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Our reference: JAC/MO

Date: 24th January 2025

AGENDA

TO: THE MEMBERS OF THE JOINT AUDIT COMMITTEE

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

A Meeting of the Joint Audit Committee will take place on **Tuesday 4th February 2025 between Police HQ Penrith and Fire Headquarters**. The expected timings and locations are as follows:

Times	Activity	Location
09:00-10:00	Private Meeting with External Audit (Grant Thornton)	Conference Room 2, Police HQ Penrith
10:00-10:45	JAC Members private meeting	Conference Room 2, Police HQ Penrith
11:00-13:00	JAC Meeting – PFCC/Constabulary	Conference Room 2, Police HQ Penrith
13:00-13:30	Lunch Break	Conference Room 2, Police HQ Penrith
13:30-15:30	JAC Meeting – Fire	Community Room, Fire HQ Penrith

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 megan.owens@cumbria.police.uk by 30th January 2025 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)
01	APOLOGIES FOR ABSENCE	Chair	11:00
02	<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> <p>Items for Exclusion of Press and Public (PART 2)</p> <p>Internal Audit Report Item 08j Cyber Security Assessment</p>	Chair	11:00
03	<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	11:05
04	<p>MINUTES OF MEETING AND MATTERS ARISING</p> <p>To receive and approve the minutes of the committee meeting held on 25th September 2024.</p>	Chair	11:10
05	<p>ACTION SHEET</p> <p>To receive the action sheet from previous meetings.</p> <p style="margin-left: 40px;">a) PFCC / Constabulary b) Joint Audit Committee</p>	Chair	11:15
06	<p>CORPORATE UPDATE</p> <p>To receive a brief corporate update from each of the below.</p> <p style="margin-left: 40px;">a) Constabulary b) The OPFCC c) Finance</p>	DCC PFCC Chief Exec PFCC or CC Chief Finance Officer	11:20

07	<p>INTERNAL AUDIT – PROGRESS REPORT: To receive a report from the Internal Auditors regarding the progress of the Internal Audit Plan (TIAA):</p> <p>a) PFCC/Constabulary</p>	Director of Audit TIAA Ltd	11:30
08	<p>INTERNAL AUDIT REPORT(S) To receive reports from the Internal Auditors in respect of specific audits conducted since the last meeting of the committee.</p> <p>a) Contractor Vetting b) Wanted People c) Stop & Search d) Payroll e) Fleet Fuel Usage f) Use of Force Reporting g) Risk Mitigation & Controls h) Budgetary Control i) Use of Social Media j) Cyber Security Assessment (PART 2 Report- see agenda item 2)</p>	Director of Audit TIAA Ltd	11:35
09	<p>MONITORING OF AUDIT, INTERNAL AUDIT AND OTHER RECOMMENDATIONS AND ACTION PLANS To receive an updated summary of actions implemented in response to audit and inspection recommendations.</p>	Director of Audit TIAA Ltd	11:45
10	<p>EXTERNAL AUDIT UPDATES</p> <p>ANNUAL AUDIT REPORT: To receive from the External Auditors the Annual Audit Report incorporating the External Auditor’s Value for Money Conclusion.</p> <p>AUDIT FINDINGS REPORT – A verbal update on the AFR will be also be provided by Grant Thornton.</p>	Engagement Lead Grant Thornton	11:50
11	<p>ANNUAL REVIEW OF GOVERNANCE: To review the PFCC and Constabulary arrangements for governance; cyclical review over three years. Some documents reported in November, some in March (see Appendix C).</p> <p>a) OPFCC – Role of the CFO b) Constabulary – Role of the CFO c) Joint Audit Committee – Terms of Reference and Role Profiles</p>	PFCC Chief Finance Officer CC Chief Finance Officer	11:55

12	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: a) OPFCC b) Constabulary	PFCC Chief Finance Officer CC Chief Finance Officer	12:00
13	JAC ANNUAL REPORT - 360° Review Findings To receive the results of the JAC 360° Review.	CC Chief Finance Officer	12:10
14	ASSURANCE FRAMEWORK STATEMENT OF ACCOUNTS To receive a report from the PFCC CFO in respect of the PFCC and Constabulary framework of assurance:	PFCC Chief Finance Officer	12:15
15	ANNUAL STATEMENT OF ACCOUNTS To receive the audited Statement of Accounts: a) PFCC/Constabulary Group b) Constabulary	PFCC Chief Finance Officer CC Chief Finance Officer	12:20
16	TREASURY MANagements ACTIVITIES To receive for information reports on Treasury Management Activity - Quarter 2	CC Chief Finance Officer	12:30
17	POINTS FOR CONSIDERATION BY THE COMMISSIONER AND THE CHIEF CONSTABLE		12:35
18	AOB		12:40
19	MEMBERS PORTAL DEMO To receive a demo of the new Members Portal	OPFCC Governance Manager	12:45

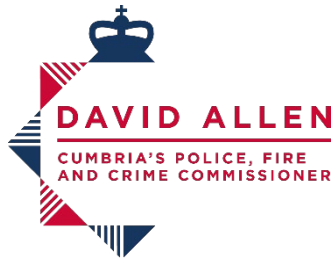
Future JAC Meeting Dates (For Information)

26th March 2025 @ 11.00 – Police HQ Conference Room 1 and Fire HQ Penrith
25th June 2025 @ 11:00 – Police HQ Conference Room 1 and Fire HQ Penrith
24th September 2025 @ 11:00 – Police HQ Conference Room 1 and Fire HQ Penrith
26th November 2025 @ 11:00– Police HQ Conference Room 1 and Fire HQ Penrith
25th March 2026 @11:00 – Police HQ Conference Room 1 and Fire HQ Penrith

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

31st January 2025 - Committee Room 1, County Hall, Kendal
4th April 2025 - Conference Room A/B, Cumbria House, Carlisle

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Agenda Item 4

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

Minutes of a meeting of the Joint Audit Committee held on Wednesday 25th September
2024 Conference Room 1, Police HQ, Penrith, at 11.00am.

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

PFCC Chief Finance Officer/CFRS Chief Finance Officer (PFCC CFO), (Steven Tickner)

Cumbria Constabulary

Deputy Chief Constable (DCC), (Darren Martland)
Constabulary Chief Finance Officer (CC CFO), (Michelle Bellis)
Financial Services Officer (FSO), (Charlotte Morton)

Internal Audit

Director - Local Government and Emergency Services, TIAA, (Fiona Roe)
Director of Audit (DA), TIAA, (Martin Ritchie)

External Audit

Engagement Lead (EL), Grant Thornton LLP, (Michael Green)
Audit Manager (AM), Grant Thornton LLP, (Hannah Foster)

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

The Chair called the meeting to order at 11:00hrs.

21. APOLOGIES FOR ABSENCE

Apologies were received from:

Chief Executive (CE), Office of the Police, Fire and Crime Commissioner (Gill Shearer)
Director of Performance and Change, (Louise Kane), Group Accountant (Lorraine Holme) and
Megan Owens, Financial Services Assistant (minutes).

22. URGENT BUSINESS AND EXCLUSION OF PRESS AND PUBLIC

There were no items of urgent business or exclusions of the press and public to be considered by the committee.

23. DISCLOSURE OF PERSONAL INTERESTS

One member of the committee disclosed that they worked for Cumberland Council and may have personal interests with Item 8(b).

24. MINUTES OF MEETING AND MATTERS ARISING

The minutes of the previous meeting held Wednesday 26th June 2024 - Part 1 were circulated to members. They were signed as a true record by the Chair.

The minutes of the previous meeting held Wednesday 26th June 2024 - Part 2 were circulated to members. They were signed as a true record by the Chair.

There were no matters arising.

25. ACTION SHEET

(a) An Action Sheet for PFCC and Constabulary showing any actions discussed in previous JAC meetings and the progress made was circulated to the members prior to the meeting.

A member requested the actions should only be marked as completed once the committee has agreed them as completed, the CC CFO explained the process and rationale for status and members were happy with the current process.

ACTION: The CC CFO to change the format of the action sheet to show the initial action and a separate column to give an update on progress.

Action 5: 360 Review Questions – this was discussed, and an update was given by CC CFO. The questionnaires will be finalised and launched.

IT WAS AGREED that the survey should have a 'not applicable' section, and it should be distributed to as many people as possible to collate their views.

ACTION: CC CFO to add not applicable as an option for each of the survey questions.

ACTION: CC CFO will provide a report of the responses from the survey to the Committee.

ACTION 17: Annual Statement of Accounts - change to ongoing.

(b) An Action Sheet for the Joint Audit Committee showing any actions discussed in previous JAC meetings and the progress made was circulated to the members prior to the meeting.

No comments were made.

26. CORPORATE UPDATE

(a) Members had received and reviewed the Constabulary corporate update prior to the meeting.

DCC Martland provided further details and briefly highlighted certain aspects of the report. He brought specific attention to the summer disorder and updated the members.

A member questioned if the increase in drugs related offences could be an indicator of future crime and how that will be managed. DCC Martland responded that they are confident the increase is a result of the proactivity of the police.

A member questioned the Futures Programme and if there are any issues that the committee should be aware of. DCC Martland responded with further detail and explained that options will be presented at a Strategic Management Board meeting with the Chief Constable in November 2024.

ACTION: DCC Martland to ensure the Committee are kept informed as the Futures Programme develops.

A member questioned the roll out of body cameras being reviewed by ethics panel. There was further discussion.

A member questioned the sustainability of these initiatives. There was further discussion. There are no plans to cease these currently, however, they will be carefully monitored.

(b) Members had received and reviewed the OPFCC corporate update prior to the meeting.

A member sought reassurance regarding a new Police Headquarters in Lillyhall because this could potentially impacting budget savings. DCC Martland confirmed that there are no definitive plans.

(c) Members had received and reviewed the Finance corporate update prior to the meeting.

CC CFO gave an update on the pay award settlement for police officers and indicated that a Home Office grant was to be received which would cover most but not all of the increased cost compared to budget provision.

27. INTERNAL AUDIT – SUMMARY INTERNAL CONTROLS ASSURANCE (SICA) REPORT

Deferred to Item 10.

28. INTERNAL AUDIT REPORT(S)

(a) A report on Corporate Health & Safety (2023/24) was received and reviewed by members prior to the meeting.

Director of Audit, TIAA Ltd informed the committee of the recommendations.

A member sought clarification for Recommendation 2 regarding the terminology of mandatory training and statutory training.

CC CFO informed the committee on the process of mandatory training within the Finance team.

A member asked if this training is regarding all police staff and officers. This was discussed and Police officers have training over and above police staff.

A member asked if there was assurance and control over mandatory training. The member was informed that the Health and Safety Board will receive those statistics.

ACTION: DCC Martland will take to the next Health and Safety board and will action any non-compliance.

A member asked if there is an increase of abuse and violence towards Police Officers. DCC Martland informed the committee that there has been an increase which is being monitored daily and there have been prosecutions.

(b) A report on LGR and Partnerships (2023/24) was received and reviewed by members prior to the meeting. This is a revised and corrected report.

A member sought clarification that the recommendation to update the Cumbria Partnership Strategy has actually been actioned.

ACTION: TIAA to confirm to the committee that the Cumbria Partnership Strategy has been updated

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

Item deferred to the November 2024 meeting.

The Chair sought clarification as to why this was deferred. It was clarified that a draft report was written in September 2024, however, they are awaiting further detail. Progress has been made therefore it will be available for the November 2024 meeting.

30. TIAA INTERNAL AUDIT REMIDIAL ACTION PLAN

Director of Audit, TIAA Ltd discussed the report as at 13th September 2024 and updated the committee further.

TIAA have been addressing the outstanding work from 2023/24 and monitoring the work for 2024/25. There have been challenges with staff leaving over the summer. The Cyber Security maturity assessment is due to be completed within the next two weeks.

Regarding the 2024/25 timetable, all but one of the dates have been confirmed. TIAA Ltd will be back on timescale by the end of the calendar year.

A member asked about the specific steps TIAA Ltd are taking to ensure this plan is delivered. TIAA Ltd reassured the committee that resources have been identified and there are dedicated auditors assigned for each of the audits. The Audit Manager has liaised directly with key personnel involved to ensure the dates are feasible. There are continuity plans in place in the event of absence.

A member requested that this timetable is brought to the November 2024 meeting.

ACTION: TIAA to bring this timetable to the November 2024 meeting, keeping the proposed start date column and inserting a progress/revised date column, to give the committee confidence that the plan is hopefully progressing to schedule.

A member expressed concern regarding some of the deadlines on the report, specifically the ICT disaster recovery which is fast approaching. TIAA updated with the progress on these. Regarding the ICT disaster recovery, there is auditor resource, but they are awaiting a response from the constabulary personnel on this and will continue to chase.

The Chair highlighted the impact on the Constabulary staff in a short space of time. CC CFO informed the committee of the process taken to support TIAA with the timescales, specifically, at the twice-weekly organisational pacesetter meetings. The two draft audit reports that have been issued; The Wanted People report was issued on 20th September 2024 and the Fuel Usage report was issued this morning and has been circulated. CC CFO informed the committee of the process regarding the 10-day turnaround for the draft reports.

ACTION: CC CFO will check on the progress in relation to arrange the ICT disaster recovery audit.

A member asked if the Constabulary were happy with the timescale and it was stated that the timetable needs to get back on track.

A member commented that he would like to discuss comparisons between the Constabulary audit schedule and the Fire Service audit schedule at the November 2024 meeting.

31. AUDIT FINDINGS REPORT

Members had received and reviewed the Cumbria PFCC and CC Audit Findings Report prior to the meeting. The Engagement Lead for Grant Thornton talked through the report pages, drawing attention to some specific points. They are not aware of anything which would require modification, subject to a couple of matters.

Audit has gone very well this year, and thanks were expressed to the finance team for the very high standard of the accounts and supporting comprehensive working papers.

A member commented that the land and buildings GIA had been previously incorrect and highlighted that it is essential to get this correct in relation to future planning with joint estates, as well as for the accounts.

The Chair asked if the new person is in post for estates. CC CFO confirmed that the Joint Head of Estates is in post, and there is a new external valuer this year. The matters identified in the AFR report highlights the robustness in the approach to address previous issues.

A member asked for clarification on the £4.2m Digital Data and Technology (DDAT) grant and the CC CFO clarified this. Another member asked about the timescale for this grant and CC CFO informed the committee of the two-year plan. A member asked if the 1% admin fee was enough to cover costs and CC CFO explained that this should be sufficient but it was still an early stage in assessing the administration requirements.

CC CFO thanked Grant Thornton for a smooth process and highlighted the efficiency of the 'Inflow' system used by Grant Thornton.

32. STRATEGIC RISK REGISTER

- (a) OPFCC – Members had received and reviewed the OPFCC Risk Management Monitoring Report

A member asked that in light of the Futures Programme, if the OPFCC would expect the Strategic Finance risk to change. PFCC CFO explained that the budget process for

the next five years is ongoing and the Futures Programme will be built into this. Strategic finance will remain a key risk in the longer term.

A member asked for context around Risk 4: Pensions. PFCC CFO clarified this is regarding pension changes, which were proposed in 2015, and were found to be unlawful. The pensions remedy will recompense those affected. The work in relation to fire was due to be done by County Council but was not. PFCC CFO went into further detail. This piece of work will continue for years.

A member asked if the first three risks on the register, which have not been finalised, will have an impact on the service. OPFCC CFO explained that work still needs to be done on these to mitigate the risk and will take time.

- (b) Constabulary – Members had received and reviewed the OPFCC Risk Management Monitoring Report.

DCC Martland delivered this item and went into further detail.

A member asked if there was a reduction on the Firearms Licensing side. DCC Martland explained the volume has decreased, however there are historic and complex issues at the moment.

Risk 57: A member asked about additional protests. DCC Martland confirmed this is being monitored.

33. PFCC ANNUAL REPORT

Members had received and reviewed the PFCC Annual Report prior to the meeting. For information only.

34. REVIEW OF GOVERNANCE DOCUMENTS

Members had received and reviewed the documents prior to the meeting. The OPFCC CFO updated the committee on the following items:-

- (a) Joint Corporate Governance Framework
- (b) Joint Financial Regulations
- (c) Decision Making Framework

The OPFCC CFO confirmed that once this process is finished today, the Commissioner and Chief Constable will be looking to sign off and implement them within the next few weeks.

A member commented that this was a very good collation and appreciates the difficulties of the fast-moving direction. The member noted that the Fire Service was not as well represented as the Constabulary in the review. OPFCC CFO explained the legal entities are being reflected in these documents because the Commissioner is the legal entity for the Fire

Service.

35. VALUE FOR MONEY

Members had received and reviewed the HMICFRS VFM Profiles 2023.

CC CFO updated the committee.

A member wanted clarification as to how these profiles are applied.

CC CFO explained that when benchmarking, there are some issues that are specific and some which are open to interpretation.

A member asked if there are any developments in finance. CCFO responded that CIPFA have a tool that extracts data from the VFM profile.

36. JAC ANNUAL REPORT

A verbal update was given by CC CFO. The 360 review has not been finalised.

ACTION: CC CFO to finalise the 360 REVIEW and aim to bring it to the November 2024 meeting.

37. ASSURANCE FRAMEWORK STATEMENT OF ACCOUNTS

Deferred to a future meeting because the audit is ongoing.

IT WAS AGREED there is to be an In Principal meeting at the end of January to sign off the accounts. The PFCC and the Chief Constable are required for the meeting.

38. ANNUAL STATEMENT OF ACCOUNTS

Deferred.

39. TREASURY MANAGER'S ACTIVITIES

Members had received and reviewed the Treasury Management Activities 2024/25 Quarter 1 prior to the meeting.

The Constabulary are compliant with all the treasury and prudential indicators.

A member asked about the forecast for 2025/26 budget and wanted to reflect upon relying on that income. The CC CFO explained that the forecast is reduced to around 3% towards the end of 2024/25.

A member questioned the borrowing strategy and reducing revenue contributions to capital budgets. The CC CFO responded that the revenue budget is under increasing pressure. There

was a discussion and the member asked if we were following advice with consideration to the interest rates decreasing and the CC CFO confirmed this.

A member clarified the investments and CCFO confirmed that the Constabulary do not invest in shares.

40. POINTS FOR CONSIDERATION BY THE COMMISSIONER AND THE CHIEF CONSTABLE

ACTION: CC CFO to provide an update to the TIAA remedial plan to allow the committee to track and compare.

41. AOB

CC CFO explained that the JAC meetings are the only meetings that require a minute-taker and proposed that we could move to a log of actions, plus a recording which is stored electronically to provide to the Chief Constable and the Commissioner instead of producing formal minutes.

IT WAS AGREED by the committee that the current format of the action log is not sufficient and that they require the scrutiny/challenge by the committee to be documented to comply with the terms of reference and audit trail. Bullet points of the challenge, response and action would be sufficient.

ACTION: CC CFO and PFCC CFO to work with the Financial Services Assistant to streamline the minutes.

It was also noted that Michael Roper will participate in the tender exercise for the selection of an internal audit provider from 1 April 2025.

Meeting ended at 12:30hrs.

Signature _____

Date _____

Future JAC Meeting Dates (For Information)

~~27th November 2026 @ 11:00 – Police HQ Conference Room 1 and Fire HQ Penrith~~ Cancelled
and to be arranged for late January/early February 2025

January/February 2025 - TBC

26th March 2025 @ 11:00 – Police HQ Conference Room 1 and Fire HQ Penrith

25th June 2025 @ 11:00 – Police HQ Conference Room 1 and Fire HQ Penrith

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

14th October 2024 - Conference Room A/B, Cumbria House, Carlisle

31st January 2025 - Committee Room 1, County Hall, Kendal

4th April 2025 - Conference Room A/B, Cumbria House, Carlisle

Joint Audit Committee – Action Update and Plan (PFCC/Constabulary)

Completed

Ongoing within Original Timescale

Ongoing with original timescale extended

Overdue

Minute Item and date	Action to be taken	Person Responsible	Target Date	Subsequent Updates	Status
5 (26/06/24)	360° Review Questions - JAC Committee members to provide feedback to CC CFO in relation to the 360° Review so that the question set can be finalised and survey issued.	JAC Committee Members	July 2024	<p>August 2024 – A reminder email sent to the committee. Malcolm Iredale to forward a combined response from the committee on 19/08/24, the agenda item in relation to JAC review of effectiveness and annual report will now be deferred to a future meeting.</p> <p>October 2024 – Action marked as completed, actions extended and included at 25 (25/09/24) below.</p>	Completed
15 (26/06/24)	Effectiveness of Audit - OPFCC CFO to create a self-assessment against Public Sector Internal Audit Standards requirements	OPFCC CFO	30/06/2025	<p>August 2024 – The PFCC CFO has asked the Head of Internal Audit to Prepare the self-assessment document.</p>	Ongoing within original timescale
16(c)(ii) (26/06/24)	Annual Governance Statement - To include the Futures Programme in the Committee budget development session in March 2025.	CC CFO and PFCC CFO	March 2025	<p>September 2024- This has been added to the work programme and will be incorporated into the development session in March.</p>	Ongoing within original timescale

Minute Item and date	Action to be taken	Person Responsible	Target Date	Subsequent Updates	Status
17 (26/06/24)	Annual Statement of Accounts - To receive members comments on the Annual Statements of Accounts by end of July 2024	JAC Committee Members	July 2024	<p>July 2024 – Email received from Malcolm Iredale 30/07/24.</p> <p>September 2024 - The Financial Services Team provided a response to MI/members and have incorporated any changes into the finalised SoA where required/possible. a report of the survey responses to the committee.</p> <p>At the 25/09/24 meeting it was noted that a response had not as yet been provided and the action was amended to ongoing. January 2025 – A response was provided to members on 30/10/24 and the SoA (included on the agenda for the February meeting) has now been updated where applicable.</p>	Completed
25 (25/09/24)	Action Sheet Format - The CC CFO to change the format of the action sheet to show the initial action and a separate column to give an update on progress.	CC CFO	31/10/2024	October 2024 – The format of this action sheet has been amended as requested.	Completed
25 & 36 (25/09/24)	360° Review – CC CFO to finalise and issue the 360' survey.	CC CFO	31/10/2024	November 2024 – The survey was finalised and launched on 22/10/24 with and end date of 28/11/24.	Completed
25 (25/09/24)	360° Review – Not applicable to be added as an option against each question, to allow people to complete answers relevant to their experience.	CC CFO	31/10/2024	October 2024 – Survey questions updated to include not applicable as a response option prior to issue on 22/10/24.	Completed
25 & 36 (25/09/24)	360° Review – CC CFO to provide a report of the survey responses to the committee.	CC CFO	31/03/2025	December 2024 – A short report summarising the responses to the 360° survey was emailed to members by Megan Owens on 20/12/24. The report will be added to agenda for 04/02/25 meeting.	Completed

Minute Item and date	Action to be taken	Person Responsible	Target Date	Subsequent Updates	Status
26 (25/09/24)	Future Programme - DCC Martland to ensure the Committee are kept informed as the Futures Programme develops.	DCC	31/03/2025	December 2024 – A brief update in relation to the futures programme will be included as part of the Budget development session following the March meeting	Ongoing within original timescale
28a (25/09/24)	Corporate Health & Safety Audit - DCC Martland will take to the next Health and Safety board and will action any non-compliance.	DCC Martland	31/12/2024 31/03/2025	January 2025 - This is to be discussed at H&S Board on 30/01/25 and compliance with audit recommendations is being monitored.	Ongoing with Original Timescale Extended
28b (25/09/24)	LGR & Partnerships Audit - TIAA to confirm to the committee that the Cumbria Partnership Strategy has been updated	TIAA Director of Audit OPFCC	31/12/2024 31/05/2025	January 2025 - The strategy is due for replacement from April 2025 so will be updated at that point in time.	Ongoing with Original Timescale Extended
30 (25/09/24)	Remedial Action Plan - TIAA to bring this timetable to the November 2024 meeting, keeping the proposed start date column and inserting a progress/revised date column, to give the committee confidence that the plan is hopefully progressing to schedule.	TIAA – Director of Audit	30/11/2024	November 2024 – A copy of the reports showing TIAA progress against the action plan were circulated to members on 26/11/24 following discussion at Executive Board Police on 26/11/24.	Completed
30 (25/09/24)	ICT Disaster Recovery Audit - CC CFO will check on the progress in relation to arrange the ICT disaster recovery audit.	CC CFO	30/11/2024	November 2024 - The original proposed start date of 07/10/24 could not be accommodated by the Constabulary DDAT team. A scoping meeting took place on 26/11/24 and a start date of 20/01/25 has been agreed for the audit.	Completed

Minute Item and date	Action to be taken	Person Responsible	Target Date	Subsequent Updates	Status
40 (25/09/24)	Remedial Action Plan - CC CFO to provide an update to the TIAA remedial plan to allow the committee to track and compare.	CC CFO	30/11/2024	November 2024 – A copy of the reports showing TIAA progress against the action plan were circulated to members on 26/11/24 following discussion at Executive Board Police on 26/11/24.	Completed
41 (25/09/24)	Committee Minutes - CC CFO and PFCC CFO to work with the Financial Services Assistant to streamline the minutes.	CC CFO PFCC CFO FSA	31/10/2024	October 2024 – The minutes for the meeting on 25/09/24 have been streamlined and circulated to members in draft form for approval.	Completed

Joint Audit Committee – Review of Effectiveness Action Plan 2024/25

Completed

Ongoing within Original Timescale

Ongoing with original timescale extended

Overdue

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 2025	Ongoing within original timescale
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 briefings on Fire Governance arrangements.	JAC	March 2025	Ongoing within original timescale
JAC3	Achieve a greater understanding of the involvement of the PFCC and Constabulary in partnerships working arrangements	To include briefings on fire arrangements across the county.	JAC	March 2025	Ongoing within original timescale
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.	Arrange briefings to develop the Committees understanding of the process to include reference in risk registers and development of learning and continuous improvement work.	JAC	March 2025	Ongoing within original timescale
JAC5	To improve engagement with the CC, CFO and PFCC (Committee Chair) and attend Police & Crime Panel Meetings and other governance committees as necessary/considered beneficial to enhance the work of JAC	Arrange meetings for the Committee Chair with Chief Constable; Chief Fire Officer; PFCC and CEO at least annually. Establish rota for attendance at the Police & Crime Panel Meetings	JAC	March 2025	Ongoing within original timescale

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Chief Officer Group



Agenda Item 06a

TITLE OF REPORT: Joint Audit Committee – Constabulary Corporate Update

DATE OF MEETING: Tuesday, 4th February 2025

ORIGINATING OFFICER: Deputy Chief Constable Darren Martland

Constabulary Performance Overview *(Year to date to include exceptions and comparisons (where available))*

For the Year to Date (01/04/2024 – 31/12/2024)

- 96.1% of 101 calls answered in less than 5 minutes
- 94.7% of 999 calls answered within 10 seconds
- 91.6% of G1 incidents attended in target
- 93.3% of G2 incidents attended in target

Performance Exceptions

- Reduced residential burglary by 18.7% (89 less homes being burgled), and have increased the positive outcome rate with 29 more offenders being brought to justice (outcome rate of 16.3%, up from 7.1% last year).
- 17.8% increase in drug possession offences being identified, resulting in 125 more individuals being brought to justice.
- 33.1% reduction in Personal Robbery offences (44 fewer victims).
- Shoplifting has increased by 10.3% (171 more offences), but the positive outcome rate has increased (38.9%, up from 33.9% against a national average of 22.7%).
- 9.9% reduction in Other Theft (209 fewer victims)
- 9.6% reduction in vehicle offences (70 fewer victims)
- Outcome rate for Hate Crime has increased (24.3%, up from 21.4%), with 50 more offenders brought to justice
- ASB has continued to decrease, with a reduction of 20.2% for the Year to Date (729 less incidents)
- 11.3% reduction in Arson & Criminal Damage (384 fewer crimes), and an increase in the positive rate (13.6%, up from 12.6%).

Corporate Updates *(HR and Inspection)*

HMICFRS Planned Thematic Inspections for 2024/25 to 2025/26:

- Leadership and culture
- Firearms licensing
- Police cyber- security

Additional inspection activity:

- In February 2024, HMICFRS introduced a new child protection rolling inspection programme which is currently underway across forces. Currently Cumbria Constabulary have not been informed that they will be inspected in the near future.

Resourcing

- As of 5th January 2025, the Constabulary establishment is as follows:
 - Officers: Budget = 1359, Actual = 1353.54
 - Staff: Budget = 704.64, Actual = 639.64
 - PCSOs: Budget = 60, Actual = 38.72
- Recruitment for Officers continues as part of the Uplift programme, with intakes in late January and March. Transferee recruitment also remains open.

- A Sergeants promotion process is underway, with boards due to take place at the end of January.
- Several reviews have commenced for Police Staff as part of the Futures Programme with formal consultation starting at the beginning of January.

Operations and Events *(Local / National Incidents and Events of Note)*

- Multiple Fatal RTC on M6 – five fatalities and one serious injured - Co-ordinate Multi Agency Response and investigation.
- Fire at BAE Systems shipyard – Major Incident – Co-ordinate Multi Agency Response.
- Storm Darragh – Amber Weather warning - Co-ordinate Multi Agency response to power outages and disruption to west coast of Cumbria.
- Fatal Fire in Kirkby Lonsdale – Major Incident – Co-ordinate Multi Agency response.
- Operation Festive (December 2024) – Policing of festive period, included, cross boarder rural crime prevention activity. Christmas Drink / Drug Driving campaign, Wanted This Winter campaign to apprehend wanted persons and retail crime prevention and enforcement.
- Gas Explosion – Major Incident in Whitehaven.
- Snow / Ice – Amber Weather warning – Co-ordinate Multi Agency response.

Media Highlights *(Since the previous report and anticipated over the next reporting period).*

Significant incidents:

Lead / supported the multi agency communications response to the following incidents in Cumbria:

- Storm Darragh – Amber Weather warning.
- Multi Agency response to adverse weather 3rd – 5th January.
- Fatal Fire –Kirkby Lonsdale.
- Gas Explosion – Whitehaven on New Year’s Eve.

Recognition:

- BBC’s Ellie Williams Documentary, Liar: The Fake Grooming Scandal won a Scottish BAFTA award. Op Leaf documentary: Ch4 Accused: The Fake Grooming Scandal, 3 part documentary.

Proactive weeks of action targetting:

- ASB awareness week:
- Op Sceptre (Knife Crime): talks given in schools and over 40 weapons surrendered.
- County Lines Intensification week: Successful week of action, resulting in arrests and cash seizures.
- International Fraud Awareness Week.
- Road Safety.
- Rural Crime, Op Checkpoint: arrests, vehicle stops, public engagement.
- Op Enhance: Hotspot policing operation targeting ASB and Serious Violence.

Court cases:

- Burglary: Five defendants Jailed for 10 years and 2 months (collectively) for conspiracy to burgle after targeting homes in Carlisle and Bothel in 2023.
- Op Guinea: Murder trial concluded with Paul Irwin being found guilty of the murder of Tiffany Render in Whitehaven in March 2024. Sentenced to life in prison, with a minimum term of 32 years.
- Op Tributary : Retrial of 3 brothers who were accused of historic sex offences (1998-2008) involving the exploitation of underage girls in Barrow and Leeds. Found guilty of 63 offences, sentencing mid Feb 2025.

January / February:

Launch of Cumbria Constabulary’s Neighbourhood Policing Pledge.

Campaigns: Tackling Child Sexual Abuse and Exploitation, Rape and serious sexual offences.

Op Enhance continues.

SUPPORTED / REJECTED.	ACTION REQUIRED <i>Clarification, further information etc.</i>
Report presented for Information Purposes only.	Verbal update / explanation will be provided to the panel members, if required.

Darren Martland
Deputy Chief Consable



Joint Audit Committee

Title: OPFCC Corporate Update

Date of Meeting: January 2025

Agenda Item No: 06b

Originating Officers: Gill Shearer, OPFCC Chief Executive

This update provides the Joint Audit Committee with a headline summary of recent developments within the Office of the Police, Fire and Crime Commissioner.

1. **New Police, Fire & Crime Plan**

The Police, Fire and Crime Commissioner launched his four-year Police, Fire and Crime Plan on 8 January 2025. The Plan incorporates both Policing and Fire priorities, sets out the public's key priorities and details how the Police, Fire and Crime Commissioner (PFCC) will work with the Chief Constable and Chief Fire Officer to keep our county safe. The Plan assists the PFCC in holding both Services to account.

2 **Public Accountability Conferences**

The Commissioner held two public accountability conferences on 20 January 2025 where he held the Chief Constable and the Chief Fire Officer to account for the provision of policing and fire services within Cumbria.

In relation Cumbria Constabulary he focused on domestic abuse; drugs and serious organised crime; and firearms licensing. For Cumbria Fire and Rescue Service the meeting focused on their People Strategy, Workforce Planning; and a thematic on Accidental Primary Dwelling fires.

3 **Council Tax Precept – Police and Fire & Rescue Service**

In December the Commissioner launched a consultation with the residents of Cumbria to find out their views and willingness to pay more towards Cumbria Fire and Rescue Service and Cumbria Constabulary. Following the policing settlement

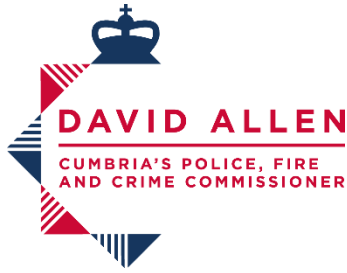
the Commissioner is seeking a rise of 4p/day (£13.95 a year) for a band D property to help tackle anti-social behaviour and crime affecting communities.

The settlement for Fire was lower than expected and this has meant that the Commissioner is asking for an increase of 9.5p/week (£4.95 a year) for a band D property to invest in new technologies and ensure future generations are kept safe.

The Commissioner will present his council tax precept proposals to the Police, Fire and Crime Panel on 31 January 2025; where they will decide whether or not to approve his proposals.

4 **Community Fund**

The Commissioner opened his Community Fund in December 2024 and invited members of the public and community groups to run local initiatives and projects that have a specific focus on reducing issues associated with anti-social behaviour and crime. Applications can access grants up to a value of £2,500.



Joint Audit Committee – 04 February 2025

Item 06c Corporate Update – Finance

2025/26 Budget Setting

Work to finalise the budget for 2025/26 and 5 year MTFF to 2029/30 is nearing completion. The unitary councils have confirmed their respective council tax bases and collection fund surplus and the Police, Fire and Crime Panel will consider the PFCCs precept proposal, which is for a £13.95 increase on a Band D property at the end of January. The grant settlement was largely as expected and this together with the PFCC ability to raise the precept by up to £14 has largely offset the inflationary increases in the budget. The PFCC/Constabulary have set a balanced budget for 2025/26 with an emerging budget gap increasing to £11m by 2029/30.

2023/24 Accounts

The external audit of the 2023/24 statement of accounts is substantially completed and the audit findings report (AFR) from Grant Thornton is anticipated to be presented to the Joint Audit Committee on 4 February 2025. The audit report includes one adjustment for £4.2m in relation to the treatment of funding set aside for the national DDAT programme where initial treatment as a provision has been changed to contribution to an earmarked reserve. This is in relation to complex accounting rules and in no way reflects on the overall position of the PFCC/Constabulary. Subject to the conclusion of the LGPS work, the auditors intend to issue an unqualified opinion on the 2023/24 statement of accounts.

2024/25 Budget Monitoring

The quarter 3 revenue budget position as at 30th December for the PFCC/Constabulary Group is currently being collated the budget is expected to be generally on track and well within the target of +/- 1% of budget. Some underspends have arisen in year, largely as a result of the Futures Programme work and these have been earmarked to support the budget and the futures programme in future years.

Internal Audit Contract Tender

The process to select an internal audit provider from 01/04/25 was concluded in November. The new internal auditor for the OPFCC, Constabulary & Fire will be Mersey Internal Audit Agency (MIAA).

JAC Recruitment

A recruitment exercise was completed in November with two new members appointed who are currently going through vetting and are due to take up their role in April. Malcolm Iredale was selected as the next chair of the committee, also from April 2025.

Steven Tickner

OPFCC Chief Finance Officer

Michelle Bellis

Constabulary Chief Finance Officer



PFCC Cumbria & Cumbria Constabulary

Summary Internal Controls Assurance (SICA) Report

January 2025

Final

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 PFCC Cumbria & Cumbria Constabulary as at 23rd January 2025.

Investing in the Future of TIAA

2. TIAA welcomed our largest intake of talented and enthusiastic trainees in the summer across the UK. This initiative is a testament to our dedication to nurturing the next generation of professionals and ensuring that we continue to deliver the highest standards of service to you. This builds on past successes where staff who joined TIAA as trainees have obtained professional qualifications and progressed to audit management roles.

We believe that investing in their development is crucial not only for their personal growth but also for the continued success of TIAA. To this end, we are sponsoring their professional qualifications, providing them with the necessary resources and support to excel in the internal audit profession and any relevant specialism they may choose.

With each trainee mentored by an experienced Director of Audit, we have re-designed a comprehensive training programme that covers a wide range of skills and knowledge areas. All trainees have been guided by experienced audit staff and management, shadowing on audits to get to know our client base, following a high standard already set by our experienced team.

By investing in our trainees, we are investing in the future of our company. We are confident that this initiative will enhance our capabilities. Our commitment to the quality of our services remains unwavering, and we are excited about the positive impact our new trainees will have on our work with you.

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 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
Risk – Mitigating Controls (c/f from 2023/24)	Substantial	9/01/2025	21/01/2025	21/01/2025	-	-	-	-
Use of Social Media (c/f from 2023/24)	Substantial	16/01/2025	23/01/2025	23/01/2025	-	-	1	-

Cyber Maturity Assessment (c/f from 2023/24)	N/A	17/01/2025	23/01/2025	23/01/2025	Recommendations made during the Maturity Assessment are graded using a different methodology.			
2023/24 Follow Up	N/A	28/11/2024	23/01/2025	23/01/2025	-	-	-	-
Wanted People	Reasonable	19/09/2024	22/10/2024	23/10/2024	-	1	3	-
Contractor Vetting	Substantial	21/10/2024	6/11/2024	14/11/2024	-	-	2	-
Fleet – Fuel Usage	Limited	1/11/2024	9/01/2025	9/01/2025	1	2	3	-
Stop and Search	Reasonable	20/12/2024	3/01/2025	3/01/2025	-	2	1	-
Use of Force Reporting	Reasonable	15/01/2025	15/01/2025	16/01/2025	-	2	-	-
Payroll	Substantial	10/01/2025	14/01/2025	14/01/2025	-	-	-	-
Budgetary Control	Substantial	20/01/2025	23/01/2025	23/01/2025	-	-	2	-

4. There are no issues arising from these findings which would require the annual Head of Audit Opinion to be qualified.

Progress against the 2024/2025 Annual Plan

5. Our progress against the Annual Plan for 2024/25 is set out in Appendix A.

Changes to the Annual Plan 2024/25

6. There have been no changes made to the Annual Plan 2024/25.

Progress in actioning priority 1 recommendations

7. We have made one Priority 1 recommendations (i.e. fundamental control issue on which action should be taken immediately) since the previous SICA. This recommendation, raised during the review of Fleet – Fuel Usage, will be reviewed as part of the Follow Up review cycle.

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	<p>There is no formal policy or documented procedures in place for fleet fuel usage and fuel cards. The Fleet Services team confirmed that the department has recently undergone changes in responsibility, and it was identified that a policy had not yet been established.</p> <p>Although some procedures are established in practice, these have not yet been documented. Controls and expected standards of use are hindered in the absence of a clearly defined policy for which compliance should be measured against.</p>	<p>A Fuel Usage Policy be created that defines expectations in relation to acceptable use of fuel cards and supporting arrangements including responsibilities, arrangements for the issue and control of fuel cards, security of fuel cards, arrangements to ensure value for money, and monitoring arrangements.</p> <p>Supporting documented procedures must also be documented to provide detail of processes.</p>	1	<p>Specific – Fleet governance, policies and procedures are to be created to align to the recently created national Police Maintenance Standards. Setting out standard operating procedures for the fleet team and all core activities, Fuel usage and management being one of those areas.</p> <p>Measurable – Once established a robust internal audit plan is to be implemented to revise and refine policies and process.</p> <p>Achievable – Yes, Superintendent O'Hara will oversee core business and underpin all fleet activities.</p> <p>Relevant - Fleet team need to implement policy and guidelines to aid business continuity, drive best practice and be compliant to national standards.</p> <p>Time Bound – To be progressed by 31st March 2025.</p>	31 March 2025	Superintendent Enabling Services / Corporate Support Paddy O'Hara.

Frauds/Irregularities

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

Other Matters

9. We have issued a number of briefing notes and fraud digests, shown in Appendix B, since the previous SICA report.

Responsibility/Disclaimer


10. 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.


Appendix A: Progress against Annual Plan


System	Planned Quarter (per Annual Plan)	Original Proposed Start Date (reported to JAC in Sept 24)	Current Status	Comments
Risk – Mitigating Controls	Carried forward from 23/24	N/A	Completed	Final report issued
Cyber Security Maturity Assessment	Carried forward from 23/24	N/A	Completed	Final report issued
Use of Social Media	Carried forward from 23/24	25/11/2024	Completed	Final report issued
Follow Up 2023/24	Carried forward from 23/24	N/A	Completed	Final report issued
Wanted People	2	29/08/2024	Completed	Final report issued
Fleet - Fuel Usage	2	3/09/2024	Completed	Final report issued
Data Protection and GDPR	1	16/09/2024	Draft	Draft report issued 21/01/2025
Contractor Vetting	1	30/09/2024	Completed	Final report issued
Stop and Search	2	14/10/2024	Completed	Final report issued
Use of Force Reporting	2	23/10/2024	Completed	Final report issued
Budgetary Control	3	14/10/2024	Completed	Final report issued
Equality, Diversity and Inclusivity	1	6/11/2024	Fieldwork complete	Fieldwork completed 14/01/2025. Draft report pending.
Business Continuity	3	6/11/2024	Revised Draft issued	Responses received on 23/01/2025 indicate that further discussion is required before finalising the report. TIAA's Director of Audit is liaising with management to finalise.
Payroll	3	25/11/2024	Completed	Final report issued
Workforce Planning	4	13/01/2025	Fieldwork ongoing	Fieldwork commenced 13/01/2025.

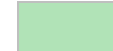
ICT – Disaster Recovery	3	7/10/2024	Fieldwork ongoing	As reported in November Remedial Action Plan Update, the audit was rescheduled to 20/01/2025. Fieldwork is ongoing.
Security of Seized Cash	4	3/02/2025	Booked 3/02/2025	
Body Worn Video	4	24/02/2025	Booked 24/02/2025	
Follow Up	4	6/02/2024	Booked 6/02/2025	

KEY:

 To be commenced

 Site work commenced

 Draft report issued

 Final report issued

Appendix B: Briefings on Developments in Governance, Risk and Control

TIAA produce regular briefing notes to summarise new developments in Governance, Risk, Control, Counter Fraud and Security Management which may have an impact on our clients. These are shared with clients and made available through our Online Client Portal. A summary list of those briefings issued in the last three months which may be of relevance to the PFCC Cumbria & Cumbria Constabulary is given below:

Summary of recent Client Briefings and Alerts

Date Issued	Sector	Briefing Type	Subject	Web Link	TIAA Comments
27 NOVEMBER 2024	ALL	Briefing	Failure to Prevent Fraud guidance published	Failure to Prevent Fraud guidance published - TIAA	On 6 November 2024, gov.uk published guidance to provide organisations with important advice on the new corporate criminal offence of ‘failure to prevent fraud’. Introduced last year as part of the Economic Crime and Corporate Transparency Act, the offence is intended to hold large organisations to account if they profit from fraud.
27 NOVEMBER 2024	ALL	Briefing	The Economic Crime and Corporate Transparency Act Update	The Economic Crime and Corporate Transparency Act Update - TIAA	An update on The Economic Crime and Corporate Transparency, On 16 October 2024, gov.uk published their latest policy paper on the Economic Crime and Corporate Transparency Act, outlining the transition plan for Companies House.
12 NOVEMBER 2024	ALL	TIAA Article	Are you Scam Savvy?	Are you Scam Savvy? - TIAA	In today’s digital age, scams are becoming increasingly sophisticated and prevalent. To help you stay informed and protected, we’ve compiled a series of articles that delve into some of the most common types of fraud.

12 NOVEMBER 2024	ALL	Campaign	International Fraud Awareness Week 2024	International Fraud Awareness Week 2024 - TIAA	International Fraud Awareness Week (IFAW) (17th – 23rd November 2024) raises awareness of fraud risks and key reporting lines. The campaign aims to start discussions amongst peers, co-workers, executives and stakeholders in the community about how important fraud prevention is to society as a whole. Our dedicated page has a range of information and resources.
16 OCTOBER 2024	ALL	TIAA News	Give a Helping Hand Charity Team Building	Give a Helping Hand Charity Team Building - TIAA	Our Head Office staff recently took part in a team building event, organised by team tactics , which saw them building a number of prosthetic hands destined for individuals in developing countries.
01 OCTOBER 2024	ALL	TIAA Article	Celebrating Cyber Security Month: Protecting Our Digital World	Celebrating Cyber Security Month: Protecting Our Digital World - TIAA	As we step into Cyber Security Month, it's a perfect time to reflect on the importance of safeguarding our digital lives. In an era where technology is deeply intertwined with our daily activities, understanding and implementing robust cyber security measures is crucial. Find out about the importance of cyber security, getting the basics right and emerging trends.
26 SEPTEMBER 2024	ALL	Anti-Crime Alert	Mandate Fraud Alert	Mandate Fraud Alert - TIAA	A TIAA client has been targeted by fraudsters in an attempted mandate fraud. Read the full details in our alert.
16 SEPTEMBER 2024	Emergency Services	TIAA Article	Empowering Emergency Services with Comprehensive Business Assurance	Empowering Emergency Services with Comprehensive Business Assurance - TIAA	TIAA's assessment of the current risks in the Emergency Services Sector.

<p>11 SEPTEMBER 2024</p>	<p>ALL</p>	<p>Briefing Note</p>	<p>Authorised Push Payment Scams</p>	<p>Authorised Push Payment Scams - TIAA</p>	<p>An implementation date of 7 October 2024 for Authorised Push Payment scam protection, is confirmed by the Payment Systems Regulator. Authorised Push Payment (APP) fraud is a significant issue and can have a devastating impact on victims. The PSR is taking a leading role in improving outcomes for consumers by introducing new protections for victims of APP scams, while incentivising industry to implement enhanced fraud prevention tools.</p>
<p>03 SEPTEMBER 2024</p>	<p>ALL</p>	<p>Video</p>	<p>TIAA's B Corp Story</p>	<p>TIAA's B Corp Story - TIAA</p>	<p>TIAA is proud to be a certified B Corporation (or B Corp), joining a growing movement of companies that are reinventing business for the benefit of all people and our shared planet. Watch our B Corp Story.</p>



Cumbria Constabulary

Assurance Review of Contractor Vetting

November 2024

Final

Agenda Item 08a

Agenda Item 08a

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Vetting mitigates the risk of engaging with individuals with criminal backgrounds or integrity issues, ensuring trustworthiness and public safety.

SCOPE

The review focused on the systems and processes for vetting new contractors and the arrangements in place for re-vetting and monitoring of existing contractors.

KEY STRATEGIC FINDINGS



The Constabulary adheres to the College of Policing’s Authorised Professional Practice (APP) on Vetting, which was last updated in 2021. The next update is expected in 2025.



All vetting requests are sent centrally to one mailbox which allows for simple management of new contractors due for vetting.



Internal SLA targets on vetting are not being met regularly. It was, however, acknowledged during the audit that there has been a higher demand recently and the Vetting Team had been resourced to a more effective at the time of audit fieldwork, with a large backlog having been reduced.

GOOD PRACTICE IDENTIFIED



The use of CoreVet system directs effective real-time vetting tracking.



The appeals process was confirmed to be unbiased, reviewed by a different manager to ensure fairness.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	2	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	Conversations with the Vetting Manager and Sponsors confirmed that there is currently no policy or process in place for prioritising a vetting case. A contractor may need to be fast-tracked or given priority due to business needs or health and safety requirements. It was also mentioned that in some cases contractors are finding alternative work due to the length of time the vetting has taken. Therefore, a procedure is needed to clarify the criteria that would warrant fast-tracking or prioritisation. Without this, there is a risk that all cases may be considered urgent, rendering the process ineffective.	A fast-track procedure be created and implemented within the Vetting Policy.	3	<p><i>S – Devise and implement a fast-track procedure for contractor vetting.</i></p> <p><i>M- Measure via PSD management meetings and performance meetings.</i></p> <p><i>A-achievable by working with sponsors to devise prioritisation triggers.</i></p> <p><i>R-relevant to improve timeliness of processing applications.</i></p> <p><i>T-Achievable within 6 months.</i></p>	30/04/25	DCI 1476 Hayley Wilkinson Head of PSD
2	Directed	Discussions with the Sponsors identified that there is limited warning about vetting expiry dates, which can lead to delays in the re-vetting process. The vetting system, CoreVet, does provide warnings when vetting is due to expire; however, due to resourcing and workload challenges, the Vetting team has struggled to flag these adequately. It was noted that the workload is returning to a manageable level, and by implementing an early warning system for the Sponsors, delays in the re-vetting process should be minimised.	Vetting Sponsors be given at least three months advance warning of vetting expiry so that they can reach out to the relevant contractors to confirm re-vetting.	3	<p><i>S-Implement a system to provide 3 months' notice to sponsors of vetting expiry.</i></p> <p><i>M-measurable by including this in vetting performance data.</i></p> <p><i>A-via timely flagging.</i></p> <p><i>R-relevant to improve timeliness of processing renewals.</i></p> <p><i>T-Achievable within 6 months.</i></p>	30/04/25	DCI 1476 Hayley Wilkinson Head of PSD

Operational - Effectiveness Matter (OEM) Action Plan

Ref	Risk Area	Finding	Suggested Action	Management Comments
No Operational Effectiveness Matters were identified.				

Assignment Engagement Details

TIAA Auditors	Title	Contact Email	Telephone
James Back	Senior Auditor	James.Back@tiaa.co.uk	07814581890
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

Constabulary Staff	Title
Hayley Wilkinson	Head of Professional Standards
Terry Bathgate	Vetting Manager
Mathew Rees	Vetting Manager

Exit Meeting Date	08/10/2024
Attendees	Terry Bathgate & Matthew Rees

Director/Commander Comment	<p>I have reviewed the audit report and am content that the report provides a fair assessment of the Contractor Vetting Process within the Constabulary. I am pleased to note that the audit report provides the highest level of assurance 'substantial' and that the report makes only two 'routine' recommendations for improvement. I have read and note the two recommendations and support the action that is to be taken. The overall vetting process within the constabulary is, quite rightly, a high priority for us. A revision of the College of Policing's Authorised Professional Practice (APP) is anticipated in 2025 and the Constabulary will ensure that any required changes are implemented in an (amended) policy.</p> <p><u>DCC Darren Martland 05/11/2024</u></p>
Deputy Chief Constable's Comment	Please see DCC comment above.
Considered for Risk Escalation	None

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	1 & 2	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings

- 

The Constabulary refers to the following policies relating to vetting: the Vetting Policy, Vetting Code of Practice and APP on Vetting 2021. A review of these documents confirmed that each are in date with their review cycle. The Vetting Code of Practice and APP on Vetting are managed by the College of Policing and are therefore not controlled by the Constabulary.
- 

The Vetting Policy outlines that all police officers, staff, and non-police personnel collaborating with the police must undergo vetting as part of the recruitment process or before being granted unsupervised access to police property, information, or systems. The vetting process adheres to the Vetting Code of Practice and Approved Professional Practice (APP) guidelines, with levels determined by the sensitivity of access required. Enhanced vetting is applied to certain roles classified as 'designated posts', which are reviewed regularly by the Head of PSD. The Force Vetting Manager oversees the process and acts as the sponsor for Cumbria Constabulary's access to UK Security Vetting systems for higher-level clearances.
- 

The Approved Professional Practice (APP) on Vetting 2021 outlines four levels for NPPV (Non-Police Personnel Vetting) Levels and detail what is entailed in each level of check. Within the criteria it gives examples of which roles may be within that vetting level. An example is that NPPV Level 1 would include plumbers, electricians, and volunteers. This policy document is shared with all members of the Vetting Team, and they are expected to refer to this frequently.
- 

There is a standardised application form for each level of vetting which holds the relevant questions for that level. Vetting can only commence when this form is submitted and has mandatory fields that require completing before the form will allow staff to continue. However, if the form is not correctly filled in then the researchers will reach out to the candidate to clarify the missing data.

Other Findings



The Constabulary utilises CoreVet which is used across the majority of police forces within the United Kingdom. The system allows the Vetting team to effectively track all vetting cases in real time which facilitates effective and accurate reporting to senior management.



Vetting requests are sent to one central inbox which is the vetting helpdesk email address. From there the Sponsors send out the ID requests and then once received the contactors will receive a vetting application form which will allow vetting to commence once complete.



Final sign off and decision-making is conducted by the Vetting Manager to ensure the correct level was allocated and that checks have been conducted correctly. This is alongside the APP on Vetting Policy which gives guidance on which roles require which level of vetting.



Financial viability checks are relevant for NPPV Level 2 Full and NPPV Level 3 due to the access the contractor will have to the site and potential material they will be able to see.



On completion of vetting, regardless of the outcome the Sponsor will be notified if the contractor has passed or failed vetting and this will be communicated via email. This email will confirm the level of the vetting and the duration for which it is valid. If the contractor has failed, then the reason for this failure will be provided and the appeal process detailed within the email.



There are no formal KPIs in place for the Vetting team such as number of contractors or candidates cleared in a month with emphasis rather focused on quality which is considered critical. However, the Vetting Managers did confirm that there is a five-week SLA in place for vetting time. This can be impacted on a case-by-case basis dependant on the application form data or search results.



The Vetting Procedure involves three members of the team which are responsible for different parts of the process. The researchers gather information to complete the candidates' vetting and will ask the candidate any additional questions that may need clarifying. There is an administration function which pulls all the information together for the Vetting Manager who then reviews the file before making a decision. If an appeal is requested, then a different Vetting Manager will review the case than the one who signed off the case to ensure independence and a fair appeal.



A sample of 32 vetting clearances was sampled to establish that the vetting clearance had been completed and communicated to the relevant contractor. All cases sampled had evidence of a vetting clearance email and each email confirmed the correct vetting level that was reflected on the system. It was identified that only 6 of the 32 were completed within the five-week internal SLA target. Discussions with the Vetting Manager confirmed that a majority of the delays were due to the contractors filling in forms late and the sponsors having to re-register them.



A sample of ten decision reports was selected for testing. The sample was reduced due to redaction and review measures taken internally with the Constabulary due to sensitive content. However, a review of these redacted decision reports confirmed that the cases sampled were subjected to evidence-based approvals and had sufficient detail to justify the vetting decision.







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 Constabulary is subject to the Police, Fire and Crime Commissioner’s external scrutiny panel every six months which selects a sample of vetting cases assessed by members of the Ethics Panel. The Constabulary evidenced the most recent communications between themselves and the Panel which requested a sample. Due to the sensitive nature and content of what is reviewed and communicated back to the Constabulary the results could not be shared during the audit.
-  There is a monthly meeting known as the People Intelligence which review vetting cases that are between a failure or clearance which involves a member of staff from Anti-Corruption, a Vetting Manager, Human Resources and the Head of Professional Standards. Each case is reviewed and all circumstances considered prior to authorising a clearance or fail. A copy of the Police Intelligence Referral Form used was provided as evidence; the minutes could not be included due to the sensitive nature of the content however evidence of the meeting invites for June and September confirmed that these meetings have taken place recently.
-  The Vetting Managers hold meetings with the Head of Professional Standards twice per week—on Mondays and Fridays—to report on overdue reviews, broken down by days over SLA and review types, such as Change of Role and ACU Referral. The Friday meeting is used by the Vetting Managers to assess performance, while the Monday meeting is focused on validating the previous week’s data. The data is directly drawn from CoreVet's MI function.
-  There is an appeals procedure in place within the APP on Vetting document and is clearly laid out within. It was confirmed on-site that if a vetting case is appealed then the appeal will be reviewed by another Vetting Manager or the Head of the Vetting Department to ensure no bias in the review. The Constabulary only had one appeal within the last 12 months and a review of this case confirmed that additional evidence was provided and reviewed by another Manager.

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:	5 th September 2024	23 rd September 2024
Draft Report:	21 st October 2024	6 th November 2024
Final Report:	14 th November 2024	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Wanted People

October 2024

Final

Agenda Item 08b

Agenda Item 08b

Executive Summary

OVERALL ASSESSMENT






ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Reduced likelihood of wanted persons being incorrectly logged or categorised on the Police National Computer.


SCOPE

The review assessed the arrangements for wanted people including outstanding named suspects, individuals wanted on warrant and those wanted for licence recall. The review considered policies and procedures; arrangements for recording details of wanted people on internal databases and the Police National Computer (PNC); arrangements for reviewing and updating records of wanted people; categorisation of wanted people based on crime and risk; recording of risk management plans based on risk posed by suspect, ongoing risk to victim, risk to the wider community and risk of reoffending; communication internally within the constabulary; communication with other forces and agencies; public engagement and appeals; and monitoring arrangements including progress of action taken for purposes of trace and arrest.

KEY STRATEGIC FINDINGS

-  The Constabulary has a robust policy on the handling of wanted persons and clear procedures that detail what is expected from staff.
-  Testing identified that the risk assessments were limited to one-word descriptors and provided little context to officers or reviewers.
-  Monitoring and performance reporting for wanted persons is not established within the Cumbria Constabulary Named Suspect and Wanted Persons Policy and Procedure.

GOOD PRACTICE IDENTIFIED

-  Testing confirmed that wanted persons were being entered onto the Police National Computer accurately and the process is digital, allowing for efficient communication between the officers, supervisors, Warrants Team and other constabularies and external partners.

ACTION POINTS

Urgent	Important	Routine	Operational
0	1	3	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)
2	Directed	<p>A sample of thirty cases was selected for testing to confirm that wanted persons were being risk assessed in accordance with internal procedure. None of the thirty sampled had a formal risk assessment completed. Each case did have comments made on Red Sigma detailing potential risks the person may pose but was limited to one-word notes (for example, "weapons", "violent", "drugs"). Seven of the cases did contain some minor risk context within the Recall to Court forms but again this detail was limited.</p> <p>The Named Suspect & Wanted Persons Policy & Procedure does outline that risk assessments should be conducted, and this expectation was confirmed in an interview with the Detective Chief Inspector.</p> <p>The wanted person's risk assessment should consider specific steps to prevent further offending, protect victims through safeguarding actions, and mitigate risks to the wider public. Additionally, it should incorporate measures to protect officers, especially when dealing with violent individuals or those with access to weapons and also consider any other concerns about the individual.</p>	A wanted people risk assessment form be created for use to ensure consistency across the Constabulary.	2	<p><i>S- Wanted person risk assessment already exists, and this will be enhanced to incorporate measures to protect officers. This 'form' will be a direct entry on to the associated crime.</i></p> <p><i>M- The use and effectiveness of the risk assessment will be measured via the monthly wanted persons tactical meeting and BIU audits supported by BCU 'wanted' SPOCs.</i></p> <p><i>A - The use of this risk assessment is mandatory and is achievable by all officers following the guidance.</i></p> <p><i>R - This will be relevant to all crimes with an outstanding named suspect and;</i></p> <p><i>T - requires immediate implementation and monitoring on a monthly basis.</i></p>	01/11/2024	DCI Yallop

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)
1	Directed	<p>Discussions with the Warrants Team Leader confirmed that officers are responsible for completing a Power Apps form that captures the details of wanted individuals. These forms are then passed to their supervisor for review. Following approval, the information is manually entered into the national system by the Police National Computer (PNC) department. The data is also entered on the warrant management system and Red Sigma system by the Warrants Team, which the force can access to allocate resources. There is no automatic link between the internal databases and the PNC, meaning updates must be done manually.</p> <p>There is no formal escalation if delays occur, but the Warrants Team do run a report on outstanding Power App Forms and contact both the supervisor and officer who raised the form. It was confirmed there is no automated reminder system for pending forms, which could result in overlooked tasks by supervisors and puts reliance on another department as part of a manual follow up process.</p>	Explore the possibility of automatically sending reminders to officers and their supervisors if a Power Apps form is incomplete or awaiting approval to identify and reduce delays.	3	<p>CREATE AN AUTOMATIC REMINDER TO THE SUPERVISOR. DEPENDANT ON THIRD PARTY. ICT DEPARTMENT.</p> <p>S - Create automatic function in PowerApps to reduce risk and reliance on other depts.</p> <p>M - That It provide a function in the Power app.</p> <p>A - Laise with ICT second line.</p> <p>R - Yes, to reduce risk and demand.</p> <p>T - 6 months.</p>	31/03/2025	WARRANTS TEAM LEADER

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	Delivery	There is no established monitoring arrangements defined within the Cumbria Constabulary Named Suspect and Wanted Persons Policy and Procedure document for tracking the progress of actions taken to trace and arrest suspects. This omission can lead to inconsistent practices, accountability gaps, and difficulties in measuring performance, potentially resulting in delays, non-compliance, and missed opportunities for timely intervention. Discussions with the Warrants Team confirmed there is monitoring in place for this team, but that process is not currently documented as referenced in Recommendation 4.	Update the policy to include clear monitoring guidelines, defining roles and responsibilities, establishing regular reporting mechanisms, and implementing escalation processes.	3	<p>UPDATE CUMBRIA WANTED PERSON POLICY – LAST UPDATED 2023. TO INCLUDE THE POWERAPPS MONITORING OF SUPERVISION APPROVALS.</p> <p>S - Updated policy. M - Rewritten and in line with audit requirements. A - Link in DCI Yallop. R - Yes as policy is incorrect. T - 6 month.</p>	31/03/2025	DCI YALLOP
4	Delivery	Statistics are taken from the warrant management system and are reconciled against court reports to confirm who has outstanding warrants or summons. The Warrants Team Leader also completes a monthly reconciliation that confirms issued arrests, arrests executed and those outstanding. This information is also used to confirm who is the arresting officer and category. However, this process is not documented which was confirmed by the Warrants Team Leader.	The process for reconciling court reports and wanted persons data be documented to ensure other members of staff can understand and carry out the procedure in the absence of the Warrants Team Leader.	3	<p>CREATE PROCESS MAP FOR MONTHLY RECONILIATION OF COURT WARRANTS, WANTED PERSONS, BREACH OF EMS AND RECALLS (QUARTERLY).</p> <p>S - Provide a process map for warrants reconciliation, court warrants, wanted and breach of EMS. M - Completed and covers all aspects for any scrutiny. A - Written by AW. R - Yes, to reduce risk and demand and highlight resource deficiencies. T - 6 months.</p>	31/03/2025	WARRANTS TEAM LEADER

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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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
James Back	Senior Auditor	James.Back@tiaa.co.uk	07814581890
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714
Constabulary Staff	Title		
James Yallop	Detective Chief Inspector		
Allyson Woodend	Warrants Team Leader		

Exit Meeting Date	6 th September 2024
Attendees	James Yallop

Director/Commander Comment	<p>The findings of the audit are accepted. I have reviewed next steps with DCI James Yallop. The monthly tactical reviews now agreed will address the findings and in particular, the improvements required in effective risk assessment (assessing risk to victims, to the public, of further offending and to officers/staff). They will also ensure prioritisation of the most harmful cases.</p> <p>DCS 3580 David Ashton 08/10/2024</p>
Deputy Chief Constable's Comment	<p>I have read and note the 4 action points (1 x important and 3 x routine) and support the action taken.</p> <p>I note the comments with regards to performance reporting / progress updates and concerns that monitoring and performance reporting is not established within the Cumbria Constabulary Named Suspect and Wanted Persons Policy and Procedure. However, I can provide an absolute assurance that monitoring of Wanted People takes place in BCU's and Forcewide (SPB). The non-recording of appropriate Risk Assessment (mitigating actions) is a concern, which will be addressed immediately. Whilst the Implementation Timetable indicates by 31.3.2025, the above actions will be addressed immediately.</p> <p>Darren Martland (DCC). 22/10/2024</p>
Considered for Risk Escalation	-

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	-
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	2	-

Other Findings

- 

The Constabulary maintains a Named Suspect and Wanted Persons Policy and Procedure which is reviewed by the Operational Scrutiny & Oversight Board on a three-yearly basis. The Policy was most recently reviewed in January 2024.
- 

The Policy includes process flows for a variety of procedures including but not limited to PNC Wanted Process, Cancelling from PNC, Detained Person and Failed to Appear. These process flows are detailed and clear which direct compliance with the policy. Roles and responsibilities are highlighted throughout the policy which also confirms there is existing segregation of duties in place for certain procedures.
- 

The Warrants department conduct a thirty-day review which is run from the Wanted Review Spreadsheet which tracks any wanted persons open for thirty days or more. After thirty days the team emails the officer/supervisor to confirm if the individual is still wanted and also check the PNC for records and check the prison records to confirm if there have been any changes logged. Credit checks and DWP checks for address changes are also conducted and if any changes are confirmed, those details are provided to officers for their information.
- 

Offences and named suspects are categorised into Category A, B, or C based on several factors including the seriousness of the offence, the individual's status as a Prolific or Priority Offender, and the vulnerabilities of the victim. Once categorised, the Officer in Charge must follow the appropriate process to place the suspect as wanted on the Police National Computer. The process is similar for all categories, with two key differences: Category A suspects are listed on the PNC National, while Category B/C suspects can be listed on either PNC National or Local. Additionally, Category A suspects are marked as main sector targets on Red Sigma and must be discussed in Daily Management Meetings when actionable intelligence is available, whereas Category B/C suspects are managed through a target profile.

Other Findings



The roles and responsibilities of the Area Intelligence Unit (AIU) and Force Intelligence Bureau (FIB) direct communication both internally with the constabulary and externally with other forces and UK agencies. The AIU facilitates internal communication by ensuring that Category A named suspects are discussed during the Daily Management Meetings and by supporting investigative inquiries with specialised resources. Additionally, the FIB manages external communication by assisting with cases involving suspects outside the force area or overseas, directing effective coordination with other forces and agencies. The Tactical Response Group work with the Warrants team when not booked out on calls to identify and work to try and bring in wanted persons.



The Force makes use of their own website to launch appeals for information as well as updates on legislation such as the recent amnesty for "zombie knives". The appeals provide a summary of information about the incident and also advise the public how they can report any information. Additionally, the Force uses social media sites such as Facebook to alert the public to wanted persons, including photographs, reason for warrant and further advice on action to take if the person in question is identified.



The Cumbria Constabulary Named Suspect and Wanted Persons Policy and Procedure outlines the process of risk management. The responsibility of any associate risk will be under the Inspector of the respective Officer in the Case (OIC) and supervisor or Sergeant, and responsibilities of each role is referenced. The following areas must be documented: Steps taken to prevent the risk of further offending, steps taken to prevent the risk to victims including what safeguarding actions have taken place and steps taken to prevent wider risk to the public.



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	3, & 4	-
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.	Out of scope	-	-

Other Findings



All thirty wanted persons sampled had evidence of a Power Apps forms and that details were accurately updated onto the Police National Computer. In addition to the PNC being updated which can be seen by all other forces within the country, Red Sigma was also updated with details of the offence, the wanted person and any other relevant information which officers can access at any time and update with any additional findings.



When a wanted person is logged on the Police National Computer, they can be either logged as a PNC National or a PNC Local. Category A persons must be logged as a PNC National whereas Category B and C can be either. Testing of thirty cases confirmed that each had been assigned a PNC National or Local level with appropriate rationale, facilitating effective information sharing between internal and external stakeholders within Cumbria and across wider UK police forces and enforcement agencies.

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.
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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:	14 th August 2024	14 th August 2024
Draft Report:	19 th September 2024	22 nd October 2024
Final Report:	23 rd October 2024	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Stop and Search

January 2025

Final

Agenda Item 08c

Agenda Item 08c

Executive Summary

OVERALL ASSESSMENT




ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE


Reduction in the likelihood of non-complaint stop and searches.


SCOPE

The review assessed the Force's compliance with the Stop and Search Authorised Professional Practice (APP) and the evidence to support the process operating in a fair, legal, professional and transparent way.

KEY STRATEGIC FINDINGS


- 


The HMICFRS PEEL report identified an issue with disproportionality in the Constabulary's stop-and-search practices for ethnic minorities. Data analysis from the last six months supports this finding based on population demographics. However, audit testing indicated that the majority of searches sampled had reasonable grounds, and those that did not were flagged by internal audit teams for further review.
- 

Officers are not permitted to police the public until they have completed and passed their Personal Safety Training which contains a substantial section on use of stop and search in both a presentation and practical assessments.
- 

The Constabulary has assigned staff to address HMICFRS recommendations made and have evidenced progress and assigned responsibilities for each recommendation.

GOOD PRACTICE IDENTIFIED

- 

In efforts to prevent racial profiling, senior figures within the constabulary do 100% samples of stop and search cases on ethnic minority groups.
- 

The internal audit team are flagging non-compliance stops and this data is being reported to relevant managers and the senior leadership teams.

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	There are two approaches to provide feedback around the stop and search procedure: the Stop and Search Trigger Application and also an information page called Your Feedback Matters which gives guidance to the public on how they can feedback their experience when being stopped by the police. Discussions with the Chief Superintendent confirmed that they have had no responses on the Trigger Application form to date. The form is easily accessible, so this is a not a barrier to the process. The Chief Superintendent did state that they wanted to implement more technology into the process and gave the example of putting a QR code on the receipts given to people stopped which would take them to a feedback form to complete, however this is not a short-term fix and will take time to implement.	The plan to overhaul the receipt process and include a QR code to encourage feedback and trigger form completion be pursued.	2	<p><i>S – The Constabulary are currently re-writing the receipt booklet for those subject to stop and search.</i></p> <p><i>M - Measurable on completion of rollout and on compliance checks using BWV.</i></p> <p><i>Achievable via tactical lead making amends to current document.</i></p> <p><i>Realistic given the PACE requirement.</i></p> <p><i>Timescale is predicated on feedback survey implementation via media into Single Online Home. This is the main barrier to immediate progression.</i></p>	01/04/25	Chief Superintendent Matt Kennerley – Portfolio Lead

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)
2	Directed	<p>A sample of 40 stop and search cases was selected for review to assess whether each case had sufficient justification in accordance with the Police's guidance and policy. The sample predominantly focused on the stopping of minority ethnic groups but encompassed all groups highlighted in the last six months. The review found that 28 cases had appropriate grounds for the search, based on current intelligence, evidence, or the behaviour of those stopped. However, 10 cases lacked some contextual details explaining why the officer was suspicious of criminal activity or how the intelligence was relevant to the stop. Additionally, in two cases relating to drug searches, the recorded details did not justify the search as compliant as there was no intelligence or behaviour that indicated the individuals had taken or were in possession of drugs. It was confirmed during testing that the internal team had also flagged this as non-compliant.</p> <p>It can be challenging to compare search reports when multiple officers are involved, as these may appear as separate incident reports, making it difficult to identify them in the system. As a result, scrutinising the accounts becomes more complex.</p>	Review the feasibility of linking case numbers that relate to the same individuals searched and ensure there is a clear record to support justification of stop and search.	2	<p><i>Specific - Review feasibility only.</i></p> <p><i>Measurable - Task can be conducted only after go-live of Mk43 Community Safety Platform but will be measurable on feasibility product being produced.</i></p> <p><i>Achievable – Feasibility review only upon implementation of new system.</i></p> <p><i>Realistic – Once Mk43 in place.</i></p> <p><i>Timescale. Interdependency with Mk43 go live (still TBC).</i></p>	01/04/25	Chief Superintendent Matt Kennerley – Portfolio Lead

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>The Constabulary is not utilising all methods of stop and searches confirmation as required by the Stop and Search Process, which mandates that individuals should receive either a written record, a receipt at the time of the event, an emailed copy, or be informed where to collect the record later. Currently, the force is advising individuals to attend a local station and issuing them a preprinted leaflet regarding the stop, where they must provide their name and date of birth to obtain a copy of the report. While this is technically compliant, it was confirmed that the first three options are not in use due there being no printing options in vehicles. This practice may discourage individuals from obtaining the report, reducing transparency and oversight of the stop and search process. It is recommended that the Constabulary address these technological issues to ensure officers can issue written reports or email copies directly, thereby improving compliance and fostering greater accountability.</p> <p>If this is deemed not feasible, the policy should be updated to remove the written record of the search at the time.</p>	The Constabulary to address the technical issues to enable officers to issue written reports or send email copies directly to individuals at the time of the stop and search.	3	<p><i>Specific – Feasibility for issue at time considered but not practical due to the volume of information required for compliance grounds. Therefore, policy to be updated to reflect this.</i></p> <p><i>Measurable – Via change to policy documents.</i></p> <p><i>Achievable - Via change to policy.</i></p> <p><i>Realistic – No issues.</i></p> <p><i>Timescale is reliant on other policy changes that also need amended and are planned in for refresh at the same time.</i></p>	01/04/25	Chief Superintendent Matt Kennerley – Portfolio Lead

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
James Back	Senior Auditor	James.Back@tiaa.co.uk	07814581890
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

Constabulary Staff	Title
Matthew Kennerley	Chief Superintendent
Mark Bray	Police Constable
Robert Thomson	Constable PPST/Taser/First Aid Instructor and Stop and Search Lead Instructor

Exit Meeting Date	12/11/2024
Attendees	Matthew Kennerley – Chief Superintendent

Director/Commander Comment	<p>The scope of the review was wide and considered a range of areas across the portfolio. The subject is constantly evolving, and policy changes are required to meet the changes. The findings demonstrate the positive progression against the HMICFRS PEEL findings, the strong training input to officers and the internal and external scrutiny this business area undergoes. The report also evidences how we consistently consider disproportionality within this key portfolio.</p> <p>Ch Superintendent Matt Kennerley 04/12/2024</p>
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Deputy Chief Constable's Comment	<p>I welcome the audit report and findings that the Constabulary is compliant with the College of Policing Authorised Professional Practice (APP) and accept the 3 x Action Points, which will be addressed by the Constabulary within relevant governance framework i.e. Use of Force / Stop-Search and the Digital Board. Progress will be overseen by ACC Blackwell and reported to the Chief Officer team.</p> <p>DCC Darren Martland 03/01/2025</p>
Considered for Risk Escalation	

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	-
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	2, & 3	-

Other Findings

- 

The Constabulary own two policies that relate to the use of Stop and Search; these are the Use of Force and Stop and Search Policy and Procedure and the Stop Search Audit Methodology as referenced within the HMICFRS Peel Report. The policies are in line with the Police and Criminal Evidence Act (PACE) Code A, however an increased level of scrutiny was recommended. The Force and Stop and Search Policy and Procedure covers sections such as disproportionality and provides examples of justifiable action, Consensual Searches, Use of Force and other guidance information. Both policies are in date and include version control and tracked changes.
- 

The Constabulary's website hosts a section on Stop and Search and is broken down into multiple areas such as "why we use stop and search", "how we use stop and search", "the stop and search process", "your rights and responsibilities" and "serious violence reduction orders". Each of these sections provide the public with details on what they expect from officers and what is expected of the public during a stop and search situation.
- 

The HMICFRS Peel report cited that community engagement is somewhat limited. While the Ethics and Integrity Panel includes community representatives, the small number of cases reviewed does not offer the public adequate insight into the constabulary's use of these powers. The Constabulary has attempted to establish what is a sufficient number of cases to be reviewed. Taking examples from other forces who have marginally more cases (4-5 cases) the Constabulary has doubled their samples from 3 to 6.

Other Findings



Included on the Stop and Search section of the force website there is a tab called Stats and Data which houses Cumbria Constabulary's stop and search outcomes. The data presented currently is from March 2024 to August 2024 and provides details of Police action taken, no further action and outcome not collected. Current statistics show that between March and August 2024, Cumbria Constabulary conducted 5,169 stop and searches, with 21.42% resulting in police action, 68.7% leading to no further action, and 9.89% having unrecorded outcomes. Unrecorded outcomes were followed up with the Chief Superintendent who confirmed that these figures are categories such as cautions, community resolution orders, verbal warnings and vehicle only searches. These categories are not reported on at a national level as the Home Office does not request these. It was evidenced by the Force that this information is being retained internally. Of these, 39.02% were linked to the purpose of the search. Controlled drugs (75.16%) and offensive weapons (8.9%) were the most common reasons for searches. Analysis of stop and searches by ethnicity showed higher search rates per 1,000 residents for Black and Asian individuals compared to other groups, while White individuals accounted for the majority of searches. The detail provided allows for suitable challenge from the public as this data is easily accessible.



The training and awareness arrangements for officers, particularly regarding stop and search procedures, are uniquely structured and developed by a dedicated force trainer, incorporating a mix of national content and additional tailored material. The program includes a full day of theoretical training covering safety, legislation, and procedural knowledge, followed by practical training on day two, where officers participate in six progressively complex scenarios. Officers must complete marked training stop and search forms for one of these scenarios, receiving feedback on both their theoretical understanding and physical execution. During the initial Physical Skills Training (PST), officers face advanced scenarios involving genuine risks, requiring the use of Personal Protective Equipment (PPE) in exercises that closely mimic real-life situations, with PST instructors acting as role players. Throughout their 22 weeks of training, officers consistently complete Use of Force (UOF) and stop search forms, which are marked with feedback provided. The stop and search training has received positive feedback from students, being rated as the top lesson at the Learning and Development Centre (LDC). Currently, this comprehensive training program is solely managed by the force trainer, who has been in this role for the past 12 months.



The HMICFRS identified that safeguards, such as audits of body-worn videos and performance monitoring, are in place, which audit testing also confirmed. However, it was stated that more robust systems are needed to ensure that disproportionality in stop and search is addressed. The higher likelihood of ethnic minority individuals being searched suggests that existing safeguards may not be sufficiently reducing bias. The Chief Superintendent confirmed and evidenced that on a monthly basis they review all data that relates to stop and search on ethnic minorities to establish rationale, cause, individuals and context involved and this is presented in the monthly board meetings, which was evidenced in the July and September reports; August was cancelled due to annual leave of attending members.



The HMICFRS identified that while most records appear to follow PACE Code A requirements, with reasonable grounds for suspicion recorded, there is still a need for closer supervision. The constabulary does not always review records at the point of submission, leading to missed opportunities for immediate feedback and improvement. Discussions with the Chief Superintendent and a view of the police improvement plan have confirmed that a new procedure is being implemented in which an officer must issue their stop and search report to their supervisor who will review this for quality and compliance before submitting the report. This is in an effort to reduce lack of detail, identify training needs and correct errors prior to submission.



There currently is no formal risk assessment in place for stop and search which has been flagged by a recent Peel Report. The Constabulary is in the process of creating such a risk assessment.



Since risks within the organisation are managed on a departmental basis, Stop and Search risk management does not exist in a standalone risk register. Instead, risks associated with Stop and Search are reviewed through a monthly Governance Board chaired by the [Chief Superintendent]. This Board oversees risk-related matters and ensures that timely interventions are applied as needed to mitigate identified risks.



A review of the recommendations made by the HMICFRS Peel report was reviewed as part of this audit to reduce duplication across both audits. The recommendations made by HMICFRS were provided during the audit and the police improvement plan was evidenced which confirmed all actions had been input and allocated to staff to address.

Other Findings



Stop and Search training on the Police Constable role and professional standards covers essential knowledge and skills for conducting lawful searches. Key learning objectives include understanding the grounds and authority for lawful searches, with distinctions between terms like 'stop and search' and 'stop and account.' The training highlights the importance of establishing legal grounds and authority before a search, adhering to principles of reasonable suspicion, and understanding the procedural justice implications of searches. Officers learn to recognise and address the vulnerabilities of young people or those with potential vulnerabilities. Ethical considerations and the impact of searches on individuals and communities are emphasised, including the need to be aware of conscious and unconscious biases. Practical aspects cover conducting safe and lawful searches of persons, vehicles, premises, and areas, as well as alternative interventions if search powers are unavailable. The curriculum also addresses health and safety risks, and stresses the importance of recording, monitoring, and facilitating public scrutiny of stop and searches.



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.	Out of scope	-	-

Other Findings



Discussions with the Chief Superintendent confirmed that they chair a monthly board meeting for Stop and Search and Use of Force. Evidence of these monthly reports were provided by the Chief Superintendent. Additional evidence of the annual Stop and Search report was provided during the audit for financial year 2023/24.



The constabulary uploads the grounds for stop searches and their compliance onto a central spreadsheet. This data is then displayed in Power BI, a reporting program that shows performance percentages and graphs. Additionally, a performance PowerPoint is produced and distributed monthly. Each team Sergeant has access to this information and can view which stop searches have been audited and their compliance levels. It is the Sergeant's responsibility to take any necessary action, with the constabulary providing the data for their use.

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:	14 th October 2024	14 th October 2024
Draft Report:	29 th November 2024	
Revised Draft Report:	20 th December 2024	3 rd January 2025
Final Report:	3 rd January 2025	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Payroll

January 2025

Final

Agenda Item 08d

Agenda Item 08d

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

R1 - Strategic Finance.

SCOPE

The review considered arrangements for: the creation, amendment and deletion of payroll records accurately and on a timely basis; payment of allowances and pay awards; collection of overpayments; payment of salaries; and reviewing payroll, exception reports and pay variations prior to authorisation. The scope of the review did not include determination of salary scales, the HR arrangements for appointment and removal of staff, severance payments or reimbursement of travel and subsistence expenses, or pension arrangements.

KEY STRATEGIC FINDINGS



A managed payroll service agreement is in place, providing periodic processing, payments to employees and third parties, and answering ad hoc queries.



From the sample testing performed, payroll calculations are accurate, properly supported and approved, and paid on a timely basis.



The payroll team, in particular, has developed over time a thorough, efficient and effective series of period-end checks on the various payroll data sets.



As at Quarter 2, payroll costs were reported to the Chief Officer Group with a forecast net underspend of £116K, or 0.08% of the revised budget for 2024/25.

GOOD PRACTICE IDENTIFIED



The Financial Regulations and the Financial Rules both detail the payroll-related responsibilities of all personnel involved in the payroll process.



An extensive suite of procedures and strict timetables for periodic tasks help ensure that payroll calculations and payments are accurate and timely.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
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There are no Recommendations arising from this review.

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
Ian Goodwin	Principal Auditor	Ian.Goodwin@tiaa.co.uk	07867 526 292
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

OPFCC/Constabulary Staff	Title
Alison Hunter	Payroll & Transactional Services Manager
Fiona Braithwaite	Employee Services Team Leader
Abi Whitbread	Data Reporting and Systems Officer
Ann Dobinson	Head of Central Services

Exit Meeting Date	12/12/2024
Attendees	Ann Dobinson, Head of Central Services Alison Hunter, Payroll & Transactional Services Manager Fiona Richardson, Employee Services Team Leader

Director/Commander Comment	<p>I am pleased that the audit report has revealed that internal payroll controls continue to operate effectively and that the payroll processing and subsequent checks are operating as designed. This is particularly important as payroll costs account for 80% of the total budgeted revenue expenditure.</p> <p>This audit report has given substantial assurance that payroll services continue to operate in a secure and effective manner, it highlights those internal controls are in place and working effectively across all areas, which is a real testament to the approach and diligence of all involved.</p> <p>It is noted that there are no recommendations made as part of this audit.</p> <p>Ann Dobinson, Head of Central Services 13/01/2025</p>
Deputy Chief Constable's Comment	<p>I have read the report and the comments from the Head of CSD above. I am pleased to note that the audit provides the highest level of assurance for payroll (Substantial) and contains no recommendations/actions.</p> <p>DCC Darren Martland 13/01/2025</p>
Considered for Risk Escalation	N/A

Findings



Directed Risk:











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

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

Other Findings

- Both the Financial Regulations and the Financial Rules are dated March 2021 and apply to all employees of the Police, Fire and Crime Commissioner for Cumbria (PFCCC) and to all employees and police officers of Cumbria Constabulary. The Rules are the detailed supporting guidance and instructions accompanying the Regulations. They both include a section specific to employee payroll, pensions and other expenditure, as well as one on taxation (PAYE, VAT and national insurance), in which are detailed the relevant responsibilities of key personnel. The payroll team has developed an extensive suite of procedures, a sample of which was reviewed and seen to be up to date.
- On 15th October 2023, the PFCC entered into a five-year payroll service contract with Softcat plc, whereby MHR International UK Ltd (MHR) is subcontracted to provide a managed payroll service using the iTrent HR and payroll system. Included within the service agreement is a payroll enquiry service whereby MHR will answer ad hoc payroll queries from the payroll team, from other employees and also from named third parties, being HMRC, courts, and Child Maintenance Service.
- The Office of the Police, Fire and Crime Commissioner (OPFCC) presented its quarterly Risk Management Monitoring report to the JAC on 25th September 2024. Risk R1, Strategic Finance, is the risk of a reduction in real term resources within the medium-term providing sufficient funding for current levels of policing. Mitigating actions are stated to include that the budget and medium-term financial forecast (MTFF) are reviewed and updated on a regular basis and that the budget has been balanced in the short-term. The latest risk score is 12 (amber). Responsible Officers are the Chief Executive and the Chief Finance Officer (CFO). The Constabulary's strategic risk register, presented at the same meeting, includes a risk on the implications of a longer-term reduction in budget and the level of savings required. Payroll costs account for 80% of the total budgeted revenue expenditure for 2024/25 that was presented to the Public Accountability Conference on 15th February 2024.

Other Findings

-  A Payroll Timetable spreadsheet was evidenced, listing the required date of completion for each of 20 identified tasks across all 12 pay months in the current financial year. The payroll service contract also includes a strict payroll processing schedule for 14 identified tasks, from the submission of payroll data to MHR, through to transmitting the authorised BACS file and transferring payslips for printing.
-  For the purposes of testing compliance with the organisation's Financial Regulations, Financial Rules, policies, procedures and relevant legislation, ten different tests covering the 12 months ended 31st October 2024 were undertaken. All testing was successful, including by detailed review of payslip entries with the Employee Services Team Leader via screenshare. Further details are provided below.
-  For each of five sampled starters, a Notification of Commencement of Employment form was completed and signed by the employee. For Police staff, details were agreed to their contract of employment. For Police Officers, the Employee Services Team Leader stated that contracts of employment are not received. Each starter was added to the payroll in the correct period. Their first payslip was reviewed and calculations were found to be accurate.
-  Each of the five sampled leavers had been added to a Leavers' spreadsheet, which tracks all the required administrative tasks to effectively process the employee's departure. Four leavers had also completed a Resignation / Retirement Notification form, one had received a financial settlement. All were removed from the payroll in the correct period and a review of their last payslip showed that calculations were accurate.
-  Three employees taking maternity leave, two taking paternity leave and one taking adoption leave were selected. The relevant payroll forms had been completed, giving notice of the intention to take leave, and the sampled payslips showed the correct calculation of the relevant leave element.
-  Five employees were selected who had a change of circumstance. One received an honorarium for acting up, two requested a change in shift pattern and two were from structural changes. Each change was supported by a proper audit trail and had their details accurately updated in the payroll system. Where applicable, the payslip correctly reflected the change.
-  Both the police officer pay award, and the police staff pay award for 2024/25 were effective from 1st September 2024. Six employees were selected, and payslips were checked to verify that the correct rate had been applied from the correct date.
-  Eight employees having had sickness absences were selected. Payslips were evidenced to ensure the correct deduction had been made for the absences as applicable.
-  Five employees having had overtime paid were selected. The relevant payslips were reviewed to confirm payment was made at the correct rate. Approval for overtime is handled by the Resourcing Team via the Crown Duty Management System. The Central Services Department then undertake overall reasonableness checks, which were evidenced in detail during testing, including via screenshare. These checks were seen to be extremely thorough, covering multiple scenarios and performed on multiple data sets each month.
-  The Monthly Payroll Tasks Checklist was reviewed for July 2024. This lists all checks made to payroll data prior to payment. Once each task is completed, it is then checked by a second person.



Delivery Risk:

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

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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.	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	-	-

Other Findings



The Financial Update 2024/25 Quarter 2 was presented to the Chief Officer Group on 21st October 2024. This noted a forecast outturn for Police Officers' pay of £110,656K, being a forecast net overspend of £605K (0.55%). The analysis provided of the net overspend comprised nine overspends, the largest of which is workforce plan changes (£233K), less three underspends, the largest being maternity / paternity (£447K). The Update also noted a forecast outturn for Police Staff pay of £29,657K, being a forecast underspend of £352K (1.17%), which is stated to be mainly due to increased vacancies. There is also a £369K (19.02%) underspend on Police Community Support Officers' pay, mainly due to the number of forecast vacancies.



As well as the payroll enquiry service, under the terms of the payroll service contract MHR also provides a 24/7 support portal known as "Service Cloud", part of which includes news on any relevant changes in legislation. The contract also includes various specific tasks requiring MHR to comply with current payroll legislation.

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.

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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:

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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:	26 th September 2024	26 th September 2024
Draft Report:	10 th January 2025	14 th January 2025
Final Report:	14 th January 2025	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Fleet - Fuel Usage

January 2025

Final

Agenda Item 08e

Agenda Item 08e

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Fraudulent purchasing of fuel and unnecessary expenditure.

SCOPE

The audit reviewed the arrangements in place for ensuring there are appropriate controls in place in relation to fuel usage and security of fuel cards.

KEY STRATEGIC FINDINGS

- There is currently no policy or documented procedures in place defining controls and accepted practices in relation to fuel usage.
- Reporting is delegated to each area Finance Manager who provides their own reports. Fuel reporting is limited to overall expenditure and a recommendation has been made to expand on what is reported.
- Whilst not defined in policy, it is expected that fuel card holders use standard, rather than premium, fuel. Cases of non-compliance were identified.
- The Fleet Department receives monthly invoices for all fuel expenditure. These are reviewed for any inconsistencies or fuel misuse.

GOOD PRACTICE IDENTIFIED

- All inconsistencies within the last three months had been investigated by the Fleet Management Information Officer.

ACTION POINTS

Urgent	Important	Routine	Operational
1	2	3	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	<p>There is no formal policy or documented procedures in place for fleet fuel usage and fuel cards. The Fleet Services team confirmed that the department has recently undergone changes in responsibility, and it was identified that a policy had not yet been established.</p> <p>Although some procedures are established in practice, these have not yet been documented. Controls and expected standards of use are hindered in the absence of a clearly defined policy for which compliance should be measured against.</p>	<p>A Fuel Usage Policy be created that defines expectations in relation to acceptable use of fuel cards and supporting arrangements including responsibilities, arrangements for the issue and control of fuel cards, security of fuel cards, arrangements to ensure value for money, and monitoring arrangements.</p> <p>Supporting documented procedures must also be documented to provide detail of processes.</p>	1	<p>Specific – Fleet governance, policies and procedures are to be created to align to the recently created national Police Maintenance Standards. Setting out standard operating procedures for the fleet team and all core activities, Fuel usage and management being one of those areas.</p> <p>Measurable – Once established a robust internal audit plan is to be implemented to revise and refine policies and process.</p> <p>Achievable – Yes, Superintendent O'Hara will oversee core business and underpin all fleet activities.</p> <p>Relevant - Fleet team need to implement policy and guidelines to aid business continuity, drive best practice and be compliant to national standards.</p> <p>Time Bound – To be progressed by 31st March 2025.</p>	31 March 2025	Superintendent Enabling Services / Corporate Support Paddy O'Hara.

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)
2	Directed	<p>Staff who receive a fuel card are given a memorandum to sign to acknowledge they have received the card. The memorandum does not include a statement that staff are agreeing to any terms of use. Discussions with the Head of Fleet confirmed that this would be a suitable recommendation, but it would be beneficial for a declaration be signed on graduation of the driving school to capture all officers rather than just the assigned officer of a vehicle.</p> <p>There are 450 fuel cards in use, of which 350 vehicle cards are left in the vehicles for any driver of that vehicle to use and there are 100 cards issued as bearer cards to individuals for use in hire cars. All drivers likely to use a fuel card should agree to appropriate terms.</p> <p>Terms of use must first be established within the Policy (per Recommendation 1).</p>	Staff to sign a terms of use declaration upon receipt of a fuel card.	2	<p>Specific – In conjunction with Rec 1, memorandum to be updated to include a declaration. Recognising this will only cover a very limited number of staff (322 vehicles to circa 2000 constabulary employees = 16.1% at best captured in this method), a secondary measure to capture all employees to be sought.</p> <p>Measurable – Once implemented records can be studied to seek capture rate.</p> <p>Achievable – Yes, however very resource dependant.</p> <p>Relevant – Terms of use need to be understood within the area of business.</p> <p>Time Bound – In line with Rec 1.</p>	31 March 2025	Superintendent Enabling Services / Corporate Support Paddy O'Hara.

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>The Constabulary attempts to ensure value for money in fuel spending by posting updates onto the intranet about tips to reduce fuel costs. For example, the use of fuel cards at key fuel sites that offer discounts. The driving school also outlines that standard fuel is to be used at all times.</p> <p>During testing it was established that premium fuels are being used occasionally, accounting for between 6-9% of the expenditure within the last three months. The Change Team are currently looking to introduce an application called Petrol Prices which will inform officers where the cheapest fuel is relative to their location. Whilst this will require the officers to check the app manually, it will give them a tool to reduce costs.</p>	A reminder be communicated to the Constabulary highlighting the required use of standard fuel over premium and this position be clearly established in the new policy to be created.	2	<p>Specific – Need to Know/ In Touch to be put out highlighting the preferred use of standard fuel.</p> <p>Measurable – Over time and review should see a measurable decrease in use of premium fuel.</p> <p>Achievable – Yes.</p> <p>Relevant – Yes, decrease in premium fuel usage will ultimately drive down costs to the constabulary.</p> <p>Time Bound – Complete by 31 Oct 24.</p>	<p>Complete by 31 Oct 24.</p> <p> Tiaa follow up action.msg</p>	Fleet Management Information Officer
4	Directed	A sample of 20 vehicles was selected for testing to confirm that a Commissioning Checklist was completed prior to issuing a fuel card for the vehicle. Only six checklists were evidenced and a discussion with the Fleet Management Information Officer established that these were only available for new marked vehicles of which only six were in the sample. The checklists were fully completed however there is nothing on the form to indicate who completed and signed off the checklist. It was noted that it is usually the same person who completes the checks.	The vehicle checklist be updated to include a field for who completed the checklist.	3	<p>Specific – Update vehicle pre issue checklist to include staff completion element.</p> <p>Measurable – Yes, complete.</p> <p>Achievable – Yes.</p> <p>Relevant – Yes, allows the fleet team to track who commissioned the vehicle into service and process followed.</p> <p>Time Bound – Complete.</p>	<p>Complete by 31 October 2024</p> <p> Commissioning Check List.docx</p>	Interim Head of Fleet

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)
5	Delivery	<p>Discussions with the Head of Fleet confirmed that reconciling fuel expenditure against mileage would have limited value, given the varied and operationally necessary reasons for vehicles to remain idle such as scene management, accident protection, or keeping dogs cool in vehicles.</p> <p>Overall fuel consumption, however, is monitored and any significant discrepancies that arise are investigated by the Fleet Management Information Officer when conducting their review of the monthly invoices., If anything appears significantly out of expectation it is raised with the Head of Fleet. There is no set threshold for what is considered out of expectation, so this is recommended to be set out within any new policy or procedure documents to avoid ambiguity.</p>	The process of monitoring fuel consumption should be updated to include a threshold for escalating issues to the Head of Fleet.	3	<p>Specific – Thresholds to be identified and implemented as part of Rec 1.</p> <p>Measurable – Once implemented tested to prove breaches identified and dealt with.</p> <p>Achievable – Yes.</p> <p>Relevant – Yes as per Rec 1.</p> <p>Time Bound – In line with Rec 1.</p>	31 March 2025	Superintendent Enabling Services / Corporate Support Paddy O'Hara.
6	Delivery	Discussions with the Fleet Department confirmed that the monthly invoices received do separate amounts for standard and premium fuels. The use of premium fuel is not followed up by the fleet department as standard practice but there have been some cases investigated to establish what the justification was as the constabulary mandates that only standard fuel should be used. For example, in May 2024's invoice premium fuel across petrol and diesel equalled £8,534.68 which was 8.7% of the that month's invoice. However, whilst this is monitored, this is not reported and, due to budgets being devolved, it is challenging for the department to assess how premium fuel is impacting individual budgets.	Expenditure on premium fuels be included within the Fleet Detailed Budget Monitoring Reports alongside General fuel expenditure.	3	<p>Specific – This is already conducted within the Allstar fuel returns however it is not actioned by local commanders who hold the devolved budgets. This needs to be strengthened and monitored in conjunction with policy creation.</p> <p>Measurable – Monitor returns for improvement.</p> <p>Achievable – Yes.</p> <p>Relevant – Yes, assist the fleet team to drive savings.</p> <p>Time Bound - In line with Rec 1.</p>	31 March 2025	Superintendent Enabling Services / Corporate Support Paddy O'Hara.

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
James Back	Senior Auditor	James.Back@tiaa.co.uk	07814581890
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

Constabulary Staff	Title
Ian Shaw	Interim Head of Fleet
Diane Hill	Fleet Management Information Officer

Exit Meeting Date	10 th September 2024
Attendees	Ian Shaw, Diane Hill

Director/Commander Comment	<p>Issues have been addressed and recommendations now accepted. Some challenge in practical application to ensure all users sign a document of acknowledgement, especially around timescale but no issues from a policy perspective.</p> <p>Chief Superintendent 1492 Matt Kennerley 11.12.2024.</p>
Deputy Chief Constable's Comment	<p>I have read the TIAA report and I agree with the 'priority ratings i.e. 1 x urgent, 2 x important and 3 x routine and accept the recommendations.</p> <p>I also note and agree with the 'managements comments' but have suggested that the 'timescale for implementation' of recommendation in the original report is deferred to March 2025 in order to ensure that the policy follows the appropriate governance and decision making.</p> <p>In summary, a helpful and insightful audit, given costs associated with fuel expenditure which, subject to the above comments are accepted and will be progressed by the constabulary.</p> <p>DCC Darren Martland 08/01/2025</p>
Considered for Risk Escalation	

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.	Not in place	1 & 2	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	Partially 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	3 & 4	-

Other Findings

- 

Fleet Services/Department issue fuel cards for every new vehicle. It is expected that this will stay with the vehicle and if the fuel card is lost it needs to be reported and it will be cancelled. A new card will then be issued assigned to the vehicle. The Fleet Management Information Officer receives monthly invoices which detail each transaction made on fuel cards and conducts a review to ensure that fuel is being spent on police vehicles and challenges any areas that look suspicious.
- 

Individual receipts are not requested as an invoice is received each month which confirms expenditure on each fuel card.
- 

It was confirmed that there has been no formal investigation recently into fuel misuse. The most common issue requiring investigation is fuel cards being used for the wrong service vehicle.
- 

A review of the last three month's invoices identified 14 transactions out of over 450 that showed a fuel card making a payment for both petrol and diesel. In one transaction which contained both fuel types for the same vehicle, this was investigated and confirmed that the vehicle had a small fuel tank in the back for tools. The other 13 transactions related to one fuel card being used to purchase fuel for its assigned vehicle and another police vehicle. Discussions with the Fleet Management Information Officer confirmed that this happens often and usually due to the fuel card not being able to be found. The team does communicate that fuel cards should only be used to purchase fuel for its assigned vehicle. Once a Fuel Policy has been established, this procedure should be included within the document to ensure staff are aware of the constabulary stance and be clear on the accountability and responsibilities of cardholders.



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	5 & 6	-
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.	Out of scope	-	-

Other Findings



Reporting is conducted on a monthly basis, and it is a responsibility of each Finance Officer to report their department's performance against the budget. This includes the expenditure on vehicle fuel.



The Constabulary does have a small fleet of electric vehicles that are all charged at the force headquarters. Fuel/charging cards are therefore not issued to these vehicles due to the lack of public charging.

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:	29 th August 2024	29 th August 2024
Draft Report:	24 th September 2024	
Revised Draft Report:	1 st November 2024	9 th January 2025
Final Report:	9 th January 2025	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Use of Force Reporting

January 2025


Final

Agenda Item 08f

Agenda Item 08f

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

The potential for misuse of force leading to public complaints and loss of trust.

SCOPE

The review considered the reporting arrangements for reporting Use of Force and the categories reported by Cumbria Police. The review also considered the integrity of the data used to provide the performance reporting.

KEY STRATEGIC FINDINGS

- The Constabulary has current and comprehensive use of force policies that outline expectations to police officers and supporting staff.
- Regular use of force data audits with the Home Office ensures data accuracy and compliance and allows for public scrutiny.
- Use of force forms are being retained for all cases sampled. The majority was submitted within 24 hours and with significant detail, showing officer adherence to reporting requirements.

GOOD PRACTICE IDENTIFIED

- The use of body cameras and station recordings support accountability in force incidents.
- Mandatory training, assessments and refresher training ensure officers are competent and prepared for force application.

ACTION POINTS

Urgent	Important	Routine	Operational
0	2	0	0

Assurance - Key Findings and Management Action Plan (MAP)

Rec.	Risk Area	Finding	Recommendation	Priority	Management Comments	Implementation Timetable (dd/mm/yy)	Responsible Officer (Job Title)
1	Directed	The review of fifty cases where force was used and recorded by the Constabulary confirmed that 38 had evidence of body camera footage, seven incidents happened in custody, so station cameras were sufficient and there were five cases where the officer who used force did not use their body worn camera. On further investigation into one case, it was identified after searching the camera recording database with the relevant crime number that there was a recording however this was under a different officer who did not complete a form as they were not involved in the use of force. For the remaining four, it could not be confirmed why the footage was missing. Further investigation following audit fieldwork identified a record in the officer's notebook stating that there was no body camera footage because the camera ran out of battery. There was no further record for the remaining three.	Officers be reminded that recording reasons explaining why there is no body camera footage for use of force is mandatory.	2	<p><i>S – This is specific in terms of a communications message out to officers to remind them of policy.</i></p> <p><i>M – It is measurable in the delivery of the message supported by posters in key locations.</i></p> <p><i>A - Achievable in use of Need to Know message.</i></p> <p><i>R- Realistic in terms of normal comms activity/reminders to officers.</i></p> <p><i>T – Deliverable by end of Feb 2025.</i></p>	28/02/25	Chief Superintendent t Matt Kennerley

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)
2	Delivery	<p>The Constabulary publishes annual data on the use of force. From April 2023 to March 2024, 11,498 use of force forms were completed in Cumbria, detailing 15,835 tactics employed. The report highlights tactics ranging from compliant handcuffing and ground restraint to dog deployment, noting that multiple tactics may be used on one individual.</p> <p>Taser use is separately analysed, with 436 deployment events recorded. Of these, 17 were labelled as "Not Stated" with no context. The Insight and Performance team, in collaboration with the Home Office, reviewed these entries, updating usage rationale where possible. Remaining "Not Stated" cases primarily involved minor taser uses rather than firings or red-dot activations. Tasers also self-record usage, such as draws, with logs available for review.</p> <p>The report includes demographic data on individuals subjected to force, showing 75% were men and 95% were white (officer-defined). It also covers subject and officer injuries, reasons for force use, and related outcomes.</p>	A review into making actual usage of the taser be a mandatory field on usage of force forms to ensure completed data is submitted.	2	<p><i>S – This is specific in terms of a review of the IT solution for Use of Force.</i></p> <p><i>M – It is measurable in the delivery of a technical meeting with DDAT resources and if not can be worked into discussions with future supplier.</i></p> <p><i>A - Achievable in short time as it is a meeting to consider system capability.</i></p> <p><i>R- Realistic in terms of delivery by meeting with DDAT and their review of a system.</i></p> <p><i>T – Deliverable by end of Feb 2025.</i></p>	28/02/25	Chief Superintendent Matt Kennerley

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
James Back	Senior Auditor	James.Back@tiaa.co.uk	07814581890
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

Constabulary Staff	Title
Matthew Kennerley	Chief Superintendent
Kerry Holdsworth	Insight and Performance
Robert Thomson	Constable PPST/Taser/First Aid Instructor and Stop and Search Lead Instructor

Exit Meeting Date	12/11/2024
Attendees	Matthew Kennerley – Chief Superintendent

Director/Commander Comment	<p>I am reassured that in 47 cases of the 50 reviewed that there was footage from BWV/Custody in line with policy or the officer had recorded why they had not recorded (battery had run out) with only 3 cases with no recording or PNB entry.</p> <p>In terms of TASER, the devices are downloaded, and record all uses (of all types) so any use where a form was submitted and not stated could be verified/checked. This is an ICT system bug due to us using a basic Microsoft solution and further options are being explored with suppliers to design this out.</p> <p>15/01/2025 Chief Superintendent Matt Kennerley</p>
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Deputy Chief Constable's Comment	I note the findings of the audit, which are accepted by the Constabulary. Action will be taken to implement the recommendations, which will be overseen by the Stopsearch and Use of Force Group. Darren Martland (DCC) 15/01/2025
Considered for Risk Escalation	N/A.

Findings





Directed Risk:


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

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	1	-

Other Findings

- 

The Constabulary utilises two policy and procedure documents relating to Use of Force which are the "Use of Force - Stop and Search Policy, and Use of Force in Custody Searching Detainees and Related Matters which are both current and within their review date.
- 

The Use of Force Audit Methodology provides a clear definition of what is considered use of force, as does the Use of Force and Stop Search Policy & Procedure which outlines what is expected from officers if use of force is required. In addition, Guidance document ADR148 Police Use of Force gives detailed guidance to officers and staff on how to complete the Home Office data template to reduce errors.
- 

The Power BI (PBI) tool used by the Constabulary includes a data quality check page to flag inconsistencies in submitted forms. Examples include missing custody reference numbers or unspecified secondary tactics. This feature was initially highlighted to the Use of Force (UOF) Board upon the launch of the new recording system; however, no department currently reviews or corrects this flagged data. Post-submission validation occurs annually, in May, when the Insight and Performance team processes all UOF submissions. Adjustments are made according to Home Office (HO) guidance, including the exclusion of tactics not recognised by HO (e.g., Tactical Communications) and corrections for officer errors (e.g., incorrect "AEP used" entries). Additionally, for any significant data changes, explanations are provided to HO for context before public release. These adjustments only apply to data shared with the HO, not to internally held records.

Other Findings



The most recent Use of Force Summary report for 2023/24 breaks down the use of force by ethnicity. The report indicates that 95.51% of cases involved individuals from white ethnic groups, while 1.32% involved Asian individuals and 1.11% involved Black individuals. The remaining percentage was accounted for by individuals identified as mixed, other, or Chinese. This data demonstrates that the Constabulary does not disproportionately use force against ethnic groups. Additionally, similar to stop-and-search practices, the internal quality team and the Chief Superintendent conduct a higher proportion of reviews of cases involving ethnic groups to ensure that the use of force was necessary and justified.



A review of Use of Force incidents over the last three months indicates that there were 2,888 incidents, with 35 complaints filed during this period. This represents approximately 1.2% of total incidents resulting in complaints, suggesting that current training and de-escalation techniques are effective in minimising misuse of force and reducing grievances.



Most of the Use of Force forms were completed within 24 hours of the incident occurring however there were six cases in which the report was submitted at least seven days after the incident. The concern here is that recollections of the events may be inaccurate many days after the fact. A review of a Use of Force, Stop and Search Policy and Procedure confirms that "A record is to be completed as soon as is practicable and preferably within the tour of duty the force was used. If you are going on a period of leave, then this should be completed before you go."



All cases reviewed confirmed that force was applied to the subject with appropriate justification. Officers recorded their justifications within the use of force form whether that be for officers, public or subjects' safety or additionally any intelligence that suggest the individual has a history of violence or weaponry.







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	2	-
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 Constabulary issues a Use of Force summary report to the Community Scrutiny Panel on an annual basis of which the 2023/24 summary was evidenced during the audit. The purpose of the Community Scrutiny Panel is to provide independent oversight and accountability to ensure high standards of integrity and ethics within Cumbria Constabulary, Cumbria Fire and Rescue Service, and the Office of the Police, Fire and Crime Commissioner. The panel challenges, supports, and monitors ethical issues, guided by national Codes of Ethics for both policing and fire services, to promote professionalism, transparency, and public trust. This includes overseeing how complaints and misconduct allegations against police officers and staff are handled, ensuring public confidence in these services.
-  The Constabulary demonstrates a structured approach to internal and external reporting on UOF data and performance metrics. Internally, UOF data is reported through a Power BI dashboard, which provides comprehensive breakdowns across variables such as subject characteristics, officer details, impact factors, and tactics. This dashboard includes results from the BIU audit and is accessible for monthly review by key stakeholders at the Stop and Search and UOF board meetings. These meetings foster discussions on performance trends, data developments, and improvement opportunities and are further supplemented by local BCU performance meetings that emphasise UOF insights and reporting does include data on subject's ethnicity.
-  Externally, UOF data is reported annually to the Home Office (HO) as per the Annual Data Requirement, following a thorough reconciliation process in line with HO guidelines. This includes refining data submissions, such as the exclusion of non-reportable tactics and the rectification of input errors. The reporting process includes rounds of data quality discussions with the HO, ensuring that discrepancies are clarified, and substantial data shifts are explained for public reporting purposes.
-  UOF training takes place over nine days for initial recruits in which there are a number of assessments taken to ensure recruits are competent before progressing. This training is mandatory for all officers and staff cannot proceed without passing their PPST. The training is a mix of classroom based and practical training to ensure that staff are equipped and competent to carry out force to protect both themselves and the public. A sample of 10 officers was selected, half being established officers and 5 being recruits currently going through live training. It was established that established officers had gone through their PPST training and were on register to complete their annual two-day refresher training and also confirmed that the trainees were on register to complete their practical training whilst the audit was ongoing.

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:	14 th October 2024	14 th October 2024
Draft Report:	3 rd December 2024	
Revised Draft Report:	15 th January 2025	15 th January 2025
Final Report:	16 th January 2025	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Risk –Mitigating Controls (Deep Dive)

2023/24

January 2025

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

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

SCOPE

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

KEY STRATEGIC FINDINGS



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



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



The Risk Strategy clearly sets out the risk appetite.

GOOD PRACTICE IDENTIFIED



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

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	0	0

Assurance - Key Findings and Management Action Plan (MAP)

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

PRIORITY GRADINGS

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

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

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

Operational - Effectiveness Matter (OEM) Action Plan

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

ADVISORY NOTE

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

Assignment Engagement Details

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

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

Findings



Directed Risk:

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

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

Other Findings

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

Other Findings



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

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

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

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



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

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



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

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

Other Findings



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

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

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



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

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

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

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

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

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

Other Findings



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

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

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

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

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



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

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

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



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

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

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

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



Delivery Risk:

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

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

Other Findings



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

Scope and Limitations of the Review

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

Disclaimer

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

Effectiveness of arrangements

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

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

Assurance Assessment

- The definitions of the assurance assessments are:

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

Acknowledgement

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

Release of Report

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

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

AUDIT PLANNING MEMORANDUM

Appendix B

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

Outline scope (per Annual Plan):	Three risks each from the OPFCC and Force’s risk registers will be selected and the effectiveness of the identified controls will be reviewed. The scope of the review does not include consideration of all potential mitigating arrangements or their effectiveness in minimising the opportunities for the identified risks to occur.		
Detailed scope will consider:	<p>Directed</p> <p>Governance Framework: There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.</p> <p>Risk Mitigation: The documented process aligns with the mitigating arrangements set out in the corporate risk register.</p> <p>Compliance: Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.</p>	<p>Delivery</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:	23/07/2024	Exit Meeting Date:	02/09/2024	Exit Meeting to be held with:	Joanne Head
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SELF ASSESSMENT RESPONSE

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



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Budgetary Control

January 2025

Final

Agenda Item 08h

Agenda Item 08h

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

R1 - Strategic Finance.

SCOPE

The review considered the budget preparation process, the monitoring arrangements and reporting. The scope of the review did not include consideration of the assumptions used in preparing the budgets; depreciation policies; apportionment of central costs; or financial information included in tenders prepared by the organisation.

KEY STRATEGIC FINDINGS

- The legal requirement for the Police and Crime Commissioner to set a balanced budget for the year was met for 2024/25.
- The Medium-Term Budget 2024/25 to 2028/29 identifies increasing net savings requirements, rising year-on-year to £16M by 2028/29.
- To help meet the identified net savings requirements, the ongoing discussions on savings initiatives should be finalised and their effects regularly monitored.
- The Cumbria Constabulary Financial Update 2024/25 as of 30th September 2024 reports an overall forecasted underspend of £208K (0.13%).

GOOD PRACTICE IDENTIFIED

- The Financial Regulations are being updated. They outline key Officer budgetary responsibilities and include a detailed section on budgetary control.
- Financial governance around budgetary control continues to be strong, with regular monitoring and effective reporting in place.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	2	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	<p>A Cost Centre Manager Report spreadsheet was provided, showing for each cost centre its budget manager and the authorising budget holder. To test proper budget delegations and approvals, a sample was selected at random of 10 cost centres from the 398 listed on the report. For each sampled cost centre, a supporting standardised Statement of Budget Holders Responsibilities document was provided, signed by the appropriate budget holder. Appended to each document was a Budget Delegations 2024/25 document, listing all cost centres, including the sampled cost centre, that had then been sub-delegated by that budget holder and the name of the Officer to whom the cost centre was sub-delegated.</p> <p>The Statement of Budget Holders Responsibilities document includes a statement that each Officer to whom budgetary responsibility has been sub-delegated must formally acknowledge that they accept the responsibility to manage budgets. None of the sampled cost centres evidenced a formal acknowledgement by the cost centre manager to whom budgetary responsibilities had been sub-delegated.</p>	In accordance with the directions on the Budget Holders Responsibilities document that is signed by the budget holder, an acknowledgement of budgetary responsibility for any cost centre sub-delegated by the budget holder via the Budget Delegations document also be signed by the cost centre manager.	3	<p><i>S – The budget acceptance and delegation sheet has been updated to include not only the name of any sub delegates but also their signature by way of demonstrating acceptance. This will become effective from the 2025/26 financial year.</i></p> <p><i>M – Budget returns will be checked to ensure compliance.</i></p> <p><i>A – Through sign off, the budget holders and sub delegate are accepting responsibility for the budget.</i></p> <p><i>R – This will improve budget responsibility and accountability with the Constabulary.</i></p> <p><i>T – Budget acceptance forms are due to be returned by 18/02/25, these will be collated and checked by the financial services team by 30/04/2025.</i></p>	<p>Template update completed 15/01/25</p> <p>Returns for 2025/26 Financial Year to be checked by 30/04/2025</p>	Financial Services Manager – Dawn Masters

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)
2	Delivery	The 'Budget 2024/25 and Financial Forecasts 2025/26 to 2028/29' report presented to the Public Accountability Conference on 15 th February 2024 identified a net savings requirement for 2025/26 of £2.2 million, rising year-on-year to £16 million by 2028/29. The Futures Programme Board was established in May 2024 to monitor work in relation to bridging the budget gap. The Board has met regularly with Chief Officers regularly involved and OPFCC kept informed. Cost reduction exercises have ensured a balanced budget set for 2025/26 and a reduction in the overall budget gap over 5 years from £16 million to £11 million. It is recognised that the ongoing use of reserves to help fund the net savings requirement is not a sustainable option and also restricts other operational aspirations. The approach thus far has proved successful and provides assurance, but it is imperative that work continues to be effectively monitored to address the £11 million budget gap remaining.	Continue to monitor budget savings exercises to provide assurance that the remaining budget gap over the next five years will be addressed.	3	<p><i>As discussed with TIAA, there is a considerable programme of work underway to conduct reviews with the aim of identifying recurring budget savings to balance the current budget gap of £11m by 2029/30.</i></p> <p><i>S – Regular reporting against the in year targets will be continued through the Futures Programme Board, Strategic Management Board, COG Away Days and periodically to the OPFCC through the Executive board.</i></p> <p><i>M – The results will be measured through the savings delivered as a result of the reviews and changes made to the budget/MTFF going forward.</i></p> <p><i>A – Although the savings target is significant, every effort is being made to achieve the target without impacting on operational policing and whilst minimising the need for redundancies.</i></p> <p><i>R – Achievement of the savings is an important part of the requirement to Keep Cumbria Safe.</i></p> <p><i>T – The results of the phase 1 futures programme work will be identified and built into the budget setting process for 2026/27 and as such will be delivered by March 2026.</i></p>	31/03/2026	Constabulary Chief Finance Officer – Michelle Bellis

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.				

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.

Assignment Engagement Details

TIAA Auditors	Title	Contact Email	Telephone
Ian Goodwin	Principal Auditor	Ian.Goodwin@tiaa.co.uk	07867 526 292
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

OPFCC/Constabulary Staff	Title
Michelle Bellis	Constabulary Chief Finance Officer
Lorraine Holme	Group Accountant
Dawn Masters	Financial Services Manager
David Pattinson	Chief Superintendent, Westmorland & Furness BCU
Carl Patrick	Chief Superintendent, Operations Command
David Ashton	Chief Superintendent, Crime and Intelligence Command
Andrew Wilkinson	Chief Superintendent, Cumberland BCU

Exit Meeting Date	11/12/2024
Attendees	Lorraine Holme, Group Accountant Dawn Masters, Financial Services Manager

Director/Commander Comment	<p>I have read the report and am pleased to note that the report provides substantial assurance with regard to budget monitoring within the Constabulary. I recognise the requirement for the audit recommendations and will ensure that these are delivered. In relation to the monitoring of the savings requirement please be assured that this matter is regularly reported and is receiving the highest level of attention by Chief Officers.</p> <p>Michelle Bellis – Constabulary Chief Finance Officer 21/01/25</p>
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<p>Deputy Chief Constable's Comment</p>	<p>I have read the report and note that substantial assurance is provided with regards to budget monitoring within the Constabulary.</p> <p>I note and accept the 2 x action points and will ensure that progress is monitored via Constabulary financial management governance.</p> <p>I can provide an absolute assurance that the Constabulary is acutely aware of the savings challenges over the next 5 x years and plans are in place, via the Futures Programme, to deliver the savings whilst maintain operational effectiveness and resilience.</p> <p>Darren Martland (Deputy Chief Constable). 22/01/2025</p>
<p>Considered for Risk Escalation</p>	<p>N/A</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.	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	1	-

Other Findings








The Financial Regulations are dated March 2021 and apply to all employees of the Cumbria Police, Fire and Crime Commissioner as well as to all employees and police officers of Cumbria Constabulary. They state that the Commissioner is responsible for determining the budget and annual precept in consultation with the Police and Crime Panel. The Chief Constable has day-to-day responsibility for financial management of the Constabulary within the framework of the agreed budget allocation. Further key officer responsibilities are provided throughout the Regulations, which also include a detailed section specific to budgetary control. The Financial Rules are also dated March 2021, and are the detailed supporting guidance and instructions accompanying the Regulations. New Financial Regulations were presented to the Joint Audit Committee (JAC) for review and comment at its meeting on 25th September 2024, as part of a wider Corporate Governance Framework Review of the three organisations served by the JAC. They are due to be implemented in January 2025.



Both the Office of the Police, Fire and Crime Commissioner (OPFCC) and the Constabulary present a quarterly Risk Management Monitoring report to the JAC on the current strategic risks and how these are being managed. From a review of the OPFCC's strategic risk register presented to the JAC on 25th September 2024, one of the four open strategic risks is R1 - Strategic Finance. This is the risk of a reduction in real term resources within the medium-term time horizon to provide sufficient funding for the Commissioner and Constabulary to deliver the current levels of policing service. Stated mitigating actions include that the budget and medium-term financial forecast (MTFF) are reviewed and updated on a regular basis and that the budget has been balanced in the short-term, with reserves providing additional security. An update for August 2024 states that the 'Futures Programme' to identify savings requirement is underway and that progress has been made against target savings for April 2025. The latest risk score is 12 (amber). Responsible Officers are the Chief Executive and the Chief Finance Officer (CFO). The Constabulary's strategic risk register was also presented at this meeting of the JAC. One of the Constabulary's five open strategic risks is concerned with the implications of a longer-term reduction in budget and the level of savings required.

Other Findings

-  A detailed budget-setting timetable spreadsheet was evidenced for 2024-25. This listed 86 separate actions within the budget-setting process, showing the person(s) to whom the action was allocated and the date the action was completed, being from July 2023 onwards. The update of the spreadsheet was overseen by the Financial Services Manager, with its progress being a standing agenda item during weekly team meetings with budget holders.
-  A comprehensive 24-25 Revenue Budget Template spreadsheet was evidenced as having been used by the Financial Services Manager and the wider Finance team to prepare and track revenue budget workings for 2024/25 and the MTFF. It incorporates version control and also provides an outline of the various assumptions and scenarios used in the budget setting process.
-  At a meeting on 31st January 2024 of the Police, Fire and Crime Panel, a Report of the PFCC CFO and Constabulary CFO entitled Precept Proposal and Medium-Term Budget 2024/25 to 2028/29 was presented and duly noted by the Panel, in compliance with the provisions of the Financial Regulations.
-  At the Public Accountability Conference on 15th February 2024, a Report of the OPFCC CFO and Constabulary CFO entitled Budget 2024/25 and Financial Forecasts 2025/26 to 2028/29 was approved. The Report notes that it is a legal requirement for the PFCC to annually set a balanced budget and to allocate funds to the Chief Constable to secure the maintenance of the Police Force for Cumbria. The Medium-Term Budget table provided within the Report notes a net cumulative deficit / savings requirement for 2025/26 of £2,203K, rising year-on-year to £16,011K by 2028/29. **(Recommendation 2 refers).**
-  From a spreadsheet summarising 95 virements during the current financial year-to-date, five large-valued virements were sampled. Testing was successful in that each was supported by a properly completed Budget Transfer Request Form 2024-25 template spreadsheet, approved by the budget holder and also the Constabulary CFO, the PFCC CFO or PFCC Chief Executive.








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.	In place	-	-
R	Resilience Good practice to respond to business interruption events and to enhance the economic, effective and efficient delivery is adopted.	Partially in place	2	-

Other Findings

-  A Period-End Closedown Timetable 2024/25 spreadsheet was evidenced, listing each monthly task to be completed in respect of each of the 12 months of the current financial year, together with the team responsible for completion of the task, and the date by which the task is to be completed. The dates for each month are designed to ensure that the consolidated monthly revenue monitoring reports are prepared in time for presentation at the monthly Chief Officer Group (COG) meetings.
-  Management accounts spreadsheets were evidenced for each of the six months to September 2024. Each was seen to be extremely detailed, and prepared in a consistent format, showing the monthly closing figures from the general ledger and, through the extensive use of formulae, generating the relevant summaries for use in preparing the monitoring reports. Figures included in the management accounts spreadsheets were checked on a sample basis to be in agreement with the corresponding figures in the various monitoring reports.
-  Budget monitoring reports are received monthly by budget holders and the COG, and quarterly by the Police, Fire and Crime Panel, the PFCC Executive Team and the Executive Board. The Performance Development Conference receives monitoring reports four times per year of the latest figures available at the time. Monitoring reports were reviewed on a sample basis and found to include suitable year-to-date and forecast outturn variance analyses supported by appropriate narratives.
-  The Cumbria Constabulary Financial Update 2024/25 as of 30th September 2024 was reported to the COG on 21st October 2024. It reported an overall forecasted underspend on the revenue budget of £208K (0.13%). The capital budget of £7,792K reported a forecast outturn of £7,141K.
-  The Assurance Review of Financial Sustainability – Business Planning, dated April 2023, included the recommendation that the savings plan noted at the Savings and Efficiencies Day in February 2023 be completed and regularly monitored and reported to the appropriate body. Whilst it is noted that the draft Follow Up Review, dated September 2024, lists this recommendation as having been implemented, this related to the matters during 2022/23 and savings to be made during that budget year and this was confirmed in follow up as resolved. Recommendation 2 of this report similarly references the need to identify and monitor savings and efficiencies in respect of the net savings requirements identified in the Medium-Term Budget 2024/25 to 2028/29.

Other Findings



The Constabulary Chief Finance Officer confirmed that informal budget-specific training is provided to budget holders via their nominated Financial Services Officer (FSO) at regular monthly budget meetings and upon commencement of a new role. During 2024, a Senior Leaders Development Programme external training package was delivered to provide additional support during the 'Futures Programme'. It is also understood that the Financial Service Team is planning to provide further specific training to budget holders, but that this has been put on hold while the 'Futures Programme' workstreams are progressed and supported.



Discussions with key budget holders highlighted that they feel well-supported by their nominated FSO, with sufficient and regular monitoring being undertaken on a timely basis such that reporting arrangements to senior management and other relevant bodies are considered to be robust.

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:	19 th September 2024	23 rd September 2024
Draft Report:	10 th January 2025	
Revised Draft Report:	20 th January 2025	23 rd January 2025
Final Report:	23 rd January 2025	



PFCC Cumbria & Cumbria Constabulary

Assurance Review of Use of Social Media

January 2025

Final

Agenda item 08i

Agenda Item
08i

Executive Summary

OVERALL ASSESSMENT



ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE

Reduction in the likelihood that social media will be misused by staff.

SCOPE

The review considered policies in relation to the use of social media and how output is monitored and regulated.

KEY STRATEGIC FINDINGS



The Constabulary and Commissioner’s Office use the ORLO Social Media Management system for their social media usage. This allows all platforms and their engagement to be centralised in one location for ease of managing their social media presence.



Expectations on social media usage is outlined for both the Constabulary and Commissioner’s Office within their own respective policies including advice on what subjects should be posted and how to handle complaints and engagement from the public.



Data analysis is conducted once a campaign is completed to measure engagement and effectiveness of the content posted for future learning.



ORLO can only be accessed if permission is granted, and all users activity is tracked at all times.

GOOD PRACTICE IDENTIFIED



Staff with social media access are provided training during induction with additional ongoing training to ensure teams are sufficiently competent for their roles.



Both organisations are removing or hiding negative social media engagement in line with their relevant policies and no abuse of the policy was identified during testing.

ACTION POINTS

Urgent	Important	Routine	Operational
0	0	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 Office of the Police, Fire and Crime Commissioner conducts a six-monthly audit of social media posts. The audit itself consists of reviewing the compliance of Facebook and Twitter posts with the Office's priorities, such as the Police & Crime Plan, Victims Code, engagement events, and recruitment. It examines whether posts were pre-approved by the Chief Executive, the appropriateness of automated responses, and the nature of shared or retweeted content, ensuring no political or offensive material. The audit also checks for adherence to the Managing Service User Contact Policy, proper escalation of policing concerns, and forwarding of issues. Additionally, it reviews website security against attacks, action on complaints about posts, staff training on social media requirements, and potential concerns from personal social media accounts of staff. It was noted, however, that the internal reports provided no detail of who carried out the audit. Discussions with the Head of Governance confirmed that they complete this review but for accountability and transparency this should be confirmed on the reports.	The OPFCC to include a field on the internal audit reports of who completed the audit.	3	<p>The OPFCC recognises the recommendation of the auditor and will be implementing this going forward.</p> <p>S – All six-monthly internal reports will be signed by the owner of the report.</p> <p>M – All reports with valid signature will highlight that this recommendation has been adopted.</p> <p>A – Head of Governance, Joanne Head, will take responsibility for signing all reports.</p> <p>R – This is a reasonable and realistic recommendation to be achieved.</p> <p>T – this will be adopted as part of the next six-month report in due to take place in January 2025.</p>	31/01/2025	OPFCC Governance Manager, Joanne Head

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
James Back	Senior Auditor	James.Back@tiaa.co.uk	07814581890
Martin Ritchie	Director of Audit	Martin.Ritchie@tiaa.co.uk	07717746714

Constabulary Staff	Title
Laura Milligan	Media and Communications Officer
Sarah Bromiley	Media and Communications Officer
Marilyn Farrugia-Whiffin	E-Communications Manager
Helen Quinn	Head of Marketing & Communication
Lizzie Mitchelhill	Complaints and Misconduct Manager

Exit Meeting Date	12/12/2024 & 17/12/2024
Attendees	Laura Milligan (12 th), Marilyn Farrugia-Whiffin and Helen Quinn (17 th)

Director/Commander Comment	<p>I am very pleased and reassured by this audit which demonstrates the policies and procedures that both organisations have in place are robust, appropriate, and are being followed.</p> <p>In respect of the Constabulary, this recognises the huge amount of work, training and support that goes across several roles and ranks across the force to ensure that we have relevant, timely updates, respond to public enquiries, identify threat and risk and manage this well with appropriate governance. There are processes in place to identify and deal with those who do not adhere to the “code of conduct” from members of the public engaging on our channels, and those Officers and Staff who use social media inappropriately both personally and professionally.</p> <p>I am confident the one “routine” action the OPFCC have will quickly be introduced quickly.</p> <p>Helen Quinn, Head of Marketing & Communications 21/01/2025</p>
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Deputy Chief Constable's Comment	<p>I have reviewed the audit report in relation to the Use of Social Media and am pleased to note that the review has provided the highest level of assurance (substantial). I note that there is a single 'routine' level audit recommendation for the OPFCC and note that plans are already in place to address this.</p> <p>Social media is an important tool for the Constabulary and OPFCC to engage with our communities in Cumbria as part of our collective vision to Keep Cumbria Safe.</p> <p>DCC Darren Martland 22/01/2025</p>
Considered for Risk Escalation	N/A

Findings



Directed Risk:

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

Ref	Expected Key Risk Mitigation	Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	Partially in place	1	-
RM	Risk Mitigation The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	In place	-	-

Other Findings










The Constabulary owns and maintains the Digital (Online Code of Conduct and Social Media) Policy and Procedure which is updated on a three yearly basis and was last reviewed in August 2023. This is supported by the Communications Guidelines for Officers document which is updated as and when new guidance is made. The Office of the Police, Fire and Crime Commissioner (OPFCC) owns and maintains the Communications and Engagement Strategy 2021-2024, which serves as the framework for all communications and engagement activities. This strategy is reviewed and developed on a three yearly basis to ensure it remains relevant and effective. It is supported by additional documents, including detailed communications plans for specific priorities and the OPFCC's Social Media Policy, which are updated periodically as new guidance emerges.



Both the Digital Policy and Communications Guidelines for Officers outline the expected procedure and conduct for Officers and other staff that have access to corporate social media accounts and personal accounts. Examples of subjects covered are Why use Social Media, Guidance on Posts, Crime Prevention and Advice, Engagement with Comments and Key Messaging. For the Commissioner's Office the Communications and Engagement Strategy 2021-2024 and its supporting documents, such as the Social Media Policy and detailed communications plans, outline the expected procedures and conduct for OPFCC staff when engaging with the public through corporate and personal communication channels. Examples of areas covered include the importance of transparency, principles of engagement, key messaging, responding to public feedback, collaboration with Cumbria Constabulary, and the use of digital platforms.

Other Findings

-  All corporate accounts are set up by Marketing and Communications and updated through ORLO, the Force's social media management system where possible. All corporate accounts have two factor authentication switched on, and official Twitter accounts have Grey / Blue ticks.
-  The Constabulary training is role-specific and has an adaptive approach to training, prioritising ongoing learning over mandatory sessions. Command and Control officers receive initial training, with updates shared via online documentation or integrated into sessions for significant changes. Local Policing Teams officers receive one-to-one training on joining and periodic refreshers as needed, with major updates delivered during scheduled training days or bespoke sessions. Continuous feedback is encouraged through methods like drop-in sessions, training packs, and regular team feedback, facilitating effective community engagement. Command and Control staff must acknowledge new guidance within three weeks, while Local Policing Teams updates are cascaded via Inspectors, with engagement monitored through the ORLO system. For the Commissioner's Office there is an established Training and Development Schedule set out for the year which includes three half hour sessions that cover social media. Additionally, the OPFCC Staff Media Training Log highlights that OPFCC staff have undertaken five separate social media training subjects since 2022.
-  The Constabulary and OPFCC utilise platforms such as Facebook, Instagram, X/Twitter, LinkedIn and YouTube for their social media outreach.
-  The Constabulary monitors its social media 24/7 so that comments can be addressed by relevant teams such as Command and Control or the Local Policing Team. ORLO has a keywords function that will flag up specific words that the teams will prioritise responses with these keywords and either direct them to appropriate departments or resources. Additionally, there are processes in place to block/remove individuals or comments from comment threads if they breach the community guidelines set out by the Constabulary.

The OPFCC does not operate an around the clock service therefore does not monitor this at the same frequency, instead operating a Monday to Friday service. Social media is monitored three times per day to ensure engagement with awareness campaigns is addressed by the team.
-  The Constabulary's Digital Policy and Communications Guidelines for Officers document outlines the roles and responsibilities for staff. There are no restrictive controls to create or publish content once staff are granted access to a social media profile however the aforementioned policies do give guidance on "What to Post". It is referenced in the Digital Policy that the Code of Conduct and Professional Standards should be read and observed. Within the OPFCC Communications and Engagement Strategy it does not outline roles or responsibilities however the team only has three people with access to the corporate social media accounts.
-  Discussions with both the Constabulary and the OPFCC have established effective measures to mitigate social media-related risks. For the Constabulary, the previous risk of shared passwords has been mitigated through the adoption of ORLO, ensuring centralised and secure access management. Meanwhile, the OPFCC does not currently include social media risks in its organisation-wide Risk Register, as these are considered day-to-day operational concerns. However, risk management practices are in place, including daily monitoring during social media check-ins to identify emerging high-level risks, with established procedures documented and accessible for addressing potential issues. These approaches demonstrate proactive risk management for social media platforms.
-  No complaints were raised in the last 24 months relating to social media usage; therefore, testing could not be conducted in this area for the Commissioner's Office. The Constabulary had 12 complaints in the last 12 months that have all been resolved by the force in line with the expected procedure outlined in the Digital Policy and Procedure; evidence of actions taken was shared via screenshare of the Centurion system which satisfied that the procedure was followed.

Other Findings



The Constabulary had four events of improper conduct on social media in the past 12 months that were considered low level issues and were dealt with by providing staff with awareness training. Evidence of actions taken was shared via screenshot of the Centurion system, and a demonstration of the ORLO showed that any activity conducted on social media is recorded and the staff ID is recorded. The OPFCC evidenced the last two internal audit reports that assessed social media usage within the OPFCC but had also stated no misuse has been identified in last the last 24 months requested.



A sample of 10 posts that the Constabulary had deleted or hidden comments within were selected for testing to ensure that comments removed were for legitimate reasons. All comments reviewed as part of the test had sufficient grounds for removal with the most common trends being the comments had elements of incitement or were not offering anything of substance to the post. The OPFCC has hidden 9 comments in the last 6 months over 8 campaigns. The comments were related to a single individual, previously involved in a complaint against the police and dissatisfied with the outcomes and were posting critical comments which were repetitive and not always relevant to the campaign, which the office hid to protect its reputation and the commenter's well-being, as there were mental health concerns. Hidden posts remain visible to the poster and their friends but not the public, and any personal information shared is deleted for privacy. It was evidenced by the Commissioner's office that the individual was contacted regarding their complaint and both the Constabulary and OPFCC followed the complaints process through. The individual continued to spam all posts.



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.	Out of scope	-	-

Other Findings



The Constabulary reviews effectiveness of posts by the number of likes, engagement and reach of their posts or campaigns. Once a campaign is complete the analytics are collated and submitted to the ORLO dashboards and reporting is sent to a number of groups such as, but not limited to, the Vulnerable Persons Committee and Senior Leadership Team. This procedure is similar for the OPFCC who analyse engagement after campaigns to assess their effectiveness. Evidence of data analysis was provided during the audit including evidence from the Commissioner's Office showing data provided to the Office of the Police, Fire and Crime Commissioner Report for October 2024.



The OPFCC evidenced social Media analytics for three areas as part of the audit. These areas were social media analytics regarding Police, Fire and Crime Plan Consultation 25 July 2024 – 5 September 2024; Police, Fire and Crime Commissioner's Council Tax Precept for Policing and Post Fire and Police Precept Social Media Monitoring (19 Dec 2023 – 25 January 2024) which showed evidence of the public engaging with their social media channels. The Constabulary evidenced the most recent Marketing and Communications KPI data for Local Community Engagement for July/August 2024 which provided breakdowns of each area social media and other media engagement data.

Scope and Limitations of the Review

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

Disclaimer

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

Effectiveness of Arrangements

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

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

Assurance Assessment

- The definitions of the assurance assessments are:

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

Acknowledgement

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

Release of Report

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

Stage	Issued	Response Received
Audit Planning Memorandum:	16 th October 2024	1 st November 2024
Draft Report:	16 th January 2025	23 rd January 2025
Final Report:	23 rd January 2025	



PFCC Cumbria and Cumbria Constabulary

Follow Up Review

2023/24

January 2025

Executive Summary

Introduction

1. This follow up review by TIAA established the management action that has been taken in respect of the recommendations arising from the internal audit reviews listed below at Police, Fire and Crime Commissioner Cumbria and Cumbria Constabulary. The review was carried out between August to November 2024.

Review	Year
Resource Planning	2022/23
Debtors	2022/23
Management of Overtime	2022/23
Estates-Buildings Health and Safety	2022/23
Financial Sustainability- Business Planning	2022/23
Firearms Licensing	2022/23
Domestic Violence Protection Orders	2022/23
Personal Safety Training	2022/23
Security of Seized Proceeds of Crime (Cash and Assets)	2022/23
Absence Management	2023/24
APNR Cameras	2023/24
Fleet-Strategy and Management of Fleet	2023/24

Review	Year
Vetting	2023/24
Corporate Health and Safety	2023/24
Partnerships and LGR	2023/24

Key Findings & Action Points

- The follow up review considered whether the management action taken addresses the control issues that gave rise to the recommendations. The implementation of these recommendations can only provide reasonable and not absolute assurance against misstatement or loss. From the work carried out the following evaluations of the progress of the management actions taken to date have been identified.

Evaluation	Number of Recommendations
Implemented	27
Outstanding	5
Considered but not Implemented	2
Not Implemented	0

Scope and Limitations of the Review

3. The review considered the progress made in implementing the recommendations made in the previous internal audit reports and established the extent to which management has taken the necessary actions to address the control issues that gave rise to the internal audit recommendations.
4. The responsibility for a sound system of internal controls rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses that may exist. Neither should internal audit work be relied upon to identify all circumstances of fraud or irregularity, should there be any, although the audit procedures have been designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control may not be proof against collusive fraud.
5. For the purposes of this review reliance was placed on management to provide internal audit with full access to staff and to accounting records and transactions and to ensure the authenticity of these documents.

Disclaimer

6. The matters raised in this report are only those that came to the attention of the auditor during the course of our work 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.

Release of Report

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

Date draft report issued:	13 th September 2024
Date revised draft report issued:	28 th November 2024
Date management responses rec'd:	23 rd January 2025
Date final report issued:	23 rd January 2025

Executive Summary

Follow Up

8. Management representations were obtained on the action taken to address the recommendations and limited testing has been carried out to confirm these management representations. The following matters were identified in considering the recommendations that have not been fully implemented including those considered but not being progressed:
9. **Resource Planning**

Audit title	Resource Planning	Audit year	2022/23	Priority	2
Recommendation	The Resource Co-ordination Principles document be completed and approved, to ensure a common understanding throughout the force of how these processes are to be managed. This document, as it evolves, can be used to underpin the continuing efforts to embed all aspects of resource coordination across the organisation and within its culture.				
Initial management response	<p>Recommendation agreed and accepted.</p> <p>Specific - The Resource Coordination principles document is in the final stages of development following the peer review undertaken with Humberside.</p> <p>Measurable – Will be seen in the daily application of the principles. This document will be used as the ultimate guide for resource coordination practices for the business.</p> <p>Achievable – Yes, this document consolidates all current working practices.</p> <p>Relevant – Because the force requires a guiding document. Once complete it will be updated as a reflexive document as and when required.</p> <p>Timeliness – Complete by 31/03/23.</p>				
Responsible Officer/s	Inspector Bradbury	Original implementation date	31/03/2023	Revised implementation date(s)	N/A
Latest Update	Discussions with management confirmed that the recommendation was progressed but has since been put on hold due to a departmental review and change of senior leadership in 2023 which brought about a business change programme.				
New implementation date	31/10/2024	Status	Outstanding	Implementation is in progress, but the original target date has not been met.	

10. Fleet- Strategy and Management of Fleet

Audit title	Fleet-Strategy and Management of Fleet	Audit year	2023/24	Priority	2
Recommendation	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.				
Initial management response	<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>				
Responsible Officer/s	Head of Fleet	Original date	30/06/2024	Revised date(s)	N/A
Latest Update	Management confirmed the need for a Fleet Policy has been identified with SoP's to be added as annexes or linked to standalone policies. This has been delayed due to a staff resignation.				
New implementation date	TBC	Status	Outstanding	Implementation is in progress but the original target date has not been met.	

Audit title	Fleet-Strategy and Management of Fleet	Audit year	2023/24	Priority	2
Recommendation	Procedures be documented for the activities undertaken across the Fleet team.				
Initial management response	<p>Specific – Fleet activities to be identified and procedure documents created to reflect alongside 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 – alongside rec 1, Complete by Jun 24 with audit plan to commence Aug 24.</p>				
Responsible Officer/s	Head of Fleet	Original date	30/06/2024	Revised date(s)	N/A
Latest Update	Management confirmed this remains ongoing. This is being dealt with by the Head of Fleet.				
New implementation date	TBC	Status	Outstanding	Implementation is in progress, but the original target date has not been met.	

11. Partnerships and Local Government Reorganisation

Audit title	Partnerships and LGR	Audit year	2023/24	Priority	2
Recommendation	The Safer Cumbria Partnership Strategy be updated to reflect key changes as a result of the newly formed unitary authorities including structural and functional changes.				
Initial management response	The changes to the Local Authority Landscape have been recognised through the work of the Safer Cumbria Partnership and named individuals from both Local Authorities are in attendance at both the main board and across the associated subgroups, with all terms of reference updated to reflect the changes. The changes to the strategy need to be made out with of the office due to the design packages required. This work is scheduled in with the Force Marketing and Media Department.				
Responsible Officer/s	Safer Cumbria Business Manager	Original date	31/07/2024	Revised date(s)	N/A
Latest Update	Management confirmed that this is still ongoing and half way complete. Completion is scheduled for end of November.				
New implementation date	30/11/2024	Status	Outstanding	Implementation is in progress, but the original target date has not been met.	

12. Domestic Violence Protection Order

Audit title	Domestic Violence Protection Orders	Audit year	2022/23	Priority	2		
Recommendation	Clear, definitive exemplar court bundle(s) be developed for use by officers, which are up-to-date and relevant to Cumbria's needs. This be communicated across the force, with an instruction to delete any alternative reference materials and to follow this definitive model in future.						
Initial management response	Legal Services will develop a new definitive exemplar court bundle for use by Officers across the Constabulary. To ensure Officers use the correct and current exemplar court bundle it will be dated and version controlled. Once developed, a Constabulary wide communication will be circulated to ask that all old Constabulary templates/DVPO reference material are deleted and not referenced going forward and that the new exemplar court bundle be the point of reference. As and when this exemplar bundle is amended instruction will be provided to delete the previous version and to use the new version going forward.						
Responsible Officer/s	Director of Legal Services	Original date	implementation	28/02/2023	Revised date(s)	implementation	N/A
Latest Update	Discussions with management confirmed that this recommendation was reviewed, and it was determined that it is no longer thought to be the best way forward. It is understood that there were risks associated with creating a standard bundle for every single case as this would not deal with anomalies and differences which could be encountered on a case-by-case basis. An alternative way of addressing this area of concern was developed and this involved creating a checklist with the aim of providing accurate direction and guidance as to how to how to prepare the bundle without restricting the officers to a "one size fits all". The checklist was introduced in December 2023, and it is understood that this is placed on the Constabulary's intranet site which staff and officers have accessibility to. The checklist is to be reviewed annually.						
New implementation date	N/A	Status	Considered but not implemented		The recommendation is no longer being progressed.		

13. APNR Cameras

Audit title	ANPR Cameras	Audit year	2023/24	Priority	2		
Recommendation	An assessment be made of the resource required to provide sufficient cover for the Cyber Security Risk and Intelligence Assistant, to include any training, security clearance and infrastructure access requirements.						
Initial management response	Specific: Skills retention and onboarding to be raised as a cross functional risk. Measurable: Presence on Risk Register Achievable: Yes Relevant: National Standards for Compliance and Audit of Law Enforcement ANPR (Audit Standards) requirement. Time-bound: 01/06/24						
Responsible Officer/s	Cyber Security Threat and Intelligence Assistant	Original date	implementation	01/06/2024	Revised date(s)	implementation	N/A
Latest Update	Management confirmed that following consultations with relevant members of staff, it was confirmed that there are no concerns with the current cover for the Cyber Risk Security and Intelligence Assistant						
New implementation date	N/A	Status	Considered but not implemented		The recommendation is no longer being progressed.		

14. Firearms Licensing

Audit title	Firearms Licensing	Audit year	2022/23	Priority	2
Recommendation	A Firearms Licensing Policy be agreed, documented and introduced				
Initial management response	<p>Specific <i>A Force Policy is in the process of being produced, and once completed will be taken to the ACC's Operational Board for review and consultation. If supported, it will then be remitted to the Strategic Management Board for Chief Officer approval.</i></p> <p>Measurable <i>The policy will be produced and once approved, will be stored within the force policy library to ensure its continually reviewed and updated.</i></p> <p>Achievable <i>The work to create the policy is already In progress</i></p> <p>Realistic <i>As above, work is already underway and will be delivered by the timescales indicated</i></p> <p>Timely <i>This will be achieved by 30th April 2023.</i></p>				
Responsible Officer/s	Ch/Supt Bird	Original date	implementation 30/04/2023	Revised date(s)	implementation TBC
Latest Update	<p>Management confirmed that in 2024, the Constabulary reviewed its Scheme of Delegation for Firearms Licensing decision making and expanded the roles that can make key decisions to remove single points of failure from the process and provide resilience within the Constabulary. All revocations and refusals go to a nominated ACC. It is understood that the CYC Firearms system and newly introduced departmental daily management meetings allow transparent oversight and allocation of cases resulting in hugely reduced backlogs and service improvements. Firearms Licensing Unit is one of several departments under review as part of the Future's Programme. It was confirmed that work around the department restructure has been prioritised over the development and introduction of an over-arching policy. A departmental action plan however has been developed and the necessity for this policy is recorded within that action plan. Management confirmed that the policy will be prioritised following decisions on department resources / structure as the policy and the procedures are determined by the FLU Structure moving forward, hence the delay.</p>				
New implementation date	TBC	Status	Outstanding	Implementation is in progress, but the original target date has not been met.	

15. The following recommendations have been implemented.

Audit Title	Recommendation	Priority	Responsible Officer	Due Date
Absence Management	Risk(s) relating to staff absence be recorded and mitigating controls identified.	2	HR Manager	Immediately
Absence Management	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	HR Manager	Immediately
Corporate Health and safety	A review of all health and safety modules on the E-learning suite be undertaken to identify which modules can be assigned to roles as mandatory rather than elective, to provide additional guidance and knowledge across the workforce.	2	H & S Advisor and digital Learning Manager	30/11/2024
Corporate Health and Safety	All health and safety training be required to be reviewed and signed off by appropriate persons, such as line managers or tutors.	2	Line Managers through CSD and L&D	With immediate effect
Corporate Health and Safety	Recommendations made on health and safety inspections be given a RAG rating to identify where higher level recommendations remain not implemented.	2	H&S Advisor and action owners	With immediate effect
Debtors	The procedure notes be updated to clearly articulate where Invoice Request pro-forma is required to be submitted.	2	Financial Services Manager (Financial Systems) – Keeley Hayton	30/04/2023
Debtors	A review of all outstanding debtors be undertaken to establish the current position with each debt and action to be taken as required to bring them in line with the required process.	2	Financial Services Manager (Financial Systems) Financial Services Manager (Financial Systems) Central Services Team Leader	30/04/2023
Resource Planning	The work undertaken to achieve improvements in resource planning for response officers be replicated where appropriate for other areas across the Force, including NPT, PCSO and CID. Where these initiatives are in progress, or envisaged for the future, target dates for implementation of improvements and subsequent monitoring of success criteria should be identified.	2	NPT – D/Supt. StQuintin. CID – DI Lamb.	31/08/2023

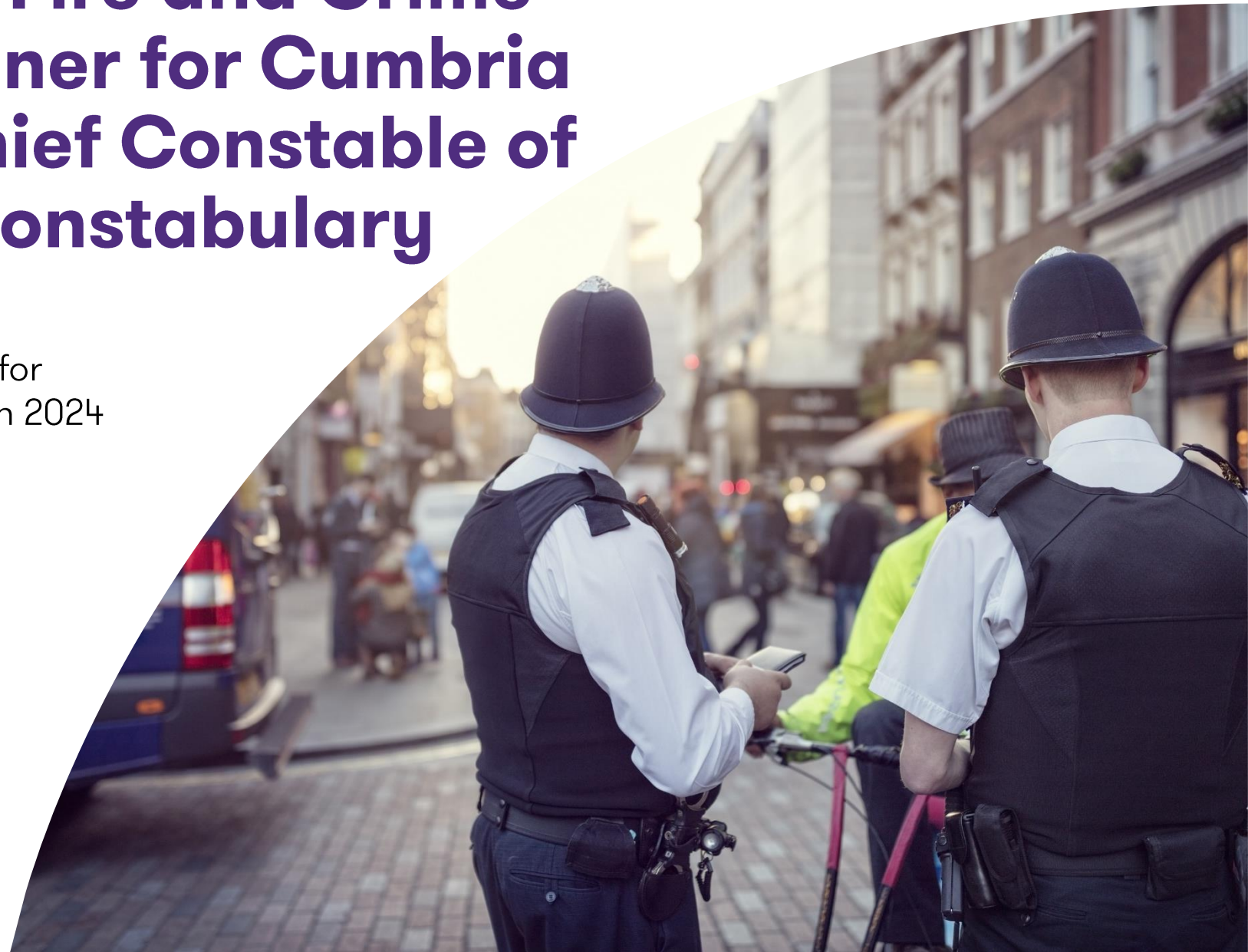
Audit Title	Recommendation	Priority	Responsible Officer	Due Date
Financial Sustainability – Business Planning	The savings plan noted at the Savings and Efficiencies Day in February 2023 be completed and regularly monitored and reported to the appropriate body.	2	Dan Supt. St. Quintin Savings and Efficiencies Programme	31/03/2024
Fleet- Strategy and Management of Fleet	The completion of weekly vehicle checks be reviewed to ensure that all users understand the process and requirements for the checks being required.	2	Head of fleet	31/10/2023
Partnerships and LGR	Risks in relation to Safer Cumbria Partnership arrangements be identified and appropriate controls recorded.	2	Safer Cumbria Business Manager	Complete
Security of Seized Proceeds of Crime (Cash and Assets)	Area variations be eliminated regarding the storage of seized cash which is not accompanied by a Form 51 at the time of receipt of the cash.	2	Central Services Team Leader	30/09/2022
Estates – Buildings Health and Safety	<p>The procedure for carrying out and recording weekly fire alarm tests be re-communicated with training provided to staff having difficulty using the system, so that the data collected can be relied upon as a true reflection of the extent of testing.</p> <p>Where individuals or locations are identified with regular non-compliance, these should be prioritised for investigation as to the root causes.</p>	2	HR Manager	31/12/2022
Estates – Buildings Health and Safety	The Asbestos Management Plan be reviewed and updated, to ensure the survey and/or inspection frequency is proportionate to the risk profile of the estate. Once these standards have been established and approved, compliance with the new Management Plan be monitored and reported.	2	Senior Estates Officer	28/02/2023
Estates – Buildings Health and Safety	<p>Arrangements be formalised and documented for the provision and formal recording of assurance around estates compliance and health and safety from third parties providing PFI or leased buildings housing constabulary staff, such as an annual assurance review of all relevant activity.</p> <p>Records be retained in an accessible location, as these may be required in the event of an incident involving force staff, to demonstrate that reasonable care had been taken.</p>	2	Head of Estates and Fleet/Senior Estates Officer	31/03/2022
Estates – Buildings Health and Safety	All recommendations arising from the upcoming Legionella risk assessments be subject to the intended robust monitoring and tracking process through to their implementation. Any items identified as remaining unaddressed from the 2019 risk assessments should be given particular attention. The monitoring process should include a record of any items where it is decided not to take the recommended action, along with the justification.	2	Estates Officer	31/03/2023

Audit Title	Recommendation	Priority	Responsible Officer	Due Date
Management of Overtime	Close attention be maintained to performance against the overtime budget during 2023/24, to give the Constabulary the opportunity to avoid the significant overspend seen in 2022/23. The continued provision of management information and guidance from the Finance team, in combination with accountability for budget holders and managers, will be key in meeting budgetary objectives.	2	Head of Estates and Fleet/Senior Estates Officer	31/03/2022
Vetting	Risks in relation to the vetting arrangements be identified and appropriate controls recorded.	2	Head of PSD	01/12/2023
Vetting	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	Head of PSD	01/12/2023
APNR Cameras	In compliance with the National Standards for Compliance and Audit of Law Enforcement ANPR (Audit Standards) document, records of local audit testing be retained for a period of two years.	2	Cyber Security Threat and Intelligence Assistant	01/06/2024
Domestic Violence Protection Orders	A consistent workflow be established across the force for the process following the DVPN approval, in preparation of the DVPO court bundles. Staff feedback indicates that routing cases via safeguarding teams results in greater consistency and quality and should therefore be considered as the most effective approach.	2	Dept Supt PPU	31/12/22
Domestic Violence Protection Orders	Clear, definitive exemplar court bundle(s) be developed for use by officers, which are up-to-date and relevant to Cumbria's needs. This be communicated across the force, with an instruction to delete any alternative reference materials and to follow this definitive model in future.	2	Director of Legal Services	28/02/2023
Personal Safety Training	Course dates be booked without delay for all officers with expired PST.	2	C/Insp Charlotte Nutter	16/09/2022
Personal Safety Training	The expiry date of PST courses be logged within the spreadsheet to enable those officers with the oldest course dates to be identified and prioritised when booking onto courses.	2	C/Insp Charlotte Nutter	16/09/2022
Firearms Licensing	Key Performance Indicators be agreed and introduced to allow performance of the Firearms Licencing Unit to be monitored	2	Ch/Supt Bird	31/07/2023
Firearms Licensing	Reporting on the activities and performance of the Firearms Licensing Unit to be introduced	2	Ch/Supt Bird	31/07/2023
Firearms Licensing	Process maps that are developed for the new Firearms Licensing systems be dated, version controlled and include timeframes for actions where appropriate.	2	Ch/Supt Bird	31/05/2023

The Police, Fire and Crime Commissioner for Cumbria and The Chief Constable of Cumbria Constabulary

Auditor's Annual Report for
the year ended 31 March 2024

4 February 2025



Contents



We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that The Police, Fire and Crime Commissioner and Chief Constable have made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of The Police, Fire and Crime Commissioner and Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. 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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Introduction



Purpose of the Auditor's Annual Report

This report brings together a summary of all the work we have undertaken for the Police, Fire and Crime Commissioner for Cumbria (the PFCC) and The Chief Constable of Cumbria Constabulary (the CC) during 2023/24 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements.

All PFCCs and CCs are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The PFCC's and CC's responsibilities are set out in Appendix A.

PFCC's and CC's report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statements.

Responsibilities of the appointed auditor

Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the PFCC and CC as at 31 March 2024 and of its expenditure and income for the year then ended, and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2023/24
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014

We also consider the Annual Governance Statement and undertake work relating to the Whole of Government Accounts consolidation exercise.

Value for money

We report our judgements on whether the PFCC and CC has proper arrangements in place regarding arrangements under the three specified criteria:

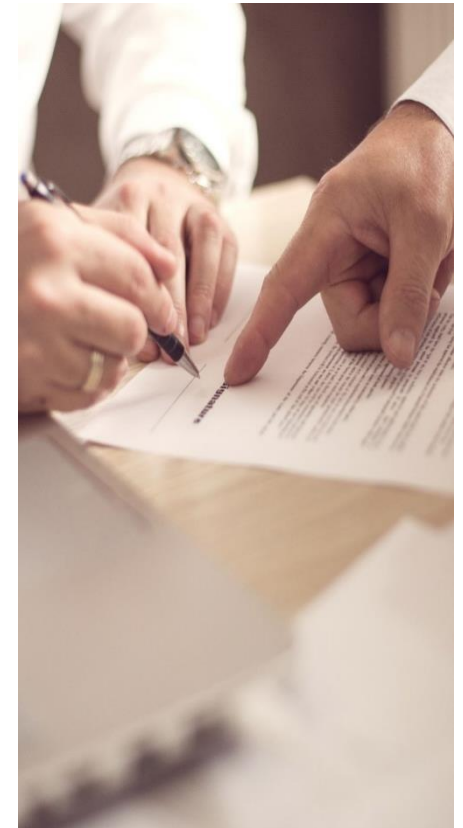
- financial sustainability
- governance
- Improving economy, efficiency and effectiveness

The Value for Money auditor responsibilities are set out in Appendix B.

Auditor powers

Auditors of a local authority have a duty to consider whether there are any issues arising during their work that require the use of a range of auditor's powers.

These powers are set out on page 9 with a commentary on whether any of these powers have been used during this audit period.



Executive summary



Executive summary

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the PFCC and the CC have put in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources. The NAO has consulted and updated the Code to align it to accounts backstop legislation. The new Code requires auditors to share a draft Auditors Annual Report ("the Report") with those charged with governance by a nationally set deadline each year (30 November) and for the audited body to publish the Report thereafter. This new requirements will be introduced from November 2025. As a firm, we are committed to reporting the results of our local audit work on as timely a basis as possible and are bringing forward our 2024 reporting in advance of the Code change. Our summary findings are set out below. Our recommendations and management responses are summarised in the following pages.



Financial sustainability

The PFCC and CC have a good track record of sound financial management albeit delivering a slight overspend position of £0.093m in 2023/24. They have continued to keep reserves at an appropriate level to help manage the financial risks in future. The General Reserve has been maintained at £4m representing 3% of the force budget for 2024/25.

The Medium-term Financial Plan (MTFP) clearly articulates future financial plans, the challenges and risks associated with these, and the assumptions applied in its creation. The MTFP does show a challenging financial position into the future; the 2024/25 budget and MTFP forecasted a cumulative budget gap of £16m by 2028/29. This is, however, understood, and appropriate work is underway to manage the funding gap.

Based on our areas of focus and evidence considered, we have not identified any significant weaknesses in arrangements to ensure the PFCC and the CC manages risk to their financial sustainability. However, we have identified that a savings plan and sustainability strategy are still in development, so we have carried forward the two prior-year improvement recommendations.



Governance

The PFCC ensures effective and ethical policing by holding the Chief Constable accountable. This includes setting strategic priorities, monitoring performance, managing the budget, conducting audits, handling complaints, engaging with the public, and using independent reports to assess performance.

Cumbria Police maintains robust governance through arrangements such as regular updates to risk registers, internal audits, and a whistleblowing policy to prevent fraud. Financial planning is thorough, with a balanced budget for 2024/25 and a detailed Medium-Term Financial Plan (MTFP) extending to March 2029. Governance committees, such as the Joint Audit Committee (JAC), provide independent oversight, ensuring compliance with legislation and effective decision-making.

Based on our areas of focus and evidence considered, we found no evidence of significant weaknesses in the PFCC's and the CC's arrangements for ensuring informed decisions are made and risks properly managed.



Improving economy, efficiency and effectiveness

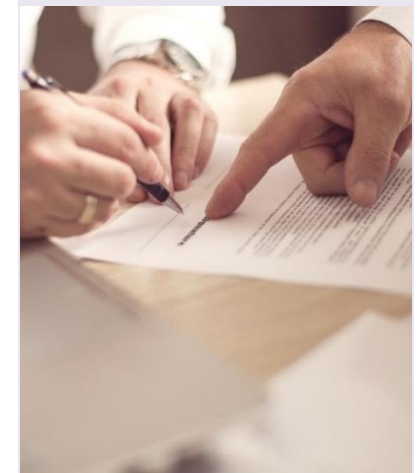
The PFCC and Constabulary have established effective measures to boost economy, efficiency, and effectiveness. Regular performance reports help the PFCC and CC manage the delivery of strategic priorities through transparent reporting and clear lines of accountability for officers.

The July 2024 PEEL report from the inspection by His Majesty's Inspectorate of Constabulary, Fire & Rescue Services (HMICFRS) congratulated the Constabulary for good performance; across nine areas of policing HMICFRS found that the constabulary was outstanding in one area, good in six areas and adequate in two areas.

Based on our areas of focus and evidence considered, we found no evidence of significant weaknesses in the PFCC's and the CC's arrangements for improving economy, efficiency and effectiveness.



We have completed our audit of your financial statements and anticipate issuing an unqualified audit opinion in February 2025, following the Joint Audit Committee meeting on 4 February 2025. Our findings are set out in further detail on page 8.



Executive summary (continued)



Overall summary of our Value for Money assessment of the Police, Fire and Crime Commissioner's and the Chief Constable's arrangements

Auditors are required to report their commentary on the PFCC's and the CC's arrangements under specified criteria and 2023/24 is the fourth year that these arrangements have been in place.

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. A summary of our judgements are set out in the table below.

Criteria	2022/23 Auditor judgement on arrangements	2023/24 Risk assessment	2023/24 Auditor judgement on arrangements	Direction of travel
Financial sustainability	A No significant weaknesses in arrangements identified, but two improvement recommendations made.	No risks of significant weakness identified.	A No significant weaknesses in arrangements identified, but the two prior-year improvement recommendations have been carried forward as they are currently in-progress.	↔
Governance	G Our work did not identify any areas where we considered that key or improvement recommendations were required	No risks of significant weakness identified.	G Our work did not identify any areas where we considered that key or improvement recommendations were required. More detail is provided in the detailed findings section of this report on page 19.	↔
Improving economy, efficiency and effectiveness	G Our work did not identify any areas where we considered that key or improvement recommendations were required	No risks of significant weakness identified.	G Our work did not identify any areas where we considered that key or improvement recommendations were required. More detail is provided in the detailed findings section of this report on page 23.	↔

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

Opinion on the financial statements and use of auditor's powers



Opinion on the financial statements



Audit opinion on the financial statements

We anticipate issuing an unqualified opinion on the PFCC's and the CC's financial statements in February 2025 following the Joint Audit Committee on 4 February 2025.

The full opinions will be included in the PFCC's and the CC's audited accounts for 2023/24, which will be available from the PFCC's and Force/Constabulary websites.

Grant Thornton provides an independent opinion on whether the PFCC's and CC's financial statements:

- give a true and fair view of the financial position of the PFCC and the CC as at 31 March 2024 and of their expenditure and income for the year then ended, and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2023/24
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

We conducted our audit in accordance with:

- International Standards on Auditing (UK)
- the Code of Audit Practice (2020) published by the National Audit Office, and
- applicable law

We are independent of the PFCC and the CC in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Findings from the audit of the financial statements

The PFCC and the CC provided draft accounts in line with the national deadline.

Draft financial statements were of a high standard and supported by detailed working papers.

Our audit identified three significant risks:

- Management override of controls, which is a mandated risk under ISA240. Our testing of journals, which is based on application of specified criteria and targeted risk assessment, did not identify any evidence of inappropriate management override of controls.
- Valuation of land and buildings as a significant estimate. Our audit testing identified no significant matters in relation to this significant risk.
- Valuation of the pension fund net liability as a significant estimate where small changes in assumptions could have a significant impact.

The only significant adjustment made to the financial statements submitted for audit was in relation to the Data Improvement grant accounting treatment, which was originally included in the draft accounts as a provision. This resulted in a £4.2m provision reversal, which subsequently increased the surplus of the CC and the group. An earmarked reserve was then created to reflect a commitment to fund relevant spend submitted from other forces.

Audit Findings Report

We report the detailed findings from our audit in our Audit Findings Report. A final version of our report will be issued to management in February 2025. Requests for this Audit Findings Report should be directed to the PFCC.

Use of auditor's powers

We bring the following matters to your attention:

2023/24

Statutory recommendations

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors can make recommendations to the audited body which need to be considered by the body and responded to publicly.

We did not make any written recommendations under Schedule 7 of the Local Audit and Accountability Act 2014.

Public Interest Report

Under Schedule 7 of the Local Audit and Accountability Act 2014, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue a public interest report.

Application to the Court

Under Section 28 of the Local Audit and Accountability Act 2014, if auditors think that an item of account is contrary to law, they may apply to the court for a declaration to that effect.

We did not make an application to the Court.

Advisory notice

Under Section 29 of the Local Audit and Accountability Act 2014, auditors may issue an advisory notice if the auditor thinks that the authority or an officer of the authority:

- is about to make or has made a decision which involves or would involve the authority incurring unlawful expenditure,
- is about to take or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency, or
- is about to enter an item of account, the entry of which is unlawful.

We did not issue any advisory notices.

Judicial review

Under Section 31 of the Local Audit and Accountability Act 2014, auditors may make an application for judicial review of a decision of an authority, or of a failure by an authority to act, which it is reasonable to believe would have an effect on the accounts of that body.

We did not make an application for judicial review.

Value for Money Commentary on arrangements



The current policing landscape

It is within this context that we set out our commentary on the PFCC's and the CC's value for money arrangements in 2023/24 and make recommendations where any significant weaknesses or improvement opportunities in arrangements have been identified.



National context

The police service faces an array of challenges. Levels of public trust are at historically low levels – a consequence of recent scandals and repeated failures to address these; alongside a general and widespread belief that the police cannot adequately deal with crime. Police resources have been stretched by the combination of increasing crime complexity and growing non-crime demands. Whilst overall levels of reported crime have declined over the last 10 years, charge rates had also declined, although this decline is being addressed. The absolute number of charges increased in 2022/23 for the first time since 2013/24. Forces are increasing their focus on sexual assaults and addressing violence against women and girls, while aiming to reduce the amount of time spent on non-crime demands such as responding to mental health incidents.

Police spending has increased significantly in recent years, largely to support the successful recruitment of an additional 20,000 police officers in England and Wales financed by ring-fenced Police Uplift Programme (PUP) Funding. Forces are under financial strain to maintain increased officer numbers, whilst the rapid recruitment to meet the conditions pertinent to receipt of PUP Funding has resulted in concerns over the adequacy of vetting arrangements and the burden placed on supervising officers whose capacity is stretched. It will take time to assess whether changes in officer numbers can result in sustained increases in the number of charges, and improvements in public trust. Aligned to these challenges, the police allocation formula used to allocate funding to forces has not changed since 2013. No revision has been made to the formula to reflect changes in population or local policing need. Police bodies and His Majesty's Inspectorate of Constabulary and Fire & Rescue Services continue to lobby for the formula to be reviewed at the earliest opportunity.

Policing is under an increasing spotlight in terms of how the sector responds to the financial challenge it faces and delivers efficiencies. When presenting the Provisional Police Grant Report (England and Wales) 2024/25 in Parliament on 14 December 2023, the incumbent Minister of State for Crime, Policing and Fire referenced the Policing Productivity Review ("the Review"). The Review was published in November 2023 following the Home Office commissioning of the National Police Chiefs' Council in 2022 to review police productivity and provide recommendations to improve efficiency and effectiveness in policing. The Government's formal response to the review was due to be published during 2024. Pending this the Minister's statement to the House confirmed the Government's expectation that policing should continue to deliver on opportunities presented by new technology and innovation to deliver productivity improvements and drive forward efficiencies in order to maximise officer time and service to the public.

Given the outcome of the general election that occurred on 4 July 2024 any changes to government policy relating to the sector, including review of the police allocation formula and response to the Policing Productivity Review are at present uncertain.

The current policing landscape

It is within this context that we set out our commentary on the PFCC's and the CC's value for money arrangements in 2023/24 and make recommendations where any significant weaknesses or improvement opportunities in arrangements have been identified.



Local context

On 1 April 2023, Cumbria's Police and Crime Commissioner became the Police, Fire and Crime Commissioner (PFCC), assuming governance responsibility for the Cumbria Fire and Rescue Service (CFRS). This transition followed the Government's announcement that Cumbria would be divided into two unitary authorities as of April 2023, replacing the six district councils and the overarching County Council. Consequently, the governance responsibility of CFRS had to change since it was previously under Cumbria County Council, which ceased to exist on 1 April 2023.

Cumbria has now been divided into two unitary authorities: Westmorland and Furness Council and Cumberland Council. Cumbria is the fifth county to introduce a PFCC, following Essex, Northamptonshire, Staffordshire, and North Yorkshire. The PFCC will be responsible for CFRS's governance, encompassing legal elements, employees, budgets, estates and ethics and integrity.

It is important to note that the core functions and services provided by CFRS remain unchanged. This change pertains solely to the governance structure of the Service. The arrangements for the governance of CFRS, who are now known as Cumbria Commissioner Fire and Rescue Authority, will be reported separately.

The PFCC and the CC are separate legal entities. The PFCC is elected by the public every four years with a responsibility to secure the maintenance of an efficient and effective police force and to hold the CC to account for the exercise of operational policing duties under the Police Act 1996. The CC has a statutory responsibility for the control, direction and delivery of operational policing services in Cumbria. The PFCC for Cumbria during 2023/24 was Peter McCall but following elections in May, David Allen has not taken up this role. The CC for Cumbria during 2023/24 was Robert Carden who took up his post in August 2023.

The PFCC's Police, Fire and Crime plan (PFCP) was presented to the Police, Fire and Crime Panel in October 2024. This covers the period 2025 to 2029. The PFCP is set around five key themes: Putting People First, Providing Visible and Accessible Services, Protecting Vulnerable People and Communities, Focusing on Prevention to Protect Cumbria and Making Best Use of Resources.

The PFCC is scrutinised by Cumbria Police, Fire and Crime Panel. The two Unitary Local authorities making up the Cumbria Police, Fire and Crime Panel are Westmorland and Furness Council and Cumberland Council. Westmorland and Furness Council is the host local authority for the Panel and provides administrative and other support to the panel and its members.

Home Office guidelines state that Panels must be made up of at least one elected representative from each local authority (unitary, county and district) within the force area plus two independent co-optees. There must also be at least 10 elected representatives on the Panel, with membership also reflecting the geographical and political balance of the area. For Cumbria, the Terms of Reference state that the Panel shall comprise 10 councillors and 2 independent, co-opted members with each authority appointing 5 Councillors.

The Panel's powers include holding the elected Commissioner accountable and supporting their functions within Cumbria. The panel reviews and makes reports or recommendations on various plans and senior appointments proposed by the Commissioner, such as the Police Fire and Crime Plan. It holds public confirmation hearings for senior appointments, reviews proposed appointments of the Chief Constable and Chief Fire Officer and makes recommendations on the retirement or resignation of these officers. Additionally, the panel reviews the proposed precept for both Police and Fire and Rescue services, scrutinizes the Commissioner's decisions, handles complaints about the Commissioner, and can appoint an Acting Commissioner if necessary. The panel also has the authority to suspend the Commissioner under certain circumstances and can delegate work to sub-committees or working groups.

Financial sustainability



We considered how the audited bodies:

Commentary on arrangements

Assessment

ensures that they identify all the significant financial pressures that are relevant to their short and medium-term plans and builds these into them;

The PFCC and CC have a good track record of sound financial management albeit delivering a slight overspend position of £0.093m in 2023/24 (£0.836m underspend in 2022/23). This equated to 0.7% of the total budget of £125m. The variance represented an overspend of £491k in relation to funding provided to the Constabulary and an underspend of £399k on budgets managed by the PFCC.

The Constabulary's financial position was impacted by higher costs in Police officer pay (£1.1m), Transport (£350k), Supplies and services (£244k), and Other employee budgets (£81k). These were partially offset by underspends on Third-party expenses (£87k), Police community support officers (£394k), Police staff pay (£401k), and increased income (£421k), mainly from Operation Safeguard (£342k).

Total capital expenditure for the year amounted to £4m, in comparison to a budget of £9m, leading to a decrease of £5m (56%) from the approved 2023/24 budget. This difference includes £5m of deferred spending to future years and other budget adjustments of £207k.

Cumbria Police present the budget and Medium-Term Financial Plan (MTFP) in February each year, with a mid-year review and updated MTFP presented in September. A balanced budget has been set for the 2024/25 financial year, including an updated MTFP. The MTFP outlines the reserves, detailing their purpose, types, and projections through to March 2029. It provides forecasts of revenue, reserves, and overall financial planning, as well as anticipated future grant funding. It includes considerations for inflationary pressures on non-pay expenses, attrition and recruitment according to the workforce plan, and pay award provisions for 2024 with an assumed pay inflation of 2.5% in 2024/25 and 2% per annum thereafter. These elements are consistent with our expectations.

The budget plan allocates an estimated funding of £178m for the fiscal year 2024/25 to support a corresponding level of expenditure. However, a budget deficit of £2m is anticipated in 2025/26, which is projected to increase to £16m by 2028/29. This shortfall results from the net impact of inflation and other expenditure pressures as compared to the forecasted growth in funding from Government Grants and increases in Council Tax Income.

Continued on following page...

A

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

Financial sustainability

We considered how the audited bodies:

Commentary on arrangements

Assessment

ensures that they identify all the significant financial pressures that are relevant to their short and medium-term plans and builds these into them;

Continued from previous page...

As required by the Financial Management Code of Practice for Police Forces (2018) the PFCC publishes a Reserves scheme, and this explains the purpose and intended usage of each reserve. The budget & MTFP discusses the reserves including why reserves are held, the type of reserves and a forward projection of reserves to March 2029. This corresponds to the Reserves Strategy. The general reserve is maintained at £4m in 2024/25, which is approximately 3% of the net recurrent budget (excluding specific grants & fees and charges). It is considered standard practice in policing to maintain a minimum of 2% of net revenue budgets for the general fund, so the reserve level aligns with this guideline. Overall reserves are projected to decrease to £12m by the end of the MTFP period, representing a 57% reduction from the current level of £27m.

There is a dedicated webpage for Treasury Management (TM). This platform includes the Treasury Management Strategy Statement (TMSS) and monitoring reports throughout the year. The Treasury Management Strategy Statement (TMSS) for 2024/25, along with the Prudential Indicators for 2024/25 to 2027/28, was approved by the Commissioner during the Public Accountability Conference on 15 February 2024. The TMSS is underpinned by a set of Treasury Management Practices (TMPs) that delineate how all treasury management activities will be conducted. Treasury activities are monitored on a quarterly basis. The quarterly reports detail how the investments have been managed. Additionally, a cashflow forecast is produced for a rolling period of two years. These TM processes ensure that financial pressures are identified and built into planning.

Improvement recommendation raised in 2022/23 and carried forward to 2023/24:

The Police, Fire and Crime Commissioner and Constabulary should publish their sustainability strategy and detailed action plan. The financial implications of this action plan should be built into the MTFP.

The OFPCC plans to address the police and fire estate sustainability report in 2025. A 2024 condition review now guides the estates strategy and capital program, focusing on sustainability initiatives like LED lighting, motion-sensing systems, rainwater harvesting, high-efficiency boilers, window replacements, and Hot & Cold Water Filter Taps installation. ACC Blackwell will oversee other sustainability efforts in the Constabulary through the Organisational Board in 2025. Projects include vehicle telematics for fleet optimization, a hybrid and electric vehicle fleet review, updated pool car, hire car, and mileage policies, plus promoting online learning and local training. The sustainability plan also features a Cycle to Work scheme and a salary sacrifice car scheme starting in early 2025.

Sustainability measures have been identified in 2024/25 but have yet to be implemented, measured and reflected in the budget and MTFP. Therefore, this recommendation will be carried forward to 2024/25.

A

Improvement recommendation 2: Sustainability measures have been identified but have yet to be implemented, measured and reflected in the budget and MTFP. Therefore, this recommendation will be carried forward to 2024/25.

Financial sustainability

We considered how the audited bodies:

Commentary on arrangements

Assessment

plans to bridge funding gaps and identify achievable savings

The budgets for 2023/24 and 2024/25 have been balanced, however savings will be required from 2025/26 onwards. The 2024/25 budget and MTFP forecasted a cumulative budget gap of £16m by 2028/29.

The Deputy Chief Constable is leading on a 'Futures programme' of work to identify budget savings to address the budget gap from 2025/26 onwards. The programme of work is formalised through the Savings and Efficiencies Programme Board and the Change Board. Areas for development are currently being planned into phases of work over the coming year and future years.

Savings are generally monitored as part of the financial updates presented to the Chief Officer Group, Executive Board and other Boards. As well as being monitored by the monthly Savings and Efficiencies Programme Board and monthly Change Board.

Cumbria Police present the budget and Medium-Term Financial Plan (MTFP) each February, with a mid-year review and updated MTFP presented to the Chief Officer Group and Police Executive Board in September. This review considers revenue funding, the revenue budget, savings plans, the capital programme, reserves, and risks. The budgets for 2023/24 and 2024/25 have been balanced; however, savings will be required from 2025/26 onwards. The MTFP indicates a forecast funding gap of £2.2 million in 2025/26, which is expected to cumulatively grow to £16 million by 2028/29.

Over the period of the financial forecast, total group reserves are projected to decrease from £27 million at the start of 2024/25 to £12 million by the end of March 2029. This reduction is largely due to the provision of funding to support the revenue budget over the next three years. Of the remaining £12 million, the general reserve of £4 million is held for managing financial risks and unforeseen events. Budget support, stabilisation, and insurance reserves/contingencies amount to £3 million, providing additional resilience. A small number of other reserves are earmarked for specific purposes, including pooled/partnership funds (£2 million), while the Commissioner holds reserves of £3 million to cover the longer-term implications of commissioning commitments.

The 2024/25 MTFP mid-year review in September 2024 assesses the current levels of reserves as being 4% of the net budget requirement. This aligns with CIPFA's recommendation that unallocated revenue reserves should be between 2% and 4% of revenue expenditure.

We do not consider the medium-term budget gap to be a significant weakness at this stage, as there are significant reserves available, however, this is not sustainable, and it is important that the savings plan is developed and delivered.

Continued on following page...

A

Financial sustainability

We considered how the audited bodies:

Commentary on arrangements

Assessment

Continued from previous page...

In the prior year, we raised the following recommendation:

As a priority, the Police, Fire and Crime Commissioner/Constabulary should seek to develop a robust change programme that identifies additional recurrent savings given the likelihood that the budget gap will increase further due to the current economic climate and inflationary pressures.

The Futures Programme was initiated to address the budget gap identified in the budget/MTFF documents. Led by DCC and Director of Performance & Change, the programme began in 2023/24 and continued into 2024/25. Progress is managed through monthly Futures Board meetings and strategic decisions are made at the monthly Strategic Management Board (SMB) chaired by the CC. The programme includes a phased change initiative to bridge the budget gap, with several projects presented at a Chief Officer Away Day in September 2024. Some projects were approved to progress to the business case stage and will be implemented in 2025, while others require further analysis. Operational commands were also tasked with delivering 5% budget savings from their non-staff budgets during 2024/25, resulting in savings of around £0.4m from 2025/26.

Additionally, the DCC holds a weekly Force Resourcing Meeting (FRM) to manage resourcing matters and vacancies, providing in-year efficiency savings. A detailed review of budget assumptions related to pay modelling, Home Office (HO) funding, and council tax income has led to significant budget reductions incorporated into the refreshed MTFF. The HO funding settlement in December 2024 was as expected, with government support for the September 2024 pay award and NI changes to be implemented in April 2025. Efforts to improve income through treasury management have also yielded approximately £233k per annum in forecasted investment income receipts.

The Futures Programme has successfully initiated several projects to bridge the budget gap, with some projects already approved for implementation in 2025 and others requiring further analysis.

Operational commands have achieved significant budget savings, contributing to the overall financial stability of the organisation. The weekly Force Resourcing Meeting (FRM) has been effective in managing vacancies and providing in-year efficiency savings. A detailed review of budget assumptions has led to significant budget reductions, and efforts to improve income through treasury management have yielded positive results.

It is concluded that a robust change programme has been developed but a detailed savings plan is still in development, as reflected in the 2024/25 budget and MTFF. We recommend that the PFCC and CC continue to develop a detailed savings plan in support of the budget and MTFF and to enable internal monitoring of progress against them.

plans to bridge funding gaps and identify achievable savings

A

Improvement recommendation 1: Following the initiation of the 'Futures Programme', we recommend that the PFCC and CC continue to develop a detailed savings plan in support of the budget and MTFF and to enable internal monitoring of progress against them.

Financial sustainability

We considered how the audited bodies:

Commentary on arrangements

Assessment

plan finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

The PFCC and CC have arrangements in place ensure they plan their finances to support the sustainable delivery of services in accordance with strategic and statutory priorities within the Police Fire and Crime Plan (PFCCP). These priorities are monitored through the Performance Reports presented to the Public Accountability Conferences and feed into the budgeting process and MTFP on an annual basis.

The latest PFCCP was presented to the Police, Fire and Crime Panel in October 2024; this covers the period 2025 to 2029. The PFCCP is set around five key themes: Putting People First, Providing Visible and Accessible Services, Protecting Vulnerable People and Communities, Focusing on Prevention to Protect Cumbria, and Making Best Use of Resources.

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ensure their financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system

The PFCCP includes sections on resources and spending, incorporating workforce, revenue, capital and investment planning which feed into the budget setting and MTFP process on an annual basis. There are up-to-date workforce plans, a procurement strategy, a reserves strategy and treasury management policy in place to support the PFCCP.

The capital plan sets out the capital plans for the 5-year period. These are reported on via the Financial performance reports and slippage/delays are explained there where appropriate. There has not been any evidence of major capital investment being postponed or cancelled without rationale.

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Financial sustainability

We considered how the audited bodies:

Commentary on arrangements

Assessment

Identify and manage risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying their plans

We considered how Cumbria Police identify and manage risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

The MTFP and budget include considerable detail about the finances and associated risks to the PFCC and Constabulary. It also includes specific sections which deal with risks, scenario planning and the assumptions made in the financial planning exercise. The level of reserves are considered reasonable to manage financial resilience.

Regular Revenue and Capital monitoring reports are presented to the 'Executive and other Boards' and cover the budget variances and year-end forecast.

G

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

Governance



We considered how the Audited Bodies:

Commentary on arrangements

Assessment

monitor and assess risk and gain assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

The PFCC and Constabulary maintain separate risk registers that are updated regularly and reported to the Joint Audit Committee (JAC). Risks have unique reference numbers, associated owners, have details regarding impacts and mitigations and are scored. Risk is RAG rated and assessed by considering the causes of the risk and the consequences if that risk were to happen.

A Whistleblowing policy and Gifts & Hospitality procedures are in place in respect of the prevention and detection of fraud.

The Internal Audit opinion for 2023-24 was reasonable assurance for both the PFCC and Constabulary. 12 audits were completed for the final report. Of these 12 reports, 6 audits provided the highest level of assurance (Substantial) and 6 offered the second highest level (Reasonable).

G

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

Governance



We considered how the Audited Bodies:

Commentary on arrangements

Assessment

approach and carry out the annual budget setting process

Our review confirmed that the Medium-Term Financial Plan (MTFP) forms the foundation of the annual budget and involves the Police, Fire and Crime Commissioner (PFCC), Chief Constable (CC), and other key stakeholders. The latest MTFP (2024/25) outlines key assumptions including funding, inflationary adjustments, and the maintenance of the uplift headcount. It also identifies major expenditure pressures and potential savings.

Cumbria Police presents its budget and MTFP in February each year, with a mid-year review and an updated MTFP presented to the Chief Officer Group and Police Executive Board in September 2024. This review considered revenue funding, revenue budget, savings plans, capital program, reserves, and risk assessments.

The budgets for 2023/24 and 2024/25 have been balanced; however, savings will be necessary from 2025/26 onwards. In anticipation of this, various financial scenarios have been modelled through the MTFP process, conducted jointly by the Office of the Police, Fire and Crime Commissioner (OPFCC) and the Constabulary. The MTFP currently forecasts a funding gap of £2.2 million in 2025/26, increasing cumulatively to £16 million by 2028/29.

Savings are regularly monitored as part of the financial updates presented to the Executive Board and other relevant Boards. Additionally, monitoring is carried out by the monthly Futures Programme Board and the monthly Change Board.

The 2024/25 budget was presented to the Public Accountability Conference in February 2024. We find the assumptions within the MTFP to be prudent and reasonable.

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Governance

We considered how the Audited Bodies:

Commentary on arrangements

Assessment

<p>Ensure effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports statutory financial reporting; and ensure corrective action is taken where needed, including in relation to significant partnerships</p>	<p>There is an established financial monitoring process conducted on a monthly basis, results of which are presented to the Chief Officer Group. Quarterly reports based on this monitoring are subsequently submitted to the Executive Board. Furthermore, a summarized version of the report concerning the revenue budget is provided quarterly to the Police, Fire and Crime Panel. These reports furnish updates on both the PFCC and CC as well as forecast outturns. They are comprehensive, detailing the projected revenue outturn and capital budget performance, including explanations for any variances. Additionally, a high-level summary is included to provide context and enable decision-makers to concentrate on key areas of potential concern.</p>	<p style="text-align: center; font-size: 2em; font-weight: bold;">G</p>
<p>Ensure they make properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit committee</p>	<p>Our review of papers submitted to the Executive Board, JAC and Police Fire and Crime Panel indicates that a good standard of documentation is presented to those committees. Reports are clear, well structured and give the committee members the information they require to make informed decisions.</p> <p>We conclude that the governance committees fulfil their roles effectively, with appropriate 'tone from the top'.</p> <p>The purpose of the JAC is to provide an independent and high-level focus on the adequacy of governance, risk and control arrangements to the PFCC and CC. The Committee's role in ensuring that there is sufficient assurance over governance, risk and control gives greater confidence to those charged with governance that those arrangements are effective.</p> <p>The JAC comprises five independent members and met four times in 2023/24. From our attendance at the JAC and also via our review of the minutes and papers we are satisfied that the committee is fulfilling its duties adequately and continues to be effective in its role.</p>	

Governance

We considered how the Audited Bodies:

Commentary on arrangements

Assessment

monitor and ensure appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour and where it procures and commissions services.

Within the Constabulary, responsibilities are delineated at various levels. Chief Officers hold ultimate accountability for delivering policing services within the operational environment, while senior officers possess functional responsibilities for specific aspects of policing. Individual officers must ensure adherence to regulatory standards. Similarly, senior support staff managers are tasked with ensuring compliance with specific legislation pertinent to their respective business areas. For instance, the Chief Finance Officer, Director of Legal, and heads of departments such as People, ICT, Estates, Procurement, and Fleet carry significant compliance responsibilities.

Monitoring mechanisms include the review of KPIs by the Chief Officers Group and Boards, dedicated compliance units within operational policing, the efforts of the Joint Audit Committee (JAC) and Ethics and Integrity Panel, and mandatory consultation with specialist functions during report preparation. Additionally, these frameworks are reinforced through legal training, the Professional Standards Department's activities, and communications via the force intranet. This structure is comprehensively documented in the Annual Governance Statements (AGS) of both the PFCC and Constabulary, which are included within their respective Statements of Accounts.

The Commissioner allocates funding to the Constabulary's Legal Services Department, enabling them to provide legal support to the OPFCC on relevant matters. Should the need arise, external legal advice can be sought from other legal entities.

Throughout the year, formal reviews have been conducted concerning the roles of the Commissioner's Chief Finance Officer, the Head of Internal Audit, and the JAC, in relation to the respective CIPFA statements, concluding full compliance. Compliance with the CIPFA Statement on the Role of the Chief Financial Officer in Local Government is reported through the AGS accompanying the annual statement of accounts. OPFCC officers receive legislative updates through their professional bodies, including APACCE, PACTS, CIPFA, the APCC, and governmental sources.

Legal considerations are integrated into all reports. The Chief Executive fulfils the role of Monitoring Officer, ensuring that both the Commissioner and OPFCC operate in accordance with legislative requirements. The Anti-Fraud & Corruption arrangements were reviewed in 2023 and presented to the JAC, which deemed them effective. Annually, the OPFCC reports to the committee on the effectiveness of these arrangements. Training sessions covering Anti-Fraud & Corruption and Confidential Reporting are regularly provided to officers and the JAC. Internal Audit conducts reviews of anti-fraud measures against best practices.

The Joint Financial Regulations provide guidance on gifts, hospitality, and declarations of interests, which are included in the annual accounts related parties note. A set of joint procurement regulations ensures compliance with legislative and regulatory standards.

The procurement function encompasses the entire procurement process and includes detailed post-contract monitoring. The AGS outlines the systems and processes that govern procurement arrangements, including procedural rules, policies, and internal management processes. A contracts register is maintained and regularly updated.

G

Improving economy, efficiency and effectiveness – commentary on arrangements



We considered how the audited bodies:

Commentary on arrangements

Assessment

use financial and performance information to assess performance to identify areas for improvement

Good governance arrangements are in place and there is a section of the OPFCC website which presents performance data on a dashboard.

Performance is reported weekly to the Chief Officer Group. These reports detail individual KPIs and highlight areas where additional focus is required by exception. The Constabulary utilises various performance indicators, such as 999 and 101 service levels, the number of crimes reported, and response times to incidents, to evaluate its performance against established targets. Data derived from these indicators assists the Force in identifying areas needing improvement.

The HMICFRS conducts an annual analysis of Police Objective Analysis Data to prepare the HMICFRS VFM Profiles, which are accessible on the VFM Dashboard on the HMICFRS website. This dashboard provides a detailed analysis of force expenditures compared to all forces against a variety of subjective and objective criteria. Cumbria utilises this data and also produces an annual summary for the Chief Officers and Joint Audit Committee, focusing on areas where Cumbria is an outlier.

In addition to using financial data to assess budgetary performance, this data is used to evaluate operational efficiency and ensure resources are allocated appropriately to achieve maximum value for money.

The review of the performance reports indicates that the quality of the reports is sufficient for Management to understand the activities undertaken to meet the priorities, the associated risks, and how the Constabulary is managing those risks.

The Annual Governance Statement outlines how data is managed in Cumbria, ensuring effective arrangements for safe data collection, storage, use, and sharing. A Data Protection policy guides staff on handling data appropriately. Every six months, the OPFCC Governance Manager provides refresher training at an Extended Team meeting. The OPFCC shares a Data Protection Officer (DPO) with the Constabulary, and any data breaches are reported to the Joint DPO for assessment and action. Effective data-sharing arrangements exist with other organisations, supported by information sharing agreements. Suppliers have Data Processing Contracts, Confidentiality Agreements, and Data Protection Impact Assessments. Ethics and Integrity Panel members and volunteers sign confidentiality agreements covering any information they encounter in their roles.

Cumbria Police collaborate with other forces to identify organisational improvements, as reflected in the Group accounts. The Constabulary engages with lead forces on specific service areas as needed, promoting learning and improvement. The PFCC cooperates closely with other North-West PCCs to compare services and drive organisational improvement.

G

- G** No significant weaknesses in arrangements identified or improvement recommendation made.
- A** No significant weaknesses in arrangements identified, but improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendations made.

Improving economy, efficiency and effectiveness – commentary on arrangements



We considered how the audited bodies:

Commentary on arrangements

Assessment

evaluate the services they provide to assess performance and identify areas for improvement

We considered how the Police evaluates the services it provides to assess performance and identify areas for improvement.

HMICFRS congratulated Cumbria Constabulary on its performance in keeping people safe, reducing crime and giving victims an effective service in its latest inspection report 2023-25, which was issued in July 2024. See page 27 for more details.

HMICFRS reported that Cumbria Constabulary has made significant strides in improving its governance and performance. The constabulary now has effective governance in place with clear strategic plans supported by accurate information and a detailed performance framework. There have been notable improvements in the management and scrutiny of criminal investigations, with a focus on thorough and well-supervised investigations. The constabulary uses bail effectively to protect vulnerable victims and reduce further crime, although there is still room for better outcomes for victims.

The support provided to the workforce, especially student officers, has been outstanding, with supervisors, senior leaders, and the occupational health unit playing a crucial role. The constabulary values its officers and staff, understanding that their well-being directly affects their performance and the service they provide to the public. Additionally, the constabulary focuses on preventing crime and antisocial behaviour, working well with partner organisations, charities, and communities to solve local problems and keep people safe.

Cumbria Constabulary is innovative in its use of technology and has a strong evidence-based policing ethos. The leadership has continued to improve services, with a new strategic plan developed by the new Chief Constable being embraced by the workforce. The communicative and highly visible approach of the new leadership has been well received, and the constabulary is committed to making further improvements based on this report. The improvements seen during the inspection provide a solid foundation for future progress.

Strategic priorities are set out in the PFCC's Police, Fire and Crime Plan (2025-29) and the Constabulary's strategic priorities. Plans are amended at an operational level dynamically through the briefing and tasking process aligned to emerging strategic issues.

G

Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the audited bodies:

Commentary on arrangements

Assessment

ensure they deliver their role within significant partnerships and engages with stakeholders they have identified, in order to assess whether they are meeting their objectives

The Constabulary is actively involved in various partnership arrangements, ranging from large strategic collaborations like the Fire and Rescue Service, to local informal partnerships. Notable examples from the year include the North-West Probation Service's funding and development of Women's Outreach Services for female victims and offenders in Kendal, Carlisle, and surrounding areas. Additionally, the Constabulary works with partners to raise awareness about anti-social driving, focusing on the Fatal Four: no seatbelts, speeding, distracted driving, and drug/drink driving, as well as other trends like pedestrian and motorbike/cyclist safety.

The Commissioner has launched a rural crime campaign in collaboration with the National Farmers Union (NFU) and other partners to promote rural safety and prevent rural crime. Another significant partnership is with the Cumbria Unitary Council's to deliver the Step Up Restore Families programme. These partnerships are integral to the strategies outlined in the Police and Crime Plan 2021-2025 and the new Police, Fire and Crime Plan 2025-29.

The Police maintain a dedicated section on their website detailing examples of collaboration with other forces and organizations to provide services. They also have a 'Public engagement' section explaining the Commissioner's statutory obligation to engage with communities under the Police Reform and Social Responsibility Act 2011 and to consider the welfare of victims. The recent 2023-2025 PEEL inspection highlighted that Cumbria works well with partner organizations, charities, and communities to solve local problems and keep people safe.

Overall, these partnerships and initiatives demonstrate the Constabulary's commitment to working collaboratively to address local concerns and enhance community safety. By engaging with various stakeholders and leveraging their collective expertise, the Constabulary aims to create a safer and more supportive environment for all residents.

The PFCC and Constabulary conduct annual public consultations on service priorities and budgeting. Both have Engagement Strategies detailing stakeholder communication, summarised in their Annual Governance Statements.

The PFCC and Constabulary conduct formal annual consultations with the public to establish service priorities and budget considerations. Both entities have Engagement Strategies that detail their communication methods with stakeholders. These arrangements are outlined in the respective Annual Governance Statements of both bodies.

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Improving economy, efficiency and effectiveness – commentary on arrangements

We considered how the audited bodies:

Commentary on arrangements

Assessment

Commission or procure services, assessing whether they are realising the expected benefits

The OPFCC has a Procurement and Commissioning Strategy that aims to achieve best value, in compliance with financial regulations and contract standing orders, while meeting obligations to stakeholders by outlining clear social, economic, and environmental responsibilities.

The medium-term financial strategy provides a framework for making ongoing decisions on significant delivery issues and responding to changes in the external environment that may occur during the budgetary period, with the goal of achieving desired outcomes and optimizing resource usage.

Joint procurement regulations and procedures are established, and there is a commercial and procurement team responsible for contract management.

Readiness for Procurement Bill: Cumbria Police are reviewing procurement processes to comply with the new bill. The department is also investing in new technology and tools and aligning its training programmes with the requirements of the new legislation, using Blue Light Commercial's resources.

Grant regulations, the Commissioning Strategy and the Communication & Engagement Strategy are being updated to ensure compliance with the new Procurement Act regulations.

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Improving economy, efficiency and effectiveness



HMICFRS

His Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) independently assesses the effectiveness and efficiency of police forces and fire and rescue services in the public interest.

They:

- Inspect and monitor the 43 territorial police forces in England and Wales reporting on their effectiveness, efficiency and legitimacy via PEEL assessments
- Work with other inspectorates within criminal justice and more broadly to address problems involving more than one agency. For example, the programme of police custody inspections with the Care Quality Commission (CQC)
- Assess and report on the efficiency, effectiveness and people of the 44 fire and rescue services in England.

External Auditors consider the outcome of PEEL assessments when performing our VFM work. Particularly in assessing Police Bodies’ arrangements to assess performance and identify areas for improvement in outcomes.

Responding to His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) PEEL Report

In July 2024 HMICFRS published their PEEL report from their inspection of Cumbria Constabulary. Cumbria were congratulated for their good performance.

His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) evaluated Cumbria Constabulary’s performance across nine areas of policing. The results indicated that the constabulary was rated as outstanding in one area, good in six areas, and adequate in two areas.

According to HMICFRS, the Constabulary excelled in building, supporting, and protecting its workforce. Inspectors noted that it prioritises the well-being of officers and staff and cultivates a supportive environment that aids in the development and retention of new recruits.

The inspectorate also highlighted that Cumbria Constabulary collaborates effectively with partner organisations to mitigate violence against women and girls and ensure the safety of vulnerable individuals. An example cited is a partnership project designed to provide support and safeguarding for those at risk of county lines exploitation.

Moreover, inspectors observed improvements in the management and oversight of criminal investigations. However, they suggested that the Constabulary should take further steps to achieve better outcomes for victims and enhance the external review of its use of force and stop and search powers.

Outstanding	Good	Adequate	Requires improvement	Inadequate
Developing a positive workplace	Preventing crime	Recording data about crime		
	Investigating crime	Police powers and public treatment		
	Responding to the public			
	Protecting vulnerable people			
	Managing offenders			
	Leadership and force management			

**Value for Money
Recommendations raised in
2023/24**



Recommendations raised in 2023/24

Recommendation	Type of recommendation *	Criteria impacted	Evidence	Impact or possible future impact	Actions agreed by Management
IR1 Following the initiation of the 'Futures Programme', we recommend that the PFCC and CC continue to develop a detailed savings plan in support of the budget and MTFP and to enable internal monitoring of progress against them.	Improvement	Financial Sustainability	See page 16	A savings plan is still in development, as reflected in the 2024/25 budget and MTFP. For details see page 16.	The detailed savings plan will continue to be developed during 2025/26 as part of the Futures Programme and in support of the overall budget and MTFP. Progress will be monitored by Chief Officers through the Futures Board and Strategic Management Board and by the OPFCC through periodic updates to Executive Board Police. Michelle Bellis – Constabulary CFO 22/01/25
IR2 The Police, Fire and Crime Commissioner and Constabulary should publish their sustainability strategy and detailed action plan. The financial implications of this action plan should be built into the MTFS.	Improvement	Financial Sustainability	See page 14	Sustainability measures have been identified in 2024/25 but have yet to be implemented, measured and reflected in the budget and MTFP. Therefore, this recommendation will be carried forward to 2024/25. For further details see page 14.	The estates aspects of the sustainability report will be picked up by the OFPCC during 2025. The remaining aspects of Constabulary sustainability will be picked up by ACC Blackwell through the Organisational board in 2025. The sustainability plan developed will reference and build upon the recommendation of the Energy Savings Trust Report. Michelle Bellis – Constabulary CFO 22/01/25

* Explanations of the different types of recommendations which can be made are summarised in Appendix B.

Appendices

Appendix A: Responsibilities of The Police, Fire and Crime Commissioner (PFCC) and the Chief Constable (CC)

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Financial Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) is required to prepare 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. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the PFCC's and the CC's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the PFCC and CC will no longer be provided.

The PFCC and the CC are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



Appendix B: Value for Money Auditor responsibilities



Value for Money arrangements work

All Police, Fire and Crime Commissioners (PFCCs) and Chief Constables (CCs) are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The audited body's responsibilities are set out in Appendix A.

PFCCs and CCs report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under Section 20(1)(c) of the Local Audit and Accountability Act 2014 we are required to satisfy ourselves that the PFCC and the CC have made proper arrangements for securing economy, efficiency and effectiveness in their use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:



Financial Sustainability

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



Improving economy, efficiency and effectiveness

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

2023/24 is the fourth year of the Code, and we undertake and report the work in three phases as set out in the Code.

Phase 1 – Planning and initial risk assessment

As part of our planning we assess our knowledge of the PFCC's and CC's arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

Information which informs our risk assessment	
Cumulative knowledge and experience of the audited body	Annual Governance Statement and the Head of Internal Audit annual opinion
Interviews and discussions with key stakeholders	The work of inspectorates and other regulatory bodies
Progress with implementing recommendations	Key documents provided by the audited body
Findings from our opinion audit	Our knowledge of the sector as a whole

Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements we will undertake further work to understand whether there are significant weaknesses. We use auditor's professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations. A range of different recommendations can be raised by the PFCC's and CC's auditors as follows:

- **Statutory recommendations** – actions which should be taken where significant weaknesses are identified with arrangements. These are made under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014 and require discussion at a public meeting and a public response.
- **Key recommendations** – actions which should be taken by the PFCC and CC where significant weaknesses are identified within arrangements.
- **Improvement recommendations** – actions which should improve arrangements in place but are not a result of identifying significant weaknesses in the PFCC's and CC's arrangements.

Appendix C:

Follow-up of previous recommendations

Recommendation	Type of recommendation *	Date raised	Progress to date	Addressed?	Further action?
1 As a priority, the Police, Fire and Crime Commissioner/Constabulary should seek to develop a robust change programme that identifies additional recurrent savings given the likelihood that the budget gap will increase further given the current economic climate and inflationary pressures.	Improvement	2023	The Futures Programme was initiated to address the budget gap identified in the budget/MTFF documents. For further details see page 16.	Yes	We have re-raised a recommendation to ensure that the PFCC/CC are focused on continuing to develop a detailed savings plan. See improvement recommendation No. 1 on page 16.
2 The Police, Fire and Crime Commissioner and Constabulary should publish their sustainability strategy and detailed action plan. The financial implications of this action plan should be built into the MTFS.	Improvement	2023	Sustainability measures have been identified in 2024/25 but have yet to be implemented, measured and reflected in the budget and MTFP. Therefore, this recommendation will be carried forward to 2024/25. For further details see page 14.	No	We have re-raised a recommendation to ensure that the PFCC/CC are focused on delivering improvements. See improvement recommendation No. 2 on page 29.

*Explanations of the different types of recommendations which can be made are summarised in Appendix B.



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

Joint Audit Committee: 4 February 2025

Originating Officer: Steven Tickner, OPFCC Chief Finance Officer

Agenda Item 11a

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. Since April 2023, and with the PFCC taking on responsibility for Fire & Rescue Services, 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 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 PFCC 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 Executive Board – Police and Executive Board – Working Together (joint boards between the Constabulary and OPFCC), 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 Executive Boards. Cross cutting issues between the OPFCC and Constabulary are included on the agenda of meetings of the Executive Boards 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 Executive Boards, 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.</p> <p>The PFCC CFO is supported in doing this by a shared financial services team lead by the CC CFO 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 	<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>strategies and that these are subject to regular review to confirm the continuing relevance of assumptions used.</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>➤ 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 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 Forecast 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 Corporate Governance Framework and Scheme of Delegation 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 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	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

	Police, Fire and Crime Panel considers the budget and proposed precept.	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 PFCC CFO procures on behalf of the OPFCC and Constabulary 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, Executive Board - Police 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 Corporate Governance Framework 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.	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.

		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.
2.19	Monitoring the service impact of third-party contracts on the delivery of organisational objectives.	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.
2.20	Monitoring the longer-term financial impact of third-party contracts.	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.

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	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.

	financial management, including delegated authority/powers.	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	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

	maintained	(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.	The Annual Governance Statement and Code of Corporate Governance set out the arrangements for financial management. The PFCC CFO leads on the production of the AGS for the Commissioner.
3.14	Establishing budgets, financial targets and performance indicators to help assess delivery.	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.

		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 Scheme of Delegation and Corporate Governance Framework 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 Scheme of Delegation 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 through the provision of a shared financial services team. These potential conflicts are managed as appropriate. Having 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 Scheme of Delegation and Corporate Governance Framework 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, Executive Boards 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	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

	legitimately influence decisions on the allocation of resources.	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 Scheme of Delegation 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 both 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 by 30 June (previously 31 May) and the required date to publish the final (audited) statement of accounts by 30 September. The requirement for these accelerated dates came into effect for the statement of accounts for the 2017/18 financial year.</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.</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	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

	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.	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 2024 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 31/03/26 to support an extensive ICT project. The current staffing level against this is 13.11 FTE with a further reduction of 0.20 FTE due from the start of April.
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. From April 2025, internal audit services will be provided through a contract with MIAA 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	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

	stakeholders.	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.	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 2023/24 the Constabulary supported a team member to gain full CIPFA status by completing the portfolio element of their professional qualification. The team currently have two apprentices undertaking professional studies one through CIMA and once through CIPFA. The majority of CIPFA development sessions has continued to be provided by 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 Group Accountant has attend sessions as part of the CFO Leadership Academy, which is also part of the AFEP Programme. In addition, team members have undertaken refresher training on VAT (a collaborative update with fire colleagues). The Group Accountant and Financial Services Managers have undertaken 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.
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 	<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>

	relevant experience in order to meet the requirements of the non-financial areas of the role.	
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The Role of the Chief Finance Officer (Core CFO Responsibilities)

Joint Audit Committee: 04 February 2025

Originating Officer: Michelle Bellis, Constabulary Chief Finance Officer

Agenda Item 11b

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. 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 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 the Futures Programme. The Constabulary CFO is also a member of the Executive Board - Police (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 is 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 contributes to scrutiny of the performance of the Constabulary at meetings of the Executive Board - Police. Cross cutting issues between the OPFCC and Constabulary are included on the agenda of meetings of the Executive Board – Police 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 and is aligned to strategic priorities.</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 Executive Board - Police, 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:	

<p>➤ 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>	<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 Constabulary CFO also completes an annual risk assessment on the level of reserves. The PFCC CFO makes a formal statement on the level of reserves within the statutory 151 report on the robustness of the budget.</p>
<p>➤ Ensuring compliance with relevant CIPFA Codes including the Prudential Framework for Local Authority Capital Finance</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</p>

	and CIPFA's Treasury Management Code of Practice.	level of independent assurance on Code compliance, e.g. external treasury management advisors offer advice on the treasury management strategy/external audit monitor compliance with the code on local authority accounting/internal audit provide advice as appropriate to specific audits.
	<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 develops 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 undertakes 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 Constabulary CFO, Group Accountant and OPFCC CFO 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 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, Head of 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 futures programme and is based on 5 years (revenue) and 10 years (capital). The futures 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. As part of the governance framework, the financial regulations 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 futures 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

		<p>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.</p>
2.4	<p>Ensuring that alternative delivery models, commercial and collaborated opportunities are appraised and advising on financial targets and successful delivery.</p>	<p>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 are subject to scrutiny and challenge by the Constabulary CFO and OPFCC Chief Executive.</p>
2.5	<p>Ensuring that an effective resource allocation model is developed and maintained to deliver business priorities.</p>	<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 Futures 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 scrutinises 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 are 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 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 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> <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	<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 MTF and 10 year capital strategy in accordance with the detailed timetable which is agreed by Executive Board Police.</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, fire and crime plan.</p>
2.8	Maintaining investment in strategic asset management	<p>The PFCC CFO and 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 MTF setting processes.</p>

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, Executive Board Police, 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 provides 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.	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 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 answers 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 Executive Board Police and the 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 Corporate Governance Framework 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.	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.
2.20	Monitoring the longer-term financial impact of third-party contracts.	Through the triangulation of business plans, participation in the work of the Contracts Awards Board and the budget and MTFF 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.

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, futures programme, police, fire 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 enhances 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.</p> <p>During 2024, specific leadership training was provided to inspectors and police staff equivalents to two cohorts (Summer and Autumn 2024) over 2 days each. The sessions have covered role of PCC/political framework, current issues, finance, business acumen, efficiency, productivity and HR and wellbeing.</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 scrutinises 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 are 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 Governance Framework 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 OPFCC 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 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 Scheme of Delegation and the Corporate Governance Framework 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 Scheme of Delegation 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 produces 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 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 Scheme of Delegation 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, Executive Board Police and the 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 briefs the Commissioner and Constabulary CFO briefs 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 Scheme of Delegation 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.	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. 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 by 30 June (previously 31 May) and the required date to publish the final (audited) statement of accounts is 30 September. The requirement for these accelerated dates came into effect for the statement of accounts for the 2017/18 financial year. 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.
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 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 meets 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 31/03/26 to support an extensive ICT project. The current staffing level against this is 13.11 FTE with a further reduction of 0.20 FTE due from the start of April.
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 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. From April 2025, internal audit services will be provided through a contract with MIAA 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 2023/24 the Constabulary supported a team member to gain full CIPFA status by completing the portfolio element of their professional qualification. The team currently have two apprentices undertaking professional studies one through CIMA and once through CIPFA. The majority of CIPFA development sessions has continued to be provided by 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 Group Accountant has attended sessions as part of the CFO Leadership Academy, which is also part of the AFEP Programme. In addition, team members have undertaken refresher training on VAT (a collaborative update with fire colleagues).</p> <p>The Group Accountant and Financial Services Managers have undertaken 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>



Joint Audit Committee Review of Terms of Reference and Role Profiles

Joint Audit Committee: 4 February 2025

Originating Officer: Michelle Bellis, Constabulary Chief Finance Officer,

1. Introduction

- 1.1. As part of the cyclical review of governance documents, the terms of reference and role profiles for the committee are reviewed on a 3 yearly cycle. The ToR document is consistent with the 2018 version of the CIPFA publication "*Audit Committees: Practical Guidance for Local Authorities and Police*". The last review was conducted in May 2023 following the expansion of the role of the committee to incorporate activities in relation to Fire.
- 1.2. A brief review has been undertaken with updates to the PFCC logo following the election of David Allen as Police, Fire and Crime Commissioner in May 2024. Future reviews will now revert back to the 3 yearly cycle as set out in the JAC work programme.

2. Recommendations

- 2.1. Committee members are asked to review and approve the attached documents and make any recommendations for changes.
 - Appendix A – JAC Terms of Reference
 - Appendix B – Role Profile Committee Chair
 - Appendix C – Role Profile Committee Member

Michelle Bellis

Constabulary Chief Finance Officer

16 January 2025



Joint Audit Committee - Terms of Reference

1. Statement of Purpose

1.1. Our **Joint Audit Committee** covers the following three separate legal entities:

- The Police, Fire and Crime Commissioner for Cumbria,
- The Chief Constable of Cumbria Constabulary,
- Cumbria Commissioner Fire and Rescue Authority (CCFRA)

The Committee is a key component of the arrangements for corporate governance for all three entities. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

1.2. The purpose of our **Joint Audit Committee** is to provide independent advice and recommendation to the Commissioner, Chief Constable and CCFRA on the adequacy of the governance and risk management frameworks, the internal control environment and financial reporting, thereby helping to ensure efficient and effective assurance arrangements are in place. To this end the committee is enabled and required to have oversight of, and to provide independent review of, the effectiveness of the Commissioner's, Chief Constable's and CCFRA's governance, risk management and control frameworks, its financial reporting and annual governance processes, and the arrangements for both internal audit and external audit.

1.3. These terms of reference will summarise the core functions of the committee in relation to the Office of the Police, Fire and Crime Commissioner (OPFCC), the Constabulary and CCFRA and describe the protocols in place to enable it to operate independently, robustly and effectively.

2. Governance, risk and control

The committee will provide advice and recommendations to the Commissioner, Chief Constable or CCFRA in relation to the following areas:

- 2.1. Review the corporate governance arrangements against the good governance framework, including the ethical framework and consider the local code of governance.
- 2.2. Review the annual governance statements prior to approval and consider whether they properly reflect the governance, risk and control environment and supporting assurances and identify any actions required for improvement.
- 2.3. Consider the arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- 2.4. Consider the framework of assurance and ensure that it adequately addresses the risks and priorities of the OPFCC, Constabulary and CCFRA.
- 2.5. Monitor the effective development and operation of risk management, review the risk profile, and monitor progress of the Commissioner, the Chief Constable and CCFRA in addressing risk-related issues reported to them.
- 2.6. Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
- 2.7. Review arrangements for the assessment of fraud risks and potential harm from fraud and corruption and monitor the effectiveness of the counter-fraud strategy, actions and resources.
- 2.8. To review the governance and assurance arrangements for significant partnerships or collaborations.

3. Internal Audit

The committee will provide advice and recommendations to the Commissioner, Chief Constable or CCFRA in relation to the following areas:

- 3.1. Annually review the internal audit charter and resources.
- 3.2. Review the internal audit plan and any proposed revisions to the internal audit plan.
- 3.3. Oversee the appointment and consider the adequacy of the performance of the internal audit

service and its independence in relation to the separate legal entities of the OPFCC, Constabulary and CCFRA.

- 3.4. Consider the Director of Internal Audit's annual report and opinion, and a regular summary of the progress of internal audit activity against the audit plans for both OPFCC/Constabulary and CCFRA, and the level of assurance it can give over corporate governance arrangements.
- 3.5. To consider the Director of Internal Audit's statement of the level of conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note (LGAN) and the results of the Quality Assurance & Improvement Programme (QAIP) that support the statement – these will indicate the reliability of the conclusions of internal audit.
- 3.6. Consider summaries of internal audit reports and such detailed reports as the committee may request from the Commissioner, Chief Constable or CCFRA, including issued raised or recommendations made by the internal audit service, management response and progress with agreed actions.
- 3.7. Consider a report on the effectiveness of internal audit to support the Annual Governance Statements.
- 3.8. To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the Director of Internal Audit. To make recommendations on safeguards to limit such impairments and periodically review their operation.

4. External Audit/External Inspection

The committee will provide advice and recommendations to the Commissioner, Chief Constable or CCFRA in relation to the following areas:

- 4.1. Support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by either Public Sector Audit Appointments (PSAA) or the auditor panel as appropriate.
- 4.2. Comment on the scope and depth of external audit work, its independence and whether it gives satisfactory value for money.
- 4.3. Consider the external auditor's annual management letters, relevant reports and the report

to those charged with governance.

- 4.4. Consider specific reports as agreed with the external auditors/specific inspection reports e.g. His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS), relevant to the Committee's terms of reference.
- 4.5. Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

5. Financial Reporting

The committee will provide advice and recommendations to the Commissioner, Chief Constable or CCFRA in relation to the following areas:

- 5.1. 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, the Chief Constable and/or CCFRA.
- 5.2. Consider the external auditor's report to those charged with governance on issues arising from the audit of the financial statements.

6. Accountability Arrangements

The committee will do the following:

- 6.1. On a timely basis report to the Commissioner, the Chief Constable and CCFRA with its advice and recommendations in relation to any matters that it considers relevant to governance, risk management and financial management.
- 6.2. Report to the Commissioner, the Chief Constable, and CCFRA on its findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.
- 6.3. Review its performance against its terms of reference and objectives on an annual basis and report the results of this review to the Commissioner, the Chief Constable and CCFRA.
- 6.4. Publish an annual report on the work of the committee.

7. Treasury Management

- 7.1. Review the treasury management policy and procedures to be satisfied that controls are satisfactory.
- 7.2. Receive regular reports on activities, issues and trends to support the Committee's understanding of treasury management activities; the committee is not responsible for the regular monitoring of activity.
- 7.3. Review the treasury risk profile and adequacy of treasury risk management processes.
- 7.4. Review assurances on treasury management (for example, internal audit reports, external or other reports).



Joint Audit Committee - Role Profile

Job Title: Committee Chair

1. Job purpose / key responsibilities - Chair

- 1.1. The Chair of the committee is responsible for providing leadership to the committee in effectively discharging its duties and responsibilities as set out in the committee terms of reference.
- 1.2. Ensuring that the committee achieves its purpose of providing an independent assurance function for the governance, internal control, risk and financial and non-financial performance of the OPFCC, Constabulary and Cumbria Commissioner Fire and Rescue Authority (CCFRA).
- 1.3. The Chair must create and manage effective working relationships among the committee, the Commissioner, the Chief Constable, the Chief Fire Officer, the PFCC/Fire Chief Finance Officer, the Constabulary Chief Finance Officer (section 151 officers) and both internal and external auditors.
- 1.4. Meet separately with the Section 151 officers and External Auditor to discuss risk compliance and governance issues arising as a result of external or internal audit activity.
- 1.5. Act as the committee's spokesperson using their best efforts to see that the committee receives all material to be discussed at the meeting at least one week before the meeting to ensure sufficient time to review information.

2. Conduct of Committee Meetings

- 2.1. Act as the chair of each committee meeting ensuring the appropriate conduct of business in accordance with the committee terms of reference.

- 2.2. Conduct the business of each committee meeting in a manner which will result in all matters on the agenda being dealt with effectively and appropriately.
- 2.3. Propose the termination of discussion on any matter when they are of the opinion that the matter has been thoroughly canvassed and discussed and that no new points of view or information are being presented.
- 2.4. Attempt to achieve resolution of all issues discussed at the meeting in respect of which a decision is required and members express conflicting positions, views, or advice, but such attempt should in no way inhibit a member from maintaining a different position, view, or advice.
- 2.5. Ensure that all members who wish to address a matter at a meeting are afforded a reasonable opportunity to do so.
- 2.6. In any case where a member of the committee has an interest or potential conflict in respect of a matter to be discussed at a meeting, arrange for that member to excuse themselves from all or a portion of the committee discussion.

3. Committee Culture

- 3.1. Provide leadership in promoting and supporting a committee culture characterised by:
 - i) The willingness of each member to use their best efforts in carrying out their duties as a member of the committee;
 - ii) The committee's insistence on the highest level of integrity accountability and honesty in the actions of the committee and of the Commissioner, Chief Constable, Chief Fire Officer and the other officers of the OPFCC, Constabulary and CCFRA;
 - iii) Respect and dignity among the members, officers and the external and internal auditor;
 - iv) The candid and timely sharing of information among the members of the committee, management and the external auditor;
 - v) Acceptance by all members of the committee of the right of every member to hold and express a dissenting opinion; and

vi) A commitment to best governance practices and standards practices.

4. Miscellaneous Matters

- 4.1. Assist the committee and management to understand and respect the responsibilities of each.
- 4.2. Whenever necessary or desirable, to facilitate the effective performance of the committee's duties, attend other meetings and committees including those to facilitate governance of the internal audit shared service.



Joint Audit Committee - Role Profile

Job Title: Committee Members

1. Job purpose / key responsibilities – Committee Member

- 1.1. To contribute to the effective discharge of the duties and responsibilities of the committee as set out in the committee terms of reference.
- 1.2. To maintain effective working relationships with committee members, the Police, Fire and Crime Commissioner, the Chief Constable, the Chief Fire Officer, the PFCC/Fire Chief Finance Officer, the Constabulary Chief Finance Officer (section 151 officers) and both internal and external auditors.
- 1.3. To be diligent in preparing for committee meetings and making an effective contribution to those meetings to provide independent assurance of the governance, internal control and finance, risk and performance management arrangements of the OPFCC, Constabulary and CCFRA.

2. Conduct of Committee Meetings

- 2.1. Contribute to the business of each committee meeting in a manner which supports all matters on the agenda being dealt with effectively and appropriately.
- 2.2. Address the committee on all matters where an opinion or decision is required and in such a manner that does not inhibit other members of the committee wishing to express a different opinion.
- 2.3. Advise the committee Chair where an interest or potential conflict of interest may exist in respect of a matter to be discussed at a meeting and act on the advice of the Chair.

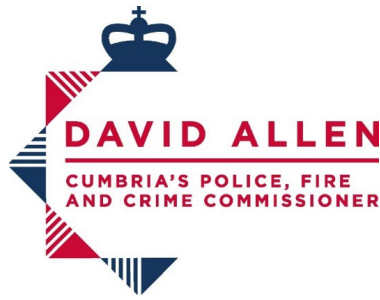
3. Committee Culture

3.1. As a member of the committee, contribute to a culture that supports:

- i) Each member to use their best efforts in carrying out their duties as a member of the Committee;
- ii) The highest level of integrity accountability and honesty in the actions of the committee and of the Commissioner, Chief Constable, Chief Fire Officer and the other officers of the OPFCC, Constabulary and CCFRA;
- iii) Respect and dignity among the members, officers and the external and internal auditor;
- iv) The candid and timely sharing of information among the members of the committee, management and the external auditor;
- v) Acceptance by all members of the committee of the right of every member to hold and express a dissenting opinion; and
- vi) A commitment to best governance practices.

4. Miscellaneous Matters

4.1. When necessary or desirable, to facilitate the effective performance of the committee's duties, attend other meetings and committees.



Joint Audit Committee

Title: OPFCC Annual Governance Statement 2024/25

Date: January 2025

Agenda Item No: 12a

Originating Officer: Joanne Head, OPFCC Governance Manager

CC:

1. Introduction & Background

- 1.1 Each local government body operates through a governance framework which brings together an underlying set of legislative requirements, governance principles and management processes. The 2015 Accounts and Audit Regulations place a requirement on those bodies to conduct a review of the effectiveness of the system of internal control and prepare an Annual Governance Statement (AGS).
- 1.2 The annual review of the arrangements for governance and their effectiveness supports the production of the Annual Governance Statement for the Police, Fire and Crime Commissioner. The review provides assurance on governance arrangements and the controls in place to achieve the organisational objectives.

2. Annual Governance Statement and Development Plan

- 2.1 An Annual Governance Statement and initial development plan was presented to the Joint Audit Committee in June 2024. Following comments from the committee, work was carried out to update the Annual Governance Statement Development Plan.

3. Annual Governance Development Plan

- 3.1 The development of the Annual Government Statement (AGS) is an integral part of review, setting out how the Code of Corporate Governance has been complied with over the course of the year. Where the review has identified areas where developments are planned or improvements can be made, the AGS sets out an action plan to deliver those changes.
- 3.2 This plan has been reviewed and the action plan updated with completed or ongoing actions for 2023/24.

4. Recommendation:

4.1 Members of the Joint Audit Committee are asked to:

- (i) Note the actions and updates within the Annual Governance Statement Action Plan

5. Implications

5.1 Financial - none identified.

5.2 Risk - The Governance Statement and the underpinning reviews, including the Effectiveness of Internal Audit are designed and intended to provide assurance on and compliance with high standards of corporate governance, including effective control and mitigation of the risk environment in which the Commissioner discharges his respective responsibilities.

5.3 HR / Equality – none identified.

Ref	B/fwd from 2022/23 (ref)	Action	Lead Officer	Implementation by	Action Update 21 January 2025	Revised Implementation Date	Status
Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.							
CPA/1		The new Procurement Act 2023 will change the way public procurement is regulated in the UK. The Act is due to go live in October 2024. Work to be carried out to update the Grant Regulations.	Partnerships & Commissioning Manager	31-Mar-25	This work is ongoing with the Constabulary.		Ongoing within original timescale
Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.							
CPB/1		The OPFCC has a three-year Engagement and Communication Strategy (2021/24) which continues to be a living/working document.	Community Engagement Officer	31-Dec-24	The Communication and Engagement Strategy has been reviewed, developed to include CFRS and was implemented during the autumn of 2024.		Completed
CPB/2		The Commissioning Strategy need to be reviewed and updated in line with the new Police, Fire and Crime Plan 2024-2028, ensuring compliance with the new Procurement Act	Partnerships & Commissioning Manager	31-Mar-25	The Commissioning strategy has been reviewed and updated to include the vision within the new Police, Fire and Crime Plan and the requirements of the Procurement Act 2023. It was approved and published in December 2024		Completed
Core Principle C: Focusing on defining outcomes in terms of sustainable, economic, social and environmental benefits							
CPC/1		A new Police, Fire and Crime Plan will be developed and launched in late 2024, detailing the new Commissioner's priorities for his term of office.	Blue Light Collaboration Manager	31-Dec-24	Following public consultation and review by the Police, Fire and Crime Panel, the Commissioner launched their new Police, Fire and Crime Plan on 8 January 2025.	08-Jan-25	Completed
CPC/2		The OPFCC ensures that the services commissioned are consistent with the PFCC's objectives as set out in the Police, Fire and Crime Plan. A significant proportion of that funding has been committed to supporting victims of domestic abuse and sexual violence during the pandemic. By working with partners the OPFCC ensures that services are available to as many groups as possible.	Partnerships & Commissioning Manager	31-Mar-25	Following the implementation of the new Police, Fire and Crime Plan which sets out the Commissioner's vision, services continue to be commissioned to support victims.		Completed
Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.							
CPD/1		Commissioner to build on partnership working to address priorities in the Police and Crime Plan.	Partnerships & Commissioning Manager	31-Mar-25	Partnership working continues to address priorities identified within the Police, Fire and Crime Plan.		Completed
CPD/2		The Commissioning Strategy sets out the processes by which the Commissioner will identify and fund services to support his priorities. For each service commissioned, whether through the giving of a grant or a contractual relationship, specific outcomes and measurable indicators are included which define how the impact can be assessed.	Partnerships & Commissioning Manager	31-Mar-25	The Commissioning strategy has been reviewed and updated to include the vision within the plan and the requirements of the Procurement Act 2023. It was approved and published in December 2024		Completed
CPD/3							
Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and the individuals within it.							
CPE/1		Development sessions for the Joint Audit Committee members were held over the year. A formal review of the Committee's effectiveness was carried out and published as part of the meeting papers in September 2023. A 360° review to be carried out in June 2024	Constabulary Chief Finance Officer	30-Jun-24	A 360-degree review was carried out in late 2024 with the results being presented to the Joint Audit Committee in February 2025.		Completed
CPE/2							
Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.							
CPF/1							
CPF/2							
Core Principle G: Focusing on implementing good practices in transparency, reporting and audit to deliver effective accountability.							
CPG/1		The Commissioner publishes an Annual Report detailing the work they have carried out during the year. This is published on the OPFCC website and supports the other elements of performance information also contained on the website.	Community Engagement Officer	31-Oct-24	The 2023/24 Annual Report focused on the work of the previous Commissioner. It was developed and reviewed by the Police, Fire and Crime Panel in July 2024 and published in September 2024.		Completed
CPG/2		Internal Audit Action Plan to be put in place to ensure performance and quality of internal audits are the required standard.	Chief Finance Officer	31-Mar-25	A remedial action plan was developed and presented to the Joint Audit Committee in September 2024. This is being implemented		Ongoing within original timescale.



Annual Governance Statement 2024/25 Development and Improvement Plan Update

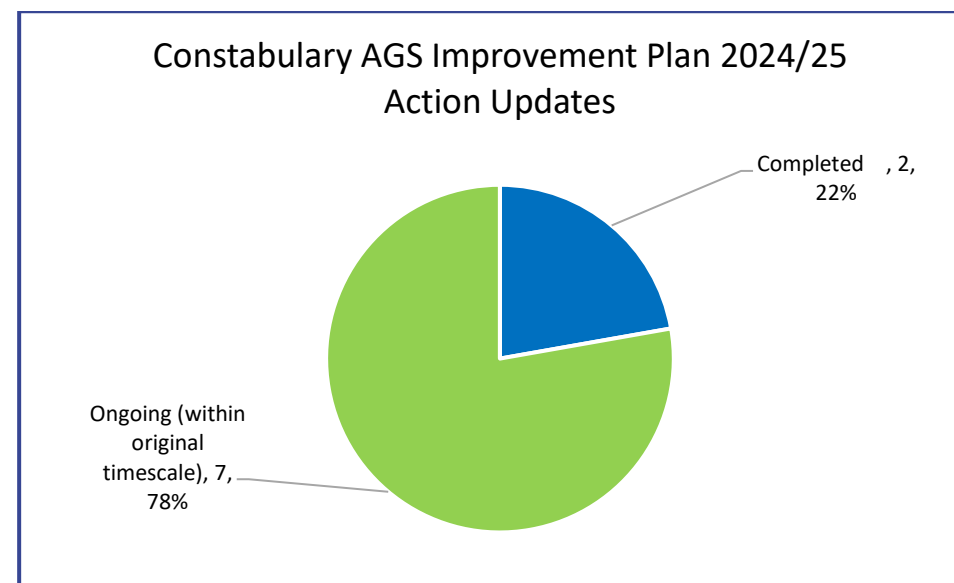
Introduction

This report is designed to provide members with an update on the progress made to date in respect of the implementation of the action plan developed for the Constabulary as part of the production of the Annual Governance Statement (AGS).

Appendix A provides details of the actions included in the action plan, the target timescale for completion, current progress against the action and the lead officer responsible for that action.

Report Summary – Constabulary AGS (Detail included at Appendix A)

Summary of Actions	Constabulary	
	No	%
Actions included in the AGS	9	100%
Actions completed since last report	2	22%
Open Actions C/fwd	7	78%
Summary of Total Actions by Status		
Completed	2	22%
Ongoing (within original timescale)	7	78%
Ongoing (original timescale extended)	0	0%
Overdue/ timescale extended	0	0%
Not yet due	0	0%
Total	9	100%



Constabulary AGS Action Plan 2024/25

Ref	B/fwd from 2023/24 (ref)	Action	Lead Officer	Implementation by	Action Updates as of 31/01/25	Status
Core Principle A: Focusing on behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.						
CPA/1		The Constabulary achieves and maintains compliance with Authorised Professional Practice (APP) with regards to vetting standards and implements an appropriate strategy to prevent and address corruption.	Deputy Chief Constable	31st March 2025	The (revised) Authorised Professional Practice (APP) was circulated by the College of Policing in early December 2024. We are in the process of reviewing the guidance and amending the Constabulary policy and working practices, to ensure that we meet the requirements of the APP as soon as possible.	Ongoing (within original timescale)
Core Principle B: Focusing on ensuring openness and comprehensive stakeholder engagement.						
CPB/1		The Constabulary enhances and develops the Internet site to include, where appropriate, access to necessary services and information, and an opportunity to identify and communicate with local officers / PCSO's with regards to community issues and concerns in order to improve community engagement and enhance public trust and confidence.	Head of Marketing and Communications	31st March 2025	The Constabulary has adopted the national police website platform, we have adopted a lot of online services which means the public are able to easily access the police if they need information, advice or to report crime and anti-social behaviour. Members of the public can find out about policing services in their local area, including their named local policing officers and PCSOs by inputting their postcode.	Completed
Core Principle C: Focusing on defining outcomes in terms of sustainable economic, social and environmental benefits						
CPC/1		Undertake a formal review of the OPFCC/Constabulary Estate: - Use condition survey to plan works needed to estate. - Futures programme will inform space requirement. - Review of agile working will also review space requirements. - Review of estates costs to commence in 2024/25.	ACC Blackwell	31st March 2025	Responsibility for the estate rests with the OPFCC under the direction of the PFCC Head of Estates. • During 2024 a full condition review of the police (& fire) estate was conducted by the OPFCC. This review is informing the estates strategy and capital programme and will promote sustainability where possible. • The Futures Programme is developing a number of reviews that will reshape the Constabulary over coming years to help meet the savings challenge and provide a police service in Cumbria that is fit for the future and continues to 'Keep Cumbria Safe'. The reviews may result in changes to staffing levels and estates requirements. • The agile working arrangements promote a mix of working from home and working from the office. This agile approach is seen as a benefit to staff (aligned with the 'care of colleagues' aspect of the Chief Constables' vision and to the wider environment as a result of a reduction in the requirement to travel. As with the futures programme above, when arrangements settle this may or may not result in changes to the estate requirement. • During the budget setting process for 2025/26, all premises budgets were reviewed and the budget/MTFF is based on reasonable estimates of future requirements. Work will continue as the estates strategy is further developed and budget efficiency and sustainability will be promoted where possible.	Ongoing (within original timescale)

Constabulary AGS Action Plan 2024/25

Ref	B/fwd from 2023/24 (ref)	Action	Lead Officer	Implementation by	Action Updates as of 31/01/25	Status
Core Principle D: Focusing on determining the interventions necessary to optimise the achievement of intended outcomes.						
CPD/1		Strategic Workforce Planning - Uplift Officers to be allocated across the Constabulary. - Futures Programme will determine Police Staff strategic workforce plan. - Strategic Workforce Plan to be developed during 2024/25 as part of futures programme review of HR.	ACC Blackwell	31st March 2025	A Strategic Workforce Plan (SWP) was developed during 2024 and this continues to be updated as the futures programme makes strategic decisions over the coming months. There are external decisions on the horizon that will significantly impact the SWP in terms of the National Neighbourhood Pledge that has been announced by Government. The SWP was submitted to the College of Policing for the 24/25 period and positive feedback was received. This is positive news as it was benchmarked against all forces that submitted a	Ongoing (within original timescale)
Core Principle E: Focusing on developing the entity's capacity, including the capability of its leadership and individuals within it.						
CPE/1		Uplift Programme - Uplift Target Achieved - Temp additional officers recruited and funding obtained. Awaiting HO decision re future funding. - Recruitment plan in place to ensure required officer numbers are maintained. - Increased workforce diversity achieved.	Deputy Chief Constable	31st March 2025	The core PO establishment was increased by 169 from a baseline headcount of 1,199 to 1,368. Further to this in 2024/25 we have been given an additional target of 25 PO, taking the headcount target to 1,393. As at the first checkpoint date for the year, 30/09/24, the actual number of police officers was 1,398 meaning that the target was achieved at the half year stage. A grant claim has been submitted for the first instalment of the PUP specific grant. Recruitment for the remainder of the year is ongoing and being closely monitored, the current forecasts are that the numbers will be achieved by the final checkpoint date for	Ongoing (within original timescale)
CPE/2		Training Needs Analysis - TNA to be carried out as part of futures Programme Learning & Development Review.	ACC Blackwell	31st March 2025	A review is currently underway in relation to learning and development across Cumbria Constabulary. As part of 'normal business' though commands have submitted their training needs and this has been centrally coordinated by the L+D team. The force is now looking how the training needs can be achieved with minimum impact on the force in terms of abstraction and financial costs. A number of pilots have been approved to look at how we can deliver things differently.	Ongoing (within original timescale)
CPE/3	Part CPF/1	Leadership - Leadership course based on ELP course to be developed and delivered to senior officers and staff to enhance leadership capability within the Constabulary.	Deputy Chief Constable	30th September 2024	The Constabulary has employed Gary Ridley (former CFO of Durham) on a consultancy basis to support the futures programme. Through this work Gary has provided leadership training to inspectors and police staff equivalents to two cohorts (Summer and Autumn 2024) over 2 days each. The sessions have covered role of PCC/political framework, current issues, finance, business acumen, efficiency, productivity and HR and wellbeing.	Completed
Core Principle F: Focusing on managing risks and performance through internal control and strong public financial management.						
CPF/1	Part CPF/2	Benchmarking - Police Objective Analysis data used to inform the Futures Programme. - Police Objective Analysis data to be used for further strategic planning.	Constabulary Chief Finance Officer	31st March 2025	HMICFRS VFM Dashboard /Data is being included in each of the Futures Programme Reviews to provide context. Report on 2024 data provided to COG and JAC in September 2024	Ongoing (within original timescale)
CPF/2		Medium Term Financial Forecast - Plan produced and agreed as part of budget setting for 2024/25. - Forecast budget deficits used to inform Futures Programme.	Constabulary Chief Finance Officer	31st March 2025	The MTFF was approved in Feb'24. Significant work undertaken to review plan and budgeting assumptions during 2024 resulting in changes in assumption that have contributed towards bridging the budget gap. A mid year review of the MTFF was presented to Police Executive Board in September. The futures programme is fully aware of the revised budget gap per the budget/MTFF currently being finalised. Some initial savings as part of the futures programme have been incorporated into the MTFF. A high level plan is in place with reviews planned to bridge the emerging gap in future years.	Ongoing (within original timescale)



Joint Audit Committee 04 February 2025: **Agenda Item 13**

Joint Audit Committee 360° Review Feedback

A Report of: Megan Owens, Financial Services Apprentice and
Michelle Bellis, Constabulary Chief Finance Officer

1. Introduction and Background

- 1.1. As part of the governance arrangements for the Joint Audit Committee, the Committee conducts an annual review of its effectiveness. The annual review is structured in a biennial format, with a self-assessment against CIPFA's guidance on Audit Committees in one year and a 360° review in the form of a survey or regular participants in the other year.
- 1.2. A 360° review survey was issued on 22nd October 2024 ran until 29th November 2024. This report provides members with a summary of the responses to this survey.

2. Recommendations

- 2.1. Members are asked to consider the responses to the survey as set out in this report.
- 2.2. Members are asked to determine what, if any, actions they wish to take in response to the survey findings.

3. Review Findings

- 3.1. The survey was issued to six groups of respondents with 24 surveys issued in total. A total of 17 responses were received giving a response rate of 71%. The table below shows the response rate by group. Of the 17 responses received, 16 respondents provided their name and only 1 chose to remain anonymous.

Responses By Type	Survey Issued	Responses	Response Rate %
JAC Member	5	5	100%
Fire	2	1	50%
CC	8	5	63%
Grant Thornton	3	1	33%
OPFCC	4	2	50%
TIAA	2	2	100%
Anonymous	0	1	6%
	24	17	71%

3.2. The survey was split into four parts with a series of questions requiring multiple choice answers along with some free text questions for each section. The remainder of this report provides an overview of the responses for each section with additional details provided in the supporting annexes.

3.3. **Section 1** – this section is concerned with the format, organisation, and administration of Joint Audit Committee Meetings. The table below shows that 87% of respondents were satisfied or very satisfied with the format, organisation, and administration of Joint Audit Committee Meetings. A full table of responses, along with the responses for the free text questions is provided in Annex 1.

Section 1 - Response	Section 1 - Average Score
Very Satisfied	34%
Satisfied	53%
Dissatisfied	7%
Very Dissatisfied	2%
Not Applicable	4%
Total	100%

3.4. **Section 2** – this section is concerned with the Joint Audit Committee Members. The table below shows that 93% of respondents were satisfied or very satisfied with the Joint Audit Committee Members. A full table of responses, along with the responses for the free text questions is provided in Annex 2.

Section 2 - Response	Section 2 - Average Score
Very Satisfied	34%
Satisfied	59%
Dissatisfied	3%
Very Dissatisfied	0%
Not Applicable	4%
Total	100%

3.5. **Section 3** – this section is concerned with the Terms of Reference. The table below shows that 92% of respondents were satisfied or very satisfied with the Terms of Reference. A full table of responses, along with the responses for the free text questions is provided in Annex 3.

Section 3 - Response	Section 3 - Average Score
Very Satisfied	37%
Satisfied	55%
Dissatisfied	4%
Very Dissatisfied	0%
Not Applicable	4%
Total	100%

3.6. **Section 4** – this section is concerned with the split between OPFCC/Police and Fire meetings. The table below shows that 84% of respondents were satisfied or very satisfied with the split between OPFCC/Police and Fire meetings. A full table of responses, along with the responses for the free text questions is provided in Annex 3.

Section 4 - Response	Section 4 - Average Score
Very Satisfied	27%
Satisfied	57%
Dissatisfied	6%
Very Dissatisfied	0%
Not Applicable	10%
Total	100%

3.7. In conclusion, the main themes emerging from the 360° review appear to be:

- Overall there is a high level of satisfaction with the committee and how it operates.
- The current trial of having separate meetings for Police and Fire should be made permanent.
- Members are happy to move to electronic papers.
- Members would like the papers for the meeting to be provided earlier to allow more time for reading.
- Further use of development sessions.
- More time for members to meet privately in advance of meetings.

Megan Owens
 Financial Services Apprentice
 17th December 2024

Annex 1 – Page 1 of 3

Section 1 - Format, Organisation and Administration of Joint Audit Committee Meetings	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Not Applicable
The format of Joint Audit Committee meetings.	29%	65%	6%	0%	0%
The frequency of Joint Audit Committee meetings.	29%	71%	0%	0%	0%
The timeliness of receipt of papers associated with Joint Audit Committee meetings.	12%	65%	24%	0%	0%
The current method of distribution of committee papers i.e. hard copy by post.	12%	24%	29%	6%	29%
How would you feel about a move to papers being provided in electronic format only.	65%	24%	6%	6%	0%
The quality of reports presented to Joint Audit Committee meetings.	35%	65%	0%	0%	0%
The volume of reports presented to committee and level of input required compared to value	12%	76%	12%	0%	0%
The appropriateness of the format of the reports presented to committee	41%	59%	0%	0%	0%
The ease of understanding of reports presented to Joint Audit Committee meetings.	29%	71%	0%	0%	0%
The quality of the verbal presentation of reports at committee in order to highlight salient points to members and aid understanding.	41%	53%	0%	0%	6%
The level of OPFCC/Constabulary administrative support provided to Joint Audit Committee meetings.	35%	59%	0%	0%	6%
The length of committee meetings and ability to attend for specific items only.	6%	76%	6%	6%	6%
Is attendance and representation from the OPFCC, Constabulary and CFRS appropriate	41%	53%	6%	0%	0%
The experience and professionalism of OPFCC, Constabulary and CFRS officers regularly in attendance and providing support to the Joint Audit Committee meetings.	76%	24%	0%	0%	0%
The experience and Professionalism of External Audit Officers regularly in attendance and providing support to the Joint Audit Committee meetings.	65%	24%	0%	0%	12%
The experience and Professionalism of Internal Audit Officers regularly in attendance and providing support to the Joint Audit Committee meetings.	18%	47%	18%	12%	6%
Section 1 - Average Score	34%	53%	7%	2%	4%

Annex 1 – Page 2 of 3

The responses to free text questions for section 1 are provided below:

If applicable, please provide brief details and suggestions for improvement.

- I would prefer to see the papers moved to electronic format only. There is a lot of effort required to print and distribute the papers. The move to electronic papers would provide cost and environmental benefits.
- Providing copies of the reports only in electronic form would be more cost efficient and would save time and paper.
- The running of the meeting is fine, although sometimes it is hard to understand on first viewing the paper requirements placed on fire. I feel that we are now getting into more of a rhythm, and now that we have a few TIAA papers to review things should flow.
- The relevant subjects are all on the agenda and there is excellent notice of the JAC meetings. If possible, it would be better for members to have more time to read and digest the papers prior to each meeting. Meeting rooms are always prepared with teas/coffee and snacks. Parking is allocated and temporary passes are provided for attendees. Later questions address the Police/Fire meetings split.
- Length of some reports are quite large, often without requiring any significant comment, so can feel like a lot of effort reading without much to offer in insight. Tend to focus on important reports. Happy to receive papers electronically and think this is better than troubles experienced by post. Concerns with IA reports already well documented in meetings.
- The recent separation of Police / Fire JAC's provides shorter meetings which helps focus attention - and concentration!

While it is important that JAC are able to explore all relevant areas under review, it may help if officer presentations highlighted any specific areas where guidance or views are sought. This would help JAC to address the key issues for PFCC, CC or CFRS.

- Due to the JAC workload increasing following the addition of Fire, there are more papers to read before the session. Providing 2 weeks (as opposed to 1) to read the papers would be desired.

I think our dissatisfaction at internal audit support has been communicated via the last two JAC meetings.

- A really important meeting for the Constabulary and partners to demonstrate transparency and the highest levels of professionalism. The Joint Audit Committee is an important part of the Constabulary's efforts to build confidence in policing.
- There was improved engagement at the last meeting which needs to be maintained.
- Moving to a hybrid approach would enable greater attendance/availability, especially for those attending for one item, or where urgent business calls for individuals to not be able to attend in person or for the whole meeting.

Are there any other comments/observations about the format, organisation, and administration of the Joint Audit Committee you would like to make?

- The timeliness of circulation of papers can be hampered by delays in providing papers to the finance team to distribute. A move to digital only papers would provide opportunity for completed papers to be circulated as soon as they are ready with later papers being added as and when available.
- CFRS is required to provide updates to JAC against its TIAA actions and to the executive board on its TIAA actions. It would be useful if both JAC and the board were happy with the same update to reduce a duplication in work.
- The attendance from Police/Fire/PFCC can sometimes be minimal. The meetings would likely benefit from greater representation from all parties. It is appreciated that time is precious, but I believe it would improve the effectiveness of the meetings if there was a greater understanding of the role and importance of the JAC meetings across the different levels of both organisations.
- Although the recent split of JAC meetings loses the interchange of audit knowledge and experience between the organisations, it appears to be much more time efficient for officers attending. This is important - both for operational efficiency, and also to maximise the incentive for both organisations to be represented by the appropriate senior staff. The removed interchange / communications link could be addressed in other ways - such as DoF's discussion with sharing of papers / minutes, use of Internal or External Audit to link any relevant points, and input of JAC Chair during regular meetings with both organisations.

Unfortunately, the trial period of split meetings has occurred when the services, attendances, presentations, and reports of Internal Audit - a key element of JAC - have been woefully inadequate. This has given risen to additional time, discussion and questions which can hopefully be minimised in future periods after re-tendering of the Internal Audit service contract.

The minutes of JAC provide an important audit trail and, while it is possible to reduce their length, this should not compromise the essential role of the essential, and necessary audit record.

- The minutes could be simplified. I believe it is important to minute the session (as opposed to only capturing actions and decisions) but I think the minutes could be reduced to the key points in the discussion. At present, the minutes are very detailed.
- The volume of paper/photocopying used is excessive. An electronic format of distribution is preferred.
- No. Some responses above are recorded as not applicable because I do not think it would be appropriate to comment on our own effectiveness.

Annex 2 – Page 1 of 2

Section 2 - Joint Audit Committee Members	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Not Applicable
Members of the Joint Audit Committee act professionally in the performance of their duties.	47%	53%	0%	0%	0%
Members of the Joint Audit Committee have relevant skills and apply them appropriately.	41%	59%	0%	0%	0%
Members of the Joint Audit Committee demonstrate an appropriate degree of challenge at meetings.	29%	71%	0%	0%	0%
The Joint Audit Committee uses its time effectively.	29%	65%	6%	0%	0%
The Joint Audit Committee address the right issues and express the right concerns.	35%	59%	6%	0%	0%
Members of the Joint Audit Committee motivate others to perform.	24%	71%	0%	0%	6%
The Joint Audit Committee represents value for money.	41%	47%	0%	0%	12%
The Joint Audit Committee follow-through on actions.	41%	47%	12%	0%	0%
The roles and responsibilities of the Joint Audit Committee are clearly defined.	24%	71%	6%	0%	0%
To what extent do you feel that the audit committee demonstrates independence from the OPFCC, Constabulary and CFRS.	59%	41%	0%	0%	0%
The Joint Audit Committee identify patterns of conflicting information.	35%	59%	6%	0%	0%
The Joint Audit Committee bring together sources of relevant information.	18%	76%	0%	0%	6%
The Joint Audit Committee take views into account in reaching decisions/making recommendations.	41%	59%	0%	0%	0%
Members of the Joint Audit Committee communicate effectively.	35%	65%	0%	0%	0%
The Joint Audit Committee seeks improvements in its own performance.	29%	59%	12%	0%	0%
For OPFCC/Constabulary/CFRS Officers only, the extent to which the Joint Audit Committee adds value to your area of work.	13%	47%	0%	0%	40%
Section 2 - Average Score	34%	59%	3%	0%	4%

Annex 2 – Page 2 of 2

The responses to free text questions for section 2 are provided below:

If applicable, please provide brief details and suggestions for improvement.

- The recent move to only providing a brief narrative overview of papers on an exception basis and the introduction of timed agendas has helped to focus the meetings and keep to time. This however does not stifle appropriate challenge and debate where needed.
- The JAC have insufficient time to prepare effectively for meetings and would benefit from greater private pre-meeting time in the agenda. If possible, the papers should be distributed earlier, or at least as early as possible. Better preparation would improve the effectiveness of JAC scrutiny.
- As a Committee Member these responses are self-assessment, though I feel the other Committee members provide excellent support and insight.
- In terms of skills, recruiting another member with financial expertise would be really useful.

Are there any other comments/observations you would like to make?

- The introduction of points to be brought to the attention of the PFCC and CC is a useful addition.
- The Committee are professional when making comments or challenges. And are thorough with their queries.
- There is a good cross-section of experience in the JAC that ensures a broad approach to most subjects in the JAC agenda. However, I believe all members would benefit from better communication and preparation time for the JAC formal sessions.
- I am aware that JAC does not always provide timely response to queries regarding workload, performance, or achievement. I am also aware as an individual Committee member that my own personal motivation, performance or behaviour has not been formally reviewed in my 8 years of membership. I am not suggesting a formal assessment process, but a periodic "structured conversation" may be helpful. Such an exercise would also identify any personal needs, training opportunities, or specific skills / interests that individual members can bring to JAC.

Annex 3 – Page 1 of 1

Section 3 - Terms of Reference	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Not Applicable
Annual Governance Statement	29%	71%	0%	0%	0%
Regular Risk Management Reporting	53%	29%	18%	0%	0%
Cyclical Governance Document Reviews	29%	71%	0%	0%	0%
Routine Audit Reports	47%	47%	6%	0%	0%
Annual Audit Report	35%	65%	0%	0%	0%
Annual Audit Plan, Public Sector Internal Audit Standards Compliance, Quality Assurance Improvement Programme	29%	71%	0%	0%	0%
External Audit	53%	35%	0%	0%	12%
HMICFRS	0%	53%	29%	0%	18%
Statutory Statement of Accounts	53%	35%	0%	0%	12%
Annual Budget and Medium Term Financial Forecast	35%	53%	0%	0%	12%
Value for Money	24%	65%	6%	0%	6%
Accountability	35%	65%	0%	0%	0%
Treasury Management Activity regular reporting	41%	59%	0%	0%	0%
Scrutiny of the annual Treasury Management Strategy Statement	53%	47%	0%	0%	0%
Section 3 - Average Score	37%	55%	4%	0%	4%

The responses to free text questions for section 3 are provided below:

If applicable, please provide brief details and suggestions for improvement.

- Ensuring the committee stays focussed in relation to their remit without straying outside their terms of reference is important.
- Although ToR's are generally reflective of the work carried out by the JAC, they should be reviewed annually against the published JAC Action Plan and any items arising from the Continuous Improvement programme. They should then be formally agreed either ex-committee or in a JAC session. As previously commented, the JAC ToR's are broadly in line with JAC business processes but are not rigorously reviewed using modern management practices.
- Not sure if I can go back on this questionnaire - and link to JAC Terms of Reference on website does not seem to work. So will review ToR's in total after completion of questionnaire.

Are there any other comments/observations about the Joint Audit Committee Terms of Reference you would like to make?

- As previously commented, the JAC ToRs are broadly in line with JAC business processes but are not rigorously reviewed using modern management practices.

Annex 4 – Page 1 of 4

Section 4 - And Finally!	Very Satisfied	Satisfied	Dissatisfied	Very Dissatisfied	Not Applicable
How Satisfied are you with the current arrangements for split Police and Fire JAC meetings? (Police)	29%	59%	6%	0%	6%
How Satisfied are you with the current arrangements for split Police and Fire JAC meetings? (Fire)	29%	35%	12%	0%	24%
How satisfied are you that the Joint Audit Committee meets the Terms of Reference ?	24%	76%	0%	0%	0%
Section 4 - Average Score	27%	57%	6%	0%	10%

The responses to free text questions for section 4 are provided below:

From 2023/24 the Committee has added performing the role of audit committee for Cumbria Fire and Rescue Service to its remit. How do you feel this has gone in this first year of the new arrangement?

- I think this works well and the committee have adapted to the increase in their remit. It is interesting to see commonality of themes between the organisations.
- Splitting the Committee is beneficial
- Very well
- It would be unfair to criticise the progress made in this transitional period. However, there is still much work to be done to bring Fire up to the level of the Police. Concentration on alignment of processes and audit would be most beneficial.
- This process is still finding its feet. There is a lot of repetition between meetings and there needs be some more joined up approaches between the two separate entities in terms of identifying good practice and sharing of findings.
- It has been a challenging period. Initially the meetings were too long and too busy. Many officers were in attendance for lengthy periods, and while there may have been elements of learning, communications, etc, it did not appear to be administratively efficient. The use of split meetings may offer benefits from professional attendees but continues to provide a busy / challenging time for Committee members - both on the day, and the significant preparation that is undertaken beforehand.

As previously noted, this period coincided with significant concerns around the Internal Audit service which blurs the picture.

- Hosting two separate meetings is useful and does not unduly consume the time of the DCC and Chief Fire Officer. However, it's important that lessons learned in police/fire are transferred across to the other organisation. I'd be interested in hearing whether police and fire feel like they have learned lessons from the other organisation.

There are a lot more papers to read and one week is insufficient time to read them all properly. Having 2 weeks would be much better.

- It has made clear improvements.

Annex 4 – Page 2 of 4

- Probably as well as could be expected in the first year as there was a lack of information passed across from the LA. I think the basis is there and improvement will follow.
- Developing.
- I am possibly too new to it to comment but in my short-term attendance this appears to have worked well and JAC have exercised expected responsibilities in relation to CFRS.
- The changes have been settling in, whether a JAC or separate meetings, with similar attendees, there is merit in either approach, or moving to a hybrid, whereby the agendas are set to have single items for one authority, then a joint space across both and onto single items for the other authority, to avoid duplication.
- I think it has gone well and will continue to develop going forward.
- Some teething issues in the administration of the meetings and the timetabling of both on the same day. I am unable to comment on the CFRS meeting element.

In relation to the current trial of split meeting for OPFCC/Police and CFRS. How do you feel this is working?

- From an administration of the committee point of view it is certainly easier. However, I do feel that there is some duplication which would be removed by a single meeting. Conversely there is a time saving for officers/staff that are only required for one of the meetings.
- Well as splitting the meeting means attendees only need to be there for their specific areas.
- Very Well and focusses the committee and members on their applicable areas.
- I did not attend any joint meetings so unable to comment.
- I feel that it saves time for people who only need to attend one of the two meetings.
- I believe the trial is working well, and as the Committee become more familiar with fire issues and terminology things will only get better.
- In my view, we are trying to cram too much into the day, and not giving sufficient scrutiny to either Police or Fire. This reduces the effectiveness of the JAC. There is also much repetition between the two meetings. I also think that we are not gaining any benefit from potential synergies by having separate meetings. Although the 'businesses' are separate, there is actually much in common with very similar business processes and approaches as public services. Both sides would be likely to benefit from greater insights of each other's businesses.
- As above. I feel the split meeting works but need to find ways to remove some repetition.
- As above - but it is still work in progress and the challenge for all of us is to continue to identify improvements and deliver further improvements.
- I like the split; however, note the point about transferring learning. As long as the organisations feel like they're learning lessons from the other organisation, I am happy.

Annex 4 – Page 3 of 4

- It is still early days, but I do not think there is sufficient evidence not to continue with the trail split of meetings.
- Well.
- Works well, allowing appropriate focus on matters that relate to each body.
- It works well as the agenda items are relevant to separate organisations and should not really be shared across all three.
- The split meetings probably work well for those individuals that only need to attend one portion. I would only ever attend the Constabulary portion, so I am unable to comment on whether the full day split meeting is working - in terms of being too much for one day.

In relation to the above, would your preference be to have separate or joint meetings?

Of the 17 response, 15 respondents (88%) said they would prefer separate meetings of JAC for Police and Fire and 2 respondents (12%) said they would prefer to return to a joint meeting.

Please provide details of suggestions to improve the Joint Audit Committee in the future and support the Continuous Improvement of the Committee.

- A continuation of the regular themed development sessions. I think it would be helpful if the committee interacted with other similar committees across policing and fire to expand their exposure and learn from others.
- More structured use of standard Continuous Improvement tools including audit, with rigorous follow-up of improvement actions at set meetings (6-monthly?). Use of similar risk-based action sheets to those used by Constabulary for action recording and updates. Additional meetings would need to be scheduled to discuss strategy, action plans, and approach at meetings. This should produce more focussed improvements. At the moment, although all members of the JAC are selected for their individual professional backgrounds and skills, I do not feel we work as a team.
- Some points previously noted:

The importance of a professional and trusted Internal Audit Service.

Ongoing review of quality / quantity of papers issued and their associated presentation alongside review of JAC members input at meetings.

Development of existing JAC Chair / DoF's link to help maximise operational efficiency and effectiveness.

Structured conversations / follow ups for JAC members to help development of their full potential.

- To ensure that there is the flexibility to consider emerging issues.
- If possible, an electronic format for paperwork, instead of hard copies. This would reduce administration, photocopying and postage costs.
- Make further use of the development sessions to increase knowledge and awareness of 'hot topics / Issues'

How do you think the overall performance and effectiveness of the Joint Audit Committee could be improved?

- I have a concern that there is limited financial knowledge within the committee and this will be depleted in 2026 when another committee member reaches the end of their tenure period. It is hoped that the current recruitment exercise will replenish this area of expertise.
- Submitting of reports could be timelier. This helps when distributing them to the Committee and saves on postage costs.
- Development sessions could be more focussed with a mix of external (Police/Fire/PFCC) and internal (JAC) sessions. They could also be recorded, which would make them subject to audit. There needs to be a universal understanding of the role of the JAC as a non-executive body. Although the JAC cannot, and must not try to direct, it must be able to hold executives to account through scrutiny of all business processes using all available resources.

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The Police, Fire and Crime Commissioner for Cumbria & the Chief Constable of Cumbria Constabulary

Annual Statement of Accounts 2023/24: Assurance Framework

Joint Audit Committee: 4 February 2025

Originating Officers: Steven Tickner, OPFCC Chief Finance Officer & Michelle Bellis, CC Chief Finance Officer

Agenda Item: 14

1. Introduction and Background

- 1.1. This report sets out for the Commissioner, Chief Constable and members of the Joint Audit Committee, those areas of governance and audit pertaining to scrutiny and formal approval of the 2023/24 Statement of Accounts. This report covers the single entity financial statements of the Police, Fire and Crime Commissioner, the single entity financial statements of the Chief Constable, and the Group financial statements. The report sets out the opinion of the Commissioner's appointed auditor and amendments made to the Accounts, and accompanying governance statement, as a consequence of the findings of the audit. It also sets out information provided to Mr Michael Green, of Grant Thornton UK LLP, the Commissioner's appointed auditor, as part of the regulatory requirement for a letter of representation.
- 1.2. The report includes an appendix that provides a narrative on the financial statements (**Appendix A**). The appendix aims to support members of the Joint Audit Committee in undertaking their assurance role by providing a narrative in respect of the sources of assurance available to them and on the substantive issues that have been considered in respect of the

production of the financial statements.

2. Formal Approval of the Audited Statements

- 2.1. With continued delays to the production and audit of local authority accounts, the Government amended the dates for the audit of the statutory accounts. The date for production of the draft statement of accounts was returned to the original deadline of 31 May, however, the dates for audit were extended from 31 July to 30 September 2024.

The draft Statement of Accounts for the Commissioner and Chief Constable were authorised by the respective CFOs on **7 June 2024**. The audit has now been substantially completed, the Chief Finance Officers are required to again certify the statements and present them to the Commissioner and Chief Constable for formal approval. Prior to certification the Commissioner and Chief Constable will take into consideration the Audit Findings Report from Mr Michael Green (Grant Thornton UK LLP). The Commissioner and Chief Constable will also take into consideration the views of members of the Joint Audit Committee. The Committee will receive the Statement of Accounts and the Audit Findings Report. They will consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Commissioner.

3. Appointed Auditor's Audit Findings Report

- 3.1. Preceding this item on your agenda is the Annual Audit Report from Mr Michael Green, of Grant Thornton UK LLP, the Commissioner's appointed auditor. The Draft Audit Findings Report (AFR) was presented to the committee in September and will be updated following the formal conclusion of the audit. Mr Green will provide members with a verbal update in respect of the AFR and will advise members of his intention, based on his findings to date, to issue an unmodified audit opinion in respect of the Statement of Accounts for the year to 31 March 2024. The Auditor's Annual Report which examines the Commissioner and Chief Constable's arrangements to secure value for money. The Annual Audit Report concludes that based on the areas of focus and evidence considered, they have found no evidence of significant weaknesses in the PFCCs and the CCs arrangements for improving economy, efficiency and effectiveness.
- 3.2. In carrying out their audit, the auditors have considered internal controls that are relevant to the preparation of the financial statements. Where they identify any control weaknesses, these are reported to the Commissioner and Chief Constable. Within the original AFR(September 2024) the auditors have raised two matters in relation to internal control which need to be

considered by those charged with governance:

- ◆ Management should implement formal controls to either prevent the Group Accountant from self-authorising journal lines over £50k or to ensure these journals are reviewed by the CFO.
- ◆ Management should ensure that the floor areas used in valuations are correct to ensure that buildings are correctly valued.

3.3. As noted in the audit findings report there was one adjusted no unadjusted misstatements identified during the audit:

- ◆ The one adjusted misstatement related to the classification of funding received from Home Office in respect of national DDaT Schemes. The accounting adjustment required this to be re-classified as an earmarked reserve rather than a provision.

3.4. There were a small number of disclosure changes identified by Grant Thornton during the audit which have been adjusted in the financial statements, in the member's copy of the financial statements these disclosure changes have been highlighted in green. Changes identified as a result of the JAC review of the financial statements have been highlighted in yellow. Other changes highlighted in blue relate to items identified by the Financial Services team.

3.5. In the 2022/23 Audit findings report the auditors made four recommendation in relation to their audit. In their 2023/24 report the auditors have noted that all recommendations had been completed.

3.6. In the audit findings report the auditors have commented "that the financial statements have been prepared to a high standard and supported by clear and comprehensive working papers".

4. Post Balance Sheet Event

4.1. A post balance sheet event is an event, subsequent to the date of the financial statements, and for which International Financial Reporting Standards and the Code of Practice on Local Authority Accounting (the Code) require adjustment or disclosure. There were no post balance sheet events identified for 2023/24.

5. 2023/24 Governance Statements

The Police, Fire and Crime Commissioner approved the OPFCC Annual Governance Statement (AGS) on 18 June 2024. The Chief Constable approved the Constabulary Annual Governance Statement for 2023/24 on 14 June 2024 at a meeting of the Chief Officer Group.

6. Letters of Management Representation

- 6.1. At the conclusion of the audit of the Statement of Accounts, but before an opinion can be given, a 'Letter of Management Representation' is provided to the appointed auditors by the Chief Finance Officer's on behalf of the Commissioner and Chief Constable. The underlying purpose of the letter is to confirm that the financial statements reflect a true and fair view in accordance with international financial reporting standards. The letters set out that relevant codes, standards and statutory directions have been complied with and that we have made reasonable estimates and judgements in undertaking accounting entries and disclosures. The letters also confirm that there has been full disclosure of all matters requiring disclosure to our auditors.

7. Acknowledgements

- 7.1. The work undertaken in preparing the Statement of Accounts and supporting the audit for the year places very significant demands on staff within the financial services team. Key amongst those has been Michelle Bellis, CC Chief Finance Officer and Lorraine Holme, Group Accountant who have once again secured for the Commissioner and Chief Constable another clean audit. This report also acknowledges the work undertaken by our colleagues in external audit headed by Michael Green and Hannah Foster. The production of the Statement of Accounts for 2023/24 and subsequent audit process was successfully undertaken and the teams have once again worked well together and have held video conferences to work together and more innovative screen sharing sessions to enable finance staff to walk auditors through the working papers where required.

8. Recommendations

- 8.1. Following consideration of the findings and conclusions of the Appointed Auditor it is recommended that:
- ◆ Members of the Joint Audit Committee determine whether there are any issues in respect of governance or the statement of accounts that they wish to report to the Commissioner and/or Chief Constable.
 - ◆ The Commissioner and Chief Constable sign the audited Statement of Accounts and authorise for publication the Accounts and accompanying Governance Statement.

Statement of Accounts Narrative 2023/24

1. Introduction and Background

- 1.1. The Police, Fire and Crime Commissioner and Chief Constable are asked to sign their respective annual statement of accounts following audit and the review process by the Joint Audit Committee. Members of the Joint Audit Committee will receive a copy of the audited accounts and accompanying governance statement for which they have a review and assurance role. The Statement of Accounts are highly complex technical documents. They take a number of weeks to produce and a similar period of time to audit by a team of technical and experienced staff. The audit process will typically involve support from national technical teams who assess and advise on accounting treatment for complex transactions against the requirements of international financial reporting standards and codes of practice. Within the finance profession, the Statement of Accounts is a very specialist field.

- 1.2. In this context, this narrative aims to provide a guide to the considerations that the Commissioner, Chief Constable and Members of the Joint Audit Committee can reasonably be expected to take account of, in carrying out a review process and undertaking to approve the Statement of Accounts. It covers two main areas, sources of assurance for the financial statements and key challenges. These are the areas that influence the dialogue and engagement between the financial services staff preparing the accounts and those undertaking the audit. In doing this, the narrative aims to ensure that members have sufficient information to fulfil their assurance role and that the Commissioner can place reliance on this assurance in approving the Statement of Accounts.

2. Sources of Assurance

- 2.1. The Statement of Accounts consolidates financial transactions for a financial year and records the position as at 31 March in respect of assets and liabilities including reserves and cash flow. They include a number of year end accounting entries that ensure income and expenditure is presented on an accruals basis, that assets and liabilities are recorded in accordance with accounting standards and codes and that the financial implications of those assets and liabilities are adjusted such that net expenditure reflects the actual cost funded by external financing (government grants and the council tax payer). They are accompanied by accounting policies that explain how those transactions and balances have been accounted for and a set of notes that provide further detail on amounts included within the main financial statements.

2.2. Those undertaking a review of the accounts will not usually be in a position to determine whether the presented figures are correct based on a reading of the financial statements and notes. The review processes must therefore place reliance on wider sources of assurance from which it is reasonable to make a judgement that the accounts present a true and fair view. The main sources of assurance that support this process are the opinion of the PFCC Chief Finance Officer (PFCC CFO), the opinion of the Head of Internal Audit (HIA) and the opinion of the Appointed Auditor. These opinions are supported by the statements made by the PFCC Chief Finance Officer and CC Chief Finance Officer, on behalf of the Commissioner and Chief Constable, within the letter of representation, by the Commissioner’s Annual Governance Statements (signed by the Commissioner, the Commissioner’s Monitoring Officer and the PFCC CFO) and by the Chief Constable’s Annual Governance Statement (signed by the Chief Constable and the CC CFO).

2.3. **The PFCC Chief Finance Officer’s (CFO) Opinion:** The CFO provides to members an annual opinion on the effectiveness of the arrangements for audit. That review, presented to members at their Meeting on 26 June 2024, concluded that “there are no material shortcomings in the effectiveness of the entirety of the Internal Audit arrangements for the year to 31 March 2024.” In previous years, further assurance of the effectiveness of internal audit was taken from the opinion provided by the external auditors. The external auditor (Grant Thornton) advised in June 2020 that they no longer use the work of internal audit to assist with their work and as such no longer provide an opinion on the work of internal audit. The internal auditors did however share some information with external auditors in relation to the audit on financial sustainability. The assurance from the PFCC Chief Finance Officer enables the Commissioner and members of the Joint Audit Committee to place reliance on the opinion of the Head of Internal Audit and the findings of internal audit.

Sources of Assurance

“There are no material shortcomings in the effectiveness of the entirety of the Internal Audit arrangements for the year to 31 March 2024.”

PFCC CFO

2.4. **The opinion of the Head of Internal Audit (HIA):** The HIA provides an annual opinion on the internal control environment. The opinion is based on the audit reviews undertaken over the course of the financial year. Audits are risk based and include cyclical reviews of the material financial systems. The findings of the HIA are set out in an annual report which was presented to members at the June meeting. The HIA’s opinion for 2023/24 is that “the PFCC and Chief Constable’s frameworks of governance, risk management and internal control are reasonable and audit testing

Sources of Assurance

“TIAA is satisfied that, for the areas reviewed during the year, Office of the Police, Fire and Crime Commissioner for Cumbria and Cumbria Constabulary Cumbria has reasonable and effective risk management, control and governance processes in place.”

Head of Internal Audit.

has confirmed that controls are generally working effectively in practice. Where internal audit work has identified scope for improvements, the management response has been positive with agreed action plans in place to address all recommendations.

2.5. Of the 12 audits finalised during 2023/24 all of which contributed to the Commissioner and Chief Constable's overall assurance with 12 of the 12 (100%) assurance audits achieving reasonable or substantial assurance. The findings of financial audits reported to the Joint Audit Committee and the overall opinion of the Head of Internal Audit is further supported by annual management assurances across all financial systems that are provided to the PFCC Chief Finance Officer for review. Collectively these internal controls provide assurance to members, the Chief Constable and the Commissioner on the integrity of the underlying financial transactions and their representation within the financial ledger that is used to produce the financial statements.

2.6. **The opinion of the Appointed Auditor:** The Appointed Auditor will provide an independent external opinion on the financial statements following the audit process. In forming this audit opinion they will undertake a range of audit work. This will include reconciling the figures within the accounts to the financial ledger, undertaking a computer based analytical review to validate the accuracy of material transactions and undertaking further systems based sample testing of ledger amounts back to the primary financial transactions. The external auditors will also review accounting policies and ensure accounting estimates, manual entries and the presentation of financial information is consistent with policy, financial reporting standards and codes of practice. The external audit is typically undertaken by a team of professionally qualified staff who will audit a number of public and/or private sector clients. They will have access to national technical support and quality controls at a regional and national level to support the integrity of the audit and ensure specialist advice and input is given to the treatment of complex transactions of a technical nature.

Sources of Assurance

"We anticipate issuing an unqualified audit opinion on the financial statements of both the PFCC and the Chief Constable".

The opinion of the Commissioner's appointed auditors, Grant Thornton.

2.7. In forming their opinion, the external auditors give consideration to internal controls relevant to the preparation of the financial statements. The external auditors complete walkthrough tests of controls operating in areas where they consider that there is a risk of material misstatement to the financial statements. For the 2023/24 financial statements this has included, an evaluation of the PFCC's and Chief Constable's internal controls environment, including its IT systems and controls; and Substantive testing on significant transactions and material account

balances, including the procedures outlined in the Audit Findings report in relation to the key audit risks.

- 2.8. **The Letters of Representation:** The letters of representation are provided at **Appendix B** and referenced in the main body of this report. The letters provide assurances from the Commissioner and Chief Constable to the Appointed Auditor. The letters are written on behalf of the Commissioner and Chief Constable respectively by the respective Chief Finance Officers. The CFOs, as required under legislation, must be financially qualified. The OPFCC Chief Finance Officer, Steven Tickner and the CC Chief Finance Officer, Michelle Bellis are both members of the Chartered Institute of Public Finance and Accountancy (CIPFA) with a requirement to abide by codes of practice, standards and ethics. These arrangements provide assurance that members can place reliance on the representations made by the Chief Finance Officers in the letters of representation on behalf of the Commissioner and Chief Constable. There have been no specific matters raised by the Commissioner or Chief Constable in the letter of representation for 2023/24 and all appropriate assurances have been provided to the external auditors.
- 2.9. **The Annual Governance Statement:** An Annual Governance Statement (AGS) for the separate entities of the Police, Fire and Crime Commissioner for Cumbria and the Chief Constable of Cumbria Constabulary were presented to members on 26 June 2024 with a number of supporting governance papers. The AGS detail how the Commissioner and Chief Constable have complied with the governance framework set out within the Code. The Annual Governance Statement provides members with assurance that the Commissioner and Chief Constable have in place appropriate arrangements for financial and wider governance matters including arrangements for managing risks and internal controls.
- 2.10. Collectively, these sources of assurance, where they are operating to the satisfaction of members, can support conclusions in respect of the extent to which the committee is reasonably able to provide the related assurance to the Police, Fire and Crime Commissioner and Chief Constable in reviewing the financial statements.

3. Key Challenges

3.1. 2023/24 Financial Year Accounts and Audit Timetable

There were no specific key challenges in relation to the preparation of the statutory accounts for 2023/24. The process is complex and involves significant technical expertise. The process within the shared financial services team is well practiced and clearly timetabled. The requirements of audit have changed over recent years and specific areas of the accounts, for example land and buildings valuations and pensions, receive increased audit focus. The

financial services team adapt the working papers each year to provide what the auditors require and then use these as a baseline for all future working paper uploads.

This work was successful in delivering a sign off date for the financial statements by the respective Chief Finance Officers on 7 June 2024, well in advance of the 30th June deadline.

The audit period commenced in July and was largely completed by September, with the draft AFR being reported through JAC on 24 September 2024. The delay to the final sign off of the accounts is as a result of the auditors having to wait to receive assurance from the auditors of the Local Government Pension Scheme auditors. There have been no significant changes to the financial statements to those reported in September.

3.2. Changes to CIPFA Code of Practice 2023/24

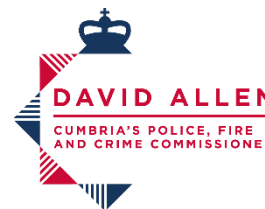
For 2023/24 there were no major changes to the code of practice.

3.3. Public Consultation

The draft statements of Accounts for the Chief Constable and PCC/Group have been published on the respective websites since 7 June 2024. The notice of publication advises readers of their rights of inspection. There have been no requests to view the financial statements or accompanying papers.

This concludes the substantive matters considered as part of the production of the statement of accounts.

David Allen
Police, Fire and Crime Commissioner for Cumbria
Carleton Hall
Penrith CA10 2AU



In case of enquiry please
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Mr Michael Green
Director
Grant Thornton UK LLP
Landmark, St Peter's Square,
1 Oxford Street
Manchester M1 4PB

[Date] – {TO BE DATED SAME DATE AS DATE OF AUDIT OPINION}

Dear Grant Thornton UK LLP

**The Police, Fire and Crime Commissioner for Cumbria
Financial Statements for the year ended 31 March 2024**

This representation letter is provided in connection with the audit of the financial statements of The Police, Fire and Crime Commissioner for Cumbria (the 'Police, Fire and Crime Commissioner') and its subsidiary undertaking, the Chief Constable of Cumbria Constabulary for the year ended 31 March 2024 for the purpose of expressing an opinion as to whether the group and Police, Fire and Crime Commissioner 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 2023/24 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

- i. We have fulfilled our responsibilities for the preparation of the group and Police, Fire and Crime Commissioner'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 2023/24 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
- ii. We have complied with the requirements of all statutory directions affecting the group and Police, Fire and Crime Commissioner and these matters have been appropriately reflected and disclosed in the financial statements.

- iii. The Police, Fire and Crime Commissioner has complied with all aspects of contractual agreements that could have a material effect on the group and Police, Fire and Crime Commissioner 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.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. 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.
- vi. 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.
- vii. Except as disclosed in the group and Police, Fire and Crime Commissioner financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the group and Police, Fire and Crime Commissioner 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.
- viii. 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.
- ix. 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.
- x. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The group and Police, Fire and Crime Commissioner financial statements have been amended for

these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.

- xi. We have considered the unadjusted misstatements schedule included in your Audit Findings Report and attached schedule. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the Group and its financial position at the year-end. The financial statements are free of material misstatements, including omissions.
- xii. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xiii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiv. We have updated our going concern assessment. We continue to believe that the group and Police, Fire and Crime Commissioner'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 Police, Fire and Crime Commissioner means that, notwithstanding any intention to cease the group and Police, Fire and Crime Commissioner 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 Police, Fire and Crime Commissioner'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 Police, Fire and Crime Commissioner's ability to continue as a going concern need to be made in the financial statements

- xv. We have considered whether accounting transactions have complied with the requirements of the Local Government Housing Act 1989 in respect of the Housing Revenue Account ring-fence.
- xvi. The group and Police, Fire and Crime Commissioner has complied with all aspects of ring-fenced grants that could have a material effect on the group and Police, Fire and Crime Commissioner's financial statements in the event of non-compliance.

Information Provided

- xvii. 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 Police, Fire and Crime Commissioner'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 Police, Fire and Crime Commissioner via remote arrangements, from whom you determined it necessary to obtain audit evidence.
- xviii. We have communicated to you all deficiencies in internal control of which management is aware.
- xix. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xx. 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.
- xxi. 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 Police, Fire and Crime Commissioner, 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.
- xxii. 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.
- xxiii. 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.
- xxiv. We have disclosed to you the identity of the group and Police, Fire and Crime Commissioner's related parties and all the related party relationships and transactions of which we are aware.
- xxv. 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

- xxvi. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Police, Fire and Crime Commissioner'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

xxvii. The disclosures within the Narrative Report fairly reflect our understanding of the group and Police, Fire and Crime Commissioner'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 Police, Fire and Crime Commissioner's Joint Audit Committee at its meeting on 4 February 2025.

Yours faithfully

David Allen

The Police, Fire and Crime Commissioner for Cumbria

XX February 2025

Steven Tickner

PFCC Chief Finance Officer

XX February 2025

Name: Michelle Bellis
Dept: Financial Services
Email: Michelle.Bellis@cumbria.police.uk

Chief Constable
Chief Constable Robert Carden
Police Headquarters
Carleton Hall Penrith,
Cumbria
CA10 2AU



Telephone: 101
Your reference: www.cumbria.police.uk

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

[Date] – {TO BE DATED SAME DATE AS DATE OF AUDIT OPINION}

Dear Grant Thornton UK LLP

The Chief Constable of Cumbria Constabulary Financial Statements for the year ended 31 March 2024

This representation letter is provided in connection with the audit of the financial statements The Chief Constable of Cumbria Constabulary (the 'Chief Constable') for the year ended 31 March 2024 for the purpose of expressing an opinion as to whether the Chief Constable 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 2023/24 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

- i. We have fulfilled our responsibilities for the preparation of the Chief Constable'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 2023/24 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
- ii. We have complied with the requirements of all statutory directions affecting the Chief Constable and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Chief Constable 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.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

- v. 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. 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.
- vi. 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.
- vii. Except as disclosed in the financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the Chief Constable 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.
- viii. 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.
- ix. 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.
- x. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Chief Constable's financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
- xi. We have considered the unadjusted misstatements schedule included in your Audit Findings Report and attached schedule. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the Chief Constable and its financial position at the year-end. The financial statements are free of material misstatements, including omissions.
- xii. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xiii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiv. We have updated our going concern assessment. We continue to believe that the Chief Constable'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 Chief Constable 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 Chief Constable'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 Chief Constable's ability to continue as a going concern need to be made in the financial statements

- xv. We have considered whether accounting transactions have complied with the requirements of the Local Government Housing Act 1989 in respect of the Housing Revenue Account ring-fence.
- xvi. The Chief Constable has complied with all aspects of ring-fenced grants that could have a material effect on the Chief Constable's financial statements in the event of non-compliance.

Information Provided

- xvii. We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the Chief Constable'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 Chief Constable via remote arrangements from whom you determined it necessary to obtain audit evidence.
- xviii. We have communicated to you all deficiencies in internal control of which management is aware.
- xix. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xx. 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.
- xxi. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Chief Constable 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.
- xxii. 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.
- xxiii. 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.

- xxiv. We have disclosed to you the identity of the Chief Constable's related parties and all the related party relationships and transactions of which we are aware.
- xxv. 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

- xxvi. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Chief Constable'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

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

Approval

The approval of this letter of representation was minuted by the Chief Constable's Joint Audit Committee at its meeting on 4 February 2025.

Yours faithfully

Robert Carden

Michelle Bellis

The Chief Constable of Cumbria Constabulary

Constabulary Chief Finance Officer

XX February 2025

XX February 2025