28 September 2023

Dear Mr Carden,

The original expectation under the approach to VFM arrangements work set out in the 2020 Code of Audit Practice was that auditors would follow an annual cycle of work, with more timely reporting on VFM arrangements, including issuing their commentary on VFM arrangements for local government by 30 September each year at the latest. Unfortunately, due to the timing of our audit and the on-going challenges impacting on the local audit market, including the need to meet regulatory and other professional requirements, we have been unable to complete our work as quickly as would normally be expected. The National Audit Office has updated its guidance to auditors to allow us to postpone completion of our work on arrangements to secure value for money and focus our resources firstly on the delivery of our opinions on the financial statements. This is intended to help ensure as many as possible can be issued in line with national timetables and legislation.

As a result, we have therefore not yet issued our Auditor's Annual Report, including our commentary on arrangements to secure value for money. We now expect to publish our report no later than 31st January 2024. For the purposes of compliance with the 2020 Code, this letter constitutes the required audit letter explaining the reasons for delay.

Yours faithfully

Michael Green

Michael Green

Key Audit Partner and Engagement Lead





The Role of the Chief Finance Officer (Core CFO Responsibilities)

Joint Audit Committee: 22 November 2023

Originating Officer: Michelle Bellis, Constabulary Chief Finance Officer

Agenda Item 13a (i)

Introduction

The Police Reform and Social Responsibility Act 2011 requires the PFCC to appoint a Chief Executive and a Chief Financial Officer (CFO), the act also requires the Chief Constable to appoint a CFO. Up to April 2023, the role was performed by a single Joint Chief Finance Officer, Roger Marshall. When Roger announced his intention to retire in 2023, and with the PFCC taking on responsibility for Fire & Rescue Services from 1 April 2023, the decision was taken for the role to be split into two roles with a separate CFO to act for the Chief Constable (Michelle Bellis) and another for the PFCC and Cumbria Fire & Rescue Services (Steven Tickner).

Statutory background - Section 151 of the Local Government Act 1972 requires local authorities (which include Chief Constables and Police and Crime Commissioners) to make arrangements for the proper administration of their financial affairs and appoint a Chief Finance Officer to have responsibility for those arrangements.

In March 2021, CIPFA published their guidance document “the role of Chief Finance Officers in Policing” this document specifically relates to the role within policing where previous publications were generic in relation to local government bodies. The police specific guidance builds heavily on CIPFA’s statements on the role of the CFO in public services and the role of the CFO in local government.

The role of the Constabulary CFO has been reviewed against this guidance. The attached Appendix documents the review and sets out how compliance is achieved with the CIPFA CFO responsibilities within the Constabulary, a separate report on the agenda provides details in respect of the PFCC and Fire and Rescue CFO.

The CFO occupies a critical position in any organisation, holding the financial reins of the business and ensuring that resources are used wisely to secure positive results.

All parties should be aware that the CFO's responsibilities also include a wider stewardship role on behalf of the public, which is a key aspect of their independence. The annual governance review should include an evaluation of the risks.

The CIPFA guidance sets out the five principles that recognise the core activities and behaviours attaching to the Role of the CFO and the organisational arrangements needed to support them. Successful implementation of each of the principles requires the right ingredients in terms of:

- The Organisation, governance requirements
- The Role, Core CFO responsibilities
- The Individual, personal skills and performance standards.

Conclusion

The internal assessment provided assurance that the Constabulary is 100% compliant with the requirements of the CIPFA Role.



Principle 1 - The Chief Finance Officer of the Constabulary is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the strategic objectives sustainably and in the public interest.

Ref:	Requirement	Constabulary Arrangements
1.1	Contributing to the effective leadership of the PFCC and Chief Constable, maintaining focus on its purpose and vision through rigorous analysis and challenge.	<p>Within the Constabulary, the Constabulary CFO is a member of the Chief Officer Group and leads on arrangements for financial governance.</p> <p>The Constabulary CFO is also a member of the Constabulary's Governance Board structure with monthly meetings covering Strategic Change, Performance Management, Workforce, Organisational, Operational, Digital Transformation and Savings and Efficiencies. The Constabulary CFO is also a member of the Collaborative Board (a joint board between the Constabulary and Office of the PFCC), contributing to the challenge and scrutiny of strategic recommendations to the Constabulary Chief Officer Group. The Constabulary CFO contributes to other Constabulary strategic boards where significant investment and business change is being delivered.</p>
1.2	Contributing to effective corporate management, including strategy implementation, cross organisational issues, integrated business and resource planning, risk management and performance management.	<p>Within the Constabulary, the Constabulary CFO is a member of the Chief Officer Group. The group meets on a twice weekly basis with an agenda that incorporates cross cutting corporate, strategic and performance issues. The Constabulary CFO leads on financial risks and under the arrangements for governance will be consulted on wider arrangements for non-financial corporate governance and risk management.</p> <p>The Constabulary CFO leads on the Annual Governance Statement (AGS) for the Constabulary that includes an action plan incorporating key strategic actions and is monitored by the Joint Audit Committee (JAC).</p> <p>The Constabulary CFO will contribute to scrutiny of the performance of the Constabulary at meetings of the Collaborative Board. Cross cutting issues between the OPFCC and Constabulary are included on the agenda of meetings of the Collaborative Board comprising Constabulary Chief Officers, Directors, the OPFCC Chief Executive and both the Constabulary and OPFCC Chief Finance Officer.</p>

1.3	Supporting effective governance through development of corporate governance arrangements, risk management and reporting frameworks; and corporate decision making arrangements.	<p>The Constabulary CFO leads on the arrangements for ensuring a Code of Corporate Governance and an AGS is reviewed/prepared on an annual basis for the Constabulary and is compliant with codes/guidance. The Constabulary CFO leads on the arrangements for external audit, internal audit and the JAC. This includes ensuring the internal audit plan incorporates audit work covering key corporate and financial risks.</p> <p>Within the Constabulary, the Constabulary CFO contributes to the arrangements for decision making and reporting as a member of the Chief Officer Group.</p>
1.4	Leading or contributing to change programmes including identifying service efficiencies and value for money opportunities.	<p>The Constabulary CFO is a member of the Constabulary's Governance Board structure and the Collaborative Board, all of which operate as a forum to offer challenge and discuss change management proposals, efficiency and value for money. The Constabulary CFO leads on the scrutiny of all Constabulary investment proposals and the revenue and capital budgets providing challenge around the level of resource requirements and the assumptions made. This includes ensuring that discretionary investment decisions deliver a robust financial return or can demonstrate significant non-financial benefits.</p> <p>The Constabulary CFO provides independent advice to the Chief Constable on His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) value for money profiles.</p>
1.5	Contributing to the development of partnerships in order to deliver objectives.	All significant partnership arrangements are approved by the Chief Officer Group and PFCC. The Constabulary CFO is therefore afforded the opportunity to scrutinise and contribute to partnership arrangements, with particular emphasis on financial governance.
1.6	The PFCCs CFO and the Chief Constable's CFO should consult and agree the arrangements for:	
	<ul style="list-style-type: none"> ➤ Leading development of a medium term financial strategy and the annual budgeting process to ensure financial balance and a monitoring process to ensure its delivery. 	<p>Within the Constabulary, the Constabulary CFO leads on the arrangements for developing the Chief Constable's medium term financial forecasts, advising on the robustness of the budgets and in-year management of the overall budget. This includes arrangements for Constabulary Funding.</p> <p>The Constabulary CFO is supported in doing this by a shared financial services team lead by the Group Accountant who also provide support on the wider group budget/MTFF to the PFCC CFO.</p>

<p>➤ Ensuring that there are sound medium and long term financial plans for both revenue and capital to support the development of PFCC and CC plans and strategies and that these are subject to regular review to confirm the continuing relevance of assumptions used.</p>	<p>The medium term financial forecasts for revenue are projected over 5 years. The capital programme is developed over 10 years. The forecasts are reviewed in detail on an annual basis between October and February. Projections of formula funding income and other factors that may have a stepped impact on resources are re-modelled at the time of government announcements.</p>
<p>➤ Ensuring that advice is provided on the levels of reserves and balances in line with good practice guidance.</p>	<p>The Constabulary CFO produces an annual policy on reserves that sets out the reason for holding reserves and the amount of reserves set aside for specific purposes. This is recommended for approval annually as part of the Commissioner’s budget process. The PFCC CFO will make a formal statement on the level of reserves within the statutory 151 report on the robustness of the budget.</p> <p>Under the funding arrangement with the Police, Fire and Crime Commissioner the only reserve held by the Chief Constable is an operational contingency. The circumstances when this can be utilised are set out in the funding arrangement. If the Chief Constable is granted more reserves to manage in their own right, the Constabulary CFO will produce a Constabulary Reserve Policy. The Constabulary CFO advises the Chief Constable on the level and policy in relation to reserves held by the Commissioner.</p>
<p>➤ Ensuring compliance with relevant CIPFA Codes including the Prudential Framework for Local Authority Capital Finance and CIPFA’s Treasury Management Code of Practice.</p>	<p>The Constabulary CFO makes an annual statement to the external auditors as part of the separate letters of representation provided on behalf of the Chief Constable in respect of compliance with relevant CIPFA codes. The Commissioner’s Treasury Management Strategy confirms compliance with CIPFA’s Treasury Management Codes and the prudential regime for capital financing. The requirement to comply with relevant codes is re-enforced through internal governance documents e.g. financial regulations, and is included with individual job roles for staff within the shared financial services team. There is a level of independent assurance on Code compliance, e.g. external treasury management advisors will offer advice on the treasury management strategy/external audit will monitor compliance with the code on local authority accounting/internal audit will provide advice as appropriate to specific audits.</p>

<p>➤ Ensuring that budget calculations are robust and reserves adequate, as required by s25 of the Local Government Act 2003, and in line with CIPFA guidance.</p>	<p>The Constabulary CFO will develop the policy on reserves annually including setting the level of reserves. This includes a review of the requirement for the reserve and the adequacy of overall reserves given the financial risks faced by the OPFCC/Constabulary.</p> <p>The substantial proportion of the Commissioner’s budget comprises funding for the Constabulary. Within the Constabulary, arrangements for the budget include a number of analytical review checks made by the Constabulary CFO prior to the Constabulary budget being submitted to the PFCC for consideration. Within the OPFCC, the PFCC CFO will then undertake a further level of analytical review assessing the differences in funding between years against known changes to costs and other planning assumptions. A more detailed comparison is undertaken by the Group Accountant for the purposes of presenting information to the Police, Fire and Crime Panel, further contributing to the level of assessment.</p> <p>Reserves are set at a level to mitigate areas of budget risk. Those areas where risks are highest and only a lower level of assurance can be given are highlighted in the S151 report.</p>
<p>➤ Ensuring the medium term financial strategy reflects joint planning with partners and other stakeholders.</p>	<p>The Medium Term Financial Strategy is the end result of work between the OPFCC CFO, Constabulary CFO and Group Accountant to consider the requirements of the Constabulary and the Commissioner, including the Commissioner’s wider partnership commissioning intentions that incorporates joint working with health, the unitary councils and community safety partnerships.</p>

Principle 2 - The CFO must be actively involved in, and able to bring influence to bear on, all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate and longer term implications, opportunities and risks are fully considered, and align with the overall financial strategy.

Ref:	Requirement	Constabulary Arrangements
Responsibility for Financial Strategy		
2.1	Ensuring that a financial framework and planning delivery against the defined strategic and operational criteria.	The Constabulary CFO agrees the financial strategy with the Chief Constable prior to submitting budget proposals to the Commissioner. The strategy is developed over a number of months taking account of change management proposals, investment decisions and aligned to workforce plans, capital strategies and asset management plans. Discussions will take place between the Constabulary CFO and Constabulary service leads on the strategic and operational requirements that drive the overall resource requirements e.g. discussions with Head of Estates and Fleet/ mobile and digital leads. Joint agreement is reached on the approach to risk within the budget and financing choices in respect of capital.
2.2	Maintaining a long term financial strategy to underpin PFCC and CC financial viability within the agreed performance framework.	The Constabulary budget proposal is consolidated with the Commissioner's budget and a strategy agreed between the PFCC CFO and Constabulary CFO. The financial strategy drives the Constabulary and OFPCC change management programme and is based on 5 years (revenue) and 10 years (capital). The change programme aims to develop proposals well in advance of the savings requirement for any single financial year to ensure financial viability typically for up to 2 years. A funding arrangement between the Commissioner and Constabulary sets out the basis on which funding can be used and the expectations of the Commissioner in respect of financial management and governance. The agreement includes information requirements and an agreed performance framework. The Constabulary CFO advises on the adequacy and provides scrutiny of the change programme.
2.3	Implementing financial management policies underpin sustainable long-term financial health and reviewing performance against them.	The main financial management policies are for Treasury Management and Reserves. These are developed with a view to providing a balance between risk and prudence. The approach to treasury management is developed in conjunction with external advisors and includes benchmarked information regarding the balance of financial return and risk on investments. Quarterly reports on treasury management activity provide assurance that prudential indicators have been complied with and that transactions have been carried out in line with strategy. The policy on reserves takes account of CIPFA guidance. The statement of accounts contain the financial policies used in respect of financial reporting and these are subject to annual review by the PFCC CFO and Constabulary CFO. The comments of

		the external auditors on financial resilience are taken into consideration by the CFOs when considering financial strategy. The capital programme is developed over a 10 year time line with a requirement that the first five years are fully funded.
2.4	Ensuring that alternative delivery models, commercial and collaborated opportunities are appraised and advising on financial targets and successful delivery.	The primary commercial and collaborative opportunities are in respect of the Constabulary. All significant collaborative arrangements involving the Constabulary are subject to scrutiny by the Constabulary CFO. The wider remit of the Commissioner which encompasses victims, provides an increased level of commissioning. Collaborative arrangements between the Constabulary and OPFCC provide for shared support services. Collaboration arrangements and major commercial procurements are subject to approval from the Commissioner and will be subject to scrutiny and challenge by the Constabulary CFO and OPFCC Chief Executive.
2.5	Ensuring that an effective resource allocation model is developed and maintained to deliver business priorities.	<p>The process for resource allocation is based on initially producing a continuation budget against estimates of the available level of resources. Growth and savings requirements are then considered to ensure overall balance. The ongoing requirement for savings means effectively that the change management programme determines any stepped changes in resource allocation other than in respect of investments that provide an overall net return or are mandated. The Constabulary also undertakes an annual resource allocation review of officer deployment within the agreed establishment, on which the Constabulary CFO is consulted. Change management proposals are based on value for money considerations using HMICFRS profiles and take account of the priorities within the police and crime plan. The Constabulary CFO will scrutinise discretionary investment decisions to ensure a positive return on investment (ROI) as part of the budget process and under delegations from the Commissioner for the capital programme.</p> <p>Within the Constabulary, the Constabulary CFO/Chief Constable will be consulted on the approach to any proposals with an impact on strategic priorities as part of the discussions on the budget and constabulary funding.</p>
2.6	Taking a leading role on asset and balance sheet management.	<p>Within the OPFCC, the Chief Executive leads with support from the OPFCC CFO in respect of securing effective management of the Commissioner's estate. The PFCC CFO meets with the Head of Estate and Fleet to discuss and informally agree the approach to asset management strategy ahead of formal budget decision making and development of the capital programme. Discussions take account of operational requirements and value for money.</p> <p>Within the Constabulary, the Constabulary CFO liaises closely with strategic leads in the development of Constabulary managed business and asset plans. Discussions take account of operational requirements, affordability and value for money.</p> <p>The Constabulary CFO ensures that assets are properly insured on behalf of the PFCC and Chief Constable.</p>

		The PFCC CFO leads on the arrangements for financial regulations that set out requirements in respect of asset and balance sheet management within the OPFCC and Constabulary.
2.7	Co-ordinating the planning and budgeting processes	<p>The Constabulary CFO with the support of the shared support financial services team, under the management of the Group Accountant is responsible for the production of the detailed revenue budget and 5 year MTFF and 10 year capital strategy in accordance with the detailed timetable which is agreed by Collaborative Board.</p> <p>Within the Constabulary the planning cycle is aligned to the budget and that of the OPFCC and as such coincides with the development of the police and crime plan.</p>
2.8	Maintaining investment in strategic asset management	The Constabulary CFO works closely with business leads responsible for assets such as estates, fleet and ICT to ensure that business planning with respect to these strategic assets is considered as part of the budget and MTFF setting processes.
Influencing decision making		
2.9	Ensuring that opportunities and risks are fully considered and decisions are aligned with the overall financial strategy.	The Constabulary CFO attends the key strategic boards within the Constabulary: Chief Officer Group, Collaborative Board, Constabulary Governance Boards and specific project boards. Informal meetings outside the boards with project leads are held as necessary to discuss any specific delivery risks/financial implications that require more in depth consideration.
2.10	Providing professional advice and objective financial analysis enabling decision makers to take timely and informed business decisions.	Within the Constabulary, the Constabulary CFO will provide the Chief Constable with independent financial analysis where required and provides input to decision making through the Chief Officer Group and informal briefing sessions prior to the Chief Officer Group. Delegations to the Constabulary CFO are made where decisions are taken in principle but further analysis is required.
2.11	Ensuring that efficient arrangements are in place and sufficient resources available to provide accurate, complete and timely advice to support strategy development.	The overall resources for the shared financial support team are considered on a regular basis to ensure the support needs of both businesses are met. The statutory responsibility of the CFOs to advise on this is set out in the arrangements for governance.
2.12	Ensuring that clear, timely, accurate information is provided as requested by the Police, Fire and Crime Panel.	<p>The panel are consulted on their information requirements in respect of the precept decision each year and are offered an annual seminar supported by the OPFCC and Constabulary to consider more detailed financial, performance and value for money information.</p> <p>The panel are provided with financial monitoring information during the financial year in respect of Constabulary and OPFCC budgets.</p>

2.13	Ensuring that all necessary information is provided to the PFCC when the Police, Fire and Crime Panel considers the budget and proposed precept.	The Commissioner and Chief Constable are fully briefed ahead of the Police, Fire and Crime Panel precept meeting on the key issues regarding the council tax debate. The PFCC CFO presents the budget papers to the panel and will answer technical questions with the support of the Constabulary CFO. The Chief Constable is normally in attendance to respond on questions regarding the operational implications of resource constraints.
2.14	Ensuring that capital projects are chosen after evaluating a fully costed business case compiled with input from all relevant professional disciplines and can be funded in the financial strategy.	The financial strategy requires the capital programme to be balanced for a minimum of 5 years. Schemes included within the programme are either supported by asset management strategies that provide the rationale for cyclical replacement/maintenance programmes or require a business case to commence. Professional oversight is provided as appropriate to business case decisions.
2.15	Checking, at an early stage, that innovative financial approaches comply with regulatory requirements.	The Constabulary CFO procures a range of specialist financial advisory services including treasury management, taxation including VAT/PAYE, pensions and insurance. This provides access to independent advisory services where more innovative approaches are being considered. Both organisations also work closely with the external auditors on compliance issues and liaise at the early stages of considering any changes to ways of accounting and financing transactions.
Financial information for decision makers		
2.16	Monitoring and reporting on financial performance linked to related performance information and strategic objectives that identifies any necessary corrective decisions.	<p>Within the Constabulary financial monitoring is undertaken on a monthly basis with formal reporting to Chief Officers at a high level on a monthly basis and at a more detailed level on a quarterly basis. The Constabulary also provides reports on a quarterly basis to the PFCC Executive Team and Police, Fire and Crime Panel.</p> <p>Regular discussions are held with the Constabulary CFO and Group Accountant in order to ensure the on-going management of the budget in year and to minimise the impact of variances.</p> <p>The funding arrangement between the Commissioner and Chief Constable includes a schedule of information requirements and the performance monitoring framework for the financial year.</p>
2.17	Ensuring that timely management accounts are prepared.	Management accounts are prepared on a monthly basis typically within 14 days of the period end. The shared financial services function prepares reports on behalf of both the Constabulary and OPFCC. The Constabulary CFO presents the Constabulary position and an overview of the overall group position to Chief Officers on a monthly basis.

2.18	Ensuring the reporting envelope reflects partnerships and other arrangements to give an overall picture.	<p>The Constabulary financial reports incorporate all partnership and collaboration activity. Where partnership activities have significant financial implications these are highlighted within Constabulary reports or are reported separately.</p> <p>The Commissioner’s financial reports detail all partnership expenditure. The Commissioned Services budget is included as a separate line on the monitoring report with a link to further information on the Commissioner’s website detailing all grant expenditure.</p>
2.19	Monitoring the service impact of third-party contracts on the delivery of organisational objectives.	<p>The Constabulary CFO is a member of the Contract Awards Board which scrutinises the letting of third party contracts and is able to input to such contracts in terms of the procurement process, financial implications and value for money.</p>
2.20	Monitoring the longer-term financial impact of third-party contracts.	<p>Through the triangulation of business plans, participation in the work of the Contracts Awards Board and the budget and MTF setting processes, the Constabulary CFO and financial services team are able to monitor and model the impact of third party contracts on the financial position and highlight any trends.</p>

Principle 3 - The Chief Finance Officer must lead and encourage the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.

Ref:	Requirement	Constabulary Arrangements
Promotion of financial management		
3.1	Assessing financial management style and the improvements needed to ensure it aligns with the PCC's strategic direction.	Within the Constabulary collective responsibility for financial management is promoted through Chief Officer Group, and individual senior leadership team meetings (SLTs) where the budget is a standing agenda item. Financial Services Officers are an integral part of these SLT meetings to brief staff on their role and to improve understanding of when to engage financial support in new/developing areas of business. Closer relationships have been promoted between financial services staff and individual budget holders to ensure ownership of the budgets. The financial planning cycle ensures alignment between the Constabulary budget, change programme, police and crime plan priorities and the wider Commissioner's budget requirements. The introduction of cost centre management as part of the migration to the Oracle Fusion system is a step towards encouraging greater budget holder accountability.
3.2	Actively promoting financial literacy.	<p>The Constabulary CFO has previously supported the procurement of CIPFA training that will enhance financial and business skills across the OPFCC and Constabulary. The arrangements for financial governance ensure all key documents that support financial literacy are developed as far as is possible with a view to their accessibility to staff. As part of the Constabulary's involvement in the Achieving Financial Excellence in Policing initiative bespoke training is to be developed for budget holders and will be rolled out in 2024 with a programme of internally delivered refresher training when budget holders change.</p> <p>The Constabulary CFO provides regular financial input to various board meetings and strategy days to communicate the key financial messages.</p>
3.3	Actively promoting good financial management throughout all partnerships and alternative delivery models.	Significant partnerships require a business case and approval from the Chief Officer Group and PFCC. This provides opportunity for the OPFCC and Constabulary CFOs and wider financial services team to have oversight of financial arrangements of the partnership and specific scrutiny of the Constabulary / PFCC resource input, governance arrangements and value for money.

3.4	Assisting the development of a protocol which clearly sets out the roles and responsibilities for financial management, including delegated authority/powers.	<p>The Constabulary CFO and PFCC CFO oversee the development of the financial regulations and joint procurement regulations that set out the responsibilities and role of key individuals including Chief Officers within the OPFCC and Constabulary.</p> <p>The PFCC CFO has lead responsibility for the financial regulations which are adopted by the Constabulary. The Constabulary CFO has lead responsibility for the financial rules which underpin the financial regulations. The Constabulary CFO in conjunction with the Director of Legal Services has also led on the development of the existing Constabulary scheme of delegation that documents all delegations from the Chief Constable and general principles of delegation. The Constabulary CFO also leads on the production of annual budget protocols which set out the roles and responsibilities of budget holders and wider Constabulary in relation to financial transactions.</p>
3.5	Ensuring effective oversight of partnerships through monitoring and access to information.	The Constabulary CFO is able to monitor partnership arrangements through scrutiny of business cases and subsequent budget monitoring. The focus is specifically on Constabulary / PFCC financial inputs and performance through the wider governance processes of the Constabulary and PFCC.
Value for money		
3.6	Challenging and supporting decision makers, especially on affordability and value for money, by ensuring policy and operational proposals with financial and (as appropriate) non-financial implications are notified to and signed off by the finance function.	<p>Within the Constabulary, the Constabulary CFO will scrutinise all reports presented for decision to the Chief Constable and advise on the financial implications/acceptability of recommendations. Where decisions are able to be made in principle, but appropriate detail or assurance regarding financial implications are unable to be confirmed, final decision making is delegated to the Constabulary CFO.</p> <p>The Constabulary CFO works closely with the shared financial services team to ensure financial implications have been reviewed and where appropriate are reflected in a revised budget.</p>
3.7	Ensuring that the reasons for selection of proposals that do not represent the most affordable solution or the best value for money are clearly justified and recorded.	As a member of the Chief Officer Group the Constabulary CFO is able to influence business proposals and comment upon the validity of justifications where a proposal does not represent the most affordable solution or best value for money.

3.8	Advising on the financial thresholds for 'key' decisions.	The Constabulary CFO through leading on financial rules and the scheme of delegation and being a consultee on other key governance documents such as financial regulations, arrangements for fraud and anti-corruption and joint procurement regulations is able to influence financial thresholds for key decisions.
3.9	Ensuring that appropriate asset management and procurement strategies are developed and maintained	The Constabulary CFO is the lead for asset management and procurement for the Constabulary. The Constabulary CFO leads on and works collaboratively with the Constabulary developing the joint procurement regulations (overarching document including strategy/policy, rules procedures). Asset management strategies are presented by the Constabulary as part of the budget setting process and will be discussed and reviewed by the Constabulary CFO and PFCC CFO prior to presenting to the Commissioner for approval as part of the annual budget process.
3.10	Managing long-term commercial contract values.	The Constabulary CFO as a part of the Contracts Awards Board and wider financial input into the contract awards process facilitates the effective management of long-term commercial contract values.
3.11	Taking a leading role in the evaluation of future value for money opportunities.	<p>The Constabulary CFO annually reviews HMICFRS VFM profiles and other inspectorate reports to identify areas where value for money can be improved for both organisations.</p> <p>Within the Constabulary, further detailed work has been undertaken to benchmark Constabulary costs with statistical neighbours to identify opportunities to reduce the budget. The Constabulary CFO's understanding of Constabulary VFM supports the Chief Constable in providing challenge and ensures effective judgements can be made on the change programme strategy for reducing costs. The Public Accountability Conference receives a regular report from the Constabulary on its VFM strategy.</p>
Safeguarding public money		
3.12	Applying strong internal controls in all areas of financial management, financial risk management and asset control.	<p>The PFCC CFO leads on the Commissioner's financial regulations which are adopted by the Constabulary. The Constabulary CFO leads on the financial rules which underpin the financial regulations.</p> <p>The financial regulations are owned by the OPFCC and are adopted by the Constabulary. The financial rules are owned by the Constabulary and are adopted by the OPFCC.</p>
3.13	Explain the financial management arrangements within the Annual Governance Statement.	<p>The Annual Governance Statement and Code of Corporate Governance set out the arrangements for financial management.</p> <p>The Constabulary CFO leads on the production of the AGS for the Constabulary.</p>

3.14	Establishing budgets, financial targets and performance indicators to help assess delivery.	<p>Within the Constabulary, the Constabulary CFO leads on the development of an annual budget and medium term financial forecast for the Constabulary and wider PFCC. Performance within the Constabulary, which includes financial performance, is examined in periodic individual command or directorate performance development conferences. The budget setting process includes zero based budgeting exercises carried out by the financial services team and budget holders are held to account for financial performance and budget requirements in annual budget star chambers.</p> <p>The funding arrangement between the Commissioner and Chief Constable sets out the financial management arrangements for Constabulary funding and an agreed performance framework.</p>
3.15	Ensuring that effective systems of internal control are implemented. These may include financial regulations, contract regulations, standing financial instructions, operating manuals, and compliance with codes of practice to secure probity.	The Joint CFO leads on the Commissioner's financial regulations - these are adopted by the Constabulary. The OPFCC adopts the financial rules which are produced by the Constabulary and are adopted by the OPFCC. Financial rules are supported by detailed procedures. Internal audit will assess compliance as part of the cyclical audit of internal control and provide a judgement on the control environment. Job roles for finance posts include responsibility for ensuring compliance with codes.
3.16	Ensuring that the PFCC and CC have put in place effective arrangements for internal audit of the control environment and systems of internal control as required by professional standards and in line with CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom.	A contract is in place for Internal audit arrangements and these are reviewed annually by the Constabulary CFO including compliance with CIPFA's code of practice and the Public Sector Internal Audit Standard.
3.17	Ensuring that delegated financial authorities are respected	The Group Accountant has a highly robust understanding of delegations as set out in the funding arrangement between the Commissioner and Chief Constable and financial regulations and acts as a 'gate keeper' for financial delegations on behalf of the Constabulary CFO in respect of decision making and virement/budgets.
3.18	Promoting arrangements to identify and manage business risks (except for operational responsibilities of the Chief Constable), including safeguarding assets, risk	The PFCC CFO leads on the funding arrangement between the Commissioner and Chief Constable. The terms of funding include the responsibility of the Chief Constable in respect of managing business risk and insurance and safeguarding assets. The financial regulations has a specific section covering assets and the responsibilities of officers, which are re-enforced by

	mitigation and insurance.	budget protocols (which sit alongside the financial regulations and financial rules) within the Constabulary. The Constabulary CFO ensures that the requirements and governance arrangements set out in these documents are followed within the Constabulary. The Constabulary CFO is consulted and plays an active part in the development of strategic risk registers with particular emphasis on financial risks.
3.19	Ensure that capital projects are managed with post completion reviews.	Where capital schemes are subject to a business case (largely ICT schemes) the project manager will produce a final project report reviewing the scheme and lessons learned. Work is ongoing to improve benefits realisation processes within the Constabulary.
3.20	Securing the application of appropriate discipline in financial management, including managing cash and banking, treasury management, debt and cash flow, with appropriate segregation of duties.	Financial management disciplines are set out in the financial regulations and rules supported by appropriate procedures and the treasury management statements of practice. These areas are subject to audit and a range of treasury management/other performance indicators. Segregation of duties operates within financial administrative procedures within the shared financial services team and between the financial services team and central services department who process a number of these transactions. Insurance arrangements provide some additional level of cover for any areas of risk.
3.21	The PFCC's CFO should ensure, in consultation with the CC's CFO, the effective management of cash flows, borrowing and investments of funds including those on behalf of others; ensuring the effective management of associated risks; and pursuing optimum performance or return consistent with those risks.	The arrangements are set out in the treasury management strategy and practices statements. The Commissioner is responsible for Treasury Management and this function is managed by the Constabulary supported by the Group Accountant and the wider shared financial services team. This area is subject to independent advice from treasury management specialist in addition to internal audit. The strategy and practices are reviewed by JAC annually who also receive reports on treasury management activity and compliance with performance indicators and the control framework.
3.22	Ensuring that appropriate measures exist to prevent and detect fraud and corruption.	The Constabulary has arrangements for anti-fraud and corruption including a strategy, policy, procedures and an annual fraud risk assessment. Further work has been undertaken to promote whistleblowing following feedback from JAC. The Constabulary CFO and PFCC CFO are made aware of any instances of fraud where they arise and will review and discuss with internal audit any implications for internal control. The Constabulary takes part in the national fraud initiative. Instances of fraud and the action taken are reported to the external auditors.

3.23	Ensuring that proportionate business continuity arrangements are established for financial processes and information.	The financial services team have a business continuity plan which provides details of financial procedures to be adopted in the event of a business continuity event. The plan has been developed in consideration of a number of potential scenarios (principally loss of buildings, power, ICT or staff). The Constabulary CFO and wider financial services team all have laptop devices, and this facilitates agile working.
3.24	Ensuring that any partnership arrangements are underpinned by clear and well documented internal controls.	Partnership arrangements involving the Constabulary are subject to governance arrangements appropriate to their size and risk as stipulated in the Financial Regulations and Rules.
3.25	Being alert to potential conflicts of interest and ensuring appropriate independent advice is available.	The Constabulary CFO is aware of the potential for conflicts of interest though the provision of a shared financial services team. These potential conflicts are managed as appropriate. The decision to appoint a separate CFO for PFCC and Constabulary has reduced the majority of potential conflicts.
Assurance and security		
3.26	Ensuring that financial performance of the PFCC and CC and its partnerships is reported to the PFCC and CC and other parties as required.	The funding arrangement between the Commissioner and Chief Constable and financial regulations set out the requirements in respect of financial monitoring. Cyclical Reports are presented to the Chief Officer Group, PFCC Executive Team Meeting and Police, Fire and Crime Panel.
3.27	Ensuring that financial and performance information presented to members of the public, the community and the media covering resources, financial strategy, service plans, targets and performance, is accurate, clear, relevant, robust and objective.	The financial information in reports is reconciled to the position on the financial system. Staff producing reports are fully aware of the challenges in making financial reporting publicly accessible and work hard to ensure reports present information in accessible formats e.g. treasury management reporting makes frequent use of graphs and charts to explain the arrangements. Annual budget information presented to the police, fire and crime panel makes use of supporting contextual data, graphs and pictures to enhance the narrative and figures. OPFCC budget monitoring reports provide additional information on the purpose of grant funds and the organisations receiving grants in response to this being an area of interest for the panel.
3.28	Supporting and advising the Joint Audit Committee.	The Constabulary CFO provides support to the Group Accountant who leads on the arrangements for the JAC providing support/advice as necessary and producing the annual report on behalf of the Committee. The arrangements for the Committee provide for independent meetings with the external and internal auditors which provides a further opportunity for members to access support. Members agree an annual programme of development sessions and corporate updates. Arrangements provide that members can request training seminars at the start of committee meetings.

3.29	Ensuring that clear, timely, accurate advice is provided on the considerations which can legitimately influence decisions on the allocation of resources.	The Constabulary CFO works closely with the Group Accountant in developing the annual budget and medium term forecasts including discussions on resource allocations. The PFCC CFO will brief the Commissioner and Constabulary CFO will brief Chief Constable as appropriate on any principles that underpin assessments of levels of reserves, the approach to constabulary funding and any issues with resource implications outside the on-going continuity budget prior to developing final reports for formal approval. The funding arrangement between the Commissioner and Chief Constable sets out the discretions available to the Chief Constable for in year resource allocation.
3.30	Ensuring that published budgets, annual accounts and consolidation data for government level consolidated accounts are prepared.	The Group Accountant, on behalf of the CFOs ensures the publication of budget/monitoring information, including treasury management strategy and activity reports on the Commissioner’s website within a dedicated budget and finance page. The Constabulary CFO also ensures that a separate page, which sets out the statement of accounts and associated governance statements and includes a copy of the national audit office’s document advising the public on their rights regarding information on the accounts and audit, is maintained and up to date. The shared financial services team under the direction of the Group Accountant ensures government returns including the WGA are complete and submitted to the relevant government department.
3.31	Ensuring that the financial Statements are prepared on a timely basis, meet the requirements of the law, financial reporting standards and professional standards as reflected in the Code of Practice on Local Authority Accounting in the United Kingdom developed by the CIPFA/LASAAC Joint Committee.	<p>The Constabulary CFO provides separately an annual letter of representation to the external auditors on behalf of the Commissioner and Chief Constable confirming all required standards have been met in respect of the published statement of accounts.</p> <p>Under The Accounts and Audit Regulations (2015) the date by which the Chief Constable and Commissioner are required to publish the draft (subject to audit) statement of accounts has been brought forward to 31 May (previously 30 June) and the required date to publish the final (audited) statement of accounts has been brought forward to 31 July (previously 30 September). The requirement for these accelerated dates came into effect for the statement of accounts for the 2017/18 financial year. As a result of the covid-19 pandemic, and latterly wider delays to the statutory audit process, the statutory timescales were amended for the years 2019/20 to 2022/23. The current deadlines for the audit of the 2022/23 financial statements are 30 June 2023 for the unaudited statements and 30 September for the audited statements.</p> <p>The financial services team achieved these tighter deadlines for two years in advance of the statutory requirement and during the covid pandemic were able to prepare and publish the draft subject to audit statements by the end of June, a</p>

		month ahead of the revised deadline. In relation to 2022/23, the unaudited statements were published on 15 June 2023 and the process to finalise the financial statements with the auditors is currently underway.
3.32	Certifying the annual Statement of Accounts (PFCC's CFO and CC's CFO for their separate accounts) and the group accounts (PFCC's CFO).	The PFCC CFO certifies the annual statement of accounts for the PFCC/Group and the Constabulary CFO certifies the single entity accounts for the Chief Constable.
3.33	Ensuring that arrangements are in place so that other accounts and grant claims (including those where the PFCC is the accountable body for community led projects) meet the requirements of the law and of other partner organisations and meet the relevant terms and conditions of schemes.	The shared financial services team lead on ensuring the requirements of grant claims are adhered to and will liaise directly with the relevant government department where needed to ensure requirements are fully understood. Where funded expenditure is being managed by a partner the arrangements include a funding or grant agreement with terms consistent with those issued from the relevant government department. Legal support is accessed as appropriate regarding terms and conditions of agreements.
3.34	Liaising with the internal and external auditor and to assist in the fulfilment of their responsibilities.	The Constabulary CFO leads on the arrangements for audit for both the OPFCC and Constabulary and will meet with the external auditors at the start and close out meetings for the accounts and periodically during the audit process to discuss any issues. The OPFCC and Constabulary CFO meets regularly with the internal auditors to discuss audit. The internal and external auditors and both CFOs attend all meetings of the JAC.

Principle 4 - The CFO must lead and direct a finance function that is resourced to be fit for purpose.

Ref:	Requirement	Constabulary Arrangements
4.1	Ensuring that the finance function makes a full contribution to and meets the needs of the business.	The shared financial services function is a highly valued team and critical to ensuring the OPFCC, Constabulary and CFOs can fulfil their statutory and professional responsibilities. The Group Accountant leads the team and is fully engaged in the business of the OPFCC and Constabulary, and works very closely with both CFOs on ensuring the delivery of financial support including a full suite of budget, monitoring and treasury reports and the financial statements in order that the Commissioner, Chief Constable and CFOs can demonstrate public accountability for its funding.
4.2	Ensuring that the resources, expertise and systems for the finance function are sufficient to meet business needs and negotiating these within the overall financial framework.	The resources within the finance function are regularly assessed to ensure a balance between meeting the needs of the business and cost. From 1 April 2023 resources within the shared financial service steam have increased with the introduction of separate CFOs for the Constabulary and the OPFCC/Fire. The shared financial services team currently has an establishment of 14.10 FTE excluding the CFOs, within this figure 0.50 FTE is temporary until 31/03/25 to support an extensive ICT project. The current staffing level against this is 12.28 FTE with a further 0.60 FTE due to start in mid-November.
4.3	Contributing to partnership delivery.	Through, strategic oversight, financial scrutiny of business cases and ongoing financial monitoring the Constabulary CFO and shared financial services team are able to contribute towards the successful delivery of partnership working.
4.4	Ensuring that robust processes for recruitment of finance staff are implemented and/or outsourcing of functions.	The Constabulary CFO and Group Accountant will jointly consider resources and the recruitment of posts within the financial services team. Unusually for the team, there have been a number of staffing changes during the year and recruitment has been difficult with a number of posts remaining unfilled. There is currently no formal outsourcing of finance functions. Specialist advisory services are subject to procurement processes in line with procurement regulations. Since April 2022, internal audit services have been provided through a contract with TIAA Ltd.
4.5	Reviewing the performance of the finance function and ensuring that the services provided are in line with the expectations and needs of its stakeholders.	The Constabulary CFO is the primary stakeholder for the finance function under the shared service arrangements. The Constabulary CFO works closely with the Group Accountant, Financial Services Managers and other members of the team to communicate requirements and ensure the team is able to deliver. The team has an excellent track record of providing a qualitative and response service to the OPFCC and Constabulary.

4.6	Seeking continuous improvement in the finance function.	The Constabulary CFO works with the Group Accountant to develop and maintain a training and development policy for the shared financial services function to incorporate an enhanced level of professional training. Staff are encouraged to attend regional and national seminars and events. This learning supports staff in improving the systems and processes for which they are responsible. Succession planning and resilience is a key priority within the team and staff are encouraged to take on new roles to expand their knowledge of the PFCC and Constabulary.
4.7	Ensuring that finance staff, managers and the Leadership Team are equipped with the financial competencies and expertise needed to manage the business both currently and, in the future, whether directly or indirectly employed.	<p>The Constabulary CFO works with the Group Accountant to develop, maintain and fund a training and development policy for the shared financial services function. During 2021 the team saw success with two team members gaining their AAT qualification and one their CFIFA qualification through the apprenticeship route, another team member is currently in their final stages of completing the final portfolio element of their CIPFA qualification. Team members have access to a range of courses and seminars through the CIPFA Achieving Financial Excellence in Policing (AFEP) membership. The majority of CIPFA development sessions has moved to online delivery, and as part of the CIPFA AFEP the PFCC/CC have access to a number of subscription places on professional development and technical update events per year. The Constabulary CFO and Group Accountant attend sessions as part of the CFO Leadership Academy, which is also part of the AFEP Programme. In addition, team members have undertaken risk management awareness training, treasury management training, VAT training and training on the new Oracle Fusion financial system.</p> <p>Within the Constabulary the Group Accountant and Financial Services Managers are taking part in the in-house Staff Leadership Development Programme which provide a range of inputs over a 5 month period covering topics such as leadership, wellbeing and communication.</p>
4.8	Ensuring that responsibility for all finance staff is properly discharged.	The Constabulary CFO has direct staff responsibility for the Group Accountant and works closely with the Group Accountant to ensure responsibility for staff within the shared financial services function is properly discharged.
4.9	Acting as the final arbiter on application of professional standards	Within the Constabulary, the Constabulary CFO has statutory responsibility for the administration of financial affairs and is a professional member of CIPFA. As the sole post holder within the Constabulary Chief Officer Team with a professional financial qualification, all financial responsibility including that for professional standards rests with the Constabulary CFO.

Principle 5 - The CFO must be professionally qualified and suitably experienced.

Ref:	Requirement	Constabulary Arrangements
5.1	<p>In order to fulfil the aims of this Principle, the CFO must:</p> <ul style="list-style-type: none"> ➤ Be a member of an accountancy body recognised by the International Federation of Accountants (IFAC), qualified through examination, and subject to oversight by a professional body that upholds professional standards and exercises disciplinary powers. ➤ Adhere to international standards set by IFAC on: Ethics and Continuing Professional Development. ➤ Demonstrate IT literacy. ➤ Have relevant prior experience of financial management in the public services or equivalent. ➤ Understand public service finance and its regulatory environment. ➤ Apply the principles of public financial management. ➤ Apply relevant commercial skills and understanding to alternative delivery methods. ➤ Understand personal and professional strengths. ➤ Undertake appropriate development or obtain relevant experience in order to meet the requirements of the non-financial areas of the role. 	<p>The Constabulary CFO, Michelle Bellis is a full member of CIPFA and adheres to the requirements of that professional body including those for ethics and CPD.</p> <p>Michelle is literate in the use of relevant office ICT systems (Microsoft Office) and has a laptop to provide mobile access to office ICT.</p> <p>Michelle has relevant experience which includes a number of senior finance roles within the Constabulary and prior to that Cumbria County Council and Carlisle City Council. Prior to her appointment as Constabulary CFO, Michelle was the Deputy CFO providing support to the Joint Chief Finance Officer for the Constabulary and PCC. Specific accountabilities have included consolidating statutory accounts, producing multi service revenue budgets, capital strategy and medium term financial forecasts and treasury management. The range of roles performed by Michelle has led to the development of a robust understanding of public service finance/regulatory requirements. More recently this has included the changes in legislation and regulations arising from the introduction of the police and crime commissioner including the Police Reform and Social Responsibility Act 2011, the policing protocol order 2011, relevant aspects of the Anti-social Behaviour, Crime and Policing Act 2014 and the changes to financial legislation arising from the Local Audit and Accountability Act 2014.</p> <p>Michelle ensures that the principles of corporate finance, economics, risk management and accounting are applied through leading on robust standards of financial governance that are subject to review by an independent audit committee and internal and external audit.</p> <p>Michelle undertakes relevant training to ensure that her knowledge is updated on a continuous basis in order to fulfil the CFO role effectively.</p>

The Role of the Chief Finance Officer (Core CFO Responsibilities)

Joint Audit Committee: 22 November 2023

Originating Officer: Steven Tickner, OPFCC Chief Finance Officer

Agenda Item 13a(ii)

Introduction

The Police Reform and Social Responsibility Act 2011 requires the PFCC to appoint a Chief Executive and a Chief Financial Officer (CFO), the act also requires the Chief Constable to appoint a CFO. Up to April 2023, the role was performed by a single Joint Chief Finance Officer, Roger Marshall. When Roger announced his intention to retire in 2023, and with the PFCC taking on responsibility for Fire & Rescue Services from 1 April 2023, the decision was taken for the role to be split into two roles with a separate CFO to act for the Chief Constable (Michelle Bellis) and another for the PFCC and Cumbria Fire & Rescue Services (Steven Tickner).

Statutory background - Section 151 of the Local Government Act 1972 requires local authorities (which include Chief Constables and Police and Crime Commissioners) to make arrangements for the proper administration of their financial affairs and appoint a Chief Finance Officer to have responsibility for those arrangements.

In March 2021, CIPFA published their guidance document “the role of Chief Finance Officers in Policing” this document specifically relates to the role within policing where previous publications were generic in relation to local government bodies. The police specific guidance builds heavily on CIPFAs statements on the role of the CFO in public services and the role of the CFO in local government.

The role of the PFCC CFO has been reviewed against this guidance. The attached Appendix documents the review and sets out how compliance is achieved with the CIPFA CFO responsibilities within the OPFCC, a separate report on the agenda provides details in respect of the Constabulary CFO.

All parties should be aware that the CFO's responsibilities also include a wider stewardship role on behalf of the public, which is a key aspect of their independence. The annual governance review should include an evaluation of the risks.

The CFO occupies a critical position in any organisation, holding the financial reins of the business and ensuring that resources are used wisely to secure positive results.

The CIPFA guidance sets out the five principles that recognise the core activities and behaviours attaching to the Role of the CFO and the organisational arrangements needed to support them. Successful implementation of each of the principles requires the right ingredients in terms of:

- The Organisation, governance requirements
- The Role, Core CFO responsibilities
- The Individual, personal skills and performance standards.

Conclusion

The internal assessment provided assurance that the OPFCC is 100% compliant with the requirements of the CIPFA Role.

Principle 1 - The Chief Finance Officer of the Constabulary is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the strategic objectives sustainably and in the public interest.

Ref:	Requirement	Constabulary Arrangements
1.1	Contributing to the effective leadership of the PFCC and Chief Constable, maintaining focus on its purpose and vision through rigorous analysis and challenge.	<p>Within the OPFCC, the PFCC CFO is a member of the Executive Team and leads on arrangements for financial governance.</p> <p>The PFCC CFO is also a member of the Collaborative Board (a joint board between the Constabulary and Office of the PFCC), contributing to the challenge and scrutiny of strategic recommendations to the Constabulary Chief Officer Group.</p>
1.2	Contributing to effective corporate management, including strategy implementation, cross organisational issues, integrated business and resource planning, risk management and performance management.	<p>Within the OPFCC, the PFCC CFO is a member of the Executive Team. The team meets three times a week with an agenda that incorporates cross cutting corporate, strategic and performance issues. The PFCC CFO leads on financial risks and under the arrangements for governance will be consulted on wider arrangements for non-financial corporate governance and risk management.</p> <p>The PFCC CFO leads on the Annual Governance Statement (AGS) for the OPFCC that includes an action plan incorporating key strategic actions and is monitored by the Joint Audit Committee (JAC).</p> <p>The PFCC CFO will contribute to scrutiny of the performance of the Constabulary at meetings of the Collaborative Board. Cross cutting issues between the OPFCC and Constabulary are included on the agenda of meetings of the Collaborative Board comprising Constabulary Chief Officers, Directors, the OPFCC Chief Executive and both the Constabulary and OPFCC Chief Finance Officer.</p>

1.3	Supporting effective governance through development of corporate governance arrangements, risk management and reporting frameworks; and corporate decision making arrangements.	The PFCC CFO leads on the arrangements for ensuring a Code of Corporate Governance and an AGS is reviewed/prepared on an annual basis for the OPFCC and is compliant with codes/guidance. The PFCC CFO contributes jointly with the Constabulary CFO on the arrangements for external audit, internal audit and the JAC. This includes ensuring the internal audit plan incorporates audit work covering key corporate and financial risks.
1.4	Leading or contributing to change programmes including identifying service efficiencies and value for money opportunities.	The PFCC CFO is a member of the Collaborative Board, which operate as a forum to offer challenge and discuss change management proposals, efficiency and value for money.
1.5	Contributing to the development of partnerships in order to deliver objectives.	All significant partnership arrangements are approved by the Chief Officer Group and PFCC. The PFCC CFO is therefore afforded the opportunity to scrutinise and contribute to partnership arrangements, with particular emphasis on financial governance.
1.6	The PFCCs CFO and the Chief Constable's CFO should consult and agree the arrangements for:	
	<ul style="list-style-type: none"> ➤ Leading development of a medium term financial strategy and the annual budgeting process to ensure financial balance and a monitoring process to ensure its delivery. 	<p>Within the OPFCC, the PFCC CFO leads on the arrangements for developing the Commissioner's medium term financial forecasts, advising on the robustness of the budgets and in-year management of the overall budget. This includes arrangements for Constabulary Funding. The PFCC CFO is supported in doing this by a shared financial services team lead by the Group Accountant who also provide support on the wider group budget/MTFF to the PFCC CFO.</p>
	<ul style="list-style-type: none"> ➤ Ensuring that there are sound medium and long term financial plans for both revenue and capital to support the development of PFCC and CC plans and strategies and that these are subject to regular review 	<p>The medium term financial forecasts for revenue are projected over 5 years. The capital programme is developed over 10 years. The forecasts are reviewed in detail on an annual basis between October and February. Projections of formula funding income and other factors that may have a stepped impact on resources are re-modelled at the time of government announcements.</p>

	to confirm the continuing relevance of assumptions used.	
	<ul style="list-style-type: none"> ➤ Ensuring that advice is provided on the levels of reserves and balances in line with good practice guidance. 	<p>The Constabulary CFO produces an annual policy on reserves that sets out the reason for holding reserves and the amount of reserves set aside for specific purposes. This is recommended for approval annually as part of the Commissioner’s budget process. The PFCC CFO will make a formal statement on the level of reserves within the statutory 151 report on the robustness of the budget.</p>
	<ul style="list-style-type: none"> ➤ Ensuring compliance with relevant CIPFA Codes including the Prudential Framework for Local Authority Capital Finance and CIPFA’s Treasury Management Code of Practice. 	<p>The PFCC CFO makes an annual statement to the external auditors as part of the separate letters of representation provided on behalf of the Commissioner in respect of compliance with relevant CIPFA codes. The Commissioner’s Treasury Management Strategy confirms compliance with CIPFA’s Treasury Management Codes and the prudential regime for capital financing. The requirement to comply with relevant codes is re-enforced through internal governance documents e.g. financial regulations, and is included with individual job roles for staff within the shared financial services team. There is a level of independent assurance on Code compliance, e.g. external treasury management advisors will offer advice on the treasury management strategy/external audit will monitor compliance with the code on local authority accounting/internal audit will provide advice as appropriate to specific audits.</p>

<p>➤ Ensuring that budget calculations are robust and reserves adequate, as required by s25 of the Local Government Act 2003, and in line with CIPFA guidance.</p>	<p>The PFCC CFO will develop with the Constabulary CFO the policy on reserves annually including setting the level of reserves. This includes a review of the requirement for the reserve and the adequacy of overall reserves given the financial risks faced by the OPFCC/Constabulary.</p> <p>The substantial proportion of the Commissioner’s budget comprises funding for the Constabulary. Within the Constabulary, arrangements for the budget include a number of analytical review checks made by the Constabulary CFO prior to the Constabulary budget being submitted to the PFCC for consideration. Within the OPFCC, the PFCC CFO will then undertake a further level of analytical review assessing the differences in funding between years against known changes to costs and other planning assumptions. A more detailed comparison is undertaken by the Group Accountant for the purposes of presenting information to the Police, Fire and Crime Panel, further contributing to the level of assessment.</p> <p>Reserves are set at a level to mitigate areas of budget risk. Those areas where risks are highest and only a lower level of assurance can be given are highlighted in the S151 report.</p>
<p>➤ Ensuring the medium term financial strategy reflects joint planning with partners and other stakeholders.</p>	<p>The Medium Term Financial Strategy is the end result of work between the PFCC CFO, Constabulary CFO and Group Accountant to consider the requirements of the Constabulary and the Commissioner, including the Commissioner’s wider partnership commissioning intentions that incorporates joint working with health, the unitary councils and community safety partnerships.</p>

Principle 2 - The CFO must be actively involved in, and able to bring influence to bear on, all material business decisions (subject to the operational responsibilities of the Chief Constable) to ensure immediate and longer term implications, opportunities and risks are fully considered, and align with the overall financial strategy.

Ref:	Requirement	Constabulary Arrangements
Responsibility for Financial Strategy		
2.1	Ensuring that a financial framework and planning delivery against the defined strategic and operational criteria.	The PFCC CFO agrees the financial strategy with the Commissioner and these are communicated to the Chief Constable and Constabulary CFO. The strategy is developed over a number of months taking account of change management proposals, investment decisions and aligned to workforce plans, capital strategies and asset management plans. Discussions will take place between the Constabulary CFO and Constabulary service leads on the strategic and operational requirements that drive the overall resource requirements e.g. discussions with Head of Estates and Fleet/ mobile and digital leads. Joint agreement is reached on the approach to risk within the budget and financing choices in respect of capital.
2.2	Maintaining a long term financial strategy to underpin PFCC and CC financial viability within the agreed performance framework.	The Constabulary budget proposal is consolidated with the Commissioner's budget and a strategy agreed between the PFCC CFO and Constabulary CFO. The financial strategy drives the Constabulary and OFPCC change management programme and is based on 5 years (revenue) and 10 years (capital). The change programme aims to develop proposals well in advance of the savings requirement for any single financial year to ensure financial viability typically for up to 2 years. A funding arrangement between the Commissioner and Constabulary sets out the basis on which funding can be used and the expectations of the Commissioner in respect of financial management and governance. The agreement includes information requirements and an agreed performance framework. The Constabulary CFO advises on the adequacy and provides scrutiny of the change programme.
2.3	Implementing financial management policies underpin sustainable long-term financial health and reviewing performance against them.	The main financial management policies are for Treasury Management and Reserves. These are developed with a view to providing a balance between risk and prudence. The approach to treasury management is developed in conjunction with external advisors and includes benchmarked information regarding the balance of financial return and risk on investments. Quarterly reports on treasury management activity provide assurance that prudential indicators have been complied with and that transactions have been carried out in line with strategy. The policy on reserves takes account of CIPFA guidance. The statement of accounts contain the financial policies used in respect of financial reporting and these are subject to annual review by the PFCC CFO and Constabulary CFO. The comments of

		the external auditors on financial resilience are taken into consideration by the CFOs when considering financial strategy. The capital programme is developed over a 10 year time line with a requirement that the first five years are fully funded.
2.4	Ensuring that alternative delivery models, commercial and collaborated opportunities are appraised and advising on financial targets and successful delivery.	The primary commercial and collaborative opportunities are in respect of the Constabulary. All significant collaborative arrangements involving the Constabulary are subject to scrutiny by the Constabulary CFO. The wider remit of the Commissioner which encompasses victims, provides an increased level of commissioning. Collaborative arrangements between the Constabulary and OPFCC provide for shared support services. Collaboration arrangements and major commercial procurements are subject to approval from the Commissioner and will be subject to scrutiny and challenge by the Constabulary CFO and OPFCC Chief Executive.
2.5	Ensuring that an effective resource allocation model is developed and maintained to deliver business priorities.	The process for resource allocation is based on initially producing a continuation budget against estimates of the available level of resources. Growth and savings requirements are then considered to ensure overall balance. The ongoing requirement for savings means effectively that the change management programme determines any stepped changes in resource allocation other than in respect of investments that provide an overall net return or are mandated. The Constabulary also undertakes an annual resource allocation review of officer deployment within the agreed establishment, on which the Constabulary CFO is consulted.
2.6	Taking a leading role on asset and balance sheet management.	<p>Within the OPFCC and Constabulary, governance arrangements delegate responsibility to the PFCC CFO for balance sheet and asset management.</p> <p>Within the OPFCC, the PFCC CFO supports the Chief Executive in respect of securing effective management of the Commissioner's estate. The PFCC CFO meets with the Head of Estate and Fleet to discuss and informally agree the approach to asset management strategy ahead of formal budget decision making and development of the capital programme. Discussions take account of operational requirements and value for money.</p> <p>The Constabulary CFO ensures that assets are properly insured on behalf of the PFCC and Chief Constable.</p> <p>The PFCC CFO leads on the arrangements for financial regulations that set out requirements in respect of asset and balance sheet management within the OPFCC and Constabulary.</p>

2.7	Co-ordinating the planning and budgeting processes	The PFCC CFO with the support of the shared support financial services team, under the management of the Group Accountant is responsible for the production of the detailed revenue budget and 5 year MTF and 10 year capital strategy in accordance with the detailed timetable which is agreed by Collaborative Board.
2.8	Maintaining investment in strategic asset management	The PFCC CFO and Constabulary CFO work closely with business leads responsible for assets such as estates, fleet and ICT to ensure that business planning with respect to these strategic assets is considered as part of the budget and MTF setting processes.
Influencing decision making		
2.9	Ensuring that opportunities and risks are fully considered and decisions are aligned with the overall financial strategy.	The PFCC CFO attends the key strategic boards within the OPFCC. Informal meetings outside the boards with project leads are held as necessary to discuss any specific delivery risks/financial implications that require more in depth consideration.
2.10	Providing professional advice and objective financial analysis enabling decision makers to take timely and informed business decisions.	Within the OPFCC, the PFCC CFO will provide the Commissioner with independent financial analysis where required and provides input to decision making.
2.11	Ensuring that efficient arrangements are in place and sufficient resources available to provide accurate, complete and timely advice to support strategy development.	The overall resources for the shared financial support team are considered on a regular basis to ensure the support needs of both businesses are met. The statutory responsibility of the CFOs to advise on this is set out in the arrangements for governance.
2.12	Ensuring that clear, timely, accurate information is provided as requested by the Police, Fire and Crime Panel.	The panel are consulted on their information requirements in respect of the precept decision each year and are offered an annual seminar supported by the OPFCC and Constabulary to consider more detailed financial, performance and value for money information. The panel are provided with financial monitoring information during the financial year in respect of Constabulary and OPFCC budgets.
2.13	Ensuring that all necessary information is provided to the PFCC when the Police, Fire	The Commissioner and Chief Constable are fully briefed ahead of the Police, Fire and Crime Panel precept meeting on the key issues regarding the council tax debate. The PFCC CFO presents the budget papers to the panel and will answer technical questions with the

	and Crime Panel considers the budget and proposed precept.	support of the Constabulary CFO. The Chief Constable is normally in attendance to respond on questions regarding the operational implications of resource constraints.
2.14	Ensuring that capital projects are chosen after evaluating a fully costed business case compiled with input from all relevant professional disciplines and can be funded in the financial strategy.	The financial strategy requires the capital programme to be balanced for a minimum of 5 years. Schemes included within the programme are either supported by asset management strategies that provide the rationale for cyclical replacement/maintenance programmes or require a business case to commence. Professional oversight is provided as appropriate to business case decisions.
2.15	Checking, at an early stage, that innovative financial approaches comply with regulatory requirements.	The PFCC CFO procures a range of specialist financial advisory services including treasury management, taxation including VAT/PAYE, pensions and insurance. This provides access to independent advisory services where more innovative approaches are being considered. Both organisations also work closely with the external auditors on compliance issues and liaise at the early stages of considering any changes to ways of accounting and financing transactions.
Financial information for decision makers		
2.16	Monitoring and reporting on financial performance linked to related performance information and strategic objectives that identifies any necessary corrective decisions.	<p>Within the OPFCC financial monitoring is undertaken on a monthly basis with formal reporting to Executive Team at a high level on a monthly basis and at a more detailed level on a quarterly basis. The Constabulary also provides reports on a quarterly basis to the PFCC Executive Team and Police, Fire and Crime Panel.</p> <p>Regular discussions are held with the Constabulary CFO and Group Accountant in order to ensure the on-going management of the budget in year and to minimise the impact of variances.</p> <p>The funding arrangement between the Commissioner and Chief Constable includes a schedule of information requirements and the performance monitoring framework for the financial year.</p>
2.17	Ensuring that timely management accounts are prepared.	Management accounts are prepared on a monthly basis typically within 14 days of the period end. The shared financial services function prepares reports on behalf of both the Constabulary and OPFCC. The PFCC CFO presents the Group position and an overview of the overall group position to Exec Team Gold on a regular basis.

2.18	Ensuring the reporting envelope reflects partnerships and other arrangements to give an overall picture.	<p>The Constabulary financial reports incorporate all partnership and collaboration activity. Where partnership activities have significant financial implications these are highlighted within Constabulary reports or are reported separately.</p> <p>The Commissioner’s financial reports detail all partnership expenditure. The Commissioned Services budget is included as a separate line on the monitoring report with a link to further information on the Commissioner’s website detailing all grant expenditure.</p>
2.19	Monitoring the service impact of third-party contracts on the delivery of organisational objectives.	<p>The Constabulary CFO is a member of the Contract Awards Board which scrutinises the letting of third party contracts and is able to input to such contracts in terms of the procurement process, financial implications and value for money.</p>
2.20	Monitoring the longer-term financial impact of third-party contracts.	<p>Through the triangulation of business plans, participation in the work of the Contracts Awards Board and the budget and MTF setting processes, the PFCC CFO and financial services team are able to monitor and model the impact of third party contracts on the financial position and highlight any trends.</p>

Principle 3 - The Chief Finance Officer must lead and encourage the promotion and delivery of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently, and effectively.

Ref:	Requirement	Constabulary Arrangements
Promotion of financial management		
3.1	Assessing financial management style and the improvements needed to ensure it aligns with the PCC's strategic direction.	Within the OPFCC collective responsibility for financial management is promoted through Executive Team. Financial Services Officers are an integral part of this process. Closer relationships have been promoted between financial services staff and individual budget holders to ensure ownership of the budgets. The financial planning cycle ensures alignment between the Constabulary budget, change programme, police and crime plan priorities and the wider Commissioner's budget requirements. The introduction of cost centre management as part of the migration to the Oracle Fusion system is a step towards encouraging greater budget holder accountability.
3.2	Actively promoting financial literacy.	<p>The Constabulary CFO has previously supported the procurement of CIPFA training that will enhance financial and business skills across the OPFCC and Constabulary. The arrangements for financial governance ensure all key documents that support financial literacy are developed as far as is possible with a view to their accessibility to staff. As part of the Constabulary's involvement in the Achieving Financial Excellence in Policing initiative bespoke training is to be developed for budget holders and will be rolled out in 2024 with a programme of internally delivered refresher training when budget holders change.</p> <p>The PFCC CFO provides regular financial input to various board meetings and strategy days to communicate the key financial messages.</p>
3.3	Actively promoting good financial management throughout all partnerships and alternative delivery models.	Significant partnerships require a business case and approval from the PFCC. This provides opportunity for the OPFCC and Constabulary CFOs and wider financial services team to have oversight of financial arrangements of the partnership and specific scrutiny of the Constabulary / PFCC resource input, governance arrangements and value for money.
3.4	Assisting the development of a protocol which clearly sets out the roles and responsibilities for financial management, including delegated authority/powers.	The Constabulary CFO and PFCC CFO oversee the development of the financial regulations and joint procurement regulations that set out the responsibilities and role of key individuals including Chief Officers within the OPFCC and Constabulary.

		The PFCC CFO has lead responsibility for the financial regulations which are adopted by the Constabulary. The Constabulary CFO has lead responsibility for the financial rules which underpin the financial regulations. The Constabulary CFO in conjunction with the Director of Legal Services has also led on the development of the existing Constabulary scheme of delegation that documents all delegations from the Chief Constable and general principles of delegation. The Constabulary CFO also leads on the production of annual budget protocols which set out the roles and responsibilities of budget holders and wider Constabulary in relation to financial transactions.
3.5	Ensuring effective oversight of partnerships through monitoring and access to information.	The PFCC CFO is able to monitor partnership arrangements through scrutiny of business cases and subsequent budget monitoring. The focus is specifically on Constabulary / PFCC financial inputs and performance through the wider governance processes of the Constabulary and PFCC.
Value for money		
3.6	Challenging and supporting decision makers, especially on affordability and value for money, by ensuring policy and operational proposals with financial and (as appropriate) non-financial implications are notified to and signed off by the finance function.	<p>Within the OPFCC, the PFCC CFO will scrutinise all reports presented for decision to the Commissioner and advise on the financial implications/acceptability of recommendations. Where decisions are able to be made in principle, but appropriate detail or assurance regarding financial implications are unable to be confirmed, final decision making is delegated to the PFCC CFO.</p> <p>The PFCC CFO works closely with the shared financial services team to ensure financial implications have been reviewed and where appropriate are reflected in a revised budget.</p>
3.7	Ensuring that the reasons for selection of proposals that do not represent the most affordable solution or the best value for money are clearly justified and recorded.	As a member of the Executive Team the PFCC CFO is able to influence business proposals and comment upon the validity of justifications where a proposal does not represent the most affordable solution or best value for money.
3.8	Advising on the financial thresholds for 'key' decisions.	The PFCC CFO through leading on financial rules and the scheme of delegation and being a consultee on other key governance documents such as financial regulations, arrangements for fraud and anti-corruption and joint procurement regulations is able to influence financial thresholds for key decisions.
3.9	Ensuring that appropriate asset management and procurement strategies are developed and maintained	The PFCC CFO is the lead for asset management and procurement for the Commissioner. The Constabulary CFO leads on and works collaboratively with the Constabulary developing the joint procurement regulations (overarching document

		including strategy/policy, rules procedures). Asset management strategies are presented by the Constabulary as part of the budget setting process and will be discussed and reviewed by the Constabulary CFO and PFCC CFO prior to presenting to the Commissioner for approval as part of the annual budget process.
3.10	Managing long-term commercial contract values.	The Constabulary CFO as a part of the Contracts Awards Board and wider financial input into the contract awards process facilitates the effective management of long-term commercial contract values.
3.11	Taking a leading role in the evaluation of future value for money opportunities.	<p>The Constabulary CFO annually reviews HMICFRS VFM profiles and other inspectorate reports to identify areas where value for money can be improved for both organisations.</p> <p>Within the Constabulary, further detailed work has been undertaken to benchmark Constabulary costs with statistical neighbours to identify opportunities to reduce the budget. The Constabulary CFO's understanding of Constabulary VFM supports the Chief Constable in providing challenge and ensures effective judgements can be made on the change programme strategy for reducing costs. The Public Accountability Conference receives a regular report from the Constabulary on its VFM strategy.</p>
Safeguarding public money		
3.12	Applying strong internal controls in all areas of financial management, financial risk management and asset control.	<p>The PFCC CFO leads on the Commissioner's financial regulations which are adopted by the Constabulary. The Constabulary CFO leads on the financial rules which underpin the financial regulations.</p> <p>The financial regulations are owned by the OPFCC and are adopted by the Constabulary. The financial rules are owned by the Constabulary and are adopted by the OPFCC.</p>
3.13	Explain the financial management arrangements within the Annual Governance Statement.	<p>The Annual Governance Statement and Code of Corporate Governance set out the arrangements for financial management.</p> <p>The PFCC CFO leads on the production of the AGS for the Commissioner.</p>
3.14	Establishing budgets, financial targets and performance indicators to help assess delivery.	<p>Within the OPFCC, the PFCC CFO leads on the development of an annual budget and medium-term financial forecast for the Commissioner in conjunction with the Constabulary CFO. Performance within the Constabulary, which includes financial performance, is examined in periodic individual command or directorate performance development conferences. The budget setting process includes zero based budgeting exercises carried out by the financial services team and budget holders are held to account for financial performance and budget requirements in annual budget star chambers.</p>

		The funding arrangement between the Commissioner and Chief Constable sets out the financial management arrangements for Constabulary funding and an agreed performance framework.
3.15	Ensuring that effective systems of internal control are implemented. These may include financial regulations, contract regulations, standing financial instructions, operating manuals, and compliance with codes of practice to secure probity.	The PFCC CFO leads on the Commissioner's financial regulations - these are adopted by the Constabulary. The OPFCC adopts the financial rules which are produced by the Constabulary and are adopted by the OPFCC. Financial rules are supported by detailed procedures. Internal audit will assess compliance as part of the cyclical audit of internal control and provide a judgement on the control environment. Job roles for finance posts include responsibility for ensuring compliance with codes.
3.16	Ensuring that the PFCC and CC have put in place effective arrangements for internal audit of the control environment and systems of internal control as required by professional standards and in line with CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom.	A contract is in place for Internal audit arrangements and these are reviewed annually by the Constabulary CFO and PFCC CFO including compliance with CIPFA's code of practice and the Public Sector Internal Audit Standard.
3.17	Ensuring that delegated financial authorities are respected	The Group Accountant has a highly robust understanding of delegations as set out in the funding arrangement between the Commissioner and Chief Constable and financial regulations and acts as a 'gate keeper' for financial delegations on behalf of the Constabulary CFO in respect of decision making and virement/budgets.
3.18	Promoting arrangements to identify and manage business risks (except for operational responsibilities of the Chief Constable), including safeguarding assets, risk mitigation and insurance.	The PFCC CFO leads on the funding arrangement between the Commissioner and Chief Constable. The terms of funding include the responsibility of the Chief Constable in respect of managing business risk and insurance and safeguarding assets. The financial regulations has a specific section covering assets and the responsibilities of officers, which are re-enforced by budget protocols (which sit alongside the financial regulations and financial rules) within the Constabulary. The Constabulary CFO ensures that the requirements and governance arrangements set out in these documents are followed within the Constabulary. The Constabulary CFO is consulted and plays an active part in the development of strategic risk registers with particular emphasis on financial risks.

3.19	Ensure that capital projects are managed with post completion reviews.	Where capital schemes are subject to a business case (largely ICT schemes) the project manager will produce a final project report reviewing the scheme and lessons learned. Work is ongoing to improve benefits realisation processes within the Constabulary.
3.20	Securing the application of appropriate discipline in financial management, including managing cash and banking, treasury management, debt and cash flow, with appropriate segregation of duties.	Financial management disciplines are set out in the financial regulations and rules supported by appropriate procedures and the treasury management statements of practice. These areas are subject to audit and a range of treasury management/other performance indicators. Segregation of duties operates within financial administrative procedures within the shared financial services team and between the financial services team and central services department who process a number of these transactions. Insurance arrangements provide some additional level of cover for any areas of risk.
3.21	The PFCC's CFO should ensure, in consultation with the CC's CFO, the effective management of cash flows, borrowing and investments of funds including those on behalf of others; ensuring the effective management of associated risks; and pursuing optimum performance or return consistent with those risks.	The arrangements are set out in the treasury management strategy and practices statements. The Commissioner is responsible for Treasury Management and this function is managed by the Constabulary supported by the Group Accountant and the wider shared financial services team. This area is subject to independent advice from treasury management specialist in addition to internal audit. The strategy and practices are reviewed by JAC annually who also receive reports on treasury management activity and compliance with performance indicators and the control framework.
3.22	Ensuring that appropriate measures exist to prevent and detect fraud and corruption.	<p>The OPFCC has arrangements for anti-fraud and corruption including a strategy, policy, procedures and an annual fraud risk assessment. Further work has been undertaken to promote whistleblowing following feedback from JAC.</p> <p>The Constabulary CFO and PFCC CFO are made aware of any instances of fraud where they arise and will review and discuss with internal audit any implications for internal control. The OPFCC takes part in the national fraud initiative. Instances of fraud and the action taken are reported to the external auditors.</p>
3.23	Ensuring that proportionate business continuity arrangements are established for financial processes and information.	The financial services team have a business continuity plan which provides details of financial procedures to be adopted in the event of a business continuity event. The plan has been developed in consideration of a number of potential scenarios (principally loss of buildings, power, ICT or staff). The Constabulary CFO and wider financial services team all have laptop devices, and this facilitates agile working.

3.24	Ensuring that any partnership arrangements are underpinned by clear and well documented internal controls.	Partnership arrangements involving the Constabulary are subject to governance arrangements appropriate to their size and risk as stipulated in the Financial Regulations and Rules.
3.25	Being alert to potential conflicts of interest and ensuring appropriate independent advice is available.	The PFCC CFO is aware of the potential for conflicts of interest though the provision of a shared financial services team. These potential conflicts are managed as appropriate. The decision to appoint a separate CFO for PFCC and Constabulary has reduced the majority of potential conflicts.
Assurance and security		
3.26	Ensuring that financial performance of the PFCC and CC and its partnerships is reported to the PFCC and CC and other parties as required.	The funding arrangement between the Commissioner and Chief Constable and financial regulations set out the requirements in respect of financial monitoring. Cyclical Reports are presented to the Chief Officer Group, PFCC Executive Team Meeting and Police, Fire and Crime Panel.
3.27	Ensuring that financial and performance information presented to members of the public, the community and the media covering resources, financial strategy, service plans, targets and performance, is accurate, clear, relevant, robust and objective.	The financial information in reports is reconciled to the position on the financial system. Staff producing reports are fully aware of the challenges in making financial reporting publicly accessible and work hard to ensure reports present information in accessible formats e.g. treasury management reporting makes frequent use of graphs and charts to explain the arrangements. Annual budget information presented to the police, fire and crime panel makes use of supporting contextual data, graphs and pictures to enhance the narrative and figures. OPFCC budget monitoring reports provide additional information on the purpose of grant funds and the organisations receiving grants in response to this being an area of interest for the panel.
3.28	Supporting and advising the Joint Audit Committee.	The Constabulary CFO provides support to the Group Accountant who leads on the arrangements for the JAC providing support/advice as necessary and producing the annual report on behalf of the Committee. The arrangements for the Committee provide for independent meetings with the external and internal auditors which provides a further opportunity for members to access support. Members agree an annual programme of development sessions and corporate updates. Arrangements provide that members can request training seminars at the start of committee meetings.
3.29	Ensuring that clear, timely, accurate advice is provided on the considerations which can legitimately influence decisions on the allocation of resources.	The Constabulary CFO works closely with the Group Accountant in developing the annual budget and medium-term forecasts including discussions on resource allocations. The PFCC CFO will brief the Commissioner and Constabulary CFO will brief Chief Constable as appropriate on any principles that underpin assessments of levels of reserves, the approach to constabulary funding and any issues with resource implications outside the on-going continuity budget prior to developing

		final reports for formal approval. The funding arrangement between the Commissioner and Chief Constable sets out the discretions available to the Chief Constable for in year resource allocation.
3.30	Ensuring that published budgets, annual accounts and consolidation data for government level consolidated accounts are prepared.	The Group Accountant, on behalf of the CFOs ensures the publication of budget/monitoring information, including treasury management strategy and activity reports on the Commissioner’s website within a dedicated budget and finance page. The Constabulary CFO also ensures that a separate page, which sets out the statement of accounts and associated governance statements and includes a copy of the national audit office’s document advising the public on their rights regarding information on the accounts and audit, is maintained and up to date. The shared financial services team under the direction of the Group Accountant ensures government returns including the WGA are complete and submitted to the relevant government department.
3.31	Ensuring that the financial Statements are prepared on a timely basis, meet the requirements of the law, financial reporting standards and professional standards as reflected in the Code of Practice on Local Authority Accounting in the United Kingdom developed by the CIPFA/LASAAC Joint Committee.	<p>The Constabulary CFO provides separately an annual letter of representation to the external auditors on behalf of the Commissioner and Chief Constable confirming all required standards have been met in respect of the published statement of accounts.</p> <p>Under The Accounts and Audit Regulations (2015) the date by which the Chief Constable and Commissioner are required to publish the draft (subject to audit) statement of accounts has been brought forward to 31 May (previously 30 June) and the required date to publish the final (audited) statement of accounts has been brought forward to 31 July (previously 30 September). The requirement for these accelerated dates came into effect for the statement of accounts for the 2017/18 financial year. As a result of the covid-19 pandemic, and latterly wider delays to the statutory audit process, the statutory timescales were amended for the years 2019/20 to 2022/23. The current deadlines for the audit of the 2022/23 financial statements are 30 June 2023 for the unaudited statements and 30 September for the audited statements.</p> <p>The financial services team achieved these tighter deadlines for two years in advance of the statutory requirement and during the covid pandemic were able to prepare and publish the draft subject to audit statements by the end of June, a month ahead of the revised deadline. In relation to 2022/23, the unaudited statements were published on 15 June 2023 and the process to finalise the financial statements with the auditors is currently underway.</p>

3.32	Certifying the annual Statement of Accounts (PFCC's CFO and CC's CFO for their separate accounts) and the group accounts (PFCC's CFO).	The PFCC CFO certifies the annual statement of accounts for the PFCC/Group and the Constabulary CFO certifies the single entity accounts for the Chief Constable.
3.33	Ensuring that arrangements are in place so that other accounts and grant claims (including those where the PFCC is the accountable body for community led projects) meet the requirements of the law and of other partner organisations and meet the relevant terms and conditions of schemes.	The shared financial services team lead on ensuring the requirements of grant claims are adhered to and will liaise directly with the relevant government department where needed to ensure requirements are fully understood. Where funded expenditure is being managed by a partner the arrangements include a funding or grant agreement with terms consistent with those issued from the relevant government department. Legal support is accessed as appropriate regarding terms and conditions of agreements.
3.34	Liaising with the internal and external auditor and to assist in the fulfilment of their responsibilities.	The Constabulary CFO leads on the arrangements for audit for both the OPFCC and Constabulary and will meet with the external auditors at the start and close out meetings for the accounts and periodically during the audit process to discuss any issues. The OPFCC and Constabulary CFO meets regularly with the internal auditors to discuss audit. The internal and external auditors and both CFOs attend all meetings of the JAC.

Principle 4 - The CFO must lead and direct a finance function that is resourced to be fit for purpose.

Ref:	Requirement	Constabulary Arrangements
4.1	Ensuring that the finance function makes a full contribution to and meets the needs of the business.	The shared financial services function is a highly valued team and critical to ensuring the OPFCC, Constabulary and CFOs can fulfil their statutory and professional responsibilities. The Group Accountant leads the team and is fully engaged in the business of the OPFCC and Constabulary, and works very closely with both CFOs on ensuring the delivery of financial support including a full suite of budget, monitoring and treasury reports and the financial statements in order that the Commissioner, Chief Constable and CFOs can demonstrate public accountability for its funding.
4.2	Ensuring that the resources, expertise and systems for the finance function are sufficient to meet business needs and negotiating these within the overall financial framework.	The resources within the finance function are regularly assessed to ensure a balance between meeting the needs of the business and cost. From 1 April 2023 resources within the shared financial service team have increased with the introduction of separate CFOs for the Constabulary and the OPFCC/Fire. The shared financial services team currently has an establishment of 14.10 FTE excluding the CFOs, within this figure 0.50 FTE is temporary until 31/03/25 to support an extensive ICT project. The current staffing level against this is 12.28 FTE with a further 0.60 FTE due to start in mid-November.
4.3	Contributing to partnership delivery.	Through, strategic oversight, financial scrutiny of business cases and ongoing financial monitoring the Constabulary CFO and shared financial services team are able to contribute towards the successful delivery of partnership working.
4.4	Ensuring that robust processes for recruitment of finance staff are implemented and/or outsourcing of functions.	The Constabulary CFO, PFCC CFO and Group Accountant will jointly consider resources and the recruitment of posts within the financial services team. Unusually for the team, there have been a number of staffing changes during the year and recruitment has been difficult with a number of posts remaining unfilled. There is currently no formal outsourcing of finance functions. Specialist advisory services are subject to procurement processes in line with procurement regulations. Since April 2022, internal audit services have been provided through a contract with TIAA Ltd.
4.5	Reviewing the performance of the finance function and ensuring that the services provided are in line with the expectations and needs of its stakeholders.	The Constabulary CFO is the primary stakeholder for the finance function under the shared service arrangements. The Constabulary CFO works closely with the Group Accountant, Financial Services Managers and other members of the team to communicate requirements and ensure the team is able to deliver. The team has an excellent track record of providing a qualitative and response service to the OPFCC and Constabulary.

4.6	Seeking continuous improvement in the finance function.	The Constabulary CFO and the PFCC CFO works with the Group Accountant to develop and maintain a training and development policy for the shared financial services function to incorporate an enhanced level of professional training. Staff are encouraged to attend regional and national seminars and events. This learning supports staff in improving the systems and processes for which they are responsible. Succession planning and resilience is a key priority within the team and staff are encouraged to take on new roles to expand their knowledge of the PFCC and Constabulary.
4.7	Ensuring that finance staff, managers and the Leadership Team are equipped with the financial competencies and expertise needed to manage the business both currently and, in the future, whether directly or indirectly employed.	<p>The Constabulary CFO works with the Group Accountant to develop, maintain and fund a training and development policy for the shared financial services function. During 2021 the team saw success with two team members gaining their AAT qualification and one their CFIFA qualification through the apprenticeship route, another team member is currently in their final stages of completing the final portfolio element of their CIPFA qualification. Team members have access to a range of courses and seminars through the CIPFA Achieving Financial Excellence in Policing (AFEP) membership. The majority of CIPFA development sessions has moved to online delivery, and as part of the CIPFA AFEP the PFCC/CC have access to a number of subscription places on professional development and technical update events per year. The Constabulary CFO and Group Accountant attend sessions as part of the CFO Leadership Academy, which is also part of the AFEP Programme. In addition, team members have undertaken risk management awareness training, treasury management training, VAT training and training on the new Oracle Fusion financial system.</p> <p>Within the Constabulary the Group Accountant and Financial Services Managers are taking part in the in-house Staff Leadership Development Programme which provide a range of inputs over a 5 month period covering topics such as leadership, wellbeing and communication.</p>
4.8	Ensuring that responsibility for all finance staff is properly discharged.	The Constabulary CFO has direct staff responsibility for the Group Accountant and works closely with the Group Accountant to ensure responsibility for staff within the shared financial services function is properly discharged.
4.9	Acting as the final arbiter on application of professional standards	Within the Constabulary, the Constabulary CFO has statutory responsibility for the administration of financial affairs and is a professional member of CIPFA. As the sole post holder within the Constabulary Chief Officer Team with a professional financial qualification, all financial responsibility including that for professional standards rests with the Constabulary CFO.

Principle 5 - The CFO must be professionally qualified and suitably experienced.

Ref:	Requirement	Constabulary Arrangements
5.1	<p>In order to fulfil the aims of this Principle, the CFO must:</p> <ul style="list-style-type: none"> ➤ Be a member of an accountancy body recognised by the International Federation of Accountants (IFAC), qualified through examination, and subject to oversight by a professional body that upholds professional standards and exercises disciplinary powers. ➤ Adhere to international standards set by IFAC on: Ethics and Continuing Professional Development. ➤ Demonstrate IT literacy. ➤ Have relevant prior experience of financial management in the public services or equivalent. ➤ Understand public service finance and its regulatory environment. ➤ Apply the principles of public financial management. ➤ Apply relevant commercial skills and understanding to alternative delivery methods. ➤ Understand personal and professional strengths. ➤ Undertake appropriate development or obtain relevant experience in order to meet the requirements of the non-financial areas of the role. 	<p>The PFCC CFO, Steven Tickner is a full member of CIPFA and adheres to the requirements of that professional body including those for ethics and CPD.</p> <p>Steven is literate in the use of relevant office ICT systems (Microsoft Office) and has a laptop to provide mobile access to office ICT.</p> <p>Steven performs a joint CFO role and is the s.151 Officer for Cumbria Commissioner Fire and Rescue Authority as well as the PFCC CFO.</p> <p>Steven has relevant experience which includes a number of senior finance roles with Carlisle City Council. Prior to his appointment as PFCC CFO, Steven was the Deputy CFO at Carlisle City Council. Specific accountabilities have included consolidating statutory accounts, producing multi service revenue budgets, capital strategy and medium term financial forecasts, insurance, procurement and treasury management. The range of roles performed by Steven has led to the development of a robust understanding of public service finance/regulatory requirements.</p> <p>Steven ensures that the principles of corporate finance, economics, risk management and accounting are applied through leading on robust standards of financial governance that are subject to review by an independent audit committee and internal and external audit.</p> <p>Steven undertakes relevant training to ensure that her knowledge is updated on a continuous basis in order to fulfil the CFO role effectively.</p>



**Cumbria Office of the Police, Fire and Crime Commissioner
& Cumbria Constabulary**

Joint Procurement Regulations

November 2023

Joint Procurement Regulations

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To be read in conjunction with the Procurement Contracting Procedures Handbook providing details of Public Procurement Regulations, Procurement Routes and Procurement Processes.

Definitions

'Authorised Officer' – means any officer who by the nature of his or her job, or as directed by a manager, is authorised to place orders.

'Award Criteria' - means the criteria upon which the decision for the award of the contract is based.

'Blue light'-means the Commissioner's and Constabulary e-Tendering Portal.

'Chief Constable' – means the Chief Constable of Cumbria Constabulary.

'Chief Executive' – means the person appointed by the Commissioner to be Head of the Commissioner's staff as defined within the Police Reform and Social Responsibility Act 2011.

'Code' – means the Business Code of Conduct.

'Commissioner' – means the Police, Fire and Crime Commissioner for Cumbria.

'Commissioners Monitoring Officer' – means the Chief Executive.

'Constabulary' – means Cumbria Constabulary.

'Constabulary CFO' – Means the Chief Finance Officer for the Constabulary.

'Consultancy Services' – means the provision of expert or professional advice by a third party.

'Contract Change Notice' – means formal notice agreed by all parties recording a variation to the existing contract.

'Contracting Authority' – means the State, Regional or Local Authorities, bodies governed by public law or associations formed by one or more such authorities or one or more such bodies governed by public law, and includes central government authorities, but does not include His Majesty in his private capacity;

'COPFCC' – means Cumbria Office of the Police, Fire & Crime Commissioner.

'CSD' – means Central Services Department.

'Customer' – means a person or organisation that buys goods, services, or works produced by another business.

'DPA' – means the Data Protection Act 1998, 2003, 2018.

'EU Procedure' – means the set of established, detailed procedural rules which must be observed when awarding works, supplies, and services contracts which are intended to promote fair and open competition and a single European Market under The Public Contract Regulations 2015.

'Existing Contract' – means an existing agreement to purchase, goods, services or works from a supplier.

'FOI' – means The Freedom of Information Act 2000.

‘Framework Agreement’ – means an agreement between one or more contracting authorities and one or more economic operator(supplier), the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and where appropriate, the quantity envisaged (Regulation 2 (1) The Public Contract Regulations 2015).

‘Funding Arrangement’ – means the arrangement made between the Commissioner and the Chief Constable for the provision of funding.

‘GDPR’ – means the General Data Protection Regulation 2018

‘ITT’ – means the Invitation to Tender.

‘ITQ’ – means Invitation to Quote.

‘Letter of Intent’ – means a document outlining the general plans of an agreement between two or more parties before a legal agreement is finalised.

‘MEAT’ – means most economically advantageous tender.

‘Officer’ – means an employee of the COPFCC or Constabulary.

‘Organisation’ – means the Police, Fire and Crime Commissioner for Cumbria.

‘Organisations’ – means The Police, Fire and Crime Commissioner for Cumbria and The Chief Constable for Cumbria Constabulary.

‘PFCC’ – means the Police, Fire and Crime Commissioner.

‘PFCC CFO’ – Means the Chief Finance Officer for the Police, Fire and Commissioner.

‘Relevant Contract’ – means a contract (not being a contract of employment) made by, or on behalf of, the Police, Fire and Crime Commissioner for Cumbria for the carrying out of works or for the supply of goods, materials or services.

‘SME’ – means Small and Medium sized Enterprises.

‘Specialist Procurers’ – means Authorised Officers that undertake procurement exercises that require specialist market knowledge.

‘Total Value’ – means the anticipated total spend over the lifetime of a requirement for goods, services or works. Depending on the nature of the contract, this may include implementation costs, ongoing operational costs, and end of life disposal.

‘Value for Money’ – means the optimum combination of whole life costs and quality (or fitness for purpose) to meet the user’s requirement.

Introduction

This document sets out the Joint Procurement Regulations for the Cumbria Office of the Police, Fire and Crime Commissioner (COPFCC) and Cumbria Constabulary (Constabulary). It describes the rules to be applied by staff and suppliers before, during and throughout the period that COPFCC / Constabulary spends money on the supplies, services and works needed in order to deliver our services. They apply to any contracts or Purchase Orders resulting in a payment being made by the COPFCC / Constabulary. The contents of this document outline procedures ensuring those engaged in buying/providing goods and services conduct business professionally in accordance with the procurement principles:

- **Equal treatment:** that all processes of commissioning and procurement are fair, and non-discriminatory. A Breach of this for example would be if you discriminated against a supplier based on location, nationality or any other bias.
- **Transparency:** a duty to ensure all commissioning and procurement processes are transparent, so that all potential bidders can clearly see and understand the procurement and benefit from the same process, purpose and broad activity of the subsequent contract. As a part of this, public bodies must make available to all participating or interested parties, the criteria on which they will be evaluating bids for tenders in the tender documents so that all potential suppliers can respond accordingly.
- **Proportionality:** a duty to ensure procurement process, evaluative criteria for bids and contract terms are proportional to the size and technicality of the service and goods being purchased. For example, they cannot ask for unrealistic history of financial standing well above the necessary level required to deliver the contract, or insist on qualifications and accreditations not necessary, or above national standards.
- **Free movement and non-discrimination:** a duty not to discriminate between suppliers by way of geography or member states of trade unions. As a result of this, contracts cannot be awarded on the basis of a potential supplier being 'local'.

All contracts must be in the name of the “**The Police, Fire and Crime Commissioner for Cumbria**” (the Commissioner). Where appropriate the Commissioner may consent to the Chief Constable contracting and in those cases the contract must be in the name of “**the Chief Constable of Cumbria Constabulary**” (the Chief Constable). If there is any doubt, advice should be sought from the Commercial Department or Legal Services.

Public procurement is a complex process strictly governed by rules and regulations subject to fines and repeals of contracts when breaches of process have been challenged. The Joint Procurement Regulations aim to ensure the freedom of opportunity to trade with Organisations and to ensure Organisations are open and transparent in the way they undertake business aiming to ensure that Value for Money in all aspects of public sector procurement is achieved along with the right balance between quality, performance and price, when we purchase goods services and works. Following the Joint Procurement Regulations helps ensure we make the best use of diminishing public resources and prioritise essential services.

The Joint Procurement Regulations will be reviewed annually by the Head of Commercial. Any legislative changes that come into force during such periods will be incorporated into the Regulations at the most appropriate earliest revision point in time.

The Joint Procurement Regulations do not apply to the policy and procedures for issuing grants. For awards of grant agreements please refer to our Grant and Funding Agreement Regulations.

The Constabulary must adopt the standards within this document for the conduct of Constabulary business as part of the terms of the Funding Arrangement that exists between the Commissioner and the Chief Constable. The Joint Procurement Regulations are a collective document comprising:

- *The business code of conduct:* This sets out the principles that we will abide by when conducting business and covers issues such as gifts and hospitality. It aims to ensure high standards of integrity in all our business relationships.
- *Procurement & contracting policy and procedures:* These set out the detail of the procurement and contracting rules and processes including the level of authorisation, delegations and responsibilities that exist. They specify the minimum standards we expect our staff to comply with when purchasing goods and services and provide a guide to the steps they must follow as part of each step in the process. They ensure we maximise the opportunities for competition and value for money whilst providing a balance between the amount of administration involved and the value of the items being procured. Procurement and contracting may only be carried out by Authorised Officers. Authorisations are set out in the **COPFCC Scheme of Delegation**.

The Business Code of Conduct

Purpose

This is the Business Code of Conduct for the COPFCC / Constabulary. The purpose of this document is to advise the minimum standards required of staff in any commercial relationships and also to ensure fairness and consistency of approach in line with sound commercial practice.

Application

All staff employed by the Commissioner must abide by this Code in the conduct of the business of the office. In addition, staff and police officers of Cumbria Constabulary are expected to abide by the standards within this code as part of the funding arrangement that exists between the Commissioner and the Chief Constable (CC).

Staff should regard the Code as the basis of best conduct.

COPFCC staff should raise any matter of concern of an ethical nature with their Line Manager, the Commissioners Chief Finance Officer (PFCC CFO) or the Chief Executive, irrespective of whether it is addressed in this Code.

Constabulary Officers and Staff should raise any concerns with their Line Manager, the Constabulary Chief Finance Officer (Constabulary CFO) or the Chief Constable. Staff should also ensure that they comply with the relevant Organisations [Anti-Fraud and Corruption Arrangements/Policy](#) requirements in respect of gifts, gratuities and hospitality. Any matters arising which are outside the bounds of this Code should be referred immediately to line management.

Conduct

Staff shall always seek to uphold and enhance the reputation of the Organisation and always act professionally by:

- maintaining the highest possible standard of probity in all commercial relationships, inside and outside the Organisation;
- rejecting any business practice which might reasonably be deemed improper and never using authority for personal gain;
- enhancing the proficiency and stature of the Organisation by acquiring and maintaining current technical knowledge and the highest standards of ethical behaviour;
- ensuring the highest possible standards of professional competence, including technical and commercial knowledge;

- optimising the use of appropriate resources to provide the maximum sustainable benefit to the Organisation.

Complying both with the letter and the spirit of:

- all legislation governing the procurement activity and the Procurement and Financial Regulations;
- guidance and professional advice and contractual obligations

Prevention of Fraud and Corruption

Authorised Officers must comply with the COPFCC / Constabulary Business Code of Conduct and [Anti-Fraud and Corruption Arrangements/Policy](#) and must not invite or accept any gift or reward in respect of the award or performance of any contract. It will be for the Authorised Officer to prove that anything received was not received corruptly. High standards of conduct are obligatory. Corrupt behaviour will lead to disciplinary proceedings.

The following clause should wherever possible be put in every written contract:

*“The Commissioner may terminate this contract, under notice, and recover all its loss if the Contractor, its employees or anyone acting on the Contractor’s behalf commits any of the offences as stated in Regulation 57 (Mandatory Exclusion) of the public contract regulations 2015
Any clause limiting the Contractor’s liability shall not apply to this clause.”*

For example

- The offence of bribery, where the offence relates to active corruption;
- The offence of cheating the Revenue;
- The offence of conspiracy to defraud;

If in doubt consult your Commercial Business Partner or Head of Commercial.

The Commissioner / Chief Constable could be liable where someone who performs services for example an employee or agent, accepts/pays a bribe specifically to get business, keep business, or gain a business advantage for the organisation.

Staff must never allow themselves to be deflected from this Code. Failure to do so may result in disciplinary action. In abiding by this code, the rules set out below must be followed:

[Declaration of Interest](#)

Any personal interest which may affect or be seen by others to affect your impartiality in any matter relevant to your duties must be declared. Declarations must be made in any or all of: the register of interests, secondary employment register, and annual related party transaction employee declaration.

[Code of Conduct Declaration Form](#)

This Form must be completed by all parties involved in a procurement exercise prior to the commencement of the procurement exercise and a completed and signed copy(s) retained with the tender documents.

[Confidentiality and Accuracy of Information](#)

The confidentiality of information received in the course of duty must be respected and must never be used for personal gain. Information given in the course of duty should be honest and clear.

[Competition](#)

The nature and length of contracts and business relationships with suppliers can vary according to circumstances. These should always be constructed to ensure deliverables and benefits. Arrangements which might in the long term prevent the effective operation of fair competition should be avoided.

[Business Gifts](#)

Gifts other than items of small value (not exceeding £10) should not be accepted but should be declined courteously. Where it may cause offence to decline a gift, the Chief Executive or relevant Commander / Director must be consulted who may make a decision with regard to accepting the gift on behalf of the COPFCC / Constabulary. All such acceptances must be recorded in the Gifts and Hospitality Register with a record maintained of where the gift is held.

[Hospitality](#)

The recipient should not allow themselves to be influenced, or be perceived by others to have been influenced, in making a business decision as a consequence of hospitality. The frequency and scale of hospitality accepted should be managed openly and with care. It should not be greater than that which the Organisation would reciprocate and which would be acceptable to the public as a use of public funds. Business hospitality must be recorded in the Gifts and Hospitality Register.

[Supplier Contact Form](#)

When purchasing from a new supplier or amending supplier details a supplier contacts form must be completed before any contract is entered into.

Procurement & Contracting Policy and Procedures

Introduction

Procurement and Contracting Policy and Procedures aim to ensure that the supply of goods, services and works are procured in accordance with relevant legislation and in the most cost effective manner. They also aim to ensure that procurement activity is undertaken in a fair, transparent and consistent manner, ensuring the highest standards of probity and accountability. These procedures define the minimum processes expected of staff engaged in the procurement of goods, services or works on behalf of the COPFCC. The Constabulary must adopt the standards within this document for the conduct of Constabulary business as part of the terms of the Funding Arrangement that exists between the Commissioner and the Chief Constable.

Purpose

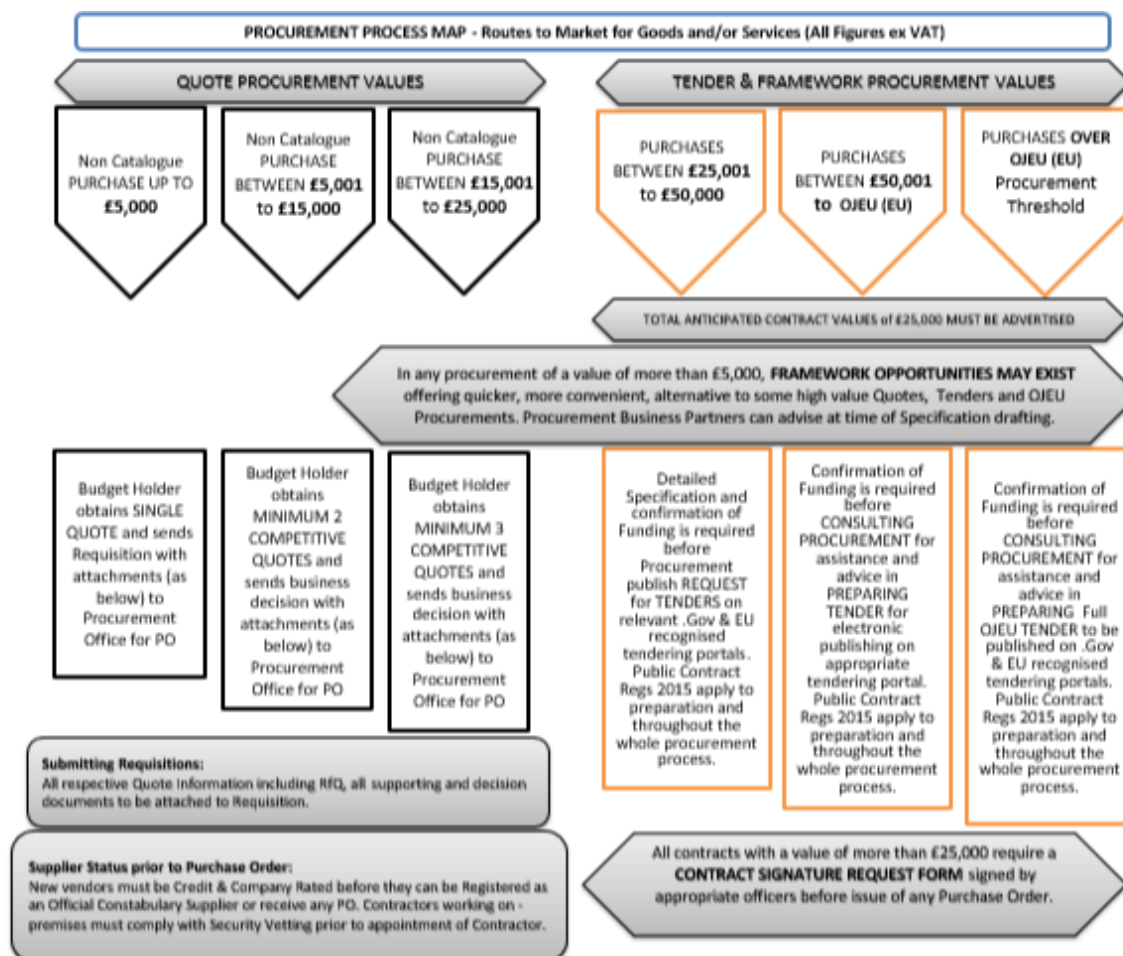
The regulations seek to ensure that we:

- achieve best ethical value for money for public funds spent and support the corporate aims and policies of the COPFCC / Constabulary;
- be consistent with the highest standards of integrity and probity and ensure fairness in allocating public contracts;
- have due regard to the relevant Public Procurement and/or Treaty based principles of non-discrimination, equal treatment, transparency, mutual and proportionality;
- comply with all legal requirements, particularly in relation to Treaty and Public Procurement Regulations, other relevant Statutory Instruments and guidance notes published, from time to time, by Crown Commercial Services;
- constantly promote and procure secure robust and transparent governance in respect of decisions to enter into contracts.

Scope of the Regulations

All staff employed by the Commissioner and the Chief Constable must abide by the Joint Procurement Regulations in the conduct of the business of the office. In addition, Staff and Police Officers of Cumbria Constabulary are required to abide by the standards within the Joint Procurement Regulations. Failure to comply may result in disciplinary action.

Spend Limits



[Link to A5 JPR Handbook version](#)

Commercial Department Responsibilities

The Head of Commercial Solutions *is responsible for* maintaining the Joint Procurement Regulations. The day to day activity of procuring goods, services and works is delegated to Authorised Officers in accordance with the [Commissioner's and Constabulary's Scheme of Delegation](#) and must be conducted in accordance with the principles and rules of this document and the [Financial Regulations](#).

The *Chief Executive will be responsible for:*

- Ensuring that staff of the COPFCC comply with these regulations and that only Authorised Officers are engaged in procurement.
- Securing the safekeeping of registers of contracts under seal and completed by signature and that records are maintained of contract exemptions.

The *Director of Legal Services* will be responsible for:

- Provision of advice on contracts including provision of standard terms and conditions.
- Securely storing all contracts related to the procured goods and services (including those under seal) acquired on behalf of the COPFCC/Constabulary by the Commercial Department.

The *Head of Commercial* will be responsible for the following:

- Maintaining a procured goods and services Contracts Register.
- Maintaining records of all contract exemptions available as attachments to the relevant contract or purchase record and also copied in sequential date order in a paper file for Audit purposes.
- Advising Authorised Officers with regards to all aspects of procurement.
- Producing and maintaining procurement guidance in virtual and printable formats.
- Developing and implementing a procurement strategy.
- Monitoring the appropriate use of contracts.
- Monitoring aggregated procurement amounts for recommendation as fit for transferral to properly contracted procurements.
- Producing ad-hoc and annual reports on procurement activity.
- Authorising all approved lists.

All Authorised Officers engaged in procurement and contracting activity are responsible for ensuring they comply with the regulations and that any agents, consultants and contractual partners acting on their behalf also comply. Procurement activity can only be conducted by Authorised Officers.

The Commercial Department Team will provide advice and leadership on procurement across both Organisations, undertaking the majority of procurement activity, with catalogue and hotel/car bookings services undertaken by the Central Services Department and the business maintaining budgetary and decision making responsibilities in relation to procurement decisions.

A generalised category approach model has been adopted along with the roles of Commercial Business Partners able to provide support within three broad areas of responsibility aligning specific procurement, product and services experience in different areas of the business. The Commercial Business Partner would normally be expected to undertake all technical procurement processes and offer current regulatory advice on commercial aspects of the procurement cycle.

General Category Definitions:

- ICT including Digital requirements
- Operational including Custody Suite, Station requirements, Fleet and Estates.
- Corporate including Commissioner requirements

Procurement Policy

The Procurement Policy of the COPFCC is that:

- Procurement activity is undertaken with the primary objective of supporting the COPFCC / Constabulary to achieve its priorities and objectives and operate compliantly, efficiently and effectively.
- All procurement should achieve best Value for Money both for outcomes and the efficiency and effectiveness of the procurement process.
- Procurement activity will achieve an appropriate balance between procurement risk, competition, regulatory compliance and the requirements of the business risk. Where there are conflicts between procurement risk and business risk, decision making will be taken at an appropriate level of seniority within the Organisation.
- All procurement activity will be undertaken in a transparent, fair and consistent manner, ensuring the highest standards of probity and accountability.
- All procurement will operate under robust principles and procedures to ensure best value.
- Procurement activity will only be undertaken by staff authorised to do so within the Commissioner's [Scheme of Delegation](#).
- All staff involved in procurement activities will familiarise themselves with the Business Code of Conduct and consideration will be given to circumstances where members of staff would need to be excluded where their position may be compromised.
- Consideration will be given to the register of supplier contact.
- All procurement activity will comply with the Joint Procurement Regulations and Financial Regulations and Financial Rules.
- All procurement activity shall comply with statutory requirements including, but not limited to, UK legislation, Directives of the any Treaty bound Community and, relevant, published Government guidance including but not limited to Crown Commercial Services guidance.
- All staff will adhere to the policy and procurement procedure information and seek to achieve acceptance and operation of it among colleagues and stakeholders.

[Links to Forms](#)

- Contract Signature Request Form
- Contract Standing Orders Exemption Form
- Code of Conduct Declaration form
- Equality Analysis Form
- Regulation 84 Report
- Tender Evaluation Report
- Supplier Approval Form
- Framework Process
- Templates (currently under development):
 - ITT – Part 1 – Invitation to Tender
 - ITT – Part 2 – Requirements and Specification
 - ITT – Part 3 – Tender Response
 - Schedule 1 – Terms and Conditions
 - Request for Quote – Letter
 - Invitation to Quote

End of Document



Peter McCall

Cumbria Office of the Police, Fire and Crime Commissioner

COPFCC Arrangements for Anti-Fraud and Corruption
2023-2026

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Stuart Edwards	Chief Executive	Version No 1	October 2012
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Anti-Fraud and Corruption Strategy

ANTI FRAUD AND CORRUPTION STRATEGY

Introduction

The Police, Fire and Crime Commissioner is two separate corporation soles: The Police and Crime Commissioner for Cumbria and the Cumbria Commissioner Fire and Rescue Authority. The Police, Fire and Crime Commissioner has an office which supports them in these functions known as the Office of the Police, Fire and Crime Commissioner.

The Office of the Police, Fire and Crime Commissioner for Cumbria (OPFCC) recognises the importance of having clear written Anti-Fraud and Corruption Arrangements for all its employees.

This strategy sets out the approach that will be adopted by the Cumbria Office of the Police, Fire and Crime Commissioner (COPFCC) to ensure effective procedures and responsibilities are in place to deliver the Anti-Fraud and Corruption Policy. This strategy and the related procedures set out how the commitments and principles within that document are put into practice.

To support the Policy appropriate resources will be committed to fraud and corruption prevention and detection. A series of interrelated procedures designed to frustrate any attempted fraudulent or corrupt act will be put in place by the COPFCC and investigation of any instances or suspected instances of fraud and corruption which may arise will be undertaken in accordance with those procedures.

ANTI FRAUD AND CORRUPTION STRATEGY

Measures

The COPFCC will maintain appropriate procedures and documentation to assure that staff in those organisations that we do business with are aware of the requirements of this strategy and related procedures.

The COPFCC will maintain financial and other control measures, which will be subject to internal and external audit and scrutiny of its practices and their outcomes. It will co-operate with audit agencies in the legitimate pursuit of their interests and in particular it will maintain a Joint Audit Committee in partnership with the Constabulary to oversee the processes of audit of the COPFCC business.

The Chief Executive is responsible, in consultation with the ~~Joint~~ Chief Finance Officer, for ensuring effective Arrangements for Anti-Fraud and Corruption are in place.

Staff of the COPFCC are responsible for ensuring they adhere to the requirements of the Arrangements for Anti-Fraud and Corruption.

ANTI FRAUD AND CORRUPTION STRATEGY

Terms and Definitions

FRAUD

“Any intentional false representation, including failure to declare information or abuse of position that is carried out to make gain, cause loss or expose another to the risk of loss” (CIPFA)

CORRUPTION

In general, corruption is a form of dishonesty or criminal activity undertaken by a person or organisation entrusted with a position of authority, often to acquire illicit benefit for personal gain.

Corruption includes Abuse of Authority for Sexual Gain – AASG. This can be defined as “Any behaviour by a staff member*, whether on or off duty, that takes advantage of their position as a member of the police service to misuse their position, authority or powers in order to pursue a sexual or improper emotional relationship with any member of the public”

THEFT

“The dishonest appropriation of property belonging to another with the intention of permanently depriving the other of it” (Theft Act 1968)

IRREGULARITY

“The violation or non-observance of established rules and practices”

ASSOCIATIONS

The term association is not intended to include a person whom a member of staff knows casually. It is not a chance meeting with a passing acquaintance which may be repeated from time to time, and it does not necessarily include merely being members of the same club or association.

Association is described as one or any combination of the following:

- Meeting or uniting for a common purpose;
- Keeping company or being familiar;
- Being an ally, confederate, partner or colleague;
- Having friendship, intimacy or connection;
- Being a member of a group, organisation or society which is formed for the promotion of a common object or objects.

Inappropriate Association is deemed any association if the personal relationship or involvement with an individual, group or organisation has the potential or is likely to:

- Compromise the individual employee/third party member;
- Compromise the operation of the Office of the Police, Fire and Crime Commissioner ;
- Compromise the reputation of the Office of the Police, Fire and Crime Commissioner ;
- Undermine public confidence in the Office of the Police, Fire and Crime Commissioner .

Group or Organisation – there is no definitive list of groups or organisations deemed inappropriate. This is a matter for those following the procedure to determine but could include:

- Membership of a political party where membership involves the member of staff playing an active part in politics in contravention of the Politically Restricted Post Policy.
- Association with groups or organisations involved in law breaking or criminal activity.
- Association with groups or organisations which would bring the Office of the Police, Fire and Crime Commissioner into disrepute.
- Association with groups or organisations which advocate either active or passive non-compliance with the law.

Staff Compromise – a member of staff may be compromised if they are placed in a position of difficulty or danger, exposed to risk of failure, frustration, disgrace or to case doubt on one’s integrity. In the context of this strategy compromise includes the likelihood or potential of either an actual or perceived risk to the individual member of staff, operations or reputation of the Office of the Police, Fire and Crime Commissioner.

ANTI FRAUD AND CORRUPTION STRATEGY

Detection and Investigation

COPFCC is determined that its culture is one of scrupulous honesty and is principally opposed to fraud and corruption. It will not tolerate fraud and corruption in the administration of its responsibilities whether it occurs internally or externally to the organisation.

The COPFCC will always investigate any actual or suspected cases of fraud, corruption, theft or irregularity and implement misconduct procedures where appropriate. Specifically:

- Staff are required to report all suspected irregularities to the Commissioner's **Joint** Chief Finance Officer (**Joint** CFO), who will instigate the necessary investigation.
- Misconduct Procedures will be used where the outcome of the investigation indicates improper behaviour.
- Where financial or other impropriety is discovered and sufficient evidence exists to suspect that a criminal offence may have been committed, the matter may be referred to the Police.

ANTI FRAUD AND CORRUPTION STRATEGY

Supporting the Strategy

External Bodies

The COPFCC will co-operate with the following external bodies, whose prerogatives extend over the conduct of the COPFCC business. The list is not exhaustive.

- Externally appointed auditors and the Public Sector Audit Appointments Ltd
- Independent Office of Police Conduct
- HM Revenue and Customs
- Department of Social Security/ Contributions Agency
- The Local Government Ombudsman

Internal Bodies

The internal bodies set out below each have a responsibility to ensure that the COPFCC comply with their respective elements of their Anti-Fraud and Corruption Policy and Procedures:-

Joint Chief Finance Officer: The Commissioner must appoint a Chief Finance Officer who has statutory responsibility for the integrity of financial administration (including the legality of expenditure) and the provision of the Internal Audit function.

Monitoring Officer (Chief Executive to the Commissioner): This is the statutory officer whose role is to warn of illegality or maladministration, (whether actual or potential), in matters touching the business or responsibilities of the COPFCC.

Internal (Management) Audit: ~~Provided as part of a shared service agreement from Cumbria County Council,~~ Internal (Management) Audit is responsible for compliance audits in respect of regularity and systems and is provided by TIAA Limited.

The Seven Principles of Public Life (Nolan Committee)

Selflessness

Holders of public office take decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance of the official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and

must submit themselves to whatever scrutiny is appropriate to their office.

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

All staff members of the COPFCC are expected to comply with the principles of public life and the Arrangements for Anti-Fraud and Corruption. Failure to do so may result in disciplinary action.

Anti-Fraud and Corruption Policy and Plan

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Introduction

This statement has been prepared utilising the Chartered Institute of Public Finance and Accountancy (CIPFA) code of practice on managing the risk of fraud and corruption.

In administering its responsibilities in relation to fraud and corruption, whether it is attempted upon the OPFCC or from within, the Commissioner is committed to an effective Anti-Fraud and Corruption policy designed to;

- encourage prevention
- promote detection; and
- identify a clear pathway for investigation

The expectation regarding propriety and accountability is that the Commissioner and staff at all levels will lead by example in ensuring adherence to rules, and that all procedures and practices are above reproach.

The Commissioner also demands that individuals and organisations that they come into contact with will act towards them with integrity and without thought or actions involving fraud or corruption.

This Anti-Fraud and Corruption policy is based on a series of comprehensive and inter-related procedures designed to frustrate any attempted fraudulent or corrupt act. These cover:-

- Culture (Section 2);
- Prevention (Section 3);
- Detection and Investigation (Section 4); and
- Training (Section 5)

The Commissioner is also aware of the high degree of external scrutiny of its affairs by a variety of bodies including:-

- Her Majesty's Inspector of Constabulary Fire and Rescue Service
- Internal and External Audit
- HM Revenue and Customs
- The General Public
- Public Sector Audit Appointments Ltd
- National Audit Office
- Cumbria Police, Fire and Crime Panel

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Culture

The Commissioner is determined that the culture and tone of the organisation is one of honesty and opposition to fraud and corruption. To support this, the arrangements for Confidential Reporting (Whistleblowing) will be clearly signposted for staff and others within COPFCC offices; and are available on the OPFCC [website](#).

There is an expectation and requirement that all individuals and organisations associated in whatever way with the OPFCC will act with integrity, and that the Commissioner and staff at all levels will lead by example in these matters.

The Commissioner and staff are important in the stance on fraud and corruption, and they are positively encouraged to raise any concerns that they may have on these issues where they are associated with the activities of the OPFCC. Concerns may be about something that:

- is unlawful
- is against the Commissioner's Procurement Regulations, Financial Regulations or policies
- falls below expected standards or practices
- results in waste or loss to the Commissioner
- amounts to improper conduct

Staff can do this in the knowledge that such concerns will be treated in confidence, properly investigated and without fear of reprisal and victimisation. If necessary, a route other than their normal line manager may be used to raise such issues. Examples of such routes are:

- The Chief Executive (01768 217734)
- The Joint CFO (01768 217734)
- External Auditors – Grant Thornton (0141 2230000)
- Internal Audit – (0845 300 333)
- National Audit Office (020 7798 7000)
- Serious Fraud Office (020 7239 7272)
- Protect Charity (previously Public Concern at Work) on telephone number: 020 3117 2520

The Public Interest Disclosure Act 1988 protects employees, who report suspected fraud or corruption activities, from any reprisals as long as they meet the rules set out in the Act. In simple terms, the rules for making a protected disclosure are:-

- the information disclosed is made in good faith
- the person making the disclosure must believe it to be substantially true
- the person making the disclosure must not act maliciously or make false allegations
- the person making the allegation must not be seeking any personal gain

The designated officer required under the Act to receive disclosures is the Joint CFO. Members of the public are also encouraged to report concerns through any of the above avenues. Allegations/concerns can be made anonymously; however it should be noted that such cases can be more difficult to investigate. The likelihood of action will depend on:

- the seriousness of issues raised
- credibility of the concern
- likelihood of confirming the allegation from attributable sources

Senior management are responsible for following up on any allegation of fraud and corruption received and will do so by:

- dealing promptly with the matter;
- recording all evidence received;
- ensuring that evidence is sound and adequately supported;
- ensuring security of all evidence collected;
- notifying the Joint CFO and implementing disciplinary procedures where appropriate.

The Commissioner will deal swiftly and thoroughly with any member of staff who attempts to defraud the OPFCC or is corrupt; and reserves the right to treat prima facie evidence of such behaviour as immediately constituting gross misconduct. The Commissioner will be robust in dealing with financial malpractice.

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Prevention

The Commissioner recognises that a key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage to establish, as far as possible, the previous record of potential staff in terms of their propriety and integrity. Staff recruitment is therefore required to be in accordance with procedures laid down by the Chief Executive and in particular to obtain written references regarding known honesty and integrity of potential staff before employment offers are made

All employees are expected to follow any Code of Conduct related to their personal professional qualifications and also to abide by the internal Codes of Conduct, policies and procedures. This policy and the role that appropriate staff are expected to play in the Corporate Governance framework and systems of internal control will be featured in staff induction procedures.

The Commissioner and any appointed Deputy Commissioner are required to adhere to the Code of Conduct relating to the declarations of interest. Staff are also required to declare pecuniary interests.

The Commissioner and all staff are required to declare in a public register any offers of gifts, gratuities or hospitality that are in any way related to the performance of their duties. Records of supplier contact are also required as part of these arrangements and the procurement regulations. Gifts, gratuities, hospitality and supplier contact disclosure forms are circulated to staff on a monthly basis with entries reviewed by the Chief Executive. The ~~Joint~~ Chief Finance Officer reviews entries in respect of the Chief Executive. The Deputy Monitoring Officer undertakes an annual dip sample between the gifts, gratuities and hospitality registers, the supplier contact register and contracting activity undertaken within the COPFCC.

Significant emphasis has been placed on the thorough documentation of financial systems, and every effort is made to continually review and develop these systems in line with best practice to ensure efficient and effective internal controls. The adequacy and appropriateness of the financial systems used for the Commissioner's financial transactions, is independently monitored by both Internal Audit and External Audit. Senior Management place great weight on being responsive to audit recommendations

The Joint Audit Committee provides an independent and objective view of internal control by receiving and considering audit plans, reports and management letters and reports as appropriate.

As part of the prevention approach, the Commissioner will participate in National Fraud Initiatives organised by the Public Sector Audit Appointments Ltd. The Public Sector Audit Appointments Ltd and External Audit will also assist in prevention with the issue of warning bulletins and outcomes from surveys on fraud and corruption.

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Detection and Investigation

The array of preventative systems, particularly internal control systems within the OPFCC, has been designed to provide indicators of any fraudulent activity. Although generally they should be sufficient in themselves to deter fraud, it is often the alertness of staff and the public to such indicators that enables detection to occur and the appropriate action to take place when there is evidence that fraud or corruption may be in progress. Despite the best efforts of financial managers and auditors, many frauds are discovered by chance or 'tip off', and arrangements are in place to enable such information to be properly dealt with.

Depending on the nature and anticipated extent of the allegations, Internal Audit will normally work closely with management and other agencies such as the police to ensure that all allegations and evidence is properly investigated and reported upon.

The OPFCC's Disciplinary Procedures will be used where the outcome of the Audit Investigation indicates improper behaviours. The Commissioner may wish the police to prepare a case for the CPS regarding the prosecution of offenders where financial impropriety is discovered.

Any identified or reported allegations of fraud or corruption against the Commissioner would be dealt with by the Chief Executive and in accordance with the Police Reform and Social Responsibility Act 2011 be reported to the Police, Fire and Crime Panel. The Panel would then determine what action was to be taken in line with statutory guidance.

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Training

The Commissioner recognises that the continuing success of its Anti-Fraud and Corruption Policy and its general credibility will depend largely on the effectiveness of programmed training and responsiveness of staff throughout the organisation.

To facilitate this, the Commissioner supports the concept of induction and training particularly for staff involved in internal control systems to ensure that their responsibilities and duties in this respect are regularly highlighted and reinforced.

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Conclusion

The Commissioner has in place clear networks of systems and procedures to assist it in the fight against fraud and corruption. These arrangements will keep pace with any future developments in both preventative and detection techniques regarding fraudulent or corrupt activity that may affect its operation.

To this end, there is continuous overview of such arrangements, in particular, by the Joint CFO, through the Chief Internal Auditor and External Auditor.

ANTI FRAUD AND CORRUPTION POLICY AND PLAN

Fraud Response Plan

All instances of fraud and corruption will be investigated in accordance with this plan.

Fraud and corruption may be reported through a range of channels including direct to a line manager, by another manager or by means of external reports. The means of reporting fraud will be publicised within the OPFCC and will be made known to partners and those individuals and organisations that we come into contact with.

The arrangements for detection and investigation are set out in the Anti-Fraud and Corruption Policy and Procedure. The Joint CFO and the Chief Internal Auditor will agree the approach to any investigation and ensure all parties are aware of reported fraud and corruption. Any investigation will ensure any weaknesses in internal control are identified and that corrective action is taken in order to minimise the risk of any reoccurrence. Issues considered will be reported to the Joint Audit Committee.

Disciplinary procedures are likely to be invoked where the outcome of any investigation indicates misconduct. Proven cases of gross misconduct may result in dismissal of the employee. Misconduct includes fraud committed by a member of staff against the organisation.

Where financial impropriety is discovered arrangements may be made where appropriate for the prosecution of offenders by the CPS.

In instances where the misconduct takes another form such as the misuse of systems and equipment that does not result in financial loss then the outcomes will be monitored by the Commissioner through the processes in place to oversee Human Resources issues.

The Commissioner will seek to ensure that lessons are learned from any mistakes made that allowed any instances of fraud or corruption to be perpetrated or to have gone unnoticed. This will be achieved by ensuring that system weaknesses or other contributory factors are identified and addressed. This will normally be achieved through an Internal Audit investigation, report and action plan to ensure that audit recommendations are implemented.

The External Auditor also has the powers to investigate fraud and corruption independently and the Commissioner will make use of these services in appropriate cases.

The **Joint** CFO will determine if a matter needs to be brought to the attention of the Chief Executive and Commissioner.

In the event that the Commissioner is involved, the matter will be brought to the attention of the Monitoring Officer.

The **Joint** CFO and the Chief Internal Auditor will maintain a link with the Public Sector Audit Appointments Ltd to keep them apprised of developments in serious cases.

Anti-Fraud and Corruption Procedure

This procedure has been written to support the Police, Fire and Crime Commissioner's Anti-Fraud and Corruption Policy.

ANTIFRAUD AND CORRUPTION PROCEDURE

Introduction

The COPFCC has a policy against fraud and corruption. In summary, the COPFCC will not tolerate fraud or corruption including theft and irregularity in the administration of their responsibilities and expect staff to take positive action wherever fraudulent or corrupt activity is suspected.

The COPFCC is clear that Misconduct Procedures will be invoked where improper behaviour is indicated, and that if there is evidence of criminal behaviour this is prima facie gross misconduct requiring immediate action to be taken where suspension or summary dismissal are likely. Where there is evidence of criminal behaviour the matter may be referred to the Police.

The Anti-Fraud and Corruption Procedure provides guidance to all staff to ensure adherence to the policy.

ANTI-FRAUD AND CORRUPTION PROCEDURE

What is meant by Fraud and Corruption?

Fraudulent or corrupt acts may include:

- **System Issues:** where a process/system exists, which is prone to misuse/abuse by either employees or public, (e.g. misuse of the order processing systems).
- **Financial Issues:** where individuals or companies have fraudulently obtained money from the Authority, (e.g. invalid invoices/work not done).
- **Equipment Issues:** where Authority equipment is used for unauthorised personal use, (e.g. personal use of the organisation's assets - vehicles/computers/telephones etc.).
- **Resource Issues:** where there is a misuse of resources, (e.g. theft of cash/assets).
- **Other Issues:** activities undertaken by Staff, which may be: unlawful; against policies or procedures; fall below established standards or practices; or amount to improper conduct, (e.g. receiving unapproved hospitality).

ANTI-FRAUD AND CORRUPTION PROCEDURE

Your Duty

It is the duty of everyone:

- Not to commit or connive in any fraudulent or corrupt act.
- To raise with a senior manager or the people listed in the contacts section of this procedure, any suspicion of improper activity which indicates fraudulent or corrupt behaviour on the part of a colleague or an external third party
- Not to discuss suspicions of improper practice other than with a senior manager or the people listed as Contacts.
- Senior managers must investigate or cause to be investigated, any such suspicion which has been raised with them.
- To maintain and constantly monitor the necessary controls to guard against fraud and corruption, which are laid out in the COPFCC's procedural documentation, principally the Procurement Regulations and the Financial Regulations/Rules.
- Ensure any payments due to an employee are authorised by an independent member of staff.
- Always maintain controls that ensure functions involving the safeguarding of resources are administered by two members of staff (for example the order and certification of receipts of goods).

- As a public servant, to assess the needs of the public, partners and our suppliers impartially, professionally and without personal prejudice and to determine the outcome of competitive situations with these same qualities.
- When private or personal interests arise in any matter, which presents when at work, not to let those interests influence actions on behalf of the Commissioner. (The test is – “can I justify my actions if they become public?” If in doubt, consult your manager/supervisor).
- To adhere to the guidelines below regarding ‘Special Interests’ and offers or acceptance of hospitality and gifts and gratuities.
- To record supplier contact

ANTI-FRAUD AND CORRUPTION PROCEDURE

What to do if you suspect Fraud or Corruption

The Public Interest Disclosure Act 1998 provides legal protection for employees who raise genuine concerns in relation to suspected fraud and corruption issues.

If you have reason to suspect fraud or corrupt activity on the part of a colleague, you should raise the matter discreetly and as soon as possible with your line manager. If you feel that immediate contact with your manager is inappropriate under the circumstances, the following people are also directly approachable.

Contacts

- The OPFCC Chief Executive (Monitoring Officer) (01768 217734)
- The **Joint** OPFCC CFO (01768 217734)
- Internal Audit (TIAA Ltd)– (0845 300 3333)

In ordinary circumstances, these are the normal points of contact for these issues in the COPFCC, however in an exceptional case if an individual feels that concerns cannot be raised through any of the above routes, then the following external organisations offer alternative confidential ‘helpline’ services.

- External Auditors – Grant Thornton (0141 2230000)
- National Audit Office (020 7798 7999)
- Action Fraud (0300 123 2040)
- Protect Charity (020 3117 2520)
- Serious Fraud Office (020 7239 7272)
- Crimestoppers (0800 555111)

ANTI-FRAUD AND CORRUPTION PROCEDURE

What to do if a member of staff raises concerns with you

If an allegation of fraud or corruption is made to you as a line manager, you must raise the matter with the Chief Executive and/or the **Joint** CFO. They will determine the appropriate investigative response and whether the Internal Auditor should become involved, or a criminal investigation undertaken.

Notwithstanding the above procedure the manager may feel, due to the nature of the allegation, that it is inappropriate to inform the personnel listed and in such exceptional circumstances any other of the contacts listed above may be informed. Arrangements will then be made to:

- Deal promptly with the matter
- Record all evidence received
- Ensure the evidence is sound and adequately supported

- Ensure the security of all evidence collected
- Advise the **Joint** CFO and the Internal Auditor

ANTI-FRAUD AND CORRUPTION PROCEDURE

Advice to members of the public

In the event of a member of the public becoming suspicious of fraudulent or corrupt administrative or financial activity within the COPFCC, the matter should be reported to the Monitoring Officer in the first instance. Any information will be treated in confidence and can, if you wish, be provided anonymously.

Contact Details

01768 217734

commissioner@cumbria-pcc.gov.uk

ANTI-FRAUD AND CORRUPTION PROCEDURE

Special Interests

Section 117 of the Local Government Act 1972 specifically requires an officer employed by a local authority to disclose in writing any financial interest (direct or indirect) which they may have in any contract the COPFCC has entered into or may enter into. They must not accept any fees or rewards whatsoever other than proper remuneration from their employer. The standards expected from staff in commercial transactions are set out in the OPFCC Code of Conduct and the Joint Procurement Regulations.

Interests other than financial can be equally as important – and include for example, kinship, friendship, membership of a society or association, or trusteeship and so on. The individual must judge whether the interest is sufficiently close as to give rise to suspicion or create a perception that a transaction can give rise to suspicion. It is always better to err on the side of caution than to deal with a challenge after the event. If a matter that involves such intangible interests arises at a meeting of the COPFCC in which you are a participant, you must orally disclose that interest and ensure that it is minuted in the record of the meeting.

The Chief Executive and Monitoring Officer to the COPFCC will maintain a Register of Interests for the Commissioner and COPFCC staff. Forms relating to the Commissioner and members of the Executive Team are available for public inspection on the COPFCC website. Policies and procedures for vetting, secondary employment and business interests will be used to support obligations in respect of declarations of interest.

Members of OPFCC staff will be required to complete and renew the register of interests' form, forms for secondary employment and related party transactions on an annual basis. The forms will be countersigned by the individual's line manager following a meeting. It is important that the responses and completion of the form is done honestly and that it is updated if changes to an individual's circumstances occur. Forms are completed by all members of OPFCC staff. Forms for the Commissioner and COPFCC staff will be held by the Chief Executive. The forms for related party transactions and secondary employment will remain confidential subject to inspection by Senior Managers, internal / external audit or other persons undertaking approved investigations.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Conflict of Interests

Where identified conflict of interest arises the Commissioner and staff are required to raise this with the Monitoring Officer or Deputy Monitoring Officer. Consideration will be given to the issues surrounding the conflict and where necessary appropriate steps will be taken to remove the individual from being involved in any decisions or business dealings relating to this issue. Where this is not possible the Monitoring Officer or Line Manager will oversee all elements of the process to ensure there was no impropriety and to safeguard the member of staff.

Where conflict relates to the Police, Fire and Crime Commissioner it may not be possible to remove them from a decision if they are the only person with authority to make it. Should this arise the Monitoring Officer would oversee all elements of the decision process to ensure no undue influence was brought to bear.

The appointment of a **Joint** Chief Finance Officer (CFO) between the Fire Service and the Police, Fire and Crime Commissioner raises specific risks of conflict of interests arising for the post-holder. In response to this risk, procedures for identifying, recording and resolving conflicts of interest in relation to the joint CFO role have been agreed. The procedures provide options for resolving conflicts of interest including separate advice to the PFCC and Chief Fire Officer by the Joint CFO.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Politically Restricted Posts (PORP)

All posts within the Office of the Police, Fire and Crime Commissioner will be designated as a PORP. Posts that have been designated as PORPs will include reference to this fact in the job description and post holders will be informed of the restrictions which apply. This means that the post holder is disqualified from election to a Local Authority or National and European Parliaments. (This does not include Parish or Community Councils). Designation as a PORP also restricts PORPs from:

- Candidature for public elected office (other than to a Parish or Community Council);
- Holding office in a political group;
- Canvassing at elections;
- Speaking or writing publicly (other than in an official capacity) on matters of party political controversy.

In addition to the specific restrictions placed on an individual nominated as a PORP, the organisations of the COPFCC and Constabulary should not issue material that is likely to affect public support for a legally constituted political party.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Gifts, Gratuities, Hospitality and Supplier Contact Records

The Chief Executive is responsible for ensuring a register is maintained to record all interests and of all gifts, gratuities and hospitality offered and declined or retained. They are also responsible for ensuring records are maintained of supplier contact.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Gifts and Gratuities Defined

Gifts other than small value, not exceeding £10, should be courteously declined, other than where this may cause offence. In these circumstances the Chief Executive may be consulted and can determine to accept the gift on behalf of the COPFCC. Such gifts must be recorded by the Chief Executive in the gift, gratuity and hospitality register with a record of where the gift is held.

Considerations

The over-riding principle is the presumption that any offer of gifts, gratuities or hospitality are declined; however, the following considerations should assist staff in determining the boundaries of acceptability of any gift or hospitality over the value of £10. Think **G.I.F.T.**

- **Genuine:** is this offer made for reasons of genuine appreciation for something I have done? Why is the offer being made, what are the circumstances, have I solicited this offer in any way or does the donor feel obliged to make this offer?
- **Independent:** Would the offer, or acceptance of it, be seen as reasonable in the eyes of the public? Would a reasonable bystander be confident I could remain impartial and independent in all of the circumstances?
- **Free:** Could I always feel free of any obligation to do something in return? How do I feel about the propriety of the offer? What are the donor's expectations of me should I accept?
- **Transparent:** Am I confident that my acceptance of this offer will be subject to scrutiny by COPFCC, colleagues, and to the public or was reported publically? What could be the outcome for COPFCC if this offer was accepted or declined?

To assist staff and line managers the following guidance will help to achieve a consistent approach in applying the considerations listed above. Examples of **gifts which could be accepted are:**

- Modest promotional gifts provided to staff at seminars and conferences (pens, diaries, calendars, office requisites, mugs and coasters).
- Small commemorative items from visiting overseas law enforcement or governmental agencies or similar organisations.
- Unsolicited and inexpensive gifts of thanks from members of the public or victims of crime may be offered to individuals in genuine appreciation of outstanding levels of service.

Gifts of a modest nature (below £10) should not be accepted where the volume/frequency of the gift is excessive. In cases of uncertainty the Deputy Monitoring Officer should be asked for advice.

A gratuity may be accepted if it is:

- An offer or discount negotiated through a staff association or trade union.
- Discounts to public service workers including members of the police service, offered on the basis that the organisation has a large customer base and explicit approval has been given.

Donations to the organisation as a whole (eg sponsorship of an event or a piece of equipment) are acceptable but must be dealt with in accordance with the Financial Regulations. The Chief Executive must determine whether the donation will be accepted.

A gift should not be accepted if it is

- from external contractors or companies tendering for work with the force or wider service cash payments (other than donations to specific police charities or police supported charities)
- a financial reward resulting from the publication of articles relating to the intended recipient's role or duties as a member of a police force
- a cash payment (other than donations to specific Police charities or Police supported charities).
- any alcoholic beverage

As a general rule, all gifts and gratuities should be graciously declined. Gifts delivered should be returned to the sender with an appropriately worded letter, and your line manager must be informed.

Gifts can include loans, legacies, favours such as trading discounts and free or discounted admission to sporting or other events. In the event of a legacy from clients or others who have benefited from the services of the COPFCC, the Chief Executive must be informed immediately. Where refusal of a gift

might cause actual offence, steps are likely to be taken to transfer the value of the gift to a charity as a gift from the COPFCC.

If there is any doubt, the items should be refused, and the principles outlined here apply equally if gifts are offered to your immediate family but might be perceived as being an inducement, given your relationship with the donor.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Offers, Acceptance and Recording of Hospitality

It is essential when dealing with organisations or individuals likely to benefit from the goodwill of the COPFCC or existing/potential contractors that:

- You are never placed in the position of owing favours.
- Your conduct does not allow for any suspicion that you could be unfairly favouring any particular third party over others.
- Invitations of hospitality should only be accepted if they do not exceed £25. Invitations to events should only be accepted if
 - you are participating (e.g. speaking)
 - attending as part of your duties and responsibilities, and
 - attendance has been properly authorised by the Chief Executive.
 - The Chief Executive's attendance must be authorised by the Commissioner.
- Hospitality that could be considered excessive or might give the perception of influence should be avoided. Any hospitality received should not be greater than that which the organisation would reciprocate, and which would be acceptable to the public as a use of public funds.

Whilst a working lunch, or refreshments such as tea or coffee, is often an acceptable part of normal working relations, the following should be avoided:

- Hospitality received which constitutes more of a social function.
- An excess of hospitality, both in terms of frequency or lavish meals. Meals should not exceed £25.
- Includes any alcoholic beverage.
- Hospitality which could give rise to suspicions of favour.

If there is any doubt as to whether an invitation should be accepted or declined, your line manager should be consulted.

The Commissioner and COPFCC staff must record offers of gifts and gratuities (accepted or declined) on the Gifts, Gratuities and Hospitality Declaration form available in the OPFCC/Governance/Gifts and Hospitalities folder. Staff should also record on supplier contact forms any contact, other than unsolicited mail, irrespective of whether a gift, gratuity or hospitality has been offered. Staff will be reminded on a monthly basis to complete the relevant forms and quarterly at team meetings of their obligations. Forms will be monitored by the Chief Executive. Audits of this register will be carried out on a quarterly basis by the Deputy Monitoring Officer. Any issues or trends identified from the review will be reported to the Chief Executive.

The Gifts and Hospitality Register for the Chief Constable will be countersigned by the COPFCC Chief Executive. The Register is to be reviewed by the Chief Executive on a quarterly basis and published on the COPFCC and force website.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Reward Points

The Commissioner and COPFCC staff should not accept, retain or utilise any reward points accrued through business purposes for private or personal gain, eg points accrued at a petrol station, air miles. Gratuities which amount to individual gain from a points scheme when purchasing services, items or fuel are not acceptable.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Lost ID Card Procedure

The Commissioner and COPFCC staff are issued with identity cards to confirm that they are employed by COPFCC and also permits them access to buildings. The reporting of the loss of an ID card is essential to prevent unauthorised access or fraudulent use.

In the event of an identity card going missing, it should be reported immediately to a line manager, who in turn will contact Estates Department to remove access to buildings. Out of normal office hours, HQ Comms should be informed as soon as the loss is discovered by telephone using the 101 service.

Staff should email their line manager and PSD Admin with the full circumstances of the loss/theft. PSD Admin will log the event on all relevant systems and advise the Records & Information Security Manager (RISM) of the loss as a security breach.

Depending on the nature of the loss/theft the line manager will contact CSD to arrange issue of a replacement card. CSD will require COPFCC Senior Manager confirmation for all replacement staff ID card issues. This may also involve a new photograph being taken.

In the event of the ID card being found again, the owner (or finder) must contact their line manager and PSD Admin to advise them of its discovery. PSD Admin will then advise the Records and Information Security Manager. The found card should be securely disposed of.

ANTI-FRAUD AND CORRUPTION PROCEDURE

Review of the Arrangements and Risk

The Chief Executive will maintain appropriate procedures and documentation to assure the awareness of all OPFCC staff as to these arrangements. These arrangements will be included in the list of Risk Items from which the recurring review programmes of Internal Audit are selected.

Fraud risk will be considered as part of the COPFCC's wider strategic and operational risk management. Any identified risks will be classified to the possible type of offence; assessed for each area and process of business and the potential members of staff this could affect.



Cumbria Office of the Police, Fire and Crime Commissioner OPFCC Staff Register of Interests

Cumbria Office of the Police, Fire and Crime Commissioner (COPFCC) has adopted an Anti-Fraud and Corruption Policy and Code of Conduct consistent with the highest levels of conduct from its employees.

In accordance with this policy (which includes the avoidance of suspicion of fraudulent or corrupt behaviour), you are asked to indicate or disclose any interest which may give rise to any suspicion of favouritism or other breach of the seven principles of public life (Nolan Committee) of this policy.

PERSONAL / POST DETAILS

Name

Job / Title

Grade / Rank

FINANCIAL INTERESTS

It is important that employees are seen not to have a financial interest in any aspect of procurement carried out by the Organisation.

Do you have secondary employment or trade on a self-employed basis or as a partner in a firm? If so indicate your role and the employer's / firm's address and nature of business.

Tick the appropriate response.

	No I do not.
	Yes I do.
	Details:

--	--

Do you hold any paid or unpaid directorships? If so indicate the companies or charity concerned and the nature of their business.

Tick the appropriate response.

	No I do not.
--	---------------------

	Yes I do.
	Details:

Are you a member of an unlimited company or a company limited by guarantee (which may include a charity that has been set up in accordance with *company rules*)? If so, name the company and the nature of its business.

Tick the appropriate response.

	No I do not.
--	---------------------

	Yes I do.
	Details:

Do you through shareholding or your nominees hold a significant financial interest in a company? 'Significant' means a shareholding in excess of 10% of the nominal issued share capital of the company – normal shareholding in companies quoted on the Stock Exchange are therefore most unlikely to fall under this heading.

Tick the appropriate response.

	No I do not.
--	---------------------

	Yes I do.
	Details:

To your knowledge do your – spouse / partner have an interest declarable under the above? If so give details of the individual, their relationship to you and the nature of the interest.

Tick the appropriate response.

	No I do not.
--	---------------------

	Yes I do.
	Details:

OTHER INTERESTS

It is important that staff in influential positions should not be perceived as being open to 'influence' in the provision of the COPFCC service.

Indicate below your membership of any societies / associations / clubs, which in your opinion give rise to unwarranted suspicions of partiality in the discharge of the duties of your post.

Tick the appropriate response.

	I do not belong to a society / association / club that could give rise to suspicions about my partiality in the discharge of my post.
--	--

	Yes, I do belong to the following society(s) / association(s) / club(s) that could give rise to unwarranted suspicion about my partiality in the discharge of my post.
	Details:

Indicate below if you are a member of a Local Authority or statutory undertaking (including ministerial appointee to any statutory body or undertaking) which is constituted to discharge or assist in discharging a statutory function (e.g. member of a statutory working group [i.e. Food & Drink Advisory Panel], lay-minister etc.).

Tick the appropriate response.

	I am not a member of a Local Authority or statutory undertaking constituted to discharge or assist in the discharging a statutory function.
--	--

	Yes, I am a member of a Local Authority or statutory undertaking constituted to discharge or assist in the discharging a statutory function.
	Details:

Indicate below any relationships you have with current or potential suppliers to the OPFCC, which in your opinion may give rise to unwarranted suspicions of partiality in the discharge of the duties of your post.

	I do not have any relationships with current or potential suppliers to the OPFCC
--	---

	Yes, I have a relationship with current or potential suppliers to the OPFCC
	Details:

Declaration:

I confirm that I have disclosed all of my financial and non-financial interests and those of my immediate family to the best of my knowledge and belief. I understand that it is my responsibility to disclose to the Monitoring Officer any additional interests as they arise.

Signed: **Date:**

Once you have completed and signed the form, your line manager is required to countersign the form.

Line Manager: **Date:**

The forms will be forwarded to the Chief Executive (Monitoring Officer) when complete for retention.

RELATED PARTY TRANSACTIONS PROCESS

Cumbria Office of the Police, Fire and Crime Commissioner (COPFCC) must prepare its annual accounts in accordance with the applicable reporting standard (IAS24: Related Party Transactions) and the requirements set out in the Chartered Institute of Public Finance and Accountancy Code of Practice.

Staff within the COPFCC above a certain pay scale are requested to complete a 'Declaration of Related Party Transactions' Form for each financial year they are employed by either organisation.

Information regarding Related Party Transactions is retained within the OPFCC IT System. A process has been developed to deal with Related Party Transactions as follows –

- Within the relevant year there is a procedures log to complete when actions have been carried out.
- Create covering letter which the Joint Chief Finance Officer (JCFO) will approve.
- Send covering letter and form to be completed to Printing to print. (The form must be printed on a different coloured paper from the previous year – eg 2011 forms were pink)
- Update the list of who is to receive the letter with whether they have left or been appointed during the financial period.
- The recipient will receive a copy of the letter, form to complete and a stamped addressed envelope.
- They are given approximately 1 month to complete the form and return it to the COPFCC.
- If the form is not received within the time given then contact the individual and also sent out a chase up letter. This will include a follow-up letter, the original letter and a blank form to complete.

- Upon receipt of completed forms, check to see if there are any 'positive' returns. These are then given to the CFO and Monitoring Officer to look at.

- The OPFCC will undertake to review the constabulary's completed forms as part of its oversight and scrutiny role on an annual basis.

- All returned forms are kept in alphabetical order with any 'positive' returns placed in a separate section at the top of the pile.
- A copy of the completed procedures log is printed off and attached to the top of the pile.
- The forms will be viewed by the Auditors on an annual basis.



Peter McCall

CUMBRIA OFFICE OF THE POLICE, FIRE AND CRIME COMMISSIONER

Declaration of Related Party Transactions 200+ / ++

Name:

In answering each question, please state the dates, amounts and any other relevant details.

Have you or any partnerships, companies, trusts or any other entities in which you have a controlling interest undertaken any transactions with Cumbria Office of the Police, Fire and Crime Commissioner during the 200+ / 200+ financial year, which should be disclosed under the criteria specified in the covering letter?

Have any of your close family, members of your household or any partnerships, companies, trusts or any other entities in which they have a controlling interest undertaken transactions with Cumbria Office of the Police, Fire and Crime Commissioner in the 200+ / 200+ financial year, which should be disclosed under the criteria specified in the covering letter?

Are you involved with any interest groups which have undertaken transactions with Cumbria Office of the Police, Fire and Crime Commissioner in the 200+ / ++ financial year, which should be disclosed under the criteria specified in the covering letter?

Have you or any partnerships, companies, trusts or any other entities in which you have a controlling interest undertaken any transactions with Cumbria Constabulary during the 200+ / 200+ financial year, which should be disclosed under the criteria specified in the covering letter?

Have you received any services free of charge to which a charge is normally levied?

Any other relevant information should be disclosed in the space below.

Signed:-

Date:-

Please return the signed form to the Monitoring Officer by 4 April 20++.
Please note that nil returns should still be submitted.



CUMBRIA OFFICE OF THE POLICE, FIRE AND CRIME COMMISSIONER

Peter McCall

CODES OF CONDUCT UNDERTAKING

I,having become a Member of the COPFCC and Constabulary Joint Audit Committee, declare that I will duly and faithfully fulfil the requirements of this role according to the best of my judgement and ability and within codes adopted by the COPFCC / Constabulary:

I undertake to observe and comply with the model Code of Conduct (1) expected from Members, as adopted by the COPFCC / Constabulary; of which I am supplied with a copy.

I confirm receipt of a form (2) for notification by a member of their financial and other interests under which I will complete and return to the Monitoring Officer for entry in the COPFCC's Register. I undertake to update the Monitoring Officer on any changes to those notifiable interests.

I further undertake to observe and stand by the Anti-Discrimination Code of Conduct (3) adopted by the COPFCC for its members and staff, of which I am also supplied with a copy.

I finally undertake to observe and stand by the Member-Officer Protocol (4) adopted by the COPFCC / Constabulary, of which I am additionally supplied with a copy.

Signed Date

This undertaking was made and signed before me

Signed Date

Proper Officer



CUMBRIA OFFICE OF THE POLICE, FIRE AND CRIME COMMISSIONER

Peter McCall

CODES OF CONDUCT UNDERTAKING

I,as a Member of staff of Cumbria Office of the Police, Fire and Crime Commissioner , declare that I will duly and faithfully fulfil the requirements of this role according to the best of my judgement and ability and within codes adopted by the COPFCC.

I undertake to observe and comply with the model Code of Conduct (1) expected from members of staff, as adopted by the COPFCC; of which I am supplied with a copy.

I confirm receipt of a form for notification by a member of staff of their financial and other interests under which I will complete and return to the Monitoring Officer for entry in the COPFCC’s Register. I undertake to update the Monitoring Officer on any changes to those notifiable interests.

I further undertake to observe and stand by the Anti-Discrimination Code of Conduct adopted by the COPFCC for its members and staff, of which I am also supplied with a copy.

I finally undertake to observe and stand by the Commissioner-Officer Protocol adopted by the COPFCC, of which I am additionally supplied with a copy.

Signed Date

This undertaking was made and signed before me

Signed Date

Monitoring Officer

Cumbria Office of the Police, Fire and Crime Commissioner

Register of Gifts, Hospitality and Gratuities – Police, Fire and Crime Commissioner / OPFCC Staff

Date of Offer	Date of Event	Offered To	Company/organisation and Description of Offer and Reason	Estimated /Actual Value £	Action Taken Accepted Refused Returned	Reasons for Accepting / Declining
Month						
Month						
Month						

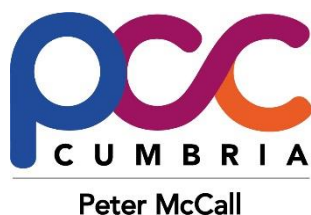
Reviewed by OPFCC Chief Executive on - (DATE)
Updates to this document will be provided following the end of the calendar month.

Cumbria Office of the Police, Fire and Crime Commissioner

Register of Contact with Service Providers – Police, Fire and Crime Commissioner / OPFCC Staff

Date of Contact	Name of Officer who had contact	Name of Supplier / Contractor	Nature / Description of the contact	Officer to be involved in procurement process Yes / No
Month				
Month				

Reviewed by OPFCC Chief Executive on - (DATE)
Updates to this document will be provided following the end of the calendar month.



Independent Custody Visiting Scheme

MEMORANDUM OF UNDERSTANDING

The purpose of this agreement is to highlight some of the main commitments that Cumbria Office of the Police, Fire and Crime Commissioner (OPFCC) requires from each Independent Custody Visitors (ICV's).

1. ROLE AND RESPONSIBILITIES

The purpose of your role is to observe and report upon the conditions under which persons are detained at Police Stations. Your concern is for the welfare of the person in custody and the operations in practice of the statutory and other rules governing their welfare including a consideration of their welfare in regard to equality.

2. PROBATIONARY PERIOD

You will be required to serve a probationary period of 6 months, starting from the date of commencement of voluntary service. The purpose of the probationary period is to give you an opportunity to establish your own suitability for the role. The appointment is subject to the satisfactory

3. APPOINTMENT

Your appointment is initially for a period of three years. After three years and six years you will be able to be considered for re-appointment for a further three years. This is subject to the approval of the Scheme Administrator in consultation with the Chair of the panel to which you are appointed. No visitor may serve more than three terms of appointment (ie a maximum of 9 years).

4. IDENTITY CARDS

Your Custody Visitor identity card will be valid for the period that you are appointed as a Custody Visitor. The identity card authorises you to visit police stations within your Panel area and should only be used for the purpose of making visits. If it is used for any other purpose, it will be withdrawn and your appointment as a Custody Visitor may be terminated. Identity cards must be returned on termination of appointment as a Custody Visitor.

4. EXPECTED ROTA AVAILABILITY & VISITS

You are expected to make a minimum of six visits per year; if there are exceptional circumstances, which prevent you from fulfilling this requirement, you should ensure that the Scheme Administrator is aware of these. If you have not made a visit within a four month period, the Chair of your Panel will advise the Scheme Administrator who will write to you to ascertain the reason and seek an explanation. Should an unsatisfactory explanation be provided the Scheme Administrator may remove you from the scheme.

We recognise that this role is given on a voluntary basis, however it is hoped that you will make every effort to fulfil the commitments you have agreed to undertake.

Inability to sustain regular and reliable attendance may be grounds for termination of your appointment, as this may have an impact on the scheme as a whole.

5. UNDERTAKING VISITING

You are required to make visits in pairs at all times and you can only make a visit when accompanied by another Custody Visitor. There are no exceptions to this requirement, and custody staff are aware that they should not allow anyone who is unaccompanied to make a visit. Failure to adhere to this may result in you being removed from the Scheme.

7. DOCUMENTATION

You are required to complete reports for every custody visit made (even when there were no detainees in custody) and submit them promptly to the Office of the Police, Fire and Crime Commissioner .

8. DISCLOSURE OF CRIMINAL CONVICTIONS OR CHANGE IN CIRCUMSTANCES DURING YOUR ROLE AS A VOLUNTEER WITH CUMBRIA OPFCC

As a volunteer for Cumbria OPFCC it is important that you maintain high standards and that the OPFCC should be made aware of any matter which could affect its relationship with you. Accordingly you are required to inform the Scheme Manager in writing, within 7 days of any involvement in ongoing civil or criminal court proceedings, any criminal convictions or cautions received or any ongoing criminal investigations in which you are involved. Similarly you should also notify the Scheme Manager if you become a Magistrate, Special Constable, Police Officer or undertake any other work which may present you with a conflict of interest.

9. ATTENDANCE AT TRAINING SEMINARS

You will be expected to attend the training events and conferences arranged by the Office of the Police, Fire and Crime Commissioner for Cumbria. You are also encouraged to attend regional or national conferences where appropriate. Induction training will cover the following areas Equality and Human Rights training.

10. ATTENDANCE AT PANEL MEETINGS

You will be expected to attend each of the 4 monthly Panel meetings. If you have not attended any Panel meetings within a twelve month period, the Chair of your Panel will advise the Scheme Administrator who will write to you to ascertain the reason and seek an explanation. Dependent upon the outcome the Scheme Administrator may remove you from the scheme. Continued non-attendance at Panel meetings will be reviewed by the Scheme Administrator and you may be removed from the scheme.

11. IMPARTIALITY AND CONFIDENTIALITY

During the course of your duties, you may acquire considerable personal information about persons connected with police enquiries, the majority of whom will not at that time have appeared in Court. Some will never appear in Court. That information must be protected against improper or unnecessary disclosure. You should be aware that improper disclosure of information acquired during the course of a visit may attract civil or criminal proceedings. Additionally, unauthorised disclosure of facts concerning police operations or the security of police stations may constitute an offence under the Official Secrets Act 1911 and 1989 and the Data Protection Act 1998 or any amending legislation including the General Data Protection Regulation EU2016/67 and the Computer Misuse Act 1990.

You must undertake not to disclose any information related to persons connected with police enquiries or police operations that you may acquire as part of your duties as a Custody Visitor.

12. DATA PROTECTION

Cumbria OPFCC will only ask for information that it really needs and that it will keep the information securely, limit access to it and will not pass any details on without consent unless legally obliged to do so.

13. DRESS CODE

All Independent Custody Visitors are required to be smart in appearance whilst undertaking their volunteering duties in order to create a professional image.

14. EXPENSES

It is essential that you are not out-of-pocket because of your voluntary work and all reasonable expenses will be paid. Any ICV using their own motor vehicle to and from a designated police station are advised to inform their insurers about their duties. The OPFCC requires all ICV's to complete a Vehicle Indemnity Insurance form.

15. TIME AWAY FROM THE SCHEME

We recognise that there may be times when you need to take a longer period of time off from your role as an ICV, which could be due to personal or work circumstances. Please contact the Scheme Administrator as soon as possible to discuss the issues and assess the request for time away from the scheme. The Scheme Administrator has the ability to authorize an absence of up to a maximum of 12 months from the scheme.

16. PERIOD OF NOTICE

Wherever possible we would ask that you provide the OPFCC with at least one month's notice of your intention to resign your appointment. This should be given to the Scheme Administrator. All ID badges and any other information or equipment must be returned on your last day of service.

17. HEALTH AND WELLBEING

In accordance with the Health and Safety at Work Act 1974, as a volunteer you are responsible for ensuring your own safety and must not do anything which may cause injury or risks to other persons; whether they are Cumbria Constabulary employees, volunteers or members of the public.

18. NO SMOKING POLICY

The OPFCC and Cumbria Constabulary operate a No Smoking Policy.

19. PERSONAL DATA

As a volunteer you give Cumbria OPFCC permission to collect, retain and process information about you in relation to your ICV role. This information will only be used so that we can monitor our compliance with the law and for payment purposes. Should your personal circumstances change, you should notify the Scheme Administrator immediately.

20. QUERIES

Queries on any aspect of the scheme should be addressed to the Scheme Administrator, who can be contacted on 01768 217734 or via e-mail custodyvisitors@cumbria-pcc.gov.uk

Please read, sign the declaration below and return to the ICV Scheme Administrator

ICV Memorandum of Understanding Signed Statement:

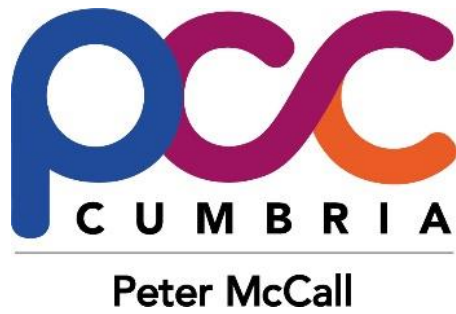
- I have read and understood this Memorandum of Understanding and agree to abide by it.
- I confirm my receipt, understanding of and agreement to the provisions of the Official Secrets Act 1911 and 1989, Data Protection Act 1998 or any amending legislation including the General Data Protection Regulations EU2016/67 and Computer Misuse Act 1990 both during the course of my voluntary service and following its termination.

Name:Signed:
(BLOCK CAPITALS)

Date:

Appointed to : BARROW* / KENDAL* / NORTH* / WEST* Panel

(* Please delete as not appropriate)



COMMISSIONER AND OFFICER
PROTOCOL - DECLARATION

I agree to conduct myself in accordance with and abide by the Police, Fire and Crime Commissioner and Officer Protocol whilst conducting duties of the Office of the Police, Fire and Crime Commissioner for Cumbria.

Signed: **Date:**

Police, Fire and Crime Commissioner/ Deputy Police, Fire and Crime Commissioner/
Appointed Person/Member of staff of the Office of the Police, Fire and Crime
Commissioner for Cumbria
(Delete as not applicable)

**Police, Fire and Crime Commissioner
for Cumbria**

Delivering to the Public



**CONFIDENTIAL REPORTING
(WHISTLEBLOWING) POLICY**

Document control

This policy applies to all employees of the Office of the Police, Fire and Crime Commissioner for Cumbria.

Date of last review	Reviewed August 2022. Approved April 2023
Date of next review	April 2026
Owner	Head of Communications and Business Services
Equality Impact Assessment	21 July 2022

Distribution and Consultation Record

Date	July 2019
Version	V2
Authors	Joanne Head, Governance Manager

Version Control

1.1 Plan Approval	
Approved By	OPFCC Executive Team
Signature	Gill Shearer at Executive Team
Date	26 September 2019
Equality Impact Assessment completed	Date

Version .01	Created March 2016
Department	Office of the Police, Fire and Crime Commissioner
Contact	

Version.02	Created July 2019
Department	Office of the Police, Fire and Crime Commissioner
Contact	

Version.03	Created July 2022
Department	Office of the Police, Fire and Crime Commissioner
Contact	

Version.04	Created October 2023
Department	Office of the Police, Fire and Crime Commissioner
Contact	

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1 Introduction

- 1.1 The Police, Fire and Crime Commissioner is two separate corporation soles: The Police and Crime Commissioner for Cumbria and the Cumbria Commissioner Fire and Rescue Authority. The Police, Fire and Crime Commissioner has an office which supports them in these functions known as the Office of the Police, Fire and Crime Commissioner.
- 1.2 The Office of the Police, Fire and Crime Commissioner for Cumbria (OPFCC) recognises the importance of having a clear written Confidential Reporting (Whistleblowing) Policy for all its employees. The OPFCC has approved this Policy in consultation with Trade Unions and staff.
- 1.3 Employees and any person who undertakes to do or perform personally (or otherwise) any work or service for the OPFCC, regardless of the nature of the contractual relationship between them and the OPFCC, who have serious concerns about any aspect of the OPFCC's activities, should come forward and voice those concerns. Those people who raise a concern are protected by the Public Interest Disclosure Act 1998.
- 1.4 This policy should be read in conjunction with the OPFCC Anti-Fraud and Corruption Policy.

2 Aims

- 2.1 To make it clear that employees and others as outlined in section 1.2 above can raise concerns without fear of victimisation, subsequent discrimination or disadvantage.
- 2.2 To encourage and enable those outlined in Section 1.2 to raise serious concerns within the OPFCC rather than overlooking a problem or "*blowing the whistle*" outside the organisation.
- 2.3 The OPFCC is committed to the principles of equality and diversity. No member of the public, member of staff, volunteer, or service provider shall be discriminated against on any of the nine strands as identified within the Equality Act 2010.

3 Scope

- 3.1 This policy will be applied to all staff employed by the OPFCC and deployed to the OPFCC, its volunteers, contractors or service providers.

4 Approval

- 4.1 The OPFCC Executive Team is responsible for the approval of this policy.

5 Guiding principles

- 5.1 **Legal obligations:** The OPFCC acknowledges that it must comply with the law.
- 5.2 **Equal opportunities:** The OPFCC is firmly committed to equal opportunities for all employees and will comply with all relevant legislation. The OPFCC will ensure the promotion of equality in all aspects of its OPFCC life. The OPFCC commits to consistency of treatment and fairness in the operation of its Confidential Reporting (Whistleblowing) Policy.
- 5.3 **Commitment to employees:** The OPFCC recognises that its employees are their most important asset and values their commitment, support and goodwill.

6 Type of concerns

- 6.1 The Committee on Standards in Public Life defined ‘Whistleblowing’ as the “raising of concerns about misconduct within an organisation”. This is called ‘making a disclosure in the public interest’.
- 6.2 The term “misconduct” may cover a broad range of acts, omissions, or practices. What employees may wish to report will usually be a specific instance or instances of wrongdoing on the part of an individual or a group of individuals. However, in certain circumstances, employees may wish to report bad practice which, if it were to continue, would be likely to lead to wrongdoing.
- 6.3 The following examples indicate the type of actions which would normally constitute “misconduct” but should not be seen as a prescriptive list for the interpretation of this policy.
- 6.4 Examples include:
- failure to comply with a legal obligation
 - health and safety risks, including risks to the public as well as other employees
 - damage to the environment
 - the unauthorised use of public funds
 - manipulation or falsification of accounting records
 - making decisions for personal gain
 - inappropriate (e.g. personal) use of OPFCC assets;
 - possible fraud and corruption
 - deliberate ‘covering up’ of information relating to the above.
- 6.5 Any serious concerns that an employee may have about any aspect of the OPFCC’s activities or the conduct of colleagues/employees of the OPFCC, or others acting on behalf of the OPFCC, such as contractors or service providers, can be reported under the Confidential Reporting (Whistleblowing) Policy. This may be about something that:
- makes an employee feel uncomfortable in terms of known standards, or standards they believe the OPFCC subscribes to
 - is against the OPFCC’s policies
 - falls below established standards of practice
 - amounts to improper conduct
 - is a breach of the College of Policing Code of Ethics or the OPFCC’s Code of Conduct
- 6.6 This Policy is intended to assist employees who believe they have discovered malpractice or impropriety. It is not designed to question financial or management decisions taken by the OPFCC, nor should it be used to consider any matters or personal issues which should be addressed under other policies such as the Complaints, Disciplinary, Grievance, Capability and Equality Policies.

7 Safeguarding staff against harassment or victimisation

- 7.1 The OPFCC is committed to good practice and high standards and wants to be supportive of employees. The OPFCC recognises that the decision to report a concern can be a difficult one to make especially for staff that are new to the OPFCC. If what an employee is reporting is true,

or their suspicions are reasonable, they will have nothing to fear because they will be doing their duty to their employer and to those for whom they are providing a service.

- 7.2 The OPFCC will not tolerate or allow any form of harassment, victimisation or discrimination (including informal pressures) and will take appropriate action to protect employees when they raise a concern 'made in the public interest' and fits into a category as follows:
- a criminal offence;
 - a miscarriage of justice;
 - an act creating risk to health and safety;
 - an act causing damage to the environment;
 - a breach of any other legal obligation; or
 - concealment of any of the above;
- 7.3 It is not necessary for the worker to have proof that such an act is being, has been, or is likely to be, committed - a reasonable belief is sufficient. The worker has no responsibility for investigating the matter and the OPFCC will take responsibility to ensure that an investigation takes place. A worker who makes such a protected disclosure has the right not to be dismissed, subjected to any other detriment, or victimised, because they have made a disclosure.
- 7.4 If there are any intimidatory threats or instances of harassment/victimisation/discrimination against a 'whistle-blower' the OPFCC will take appropriate action under the Disciplinary Policy.
- 7.5 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary or redundancy or any other procedures which may be ongoing.

8 Confidentiality

- 8.1 All concerns will be treated, as far as possible, in the strictest confidence and every effort will be made not to reveal the employees identity if requested. However, if concerns require any further information and investigation the employee will be contacted and the circumstances fully explained. The OPFCC cannot guarantee that a whistle-blower's identity will not be revealed. There may be circumstances in which the Commissioner is legally obliged to disclose the whistle-blower's identity or where those party to an investigation may be able to 'guess' who the whistleblower is.

9 Anonymous allegations

- 9.1 This policy encourages employees to put their name to an allegation whenever possible. Concerns expressed anonymously are less credible but will be considered at the discretion of the OPFCC. In exercising this discretion the factors to be taken into account would include:
- the seriousness of the issues raised
 - the credibility of the concern
 - the likelihood of confirming the allegation from attributable sources.
- 9.2 Where an allegation is made anonymously it may not be able to be progressed if sufficient information is not included within the original allegations. The OPFCC would then not be able to contact the individual(s) concerned to seek further information or clarity, thereby the issues may not be investigated or addressed.
- 9.3 If a member of staff does not initially feel confident to raise an issue with someone within the

OPFCC there are a number of external organisations and charities which they can speak with for information. Some of these are detailed within Section 15 of this policy.

10 Untrue allegations

10.1 If an employee makes an allegation 'in the public interest', but it is not confirmed by the investigation, no action will be taken against the employee. If, however, an allegation is made frivolously, maliciously or for personal gain, action under the Disciplinary Policy may be taken against the employee who made the allegation.

11 How to raise a concern

11.1 As a first step, OPFCC employees should normally raise concerns with their line manager. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if an employee believes that the manager is involved, they should approach a more senior manager, or a member of the OPFCC Executive Team, in the first instance who will advise the Chief Executive unless the matter relates to them.

11.2 Concerns should be raised in writing at the earliest opportunity and employees who wish to make a written report are invited to use the attached form at Appendix 1 to provide:

- the background and history of the concern (giving relevant dates)
- the reason for being particularly concerned about the situation
- the basis on which concerns can be evidenced.

11.3 Advice and guidance on how to pursue matters of concern may be obtained from the Contacts list below at section 15.

12 How the OPFCC will respond

12.1 The OPFCC will respond to the concerns raised and where appropriate, the matters raised may:

- be investigated by appropriate representatives, internal audit, or through the disciplinary process
- be referred to the Police
- be referred to the external auditor
- form the subject of an independent inquiry.

12.2 In order to protect individuals and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle is the public interest. Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before any investigation is conducted.

12.3 Within **ten** working days of a concern being raised, the manager will write to the employee in confidence with the following information:

- acknowledging that the concern has been received
- indicating how they propose to deal with the matter
- giving an estimate of how long it will take to provide a final response
- advising whether any initial enquiries have been made

- supplying information on staff support mechanisms
 - advising whether further investigation will take place and if not, why not.
- 12.4 Depending upon the nature of the matter the OPFCC may not be able to provide you with specific details of how they are dealing with it.
- 12.5 Every effort will be made to ensure that concerns are dealt with as speedily as possible and employees are kept informed of progress made. For matters of a more in-depth or serious nature which take longer to look into, the OPFCC should seek to update employees on a 28-day basis.
- 12.6 The amount of contact between the officers considering the issues and the employee will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, the OPFCC will seek further information from the employee. The OPFCC will take steps to minimise any difficulties, which an employee may experience as a result of raising a concern.
- 12.7 Where any meeting is arranged (which may be off-site at the request of the employee), the employee may be accompanied by a trade union representative or a workplace colleague who is not involved or implicated in the issue under investigation.
- 12.8 The OPFCC accepts that an employee needs to be assured that the matter has been properly addressed. The final outcome of a concern may not be disclosed to the employee whereby the disclosure would be a breach of Data Protection legislation (i.e. if an outcome was that an employee was given a disciplinary sanction).

13 Record Keeping

- 13.1 A record of the details of the concern raised, how it was resolved and copies of any records associated with any investigation will be stored confidentially for six years following resolution. The information will then be securely destroyed.

14 How the matter can be taken further

- 14.1 The OPFCC hopes that an employee will be satisfied with any action taken. If the employee is not satisfied and they feel it is right to take the matter outside the OPFCC, they should ensure that they do not disclose confidential information.
- 14.2 If an employee believes they cannot tell their employer, they should contact a ‘prescribed person or body’. A worker can only tell the prescribed person or body if they believe that their employer:
- will cover it up
 - would treat them unfairly
 - has not satisfactorily responded to a reported concern.
- 14.3 The following are examples of prescribed bodies to which certain concerns can be reported:
- HM Revenue & Customs;
 - the Financial Conduct Authority (formerly the Financial Services Authority);
 - the Competition and Markets Authority;
 - the Health and Safety Executive;

- the Environment Agency;
- Audit Commission – Whistle-blowers
- the Independent Police Complaints Commission; and
- the Serious Fraud Office.

15 Contact Information

Role	Name	Contact Address	Telephone Number	Email
OPFCC Chief Executive	Gill Shearer	Carleton Hall Penrith	01768 217734	Gill.shearer@cumbria.police.uk
OPFCC Deputy Chief Executive	Vivian Stafford	Carleton Hall Penrith	01768 217734	Vivian.stafford@cumbria.police.uk
Chief Finance Officer	Steven Tickner	Carleton Hall Penrith	01768 217734	Steve.tickner@cumbria.police.uk
Protect	Whistleblowing Charity	The Green House, 244-254 Cambridge Heath Road, London E2 9DA.	020 31172520	
Internal Audit	TIAA Ltd	Artillery House, Fort Fareham, Newgate Lane, Fareham, PO14 1AH	0845 3003333	enquiries@tiaa.co.uk
External Audit	Michael Green	Grant Thornton UK LLP, Landmark, St Peter's Square, 1 Oxford Street, Manchester M1 4PB	0161 953 6900	website.enquiries.manchester@uk.gt.com

16 Supporting Staff

16.1 Raising an issue within a workplace environment can be an emotional and stressful situation for both the member of staff raising the concerns and those who allegations are being made against. Should a member of staff require emotional support during an investigative process this could be provided in a number of different ways:

- Staff Associations
- Occupational Health
- Family member, friend or work colleague

16.2 Where a member of staff has someone supporting them through the process and wishes for them to be updated as to what is happening, they would need to provide the OPFCC with written consent, giving the name and contact details of the individual. They should also advise to what extent they would wish them to be advised of what is taking place. They would not be involved in the investigation of the matter and would purely be there to support the individual member of staff.

17 Cumbria Constabulary or Cumbria Fire and Rescue Service Staff/Employees

17.1 The Police, Fire and Crime Commissioner has oversight and governance responsibility for both Cumbria Constabulary and Cumbria Fire and Rescue Service. Where an individual has concerns within their organisation, they should use the reporting mechanisms available to them.

17.2 Alternatively they can contact the OPFCC Monitoring Officer to discuss their concerns. The Monitoring Officer will advise them of the best course of action or route for them to raise their concerns.

18 Monitoring, Review and Evaluation

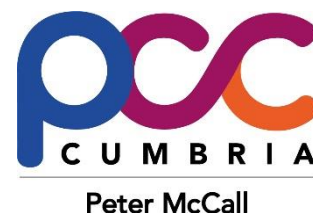
18.1 The OPFCC will review the Whistleblowing Policy every three years. The policy will be revised as required to reflect any changes in regulation and statutory guidance.

Appendix 1:

Confidential Reporting (Whistleblowing) Form

<p>What concern(s) do you wish to raise? <i>In your own words describe your concern(s), include date(s), time(s), persons involved, including any witnesses, location, the length of time you have been concerned.</i></p>	
<p>Why are you concerned about the issue(s)?</p>	
<p>Have you discussed the issue(s) with anyone else?</p>	<p>Yes / No</p>
<p>If yes, with whom and when?</p>	
<p>What was the outcome of this previous discussion?</p>	
<p>Signed</p>	
<p>Print name</p>	
<p>Date and contact details</p>	
<p><i>Please send this form in a sealed envelope marked private and confidential to a senior manager or a named Contact from the Contacts List provided in Section 15.</i></p>	

Joint Audit Committee



Title: OPFCC Anti-Fraud & Corruption and Confidential Reporting Procedures Review

Date: 3 November 2023

Agenda Item No: 13c

Originating Officer: Joanne Head, Governance Manager

CC:

1. Introduction & Background

- 1.1 The Office of the Police, Fire and Crime Commissioners (OPFCC) overall framework of controls, policies and systems and processes are in place to protect against fraud, legal challenge, provide standards of conduct, and ensure that the organisation is well governed.

2. Issues for Consideration

- 2.1 The **Anti-Fraud and Corruption Strategy and Procedure** supports the OPFCC's good governance. This document supports the Policy and Procedure within financial regulations and provides a joint statement of intent from the Commissioner and Constabulary. It is to support confidential reporting requirements and ensure staff know how they can report any concerns. It also includes the key forms that must be completed by relevant staff for related party transactions, declaration of interests and the code of conduct undertaking.
- 2.2 This procedure and associated documents are subject to a fundamental review every 3 years to avoid all documents undergoing such a review in a single year. Any changes or amendments to the documents are planned to be presented to the Joint Audit Committee at its November meetings.
- 2.3 The **Confidential Reporting (Whistleblowing) Policy** provides a clear Policy for all Employees and members of the public to use should they wish to report or raise issues of concerns about misconduct within the organisation.

Recommendation:

That the committee notes the updated documents appended to this report.



[Anti Fraud and Corruption Policy and supporting procedures](#)

Policy:	Anti-Fraud and Corruption, Business Interests and Additional Occupations, Association and Substance Misuse Policy and supporting procedures. Lost ID Card Procedure.	
Approved by which board (or Chief Officer) and date:	Operations Board – 2 nd September 2021	
Owner	Superintendent Head of People Department	
For release under Freedom of Information?	Yes	
Supporting procedures	Included in appendix	
Contact for advice	Professional Standards Department	
Review date	July 2024	

If changes have been made to an existing policy, you must complete the boxes below

Amendments made	An amalgamation of a number of policies into one which also incorporate procedures as appendix.
Date and Version Number	April 2019 – Version 1.0 July 2021 – Version 1.1

Amendments made	Amended Association and Business Interests Procedures embedded.
Date and Version Number	March 2023 v 2

1. Equality Analysis

What is the potential impact in relation to the General Duty of this proposal on each of the protected groups below?

Protected characteristics	Positive Impact				Negative Impact (provide details and mitigating actions taken or proposed)	No Impact (v)
	Does the proposal:					
	eliminate unlawful discrimination (provide details)	advance equality of opportunity (provide details)	Foster good relations (provide details)	Other positive impact (provide details)		
Age	The policy will make sure that anybody of any age will be dealt with in the same way therefore eliminating discrimination	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	A positive message is given to all staff/volunteers/contractors that all personnel no matter what position they hold within the force would be treated in the same way			
Disability	The policy will make sure that anybody with any disability will be dealt with in the same way therefore eliminating discrimination. Reasonable adjustments in accordance with the Equality Act 2010 will be implemented when required.	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	A positive message is given to all staff/volunteers/contractors that all personnel no matter what position they hold within the force would be treated in the same way			
Sex	The policy will make sure that anybody of any gender will be	As all people that commit fraud/corruption will	A positive message is given to all staff/volunteers/contractors			

	dealt with in the same way therefore eliminating discrimination	receive the same investigation, equality of opportunity would be afforded to all	that all personnel no matter what position they hold within the force would be treated in the same way			
VAWG						√
Sexual orientation	The policy will make sure that anybody of any sexual orientation will be dealt with in the same way therefore eliminating discrimination	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all			
Gender reassignment	The policy will make sure that anybody from the trans community will be dealt with in the same way therefore eliminating discrimination	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	As all people that commit fraud/-corruption will receive the same investigation, equality of opportunity would be afforded to all			
Marriage and civil partnership	No impact					√
Pregnancy and maternity	The policy will make sure that anybody that is pregnant will be dealt with in the same way therefore eliminating discrimination	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	A positive message is given to all staff/volunteers/contractors that all personnel no matter what position they hold within the force would be treated in the same way			

Race	The policy will make sure that anybody of any race will be dealt with in the same way therefore eliminating discrimination. Reasonable adjustments in accordance with the Equality Act 2010 will be implemented when required.	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	A positive message is given to all staff/volunteers/contractors that all personnel no matter what position they hold within the force would be treated in the same way			
Religion and belief including non-belief	The policy will make sure that anybody of any religious belief will be dealt with in the same way therefore eliminating discrimination. We will where appropriate respect different cultural customs and religious practises	As all people that commit fraud/corruption will receive the same investigation, equality of opportunity would be afforded to all	A positive message is given to all staff/volunteers/contractors that all personnel no matter what position they hold within the force would be treated in the same way			

If there is no potential impact (positive or negative) please provide a brief explanation why this is the case, e.g. The data utilised in arriving at the decision, summary of responses to consultation etc.

Brief explanation of the 'no impact' decisions above

2. Aim

Seek to maintain the highest standards of professional behaviour expected of all Police Officers and Police Staff in order to achieve the highest levels of confidence in Cumbria Constabulary with reference to the College of Policing Code of Ethics (2014).

Where these standards have not been met then this policy and supporting procedures address the action to be taken.

Ensure that Cumbria Constabulary provide an ethical service that is open and transparent, engendering trust and confidence both internally, amongst those within the organisation and, members of the public.

Ensure parity in decision making process across the whole of the policing family.

To ensure that welfare needs, safeguarding and risk assessments of individuals subject to any area within this policy are properly accounted for, this may extend to the needs of their families.

Assurance that the individuals and organisations (e.g. suppliers, contractors, service providers) with whom the Constabulary come into contact can themselves be relied on to act with integrity and without motivations or actions involving fraud and corruption. All personnel are responsible for the prevention of fraud and corruption.

Give members of the Constabulary and members of their families, where applicable, the opportunity to pursue a legitimate business interest. The business interest must be compatible with the duties of police officers and police staff and also the function of the Constabulary.

Protect the integrity of all Cumbria Constabulary employees from associations with an individual or group/s that may introduce an element of vulnerability and create the potential for compromise resulting from inappropriate associations, or to undermine public confidence and trust. Provide an effective method by which individuals can report concerns about association.

The policy is mandatory and applies to all police officers, special constables, police staff, volunteers and agency staff under the direction and control of the Chief Constable and assisting the Constabulary in pursuing its aims, and those third parties with whom the Constabulary have dealings.

This policy has been written to bring together a number of policies and supporting procedures under one document to enable a simpler and more effective way in which every member of the police family can access, read and use.

3. Terms and Definitions

Fraud

“Fraud can be broadly defined as the deliberate use of deception or dishonesty to disadvantage or cause loss (usually financial) to another person or party”. (Fraud Advisory Panel 2015).

Corruption

“A Law Enforcement Official commits an unlawful act or deliberately fails to fulfil a role arising out of an abuse of their position, for personal or perceived advantage having the potential to affect a member of the public”. (IPCC/ACCAG definition).

Theft

“The dishonest appropriation of property belonging to another with the intention of permanently depriving the other of it” (Theft Act, 1968).

Definitions

Association – is described as one or any combination of the following:

- Meeting or uniting for a common purpose;
- Keeping company or being familiar;
- Being an ally, confederate, partner or colleague;
- Having friendship, intimacy or connection;
- Being a member of a group, organisation or society which is formed for the promotion of a common object or objects.

The term ‘association’ is not intended to include a person whom a staff member knows casually. It is not a chance meeting with a passing acquaintance which may be repeated from time to time and it does not necessarily include merely being members of the same club or association.

Inappropriate Association - Any association will be deemed inappropriate if the personal relationship or involvement with an individual, group or organisation has the potential or is likely to:

- Compromise the individual employee/third party member, or
- Compromise the operation of Cumbria Constabulary, or
- Compromise the reputation of Cumbria Constabulary, or
- Undermine public confidence in Cumbria Constabulary.

In general, it should be presumed that any association with persons with criminal convictions which are not spent, and/or in respect of whom intelligence exists relating to current or recent criminal activities, will be considered as inappropriate.

Group or Organisation - There is no definitive list of groups or organisations deemed inappropriate. This is a matter for those following the procedure to determine but will include Membership of the British National Party, Combat 18 and the National Front as prohibited by force policy.

In addition, this could include:

- Membership by a police officer of any political party where membership involves the officer playing an active part in politics in contravention of Police Regulations;
- Association with groups or organisations involved in law breaking or criminal activity such as certain animal rights groups, football hooligans, etc.;
- Association with groups or organisations which would bring the force into disrepute. This could include, but is not limited to, racist groups or activist groups with aims which contravene the statement of common purpose and values of the Police Service or the intent or effect of any relevant legislation or policies governing Cumbria Constabulary;
- Association with groups or organisations which advocate either active or passive non-compliance with the law.

Compromise – is to place in a position of difficulty or danger, to expose to risk of failure, frustration or disgrace or to cast doubt on one's integrity. In the context of this procedure compromise includes the likelihood or potential of either actual or perceived risk to the individual staff member, operations or reputation of the force.

4. The Policy

Anti-Fraud and Corruption

responsibilities. It expects senior managers to take positive action whenever fraudulent or corrupt activity is suspected. The Constabulary will invoke misconduct procedures as per the current Police Conduct regulations and current Home Office Guidance wherever improper behaviour is indicated, and that if there is evidence of criminal behaviour, appropriate action will be taken.

The nature of the Constabulary is such that the prevention and detection of fraud in society at large is part of the core business conducted by the Constabulary. Consistent with this, and intrinsic to the nature of the Constabulary, substantial additional measures over and above those normally associated with an ordinary government department are taken to ensure the regularity and integrity of actions taken by police officers and police staff. These flow not only from the general body of criminal law, but also the collection of regulation and practice which constitutes the standards and misconduct regime for the Police Service itself. The Constabulary will therefore discharge its duties and maintain a Professional Standards function to oversee its own officers and staff and to represent the Constabulary's oversight interests in these priorities.

This policy outlines the principles which will be pursued in respect of police officers, special constables, police staff, volunteers assisting the Constabulary in its aims, and those third parties with whom the Constabulary have dealings.

This attitude towards fraud and corruption is summarised below:

- 1) Cumbria Constabulary is determined that the fundamental culture and philosophy of their organisations is one of scrupulous honesty and principled opposition to fraud and corruption. It will not tolerate fraud and corruption in the administration of their responsibilities, whether from inside the organisation or externally.
- 2) The Constabulary's minimum expectations regarding propriety and accountability are that members and staff at all levels will themselves set the standard and lead by example in ensuring proper adherence to legal requirements, rules, procedures and practices.
- 3) Senior managers are expected to deal swiftly and firmly with those who defraud the Constabulary who are corrupt. Because of those higher standards of integrity which the public rightly expects of police which the organisation need to assure in order to fulfil their pre-eminent role in maintenance of the rule of law and prevention of crime, the Constabulary reserve the right to treat prima facie evidence of such behaviour as immediately constituting gross misconduct.
- 4) The Constabulary also expect that those external individuals and organisations (e.g. suppliers, contractors, service providers) that it comes into contact with on a business basis, will conduct their dealings with the Constabulary with integrity and without motivation or actions involving fraud and corruption.
- 5) Allegations or concerns that fall within the scope of other policies (e.g. child protection or discrimination issues) will normally be referred for consideration under those policies.

To support this policy it is confirmed that sufficient internal resources will be allocated towards the detection and prevention of fraud and corruption. Interrelated procedures designed to frustrate, detect and identify any attempted fraudulent or corrupt act will be put in place and a formal investigation of any instances or suspected instances of fraud and corruption which may arise will always be undertaken. Details of the strategy supporting this policy and further guidance about what to do if you suspect fraud and corruption acts are taking place are outlined in the Anti-Fraud and Corruption Procedures

[See supporting procedures document – APPENDIX A](#)

Business Interests and Additional Occupations

This Policy sets out the framework to be used by Cumbria Constabulary when managing

the application, approval or refusal, appeals and review of business interests.

The Constabulary is committed to maintaining a professional image and protecting the health, safety and wellbeing of its staff. It is obligated to maintain, and is entitled, to expect high standards of business conduct amongst its employees in order to ensure that public confidence is maintained.

For all police officers and staff who wish to undertake a business interest, Cumbria Constabulary will adopt the principles contained in the ACPO Guidance on the Management of Business Interests and Additional Occupations for Police Officers and Police Staff.

Special Constables are dealt with separately in terms of their employment outside the Service. This is detailed in NPIA Circular 01/2011. The considerations in this circular are broadly similar to those contained within the ACPO Guidance and must be decided on a case by case basis.

The Constabulary will act fairly and proportionately when considering all business interests or additional occupation applications. If an individual wishes to appeal against any decisions made by the Constabulary they must follow the appeals process contained within the attached procedure.

As the individual you need to consider:-

- 1 - Could the voluntary role impact on your ability to perform your role in the Police. (e.g. mountain rescue or other role that might require some form of call out process)
- 2- Involve receipt of expenses, personal issue equipment or formal training qualifications paid for by the organisation.
- 3- Involves regular commitment of work or attendance that may contravene the European working time directive (working more than a 48hr week on average in any rolling 17 week period)
- 4- Conflict with role as a police officer or member of police staff (i.e. is the role or organisation one suitable or appropriate for a member of the constabulary to be part of)

If the voluntary work would fall under one of these areas than you should submit an application

See supporting procedures document – APPENDIX B

Association

The introduction of this policy will act as a deterrent to most employees and other relevant personnel but it is recognised that those who are corrupt are unlikely to report such associations voluntarily. For this there are well established counter corruption enforcement and investigative frameworks in place.

Cumbria Constabulary relies on the honesty and integrity of its staff and those third parties who work with them. As public servants, its staff are expected to observe the highest standards of conduct, in both their private lives and their employment. The community must have confidence in the Constabulary to conduct its duties and execute its powers fairly and impartially without the pressures of external influence or bias.

In practice, the vast majority of staff behave with complete integrity; however, Cumbria Constabulary recognises there is a risk of some officers, staff members or third parties associating with inappropriate persons, groups or organisations.

It is important that everyone understands the rules to be observed to ensure that no doubt is cast on the integrity of the organisation or individuals.

This document sets out the policy on vulnerable associations and the associated guidance notes linked to it.

In recent years the National Threat Assessment has identified inappropriate associations as being one of the major threats facing the Police Service. These procedures are intended to address this threat by protecting individual members of staff and Cumbria Constabulary. Owing to the organisation not being aware at an early stage, measures to support individuals were not possible resulting in an escalation of severity to a point where misconduct proceedings were necessary.

Police personnel come from all backgrounds and aspects of life. They represent a cross section of the community and this in itself is likely to cause potential conflicts and issues. Nationally it is accepted that police personnel can come under pressure from friendships that existed prior to and during their employment and/or family members who become involved in breaches of the law. In such circumstances there is a risk of divided loyalties and the possibility of demands for assistance at some stage.

The private life of police personnel can impact on their professional duties. Officers are reminded of the restriction on the private life of members of police forces set out in Regulation 6 and Schedule 1 of the Police Regulations 2003. This states that a member of a police force shall at all times abstain from any activity which is likely to interfere with the impartial discharge of his duties or which is likely to give rise to the impression against members of the public that it may so interfere. Likewise, the Police Officer Standards of Professional Behaviour sets out that the conduct and associations of Police Staff, at or outside of work, should not give cause for potential discredit to the Force or threaten its reputation. Public confidence in the police depends on police staff demonstrating the highest level of personal professional standards of behaviour.

An association will be deemed vulnerable if a relationship or involvement exists with any person who is known or believed to be within the following categories:

- o Persons with unspent criminal convictions;
- o Persons charged with a criminal offence where matters remain unresolved;
- o Persons known to be under investigation for, but not yet charged with, a criminal offence;

- o Persons subject of criminal intelligence or the subject of an interest marker;
- o Persons dismissed or required to resign from a police service or other law enforcement role for reasons of gross misconduct, e.g. honesty and integrity, which may have a bearing on the reputation of Cumbria Constabulary;
- o Former police officers, law enforcement officers or staff now working in a related field defined as any investigative role with a potential conflict with Cumbria Constabulary operations (e.g. private investigators and legal firms).

It is recognised that staff may not know with certainty whether a person they have a relationship or involvement with falls within the above categories; but if they have any suspicion or doubt that they might, they should discuss this with a supervisor but in no circumstances make their own enquiries by accessing or interrogating force information or intelligence systems.

This is not an exhaustive list and any association falling outside these categories but still meeting the criteria for an inappropriate or vulnerable association should be declared. A vulnerable association is not by default inappropriate but all inappropriate associations are reportable.

[See supporting procedures document – APPENDIX C](#)

Substance Misuse

Cumbria Constabulary is committed to the provision of a safe, healthy and productive working environment, and does not in any way condone the misuse of controlled drugs, whether illegal or prescribed, alcohol and other substances (solvents and gases).

Any instance of substance or alcohol misuse has the potential to impair judgement, which in turn has the potential to impact upon service delivery, public safety and the reputation of Cumbria Constabulary. The purpose of this policy is to deter substance misuse by all who are working for or on behalf of Cumbria Constabulary, in addition to minimise the chances of misusers entering the workplace as well as deterring all from misuse. To encourage those with issues to identify themselves and provide support to those who acknowledge their dependence and who are prepared to undertake a treatment regime. Screen those in safety critical posts and protect those vulnerable to malicious allegations.

The Health and Safety at Work Act 1974 clearly states that it is the responsibility not only of an ‘employer’ but also the ‘employee’ to protect themselves and others who may be affected by their actions. It is a criminal offence to put others at risk by negligent acts or omissions and this includes substance misuse.

Any individual involved in the misuse of drugs exposes themselves to vulnerability in terms of corruption, blackmail and integrity and potentially faces disciplinary and criminal consequences. The supply or use of any illegal drugs by any member of the policing family working in a vulnerable or safety/security critical role may upon investigation be classified as a criminal offence and may fall into misconduct.

The following controlled drugs are currently laid down in statute as being substances to be tested for under this policy:-

- Amphetamine (including ecstasy)
- Cannabis
- Cocaine
- Opiates
- Benzodiazepines.

Cumbria Constabulary reserves the right to alter this list in the event that further substances are identified as illegal by introduction of new statute.

Any drug testing laboratory used by Cumbria Constabulary must be specifically accredited for drug-testing work through appropriate national standards (UKAS and BSI).

[See supporting procedures document – APPENDIX D](#)

Lost ID Card

This procedure sets out the framework to be used by Police Officers, Police Staff and Volunteers representing Cumbria Constabulary in the unfortunate situation where the staff member has lost their identification card.

(Any reference to Volunteers includes: - The Special Constabulary, Police Support Volunteers and Cadets).

The procedure provides clarification of duties and responsibilities.

[See supporting procedures document – APPENDIX E](#)

5. Supporting Information

This policy and supporting procedures have been written giving due regard to the above legislation and has considered the risk of unfair and/or disproportionate impacts on individuals or groups (actual or perceived) and has done so via an equality impact assessment (EIA). This policy takes into account the most recent legislation at the time of writing unless there are any fundamental legal requirements that must be referenced which is included within.

This policy and supporting procedures have been written giving due regard to legislation and has considered the risk of unfair and/or disproportionate impacts on individuals or groups (actual or perceived) and has done so via an equality impact assessment (EIA).

6. Monitoring and Reviewing

The Policy will be reviewed every 3 years unless there is an earlier change in legislation /regulations which requires policy review after being agreed at the Constabulary Business Board.

The Head of People will be responsible for reviewing the policy.

The reviewer will

- Check relevant statistics, comments as necessary and where available, in order to identify any trends, issues or concerns
- Check that the Policy has been put into practice
- Check that the policy is being effective
- Verify that all of the elements are operating properly
- Verify that published procedures are being applied and complied with
- Ensure that the aims of the policy are achieved
- Monitor that the Policy does not discriminate against those with protected characteristics

In the event that an individual feels disadvantaged by the requirements of a Policy or Procedure or where they perceive there to be an impact which is intentionally or unintentionally unfair the matter should be dealt with in accordance with the **Policy and Procedure Review Process / Selection Process Appeals Procedure** contained in the Fairness At Work (Grievance Resolution) Policy and Procedure. This information will also be monitored and considered when reviewing the Policy.

7. Comments and Contact

All comments on how this policy can be improved are welcomed and should be forwarded to the Policy Owner at the correspondence address below:

Head of People
Corporate Support
Cumbria Constabulary Police Headquarters
Carleton Hall
Penrith
Cumbria
CA10 2AU

E-mail: PSDadmin@cumbria.police.co.uk

Please open in Desktop App to open appendices (click 'editing' top right)

APPENDIX A – Anti Fraud and Corruption procedure



Anti Fraud and
Corruption Procedure

APPENDIX B – Business Interest and Additional Occupation procedure.



Business Interest and
Additional Occupation

APPENDIX C – Association Procedure -



Associations
Procedure.docx

APPENDIX D – Substance Misuse Procedure -



Substance Misuse
Procedure.docx

Appendix E – Lost ID Card Procedure



Lost ID Card
Procedure 2021.docx

Anti-Fraud, Bribery & Corruption Strategy 2023/24

Version Control	Changes Made	Date	Author
V1	Drafted	16/10/2023	S.151 Officer

Making Cumbria a safer place for all



1.0 Introduction

- 1.1 The new Anti-Fraud, Bribery and Corruption Policy incorporates the Service's approach to the following:
- Fraud
 - Bribery and corruption
 - Money laundering
 - Tax evasion

Cumbria Fire and Rescue Service takes its responsibility for safeguarding public monies seriously and has a zero-tolerance approach to fraud; bribery and corruption; money laundering; and tax evasion. Fraud and corruption reduce the resources available to deliver services to those people who depend on us. Failure to put in place effective measures to counteract financial irregularities may also damage the Service's reputation.

- 1.2 The people of Cumbria are entitled to expect the Service to operate with integrity, honesty, and openness. They rightly expect the highest standards from all those connected with CFRS in any official capacity. CFRS is therefore committed to combating fraud and taking action against anyone who attempts to commit fraud against it.
- 1.3 CFRS also has statutory obligations regarding these areas, for example, it may be held liable for an offence under the Bribery Act 2010 if it fails to prevent a person (who could be an officer, elected representative, or any contractor or sub-contractor who provides services on the Service's behalf) from committing bribery.
- 1.4 Having and adhering to adequate procedures to prevent bribery provides CFRS with a defence against liability under the Bribery Act 2010.
- 1.5 CFRS is also committed to ensuring we have effective arrangements to prevent, detect and report suspected money laundering activities in line with the Proceeds of Crime Act 2002 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. The Service's policy is to ensure that all appropriate action is taken to prevent the Service and its staff being exposed to money laundering, and that actual or suspected incidences of money laundering are reported in line with the requirements of the Money Laundering regulations.
- 1.6 Finally as an employer, if we fail to prevent our employees, workers, agents or service providers facilitating tax evasion, we can face criminal sanctions including an unlimited fine, as well as damage to our reputation. We therefore take our legal responsibilities seriously and will uphold all laws relevant to countering tax evasion, including the Criminal Finances Act 2017.

2.0 Definitions

- 2.1 For the purposes of this policy, financial irregularity means fraud, bribery, corruption, money laundering, tax evasion or facilitating tax evasion.

Fraud

- 2.2 Fraud is defined within the 2006 Fraud Act which sets out three categories of fraud:
- a. False representation - where a person makes a false representation in order to cause a gain for themselves or a loss to another person.
 - b. Failure to disclose information - where there is a legal duty to do so.
 - c. Abuse of position - where a person abuses the position, they hold to cause a gain to themselves or a loss to another person.
- 2.3 Crucially, under the Fraud Act, the gain or loss does not have to have materialised for fraud to have been committed; it is the action and intent that creates the offence of a fraud.
- 2.4 Examples of fraud include (but are not limited to) submission of fictitious or inflated invoices, expense claims or timesheets, use of Service information or assets for personal gain, failure to declare relevant information and manipulation of quotes and tender submissions.

Bribery

- 2.5 Bribery means offering or giving someone a financial or other advantage to encourage them to perform their functions or activities improperly or rewarding someone for having already done so. This includes:
- a. Offering or giving a bribe to another person.
 - b. Receiving or agreeing to receive a bribe from another person.
 - c. Facilitation payments (unlawful payments demanded by officials to perform or expedite the performance of their normal duties).
- 2.6 CFRS commits an offence if a person associated with it bribes another person for the Service's benefit. An "associated person" includes officers, elected representatives, service providers and other partners.
- 2.7 Officers and representatives involved in planning and procurement should be especially aware of the possibility that they may be targeted for attempted bribery.

Corruption

- 2.8 Corruption is the offering, giving, soliciting or acceptance of an inducement or reward which may influence any person to act inappropriately.

Money laundering

- 2.9 Money laundering is the process by which criminally obtained money or other criminal property are exchanged for "clean" money or other assets with no obvious link to their criminal origins.
- 2.10 The formal definition of money laundering is set out in the Proceeds of Crime Act 2002 as:

- a. The process by which the proceeds of crime are concealed, disguised, converted, transferred or removed from England, Wales, Scotland or Northern Ireland.
- b. Being involved in an arrangement which a person knows, or suspects facilitates the acquisition, retention, use or control of criminal property.
- c. Acquiring, using or possessing criminal property.

- 2.11 There are also secondary offences of:
- a. Failure to disclose money laundering offences.
 - b. Tipping off a suspect, either directly or indirectly.
 - c. Prejudicing an investigation.

Tax evasion

- 2.12 Tax evasion means the offence of cheating the public revenue or fraudulently evading UK tax and is a criminal offence. The offence requires deliberate action, or omission with dishonest intent. For the purposes of this policy tax evasion includes foreign tax evasion.
- 2.13 Tax evasion facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

3.0 Policy Statement

- 3.1 The aim of this policy is to make clear to all employees (including permanent, temporary and agency staff), the PFCC, contractors, consultants, volunteers, other bodies and the public, CFRS's approach to financial irregularities.
- 3.2 CFRS is committed to the prevention, deterrence, detection and investigation of fraud and other financial irregularities and has a zero-tolerance approach. Robust arrangements are in place to deal with any financial irregularities committed against the Service including both disciplinary and criminal proceedings where appropriate. All allegations of fraud will be robustly investigated, and the Service also has procedures in place to protect both individuals raising legitimate concerns, as well as protecting individuals from false/vexatious accusations.
- 3.3 CFRS's policy aims to ensure that all appropriate action is taken to prevent the Service and its members and officers being exposed to bribery and sets out what officers and members are expected to do if they suspect bribery.
- 3.4 CFRS opposes all corruption and will support its employees at all times in acting ethically.

4.0 Scope

- 4.1 The policy applies to elected representatives and all officers of the Service. The term 'officers' includes all staff working for CFRS whether full-time or part-time, paid, or voluntary, temporary or casual and staff employed through an agency.
- 4.2 Where CFRS services are delivered by other organisations, CFRS is still responsible for safeguarding the interests of service users and taxpayers and therefore expects the same high standards of conduct and behaviour from all individuals working with and on behalf of the Service.
- 4.3 Where it is suspected that fraud has been committed against the Service by staff from 3rd party organisations, we will, where appropriate, report the matter to the employing organisation and will support them fully in dealing with the issues under their respective organisational policies and procedures.
- 4.4 CFRS will adhere to provisions in procurement law requiring the exclusion of contractors convicted of active corruption.
- 4.5 CFRS will also include clauses in tender documents and contracts which permit exclusion of contractors, termination of contracts and recovery of losses by the Service in the event of an act of corruption by a tenderer or contractor (including sub-contractors).

5.0 Corporate culture and frameworks

- 5.1 CFRS is committed to creating an environment where the risk of financial irregularities is minimised. Responsibility for an antifraud culture is the joint duty of all those involved in giving political direction, determining policy and management.
- 5.2 The PFCC and senior management are committed to creating a culture that is resilient to the threats of financial irregularities and which aligns to the standards of good governance.
- 5.3 Managers at all levels are required to acknowledge and identify the risks of financial irregularities occurring within their service areas and implement controls to mitigate these risks.
- 5.4 Senior management is expected to act promptly and decisively in relation to those involved in financial irregularities.
- 5.5 The Service expects that the PFCC and officers will lead by example in ensuring adherence to all legal requirements, contract and financial procedure rules, codes of conduct and best practice. There are a range of interrelated policies and procedures that provide a corporate framework to counter fraudulent activity.
- 5.6 These have been formulated with regard to the relevant legislative requirements and could include:
 - Codes of conduct for officers and members
 - Appointment of statutory officers
 - Financial regulations
 - Contract Procedure Rules
 - Effective Recruitment and Selection Policy
 - Disciplinary Procedure
 - Confidential Reporting Policy
 - Data Protection Policy
 - Data Breach Reporting Policy
 - Records Management Policy
 - Information Security Policy
 - Acceptable Use Policy
- 5.7 Line managers are responsible for ensuring that all their staff are aware of and understand their responsibilities within this policy and for periodically reminding staff of these.

6.0 Responsibilities in relation to financial irregularities

- 6.1 The Chief Fire Officer and Senior Leadership Team are responsible for communicating the Anti-Fraud, Bribery and Corruption Policy to the PFCC and employees, and for promoting awareness of the commitment to eliminating all forms of corruption.
- 6.2 The Chief Fire Officer and Senior Leadership Team are responsible for ensuring that any risk of financial irregularities is identified, documented and managed at the appropriate level in the Service. Managers are responsible for ensuring there are appropriate controls within their systems to prevent fraud.
- 6.3 The Monitoring Officer (Chief Legal Officer) is responsible for ensuring that everything the Service does is fair and lawful and for promoting, maintaining and monitoring high standards of conduct throughout the Service, including ensuring that the Corporate Governance Framework is followed.
- 6.4 The Section 151 Officer (Chief Finance Officer) is responsible for the proper administration of CFRS's financial affairs and is the Senior Leader responsible for maintaining this policy and overseeing the Service's approach to fraud through regular liaison with Internal Audit.
- 6.5 The Police, Fire and Crime Commissioner, as elected representative has a duty to protect the Service, and public money, from all forms of abuse and to avoid conflicts of interest. The PFCC is required to operate within the Code of Conduct which they agree to comply with following their election and must also declare any interests.
- 6.6 All managers are responsible for ensuring that if they receive an allegation under this policy, they:
 - a. Deal with the matter promptly in line with this policy.
 - b. Record, preserve and secure all evidence received.
 - c. Implement the Service's disciplinary procedures where appropriate.
- 6.7 Each officer and the PFCC is responsible for their own conduct, for avoiding and declaring conflicts of interest and for performing their functions with honesty and integrity, in the public interest.
- 6.8 All staff are responsible for compliance with the Service's financial regulations and also ensuring that they do not:
 - a. Engage in any form of financial irregularities.
 - b. Aid, abet, counsel, procure or commission any other person to engage in any financial irregularities.
 - c. Become engaged in activities with clear conflict of interests (for example providing services for close friends and family).
 - d. Engage in any other activity that may lead to a breach of this policy; or
 - e. Threaten or retaliate against any person who raises concerns under this policy.
- 6.9 All employees and the PFCC are required to be vigilant to the possibility that financial irregularities may occur and have a responsibility to report any suspicions through the arrangements described within this policy. Where an employee or the PFCC fails to report suspicions, they themselves may become implicated in the wrongdoing and the Service will treat failure to report concerns as a serious matter which may in the case of a person employed by the service, amount to a disciplinary matter.

- 6.10 Internal Audit, as part of their planned audit assignments, help to ensure that management have put systems and processes in place to prevent and detect fraud and corruption. They also investigate cases of alleged or suspected fraud or irregularity as required.
- 6.11 External Audit delivers specific reviews that are designed to test, amongst other things, the adequacy of the Service's financial systems and arrangements for preventing and detecting fraud and corruption. Whilst it is not the external auditor's function to prevent and detect fraud they are always alert to the possibility of fraud and irregularity and will act promptly if grounds for suspicion come to their notice.
- 6.12 The Service has established a Joint Audit Committee and Ethics and Integrity Panel. Their terms of reference are set and include oversight of the Service's risk management activities and monitoring the Service's anti-fraud, bribery and corruption arrangements.

7.0 Prevention

- 7.1 CFRS's main aim is to prevent financial irregularities from occurring. This is done through a combination of an effective ethical culture and behaviours whereby wrongdoing is seen as unacceptable by everyone and maintaining well-controlled systems that do not allow wrongdoing to succeed.
- 7.2 A key element in financial irregularity prevention is the regular checks undertaken by managers to confirm that their financial irregularity controls continue to work effectively. Internal Audit can advise on appropriate controls to mitigate risk, but it is managers' responsibility to ensure controls are implemented and continue to work effectively.
- 7.3 A key stage in upholding the Service's ethical culture is through recruitment of appropriate staff. Managers are responsible for ensuring that all appropriate checks are undertaken to establish, as far as possible, the honesty and integrity of potential employees, whether for permanent, temporary or casual posts, or agency staff. All recruitment must therefore be conducted in accordance with the Service's Recruitment and Selection policy and associated procedures and standard DBS checks are undertaken for all staff and volunteers.
- 7.4 Training events and communication of relevant information will be conducted by the Service to ensure relevant officers have a complete and up to date knowledge of fraud risks.

8.0 Gifts, Hospitality and Donations

- 8.1 Under the Bribery Act 2010, the provision of genuine hospitality is not an offence, so businesses are, for example, able to offer appropriate gifts to clients, take clients to dinner, and offer other hospitality if that is reasonable and proportionate expenditure for their business.
- 8.2 Employees and the PFCC may only receive gifts and hospitality in accordance with the relevant Codes of Conduct.

9.0 Data Matching for the Purpose of Fraud Prevention

- 9.1 CFRS participates fully in the mandatory biennial National Fraud Initiative (NFI) which is co-ordinated by the Cabinet Office. The National Fraud Initiative matches electronic data within and between public and private sector bodies to prevent and detect fraud. These bodies include police authorities, local probation boards, fire and rescue authorities as well as local Services and a number of private sector bodies. The Service is required to review and investigate any potential fraud or irregularities identified by the NFI.

- 9.2 CFRS may also use further internal and external data matching exercises between its own systems for the purposes of preventing and detecting fraud. Any such arrangements will be in full compliance with relevant legislation covering information governance.

10.0 Reporting concerns

- 10.1 Any person who suspects that corruption financial irregularity may be taking place must report their suspicions.
- 10.2 The report should be made to your line manager in the first instance, unless there are reasons why you are unable to report to your line manager. In this case, the report should be made to the Deputy Chief Fire Officer or Chief Fire Officer or directly to either Internal Audit, the S151 Officer (Chief Finance Officer) or Monitoring Officer. Managers receiving credible reports of suspected financial irregularities, and officers who are unable to discuss their concerns with management within their Service area must contact Internal Audit, by contacting the internal auditors, TIAA, (www.tiaa.co.uk, 0845 300 3333, or enquiries@tiaa.co.uk), with details included in the Financial Irregularities Reporting Form at Appendix 1, who will then liaise with the Chief Finance Officer, the Monitoring Officer and/or the Head of People & Talent, as appropriate, to discuss the best course of action. This may involve a referral to Cumbria Police.
- 10.3 If you suspect that a financial irregularity has taken / is taking place you must not attempt to investigate the matter yourself nor confront any person suspected of being involved. You should note as much detail as possible to allow the matter to be investigated, but you must not go looking for evidence or take any action that may alert the individual(s) to your suspicions. You must not attempt to find information by switching on the person's computer as this can seriously prejudice further investigation.
- 10.4 CFRS has a Whistleblowing Policy which enables individuals to make disclosures in the public interest where they feel unable to report under other policies and there is a specific email address to disclose such concerns.

11.0 Investigation, sanctions and recovery of losses

- 11.1 Managers receiving referrals of suspected financial irregularity must report their concerns in accordance with paragraph 10.2 above. Once reported Internal Audit will contact the manager to discuss the most appropriate arrangements for investigating. Any decision on how best to investigate will be made by the Head of Internal Audit after consultation with the relevant service manager, S151 Officer and HR and/or Monitoring Officer, as appropriate to the individual case. Internal Audit will conduct an investigation of the fraud, in line with relevant policies and provide advice and support to management on the suspected fraud and advise on strengthening controls following any incidents.
- 11.2 It is the Service's policy that all suspected irregularities will be investigated and where fraud, bribery, corruption, money laundering or tax evasion is found to have been committed, action will be taken. Consideration will be given in all cases to referral to the police where criminal activity is suspected. Where a financial irregularity has been committed by a member of Service staff, the disciplinary procedures will be invoked together with a referral to the police as appropriate.
- 11.3 The Service will pursue recovery action to recover misappropriated assets. This may involve using the proceeds of crime act (POCA), as well as civil sanctions.
- 11.4 We will publicise actions taken against anyone found to have committed a financial irregularity against the Service as part of our strategy to reduce fraud risk.

12.0 Contacts

Head of Internal Audit	Andrew McCulloch (TIAA) Telephone: 0845 300 3333 Email: enquiries@tiaa.co.uk
Monitoring Officer	Telephone: Email
Section 151 (Chief Finance) Officer	Steven Tickner, Chief Finance Officer Telephone: 07733 668909 Email: steven.tickner@cumbriafire.gov.uk

Appendix 1: COUNTER FRAUD – REFERRAL FORM

RESTRICTED INFORMATION

This form should be used to report suspected fraud, bribery, corruption, money laundering or tax evasion.

Name	
Email address	
Phone number	
Is the activity: <ul style="list-style-type: none"> • Happening • About to happen • Already happened 	
Date:	

Use the space below to describe your concerns in as much detail as possible. Please ensure you cover who you suspect is involved, what you believe to be happening, when and where it happened and, if known, how the activity is being undertaken.

Please remember that you must not undertake independent investigations of suspected financial irregularities.

Please email this form, and any additional evidence, to enquiries@tiaa.co.uk once complete



Cumbria Office of the Police, Fire and Crime
Commissioner

Grant Regulations 2023/24

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Definitions

‘Regulations’ – means these Grant Regulations.

‘Commissioner’ – means the Police, Fire and Crime Commissioner for Cumbria.

‘Commissioners Monitoring Officer’ – means the Chief Executive.

‘Chief Executive’ – means the person appointed by the Commissioner to be head of the Commissioner’s staff as defined within the Police Reform and Social Responsibility Act 2011.

‘COPFCC’ – means Cumbria Office of the Police, Fire & Crime Commissioner.

‘Commissioning Strategy’ – the Commissioner’s strategy setting out the overall arrangements for commissioning in accordance with the budget and the priorities within the Police and Crime Plan.

‘Small Grant Scheme’ – The scheme provides funding for initiatives that support objectives in the Police and Crime Plan including community initiatives. In March 2020 the Commissioner introduced the Covid 19 Community Recovery Fund to provide immediate support to providers and community groups, so they can continue to offer support to victims. This fund will end on the 30th September 2020 The Commissioner also has the Property Fund available for community and voluntary groups to access with an aim to reduce crime and disorder at a local level and to support victims to cope and recover.

‘DPA’ – means the Data Protection Act

‘EU Procedure’ – means the set of established, detailed procedural rules which must be observed when awarding works, supplies, and services contracts over the EU monetary thresholds and are intended to promote fair and open competition and a single European Market under The Public Contract Regulations 2015.

‘FOI’ – means The Freedom of Information Act 2000.

‘Organisation’ – means the Cumbria Office of the Police, Fire & Crime Commissioner

‘Total Value’ – means the anticipated total spend over the lifetime of a requirement for goods, services or works. This may include implementation costs, ongoing operational costs, and end of life disposal.

‘Value for Money’ – means the optimum combination of whole life costs and quality (or fitness for purpose) to meet the user’s requirement.

‘Cumbria Compact’- a voluntary compact between VCSE groups and public sector bodies to support collaborative working.

‘VCSE’ – means the voluntary, community and social enterprise sector.

‘Anti-Social Behaviour’ -The Anti-social Behaviour, Crime and Policing Act 2014 definition encompasses a variety of behaviours covering a whole complex of activities which may be unacceptable in different contexts. Section 2 of the Act defines ASB as;

- **conduct that has caused, or is likely to cause, harassment, alarm, or distress to any person.**
- **conduct that is capable of causing nuisance or annoyance to a person in relation to that person’s occupation of residential premises or,**
- **conduct capable of causing housing related nuisance or annoyance to any person.**

“Crime and Disorder Reduction” means reduction in levels of:

- (a) crime and disorder (including anti-social behaviour and other behaviour adversely affecting the local environment),
- (b) the misuse of drugs, alcohol and other substances, and
- (c) re-offending.

Introduction

Welcome to the Grant Regulations for the Cumbria Office of the Police, Fire and Crime Commissioner. This document sets out for our staff and partners the rules by which the COPFCC will award crime and disorder reduction grants and grants to help victims, witnesses and others affected by offences and anti-social behaviour. These regulations alongside the Procurement Regulations aim to support the delivery of the Commissioning Strategy and Plan.

Grant regulations aim to ensure that grant awards are made in a fair, transparent and consistent manner,

Police and Crime Plan

The vision within the Commissioner's Police and Crime Plan is that:

"Cumbria remains a safe place to live, work and visit, where the public has a say in policing and organisations and community groups work together to address the causes of crime, as well as the consequences"

ensuring the highest standards of probity and accountability. They also secure that the processes that underpin decision making are robust and that the terms and conditions applied to grant agreements are appropriate to the amount of the grant award and the purpose for which it has been made. Our regulations aim to safeguard public money, supporting decisions that direct funding towards activity and interventions that will have the greatest impact on reducing crime and disorder and deliver best possible outcomes for victims. In doing this we aim to ensure that a wide range of organisations have the opportunity to work with us in support of the vision within the Police and Crime Plan.

The Grant Regulations apply to the issuing of crime and disorder reduction grants and grants to help those affected by offences and anti-social behaviour. They operate alongside the Commissioner's Procurement Regulations. They do not negate the requirement to comply with procurement regulations for the procurement of supplies, goods and services where the Commissioner receives the direct economic benefit of that supply or where the arrangements are likely to be above the thresholds of the EU procurement directive.

Purpose, Responsibilities and Policy

Responsibilities

The Commissioner is responsible for all awards of grants and decisions to enter into grant agreements. All grant awards and grant agreements must be in the name of the “**The Police, Fire and Crime Commissioner for Cumbria**”.

The Chief Executive will be responsible for ensuring that staff of the COPFCC comply with these regulations; for securing the safekeeping of registers of grant awards and grant agreements; and for securing that records are maintained of exemptions to the open procedure.

The Head of Partnerships and Commissioning is responsible for:

- Maintaining robust and up to date grant regulations; to ensure the grant regulations are complied with.
- Ensuring the exercise of due diligence through effective processes and procedures prior to decision making
- The overall arrangements for assurance when awarding funding, to ensure the safeguarding of public funds and the delivery of priorities within the Police and Crime Plan.
- Ensuring that total funding awarded through grants and grant agreements is within the amount allocated annually within the budget, and for awards across multiple years, within the amounts set out within the Commissioning Strategy.
- Meeting all publications requirements with regards to the award of grants and grant agreements.

The Director of Legal Services will be responsible for the provision of advice on grant agreements including advice on terms and conditions.

All staff employed by the Commissioner must abide by these Regulations in the conduct of the business of the office.

Purpose

The purpose of these Regulations is to:

- Achieve Value for Money and support the priorities within the Police and Crime Plan
- Be consistent with the highest standards of integrity and ensure fairness in allocating grants.
- Comply with all legal requirements, particularly in relation to the EU Public Procurement Rules
- Secure good governance in respect of decisions to award grants and enter into grant agreements.

Policy

The policy for COPFCC grant awards and agreements is that:

- The award of grants is limited to VCSE organisations or other public sector partners for the purposes of partnership working.
- All activity undertaken to develop opportunities for grant awards and grant agreements is undertaken with the primary objective of supporting the Commissioner to deliver statutory responsibilities and achieve the priorities and objectives within the Police and Crime Plan.
- Decisions to award grants and enter into grant agreements should do so to achieve best Value for Money and social value, taking into account the amount of funding being committed and the outcomes that aim to be delivered from that funding, including social, economic and environmental benefits.
- The process to award grants should be proportionate to the amount of the grant award and the purpose for which it is being given. Processes will achieve an appropriate balance between risk, innovation and delivery.
- The award of grants will be undertaken in a transparent, fair and consistent manner, ensuring the highest standards of probity and accountability.
- All staff involved in commissioning activities will adhere to these Regulations and the Procurement Regulations. Consideration will be given to circumstances where members of staff would need to be excluded where their position may be compromised.
- The award of grants will be, where possible, undertaken in accordance with the principles set out in the Cumbria Compact.
- All commissioning activity shall comply with statutory requirements including, but not limited to, UK legislation, Directives of the European Community and relevant Government guidance.



Procedure for Grant Awards and Grant Agreements

Introduction

Police, Fire and Crime Commissioners have responsibility for enhancing criminal justice, community safety, reducing crime, and supporting victims. In carrying out those responsibilities the Anti-Social Behaviour, Crime and Policing Act 2014 provides Commissioners with wide powers to provide or commission services that:

- in the opinion of the Commissioner, will secure, or contribute to securing, crime and disorder reduction.
- are intended by the Commissioner to help victims or witnesses of, or other persons affected by, offences and anti-social behaviour.

In arranging for the provision of these services the legislation provides that the Commissioner may make grants in connection with the arrangements. The grants may be subject to any appropriate conditions, including conditions as to repayment.

In Cumbria these grant regulations set out the arrangements for making grants and entering into grant agreements for the purposes of exercising those powers and responsibilities. These regulations will apply in supporting the delivery of the Commissioning Strategy other than in cases where commissioning activity is being fulfilled through the Commissioner's procurement regulation.

These grant regulations have been developed to ensure that all those services, projects or initiatives funded by the PFCC maintain a minimum set of requirements throughout the period that they are funded. They ensure that those services, projects or initiatives are operating at a safe and effective level and enables the PFCC to hold them to account of delivery and promptly act on concerns raised.

It is incumbent on those applying for funding that they have fully read and understood these conditions, as the submission of an application form and acceptance of any subsequent funding offer will be accepted as confirmation to the agreement of the conditions.

Procedure

The award of grants and entering into grant agreements can only be made by the Commissioner. Officers involved in commissioning activity that is planned to be delivered through a grant award and agreement must adhere to the following procedures:

- Activity must be consistent with the approved Commissioning Strategy, having regard to the commissioning principles set out within the strategy and the commitment to the Cumbria Compact.
- All commissioning activity, where appropriate should be supported by policy or research that identifies the need to commission further activity or interventions prior to the development of any schemes for the award of grants.

- Grants and grant agreements may only be used where they are in accordance with legislation, including the EU procurement regulations and are not seeking to confer a direct economic benefit to the Commissioner. In any other circumstances the Commissioner's Procurement Regulations must be complied with. Where officers are unsure as to whether these Regulations or the Procurement Regulations apply, they must seek the advice of the Director of Legal Services or the Head of Commercial Services.
- Grant awards should be made using an open process, other than for those awards that meet the criteria for exemptions to the open award process.
- An open award process is a scheme that is open to all VCSE providers and publicised through the Commissioner's website and other appropriate media. Open award processes will have a predetermined purpose or set of outcomes and an evaluation model against which funding applications can be assessed. The application process should give careful consideration to the information applicants are asked to provide. Information requirements should not be burdensome but should be sufficient to ensure that the financial standing and delivery capabilities of the applicant can be reasonably assessed.
- The issue of all grants and grant agreements must include terms and conditions appropriate to the amount of the funding and a mechanism through which outcomes can be assessed.
- Grant agreements may be issued to partners on the basis of collaborative and pooled budget arrangements that support the discharge of shared responsibilities. This includes collaborative working with local authority partners to discharge shared responsibilities for community safety and youth offending; collaborative working with health and local authority partners to discharged shared responsibilities for commissioning sexual assault services for victims and collaborative working with probation partners to secure the enhancement of criminal justice and the commissioning of restorative justice services.
- Where partnership arrangements involve collaborative procurement undertaken on the basis of pooled budgets, the lead officer must ensure that the Commissioner's Procurement Regulations are complied with.
- The Commissioner's decision to make a grant award must be documented. This will be through decisions made at the board or through the decision-making process for non-executive decisions for decisions of made by scheme panels or decisions made directly by the Commissioner.
- All decision forms must be signed off by the Chief Executive.

Exemptions to the Open Award Process

The Chief Executive in consultation with the Commissioner may determine exemptions to open award process under specific limited circumstances. Specifically:

- In the event that a VCSE provider experiences financial/other difficulties that places at risk the provision of services to victims and/or at risk client groups, a grant may be provided directly, without an open process, to secure continuity of service delivery either with the existing VCSE provider or an alternate VCSE provider. Direct provision of the grant may not extend beyond a 12-month timeframe.
- In order to manage the transition from national to local commissioning, direct award of grants may be made to an existing or alternate VCSE provider for a maximum of 12 months to secure continuity of service in circumstances where: it is anticipated that the local arrangements will necessitate a full contract tender process and; value for money on the contracting arrangements can be better secured by providing a lead in time for due diligence on the specification requirements or; value for money maybe better secured by providing lead in time to develop collaborative working or different models of service delivery.
- Direct award of funding through a grant agreement can be made where there is a statutory provider and/or where the Commissioner has specific statutory responsibilities discharged through a statutory body or partnership and/or where a group of statutory partners determine to discharge shared statutory responsibilities jointly

through a board or governance structure, for example Safer Cumbria Partnership.

- Direct award of funding through a grant agreement can be made to secure collaborative arrangements on the basis of pooled budgets with other public sector partners to discharge shared responsibilities where to do so secures value for money from the commissioning process in respect of outcomes and/or the efficiency of the commissioning process e.g. single tender process, economies of scale, single contract management arrangements, pooling of expertise/experience.
- A direct Grant award may be made where there is a clear business imperative to making the award. Examples could include funding of a time limited nature that would be lost to the Commissioner by following an open grant process; risk of delivery of key/specific elements of the police and crime plan; the requirement for very specialist services where there are a limited number of providers; pilot/research based projects seeking to develop the capacity/capability of new providers and/or test new initiatives with a view to scheme roll out on an open Commercial Services award basis.

The Cumbria Compact

The Commissioner is committed to the Cumbria Compact, an agreement between public sector bodies, voluntary and community sectors To support working together more effectively to strength community's and improve people lives. Our grant regulations

and strategy will be delivered in accordance with the key principles of the Cumbria Compact.

Officers engaged in commissioning activity will, where appropriate, ensure they are aware of the commitments made by signatories to the compact and seek to operate within the compact agreement

Award of Grants

Grant awards can be made against specific funds set out within the Commissioning Strategy.

Covid-19 Community Recovery Fund: following the outbreak of Covid-19 March 2020 the commissioner provided an immediate response to assist and support organisation and community groups to help them manage the new issues arising in light of the Coronavirus pandemic and as restrictions eased.

The fund helped those groups that were struggling to maintain their vital support to victims by helping them to continue to provide services remotely. The fund is for particular organisations that can have an impact on the priorities within the Police and Crime Plan

This specific fund ended September 2020 and is currently not open to applications.

The Police and Crime Property Fund: The police and crime property fund is a Fund that is awarded by the Commissioner with the aim of funding communities and organisations to work together to reduce crime and disorder locally. The types of applicants/organisations that can apply for a grant are Local Community groups, Neighbourhood Watch Schemes, Parish Councils, Charities, Voluntary Groups, and Schools. Groups must have the support of their locally based Police Officer and/or Police Community Support Officer who will help with the application. Applications for the police and crime property fund will be awarded for schemes that support the following priorities:

- Helping to keep children and young people active and safe.
- Improving the support for vulnerable people to help them feel safer such as the elderly, victims of crime (e.g. abuse or discrimination), and also antisocial behaviour.
- Bringing together parts of the community that find it difficult to talk to or access each other.

The Victims' Services Fund: The victims' services fund is a specific ring-fenced fund backed by a central Government grant to commission the widest possible range of services for victims and by the widest possible

means. The fund will commission a victims referral service helpline from April 2015 and local support services in addition to a victim's information hub. The fund will primarily support collaborative partnership arrangements to transition nationally commissioned services to a regional/local commissioning model. The fund will also support arrangements for small grant awards with a specific focus on victim's advocacy and capacity building within the VCSE sector. In 2020 the Ministry of Justice launched the MOJ Covid-19 Extraordinary Fund to enable PFCC's to help local organisations who support victims of sexual violence and domestic abuse to continue providing vital services. The Commissioner conducted a grant application process in line with MOJ guidance to enable a transparent and fair process to award funding. The grant has been provided by the MOJ on a short-term funding basis up to 31st March 2021.

The Partnership Fund: The partnership fund is a fund that provides for collaborative working and pooled budget initiatives to support the discharge of areas of shared statutory responsibility with our wider public sector partners across health, probation and the local government sectors. The fund provides for the implementation of agreements in support of partnership working across shared responsibilities for victims and witnesses, community safety, crime reduction and anti-social behaviour.

Open Grant Schemes and Evaluation Criteria

All Open Grant Schemes will provide sufficient information to target organisations in respect of the purpose of the scheme and any criteria or specification information against which applications will be considered. Application forms should be easily downloadable from the Commissioner's website and application packs should detail contact information for further advice and/or support. Schemes should specify the evaluation criteria against which bids for funding will be considered. The criteria will be bespoke to each scheme but should include, as a minimum:

- A clear description of the proposal demonstrating how it meets the purpose of the scheme.
- The quality of the submission in relation to performance measures, outcomes, or outputs and how they will be monitored and reported.
- The quality of the applicant's proposal against a detailed scoring and evaluation framework that supports the scheme specification or purpose.
- The quality of financial information and a review of the financial standing of the bidding organisation. For small grant schemes financial standing can be assessed on the basis of submission of the statement of accounts and/or bank statement information.

Specifications and evaluation criteria for schemes of significant value can be complex and will need to be as robust as those developed for a procurement exercise. Officers developing schemes of significant value should seek support and input from the relevant procurement business partner.

Grant Agreement Terms and Conditions

Once a decision has been taken to award grant funding, the arrangements must be set out in writing in an offer letter. The letter must be appended with a grant agreement that sets out the terms and conditions that apply to the funding. The agreement must be sent out with the letter in duplicate and signed by the Commissioner. No payment of funding can be made until the agreement has been signed and returned by the party to which the offer has been made. It is the responsibility of the person leading on the grant scheme and/or implementing the decision to award a grant to ensure the grant agreement has an appropriate set of terms and conditions. The following considerations must be applied:

- a) Where the agreement is being funded from government grant, the terms and conditions of funding must include the terms and conditions that the government grant is subject to. For all other funding the terms and conditions of the agreement should be proportionate the amount of the grant award and the risk/complexities of the activity being funded.
- b) Terms and conditions for open award grant schemes should be advertised alongside details of the scheme or within the scheme application form. Prior advertisement of terms and conditions will not preclude a grant offer being made with terms that are supplemental to those advertised where this is appropriate to the grant offer/scheme being funded. In these circumstances the additional terms should either be set out in the offer letter or referenced in the offer letter and highlighted in the funding agreement.
- c) . As a minimum all agreements will include standard legal terms and conditions that seek to protect the Commissioner's interests and ensure public money is properly administered and spent for the purposes for which the grant is awarded. Whilst the agreement provides a baseline of terms, officers developing schemes must still consider carefully the need for additional/bespoke terms and conditions to supplement the agreement. Legal services advice should be sought on any additional/bespoke terms.
- d) All funding agreements will need to describe the purpose of the funding. These are the specific reasons for the funding award and should clearly detail any requirements upon which funding is conditional, including where applicable, the scheme specification. This section of the agreement should also include information requirements, for example in respect of performance measures, outcomes and/or outputs expected to be achieved from the funding in addition to information as to how recipients of funding are expected to evidence their compliance with the agreement. This will include the frequency and format of monitoring reports and information.
- e) All funding agreements will need to set out the basis for payment of the agreed funding. Consideration must be given to the timing of funding and any evidence of expenditure or monitoring information that should be submitted prior to the release of funds. Generally, grants should be paid in arrears, with evidence

of expenditure, other than for small grant schemes. Funding agreements that are funded from government grants should provide a payment and evidence schedule that takes into account the requirement for the OPFCC office to submit and draw down funds from government. Advice should be sought from financial services in respect of these requirements.

- f) Approval must be sought from the Head of Partnerships and Commissioning for any exceptions to the standard provisions within these regulations for payment schedules that seek to reduce the requirements. This includes agreements (excluding small grant schemes) that make payment in advance of expenditure or small grant schemes that pay all funding in advance.
- g) Funded organisations must take steps to ensure that modern slavery and or human trafficking is not taking place within the organisations own business or within those services or organisations that it funds. These steps may include a Modern-Day Slavery Statement, an Anti-Slavery Policy and Whistleblowing Policy and those that it employs either directly or indirectly are on the national minimum wage or national living wage.
- h) This section on terms and conditions does not apply to the Police and Crime Property Fund. The Police and Crime Property Fund will be administered in accordance with the scheme for that fund.

Publication Requirements

Decisions to award grants and enter into grant agreements are subject to publication under the Elected Local Policing Bodies (Specified Information) Order. Grant schemes and offer letters should make these requirements clear to applicants and/or partners and provide an opportunity for either party to clearly identify any information that may be classed as confidential and subject to redaction. Any decision to redact is made by the Commissioner and advice should be sought from the Monitoring Officer where there appears to be a conflict between compliance with information requirements and confidentiality.