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Date: 9 March 2023

Dear Member

JOINT INDEPENDENT AUDIT COMMITTEE

You are requested to attend the Joint Independent Audit Committee meeting on Friday 17 March 2023 at **1300-1600hrs** in the CCMT Meeting Room and/or MS Teams for those unable to attend in person.

Microsoft Teams meeting

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[+44 20 3443 9031,365428388#](tel:+442034439031365428388) United Kingdom, London

Phone Conference ID: 365 428 388#

Yours sincerely

Gillian Ormston

Gillian Ormston
Chief of Staff

To: Members of the Joint Independent Audit Committee

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<ul style="list-style-type: none"> • Verbal update to the Committee on recommended steps to improve effectiveness (note that a proposed JIAC handbook intended to support recruitment is included in The papers – please advise if there are any comments) <i>(Martin Thornley)</i> 	

Date of next meeting: Friday 16 June 2023 at 1300hrs in the CCMT Meeting Room and/or MS Teams



**MINUTES OF JOINT INDEPENDENT AUDIT COMMITTEE MEETING
HELD ON FRIDAY 16 DECEMBER 2022 COMMENCING AT 1030 HRS AND CONCLUDING AT
1258 HRS**

Committee Members Present via MS Teams:

M Day, S Page, M Strange, G A Woods

Present and via MS Teams:

J Hogg (Deputy Chief Constable, TVP)
 K Barrow-Grint (Chief Supt. Local Policing, TVP)
 G Ormston (Chief of Staff, OPCC)
 M Thornley (Chief Finance Officer, OPCC)
 L Waters (Head of Finance, TVP)
 C Widdison (Corporate Governance Officer, TVP)
 J Kidman (Chief Supt. Head of Governance & Service Improvement, TVP)
 A Grimley (Head of Change Delivery, TVP)
 S South (Senior Management Team, ICT Department, TVP)
 A Kent (Det. Supt. PSD) (TVP)
 P Semczyszyn (Det. Insp. PSD) (TVP)
 C Kirby (Director of People, TVP)
 A Brittain (Associate Partner, EY)
 A Kennett (Manager, EY)
 N Shovell (Chief Internal Auditor, TVP & OPCC)
 A Shearn (Principal Auditor, TVP & OPCC)

Observers: None

Apologies:

J Campbell (Chief Constable) (TVP)
 M Barber (Police & Crime Commissioner, OPCC)
 M Lattanzio (Head of ICT, TVP)
 C Roberts (Executive Assistant to the PCC, OPCC)

[Meeting Management](#)

1. Apologies

The Chair, Gordon Woods (GW) welcomed all to the meeting and introductions were given. Apologies had been received for today's meeting. (GW) noted that today's meeting would be transcribed and minuted by Charlotte Roberts (CR) once recovered.

2. Minutes of the JIAC Meeting held on 7 October 2022

(GW) went through the actions in the previous minutes of the meeting held on 7 October 2022.

Stephen Page (SP) noted references to vetting both in the minutes and elsewhere in today's agenda; and asked how progress was going. DCC Jason Hogg (JH) noted that vetting was struggling with demand as a whole but this was due to the police uplift and it was taking more time to vet people due to social media and were having some real challenges. Additional staff were being put in place but (JH) was not confident this was being managed. Detective Supt. Ailsa Kent (AK) was looking into this and additional work was being carried out in the background but this was a national problem. (AK) was looking at the HMICFRS recommendations and most of these TVP were fully compliant with. There will be a structural review of how the work will be planned and were seeing more challenges about the decisions being made with adverse sexual misconduct findings through to judicial review although, TVP were taking a stance.

(SP) noted TVP's letter in response to the HMICFRS report. (JH) confirmed TVP had a good relationship with HMICFRS but fundamentally disagreed with one of the recommendations on a specific area, in part because HMICFRS had referenced out-of-date data. A lot of the areas in the report were already addressed 18 months ago.

(GW) noted there were some risks taken within the Force. However, (JH) continued to look at this as well as the vetting guidelines and prioritising the moves. However, there were no risks to the public.

(GW) confirmed the Minutes were a true and accurate reflection of what had been discussed at the meeting.

3. Outstanding Actions from JIAC meeting held on 7 October 2022

(GW) went through the outstanding actions and confirmed that all the outstanding actions were complete. (GW) confirmed the Committee were very pleased to see all actions had been completed.

(SP) confirmed that some observations on cyber governance had been sent to Mike Lattanzio (ML) as agreed. He emphasised that JIAC does not play a role in the mechanisms of cyber protection as such but rather is focused on governance, e.g. the reporting cycles and metrics by which TVP gains assurance over this critical risk. The Committee requested additional work on this area and asked for an update at the next meeting in March. Gillian Ormston (GO) confirmed that (ML) had not been able to attend today due to a joint meeting in Hampshire; and has asked if the dates for JIAC in 2023-24 could be reviewed to enable (ML) to attend more frequently. (CR) would be liaising with the Committee and TVP to suggest alternative dates.

Action: The Committee wished to be updated on cyber governance at the next meeting in March 2024. (JH) confirmed he would speak to (ML) to provide an update for the March meeting.

Action: (CR) to liaise with the Committee for advice on the JIAC dates and liaise with Cressida Chapman thereafter once a response received from the Committee.

[Annual Focus Areas](#)

4. Action Plan Legal Framework for Police Collaborations

The Committee had read the paper and asked for the key points and hot issues. Claire Widdison (CW) explained that governance was set out in statute and could be seen in the presentation. (GO) had been to a number of meetings that governed the collaborations especially the South East Regional meetings.

(CW) explained how risks were escalated from the collaborations. A lot of work in the region was continuing around national collaborations and governance areas and there were separate meetings around these. The regional risks with the SE region was around their risks and processes that were in place. There were gaps in this but plans were in place to progress this work. There was a meeting taking place next week with the new Chief Constables and PCCs for TVP and Hampshire and their Chiefs of Staff to ensure governance was

discussed and in place. Mike Day (MD) noted to keep the focus on collaboration, attendance had gone wrong and the PCC has made this point in the past.

(GW) noted the insurance consortium paper and it did not indicate who chaired this meeting. The 10 force insurance consortium were the insurance policies for the consortium. There was one insurance chair who looked after the region as well as the analyst. There was not the level of activity as such and the lead moves with the chair each time. (GO) noted that it would be interesting to know the risks and the impact there was across all consortiums. Linda Waters (LW) pointed out that TVP were going out to tender in October 2023 and the insurance companies would provide a premium which was a collaborative function but work was still ongoing. There were few insurers who want to insure Police Forces. (SP) asked whether TVP's insurance risk profile matches sufficiently well with the others in the consortium or TVP would benefit from its own underwriting. (JH) responded that overall the consortium is the right approach although TVP had been doing some very promising work with telematics which is having a big positive impact on vehicle accident rates.

At the moment, TVP did not have cyber insurance in place but talks were being carried out going forwards.

Action: The Committee asked for an update on cyber risk insurance when the review is complete.

Melissa Strange (MS) mentioned the audit collaborations and asked EY if they wished to draw the Committee to anything specific. Andrew Bennett (AB) looked at collaboration with Surrey and Sussex under the value for money work which would fall under this.

(SP) asked how demand management was undertaken and was the governance mechanism dealt with strong enough. (JH) explained that with firearms, there was nationally agreed profiling as to how long it took to get to an incident and the demand was starting to go down; other areas were less strong on demand management. There was a Force Management Statement that looked at every department on levels of demand that bring in data over 3 years and were getting additional software to ascertain a better understanding of this. Current workload and backlog was being looked at as to the demands on teams. In the last couple of weeks on national collaboration, the JOU drone teams had asked TVP to look at the comparison on the value for money and deployment.

Action: The Committee felt that it would be helpful to have an update after the Hampshire/TVP Joint Collaboration review meeting as to the ways of working from (GO) noting any changes.

5. JIAC Annual Assurance Report

(GW) thanked Neil Shovell (NS) who had provided a first draft of the report. (GW) also noted Amna Rehman's service had finished with the Committee and her input would be missed. (GW) took the meeting through the key highlights of the year and one thing that was different this year was the experience of the annual accounts process, where the Committee had been disappointed that TVP's strong record of completing accounts on time had not been sustained. The Committee would reflect on this later during the meeting. (GW) thanked (CR) for the papers that were sent out on time and the outstanding actions that were completed. The Committee recognised the inflation and cost of living were all major factors for TVP and continued to be interested in cyber issues.

The overall conclusion was risk management in TVP was valued with the open conversations from both TVP and PCC but clearly there were areas to still monitor. (SP) indicated the Committee had noted a drop in JIAC attendance from senior management and hoped this would be reversed in 2023.

6. TVP Anti-Fraud, Bribery & Corruption Policy

(GW) welcomed Detective Supt. Ailsa Kent (AK) to the meeting. Peter Semczyszyn (PS) provided an update to the Committee noting the risks and opportunities for the department for this year on the counter corruption unit. There was a team that conducted the investigations and enquiries of different allegations in the organisation. All were processed and researched as to the level of risk imposed. PSD had managed to secure a

new role to start in April 2023 around a detective role for developing data around financial expenses, overtime claims and to explore additional avenues. This was a good indicator of 'other issues'. (PS) had managed to secure an analyst role to look at phone analytics and to develop a conductor indicator risk process and to develop a set of assessments at the point of re-vetting which would be duck tailed with a risk assessment and applied to point of entry in the vetting process. This would give high, medium and low risks even before the vetting process started for a new member of staff.

(AK) noted some of the matters to also note through counter corruption in terms of uplift in recruiting more people and disclosable associations and computer misuse and to ensure TVP could provide a response proactively through thorough investigation from intelligence. The slight risk was financial misconduct increase and put the right resource to this.

(MS) asked for an update regarding the level of analysis as this was fairly light in the policy. The reviews were undertaken quarterly but had not been able to look into the depth of the analysis. (AK) pointed out a threat assessment carried out provided a greater understanding. The Committee required assurance and this could not be read in the process/policy whether this would mean the need to change the emphasis or an explanation that gave more detail so the Committee could provide assurance. The Committee was interested in what was being measured and how the right thing was being carried out in terms of governance. (AK) thanked the Committee for their feedback around potential frauds. There was a resource in place who could respond to activity and provide this assurance in due course although was a challenge.

(SP) referred to substance misuse but did not have the latest year figures. Was this due to less substance misuse? (PS) confirmed that after 2021 HMICFRS inspection the intelligence recording process was changed to fall in line with the national guidance.

(MS) noted the data was old and asked what the numbers looked like for this year. (PS) noted there would probably be an increase in sexual misconduct but would see a drop off in the proactive intelligence but anticipated with the analyst starting, figures would show an increase.

Action: for next years report it would be more helpful to have more narrative and analysis of where PSD saw the threats, how the resources were deployed for these threats and what the outcomes of that activity were.

Governance Matters

7 Draft Treasury Management Strategy Statement 2022/23

Martin Thornley (MT) provided a summary of the draft template which was a fairly recent document. There were two key factors to report on in the statement which were the new indicators and the budget which meant the forecast figures only came out this week but happy to take comments from the Committee at this stage. (MT) asked the Committee for their thoughts on the paper. (MT) noted the investment in companies where the OPCC essentially used bank deposits for less than a year but there was the ESG issue which could also be relevant for investing overseas or countries with human rights issues.

Action: Two areas the Committee wished to be updated on were the ESG, and whether the summer turmoil and disruption to LDI were relevant to TVP's Treasury Management Strategy. (MT) would be agreeing this document in January 2023 although the Committee were happy for (MT) to come back to update to the Committee on the paper at the next JIAC meeting in March to consider. The Committee would discuss this outside of today's meeting.

8. EY Final Audit Results Report and Auditor's Annual Report

(AB) noted from the progress report that an update was reported to the Committee at the October meeting there were issues with the 2021/22 audit and data analytics which left a number of areas still to complete and EY were awaiting assurances from Grant Thornton The audit was restarted at the end of November 2022 so this piece of work was still ongoing (as set out on page 63). EY would run through this to the end of January but have had correspondence that Grant Thornton intend to submit their letters of assurance in January 2023.

Lessons had been learned and a meeting had already take place with (MT) and (LW) as to how work would be carried out differently in going forwards.

(MD) reflected the this was the seventh time of being told this information. The report was by far the poorest update the Committee had received. The Committee had been impressed in previous years but EY really needed to get the final report completed with immediate effect and this needed to improve going forwards. (AB) took on board the Committee's comments but unfortunately, the issue was around analytic data and this had been sorted so going forwards, this should not be an issue for this year's audit; the work would be completed by January 2023.

(MS) asked whether the work would be completed by the end of January or at the start of January to be in a position to sign off. The caveat was the letter from the pension scheme which was awaited 'in January'.

(SP) felt this was not a situation to be proud of and was surprised EY had stopped work for such a long period when more creative scheduling would have helped their client meet deadlines. (AB) felt in terms of 'being able to squeeze something in', this was impracticable and EY had needed to stop and reschedule the teams for later in the year.

9. External Audit Lessons Learnt

(MT) had a recent meeting with (LW's) DoF year-end accounts team and EY and summarised on one page the steps that would be taken. This document would be used to write the plan for the audit over the coming months before the audit started. The data analytics have been the big issue that has affected matters and the increased audit requirements made the decisions more difficult. It was worth noting the pressures that had highlighted the planning and communication so hence the relatively long list of key ways of working better. This document had been agreed by both TVP and EY. (MS) asked whether what went wrong was in relation to the audit. The portal had been improving over the years although some auditors were still dropping an email rather than adding it to the portal. (AB) noted that some of the questions raised prior to the monthly meetings from the log were being answered and some were not, so it would be helpful if EY checked the log before the monthly meetings actually took place.

Action: The Committee asked for an update from (MT)/(LW's DoF year end accounts team)/(EY) as to how the resolutions of lessons learnt have been implemented and anything that was still outstanding at the JIAC meeting in March 2023.

Action: The Committee wished to have a separate meeting with EY to include (AB) and (AK) in the New Year to discuss lessons learnt and work going forward. (GW) would contact (AB) and liaise on a date and timings.

10. Local Audit Opt-In Arrangements

(MT) provided an update on the Local Audit Opt-In Arrangements and the audit tendering through PSSA. (MT) confirmed EY would continue as the auditors for another 5 years. Given the joint efforts to improve the audit process and the challenges in the market, it was not felt that there would be any benefit in moving to an alternative audit firm. The time limit for a single audit firm was 20 years and it was probable that the organisation would need to move to a new firm when the next 5 year term was complete.

The Committee were glad that consideration of the effective functioning of audits had been taken into account.

11. Portfolio, Programme & Project Management

(GW) had written to (JH) asking for this paper so that the Committee could understand how this worked in practice. The Committee had read the papers and asked if Andrew Grimley (AG) could provide a narrative update to the Committee. (AG) was unsure of the level of details the Committee required but provided an

overview of how often meetings took place. The Force were working on long term priorities of project management, formerly governed projects and resource for the next few years. There were a large number of projects currently being undertaken. The first slide showed how close TVP worked with Hampshire Constabulary (HC) as well as on joint digital projects with HC. Every other month there was a portfolio level governance board chaired by DCC to provide escalations and discuss challenges and to hold SRO's to account. An update was reported on a monthly basis.

Ideas of new technology were discussed during these meetings and whether this still fitted in with the organisation's digital strategy. Every project and programme had weekly team meetings. The complication was having a joint portfolio programme with HC. (AG) went through the various slides to reassure the Committee.

(MD) made a general point of what the Committee required and if in doubt, attendees needed to contact the Committee to provide the additional information they sought. The Committee proof read the papers and thanked (AG) for the verbal update to see how the programmes were played which was useful to note.

(SP) agreed with (MD's) concern that the paper had not addressed areas the Committee wished to explore. (SP) suggested it was good to see that TVP wishes to become a data driven organisation but it is not yet clear how TVP will build the foundation of data and will position management to be stewards of data quality and exploitation. (JH) agreed with these issues. Some of the problems would take a few years and was currently led by (AG). Governance had been slow but next year these areas would form a basis of governance and make the organisation focused on what needed to be addressed and provide a multi-year report. These were early steps in order to make these priorities right, the slight challenge was that it was collaborated with HC and sometimes it took time to get these right.

(GW) referred to page 75 of the document where it showed a list of things that did not fall under the 6 priorities and was an interesting reflection on the strategy. Chief Supt. Joe Kidman (JK) noted a number of matters that needed to be brought together that do not necessary fit into the TVP 2025 plan. This was specifically about changing and making choices and taking the next steps for strategies.

(SP) asked which programmes hit that threshold to become big enough or high enough risk to get on the list, suggesting that some programmes should be on the list because data is used in novel ways, even if the budget is small. (GO) confirmed that recently the organisation has implemented a major projects protocol which essentially involved the current governance structure and set out some principles.

(AG) confirmed that TVP had made a conscious decision about the six strategic threats and focused on delivering these. Some projects that do not align would still being carried out.

Action: The Committee felt it would be useful to see the Major Projects Protocol. (GO) to send this through to the Committee.

Action: The Committee required a follow up report and update from (AG) at the next meeting in March on Portfolio, Programme and Project Management as to resource allocation between portfolio consistency of architecture and technical questions. The Committee were happy for (AG) to contact the Committee direct for a list of questions the Committee wish answered and (AG) to prepare a second paper for the meeting in March.

Action: (JH) to provide the Committee with an update on the Force Review at the March JIAC meeting.

12. Effectiveness Review and Collated Results from the Panel and Attendees

There were updates not shown in the paper but were provided to the Committee. The comments were put into a table to show skills, self-assessments and effectiveness from the Committee as well as the responses received from attendees. (MT) summarised the feedback and comments noted. It was noted that cyber was on the less well covered area. Generally, the feedback was positive but noting lack of attendance at Audit meetings which had already been discussed during today's meeting.

(GO) noted that today was the first meeting (GO) attended but would go through the results of the effectiveness review with (MT) after the meeting to review the responses. The meeting with (GO) and (MT) would also include looking at the process of the preparation of papers for all meetings.

(GW) thanked all for their contributions to have a reflection on the effectiveness and also the steps that (GO) and (MT) would be carrying out.

Action: (GO) and (MT) to update the Committee at the March meeting on any recommended steps to improve effectiveness.

Action: (GO) and (MT) to progress an advert for a new committee member, replacing Amna Rehman.

Regular Reporting

13. TVP Strategic Risk & Business Continuity

(CW) provided an update the Committee on risks in TVP. The main points to note were a couple of increases to risks. The main drive was external factors outside of TVP's control but plans had been put in place to mitigate these. Other risks were around ICT resources, recruitment and custody. These were being driven by the external recruitment and job market. Investment had been made into custody and the difficulties in recruiting into these roles continued. Savings targets had been made due to the increase in fuel costs, electricity costs etc. again outside of TVP's control. (GW) noticed the difference in the risk register.

(SP) noted cyber was not on the risk register, noting that most organisations of this size have cyber as one of their top few enterprise risks. Is it credible for cyber not to be on the list? (CW) confirmed that this was under consideration. (CW) confirmed training and exercises had taken place in March 2022 and additional cyber and training would be conducted in due course. (SP) did not want TVP to become complacent because, so far, a major incident had not happened.

ESMCP continues to be the highest-risk, hardest-to-control risk and (SP) had sympathy for the organisation. (CW) confirmed that TVP continues to take every step it can to mitigate the risk at Force level. There is a regional team which is TVP led and well connected so the organisation was reducing the size of the ESMCP team. There is now a single individual connected but awaiting some national direction at this time.

As to the Criminal Justice backlog problem, (SP) asked whether it was right to remove it from the risk register, as the backlog impacted the value the Force delivered to the community. (CW) confirmed that this had been reviewed by CCMT who had decided that this risk should be removed from the register.

(MD) referred to demand: how is this risk being managed? (GO) noted that risks were being discussed as well as the everyday issues and this was being managed by (CW). (CW) was looking to remove the risk management process and move to a different approach in the new year as to strategic risks and issues that were being managed on a daily basis. There were currently three programmes. AIU, an evaluation of the first pilot would start in February about the impact on demand and what it currently is. (CW) had developed a framework which was signed off (a road map) about how to reduce the demand and in which areas. (JK) referred back to the TVP 2025 plan and confirmed that front line services programmes were also included.

The Committee turned to the business continuity paper. (CW) advised that there was currently national Home Office work being carried out to respond to the risk of energy shortages. A paper would be going to CCMT next week as to the use of generators, fuel and suppliers which showed some risks. TVP were currently consulting with key departments as to their business continuity arrangements and what they would be.

(JK) noted there were other matters to consider and these were the adverse weather conditions and risk of a weather outage. If there was not enough power there was a national plan in place. (JK) went into further details but assured the Committee that TVP were putting plans in place. (SP) felt the work on energy shortfalls was thorough and very helpful.

(SP) noted the lightning strikes in Bicester and the fire and asked whether there were lessons learned or processes that should be applied anywhere else. (CW) confirmed that a thorough analysis had been conducted.

(SP) referred to the report of ICT incidents and recalled a previous JIAC recommendation that in prioritizing and reporting on ICT outages, it would be helpful to see these through the lens of potential harm to the public and officers, not just disruption to office processes. For example reporting would highlight an outage which could have resulted in armed response not reaching an incident and thereby placing officers in danger. (CW) said there was a user experience programme to put technology in the back seat and they would work closely with (CW)'s team. They would be developing a debrief and a spreadsheet logging any learning about these incidents so processes were in place.

14. OPCC Risk Register

The OPCC Risk Register was presented by (GO). The document had recently been reviewed and altered as to the detail required by the Committee. The key point to note was the victims model which was a non-consent based model to support victims of crime. This risk was high at the moment but the OPCC were working closely with ICT to get details of the plan and as soon as this was in place, it will be mitigated shortly. The OPCC Risk Register was a work in progress document and would be updated shortly.

Other Matters

15. Progress on 2021/22 Internal Audit Plan Delivery & Summary of Matters arising from Completed Audits

Neil Shovell (NS) confirmed there were no changes in resources and plans were on track working with the same team on the plan. The Committee received the completed audits but on a whole, there were no matters to bring to the Committee's attention.

(MD) referred to limited assurance on mental health and wanted more detail on this and the title of the audit was not very descriptive which was very unusual for (NS). (MD) asked if there were any reflections about external mental health and the use of the Force where discussions take place. (NS) confirmed this was focusing on external demand coming in but would be made clearer in the understanding of the title. There was an area of the Force's focus (NS) was working with Chief Supt. Katy Barrow-Grint (KBG) on this. As an overview, there were areas to work on in all areas on demand, governance arrangements but also dip checking details on niche etc. This was clearly a high level of demand on the Force but it was good to see that matters were being worked on and addressed.

(KBG) had set up a governance structure. There was great support with mental health for officers and staff with dedicated members dealing with mental health issues. The demand was so huge so the aim was to see where the organisation could make some additional changes using triage for mental health crisis. Mental health was a health issue and the organisation was looking at how to retract policing and get more health. There was a dedicated 111 service for a general health issues so this has been put into the pot and governance is now in a much better place. The organisation will be delivering additional work on mental health over the next 12 months and thereafter. The Force were going in the right direction and keen to sort this and to make a difference especially for those in crisis.

(MD) noted that it was great to see the audit process working well with the Force that they wanted to work on the validation of auditing the value of some great work and issues. (GW) reiterated (MD's comments).

(NS) noted the learning process for audit and helping the Force in improving matters and had taken lessons learned to head the organisation in the right direction.

16. Progress on Delivery of Agreed Actions in Internal Audit Report

Amy Shearn (AS) provided a brief summary noting there were 24 outstanding actions on the paper to note. There were no priority 1 actions to specifically highlight to the Committee but under section 2.6 there were 4 priority actions and 2 actions which were more than 12 months overdue.

(GW) was glad to note all the outstanding actions were being chased and an update would be provided by (NS) at the next meeting in March.

17. AOB

Nothing discussed.

The meeting concluded at 1258 hrs.

Date of next meeting: Friday 17 March 2023 at 1300hrs to be held in the CCMT Meeting Room, TVP HQ South/MS Teams



JOINT INDEPENDENT AUDIT COMMITTEE

Actions Arising from 16 December 2022 Meeting

Matters Arising from Minutes dated 16 December 2022	Lead	Action	Update/Action Complete
Agenda Item 3 Outstanding Actions from 7 October 2022	DCC Jason Hogg Mike Lattanzio	The Committee wished to be updated on cyber governance at the next meeting in March 2024. (JH) confirmed he would speak to (ML) to provide an update for the March meeting.	(CR) adding Cyber Governance to the March 2023 agenda ACTION COMPLETE
Agenda Item 3 Outstanding Actions from 7 October 2022	Charlotte Roberts	(CR) to liaise with the Committee for advice on the JIAC dates and liaise with Cressida Chapman thereafter once a response received from the Committee.	(CR) emailing the Committee 04/01/23 to ascertain advice on changing dates. MD would be able to make Friday afternoons or Monday would be another option. (GW) content to re-timetable although dates could be tricky. (SP) fairly flexible albeit does have other priority meetings in the diary but opted for Friday afternoons. (CR) to liaise with Cressida Chapman upon return to the office. CR/CC completed this request and changed all JIAC meetings to the afternoons keeping the same timings and re-sending out invites. ACTION COMPLETE
Agenda Item 4 Action Plan Legal Framework for Police Collaborations	DCC Jason Hogg	The Committee asked for an update on cyber risk insurance when the review is complete	Update from LW - Work is on-going to access the availability of products, alongside the costs vs benefits, of Cyber insurance. The market is changing and removing products which were previously available. We are discussing with other forces and PDS as well as the brokers. A data breach policy is being reviewed. ACTION COMPLETE

Agenda Item 4 Annual Governance Statement (Action Plans) Progress Report	Gillian Ormston	The Committee felt that it would be helpful to have an update after the Hampshire/TVP Joint Collaboration review meeting as to the ways of working from (GO) noting any changes.	There is currently a review of internal governance processes taking place within TVP. Once this has concluded we will be moving to review the external governance processes i.e. Joint Governance with Hampshire, JIAC, PESP, IAG, SIAG, NAGs, ISOB, community Scrutiny and other community involvement in scrutiny. There will be an Annual Governance Statement prepared ready for the end of the financial year. ACTION UPDATED AND ONGOING REVIEW TAKING PLACE. THE AGS TO BE INCLUDED EITHER 16 JUNE 2023 OR 8 SEPT 2023 RE FINAL ACCOUNTS
Agenda Item 6 TVP Anti-Fraud, Bribery & Corruption Policy	Det. Supt. Ailsa Kent	The Committee would like to see in next year's report more narrative and analysis of where PSD saw the threats, how the resources were deployed for these threats and what the outcomes of that activity were.	CR adding this into December 2023 draft Agenda ACTION ADDED & COMPLETE
Agenda Item 7 Draft Treasury Management Strategy Statement	Martin Thornley	Action: Two areas the Committee wished to be updated on were the ESG, and whether the summer turmoil and disruption to LDI were relevant to TVP's Treasury Management Strategy. (MT) would be agreeing this document in January 2023 although the Committee were happy for (MT) to come back to update to the Committee on the paper at the next JIAC meeting in March to consider. The Committee would discuss this outside of today's meeting.	TMSS is provided to the March JIAC including new ESG statement. The short term impact of the summer turmoil is reflected in the higher rates we were able to obtain for investments around the time. In the ongoing economic climate we are "laddering" our investments for periods of up to 12 months with high credit rated institutions to take advantage of higher rates whilst providing good liquidity. UPDATE COMPLETE
Agenda Item 9 External Audit Lessons Learnt	Martin Thornley	Action: The Committee asked for an update from (MT)/(LW)/(EY) as to how the resolutions of lessons learnt have been implemented and anything that was still outstanding at the JIAC meeting in March 2023.	We are meeting with EY on 8 Feb and will consider how to implement the lessons learnt in next year's audit UPDATE COMPLETE
Agenda Item 9 External Audit Lessons Learnt	Gordon Woods	Action: The Committee wished to have a separate meeting with EY to include (AB) and (AK) in the New Year to discuss lessons learnt and work going forward. (GW) would contact (AB) and liaise on a date and timings.	(GW) confirmed a meeting had been arranged with EY on 3 February 2023 at 1230hrs. ACTION COMPLETE
Agenda Item 11 Portfolio, Programme & Management	Gillian Ormston	The Committee felt it would be useful to see the Major Projects Protocol. (GO) to send this through to the Committee.	CR sending the Major Projects Protocol through to the Committee 18/01/2023 ACTION COMPLETE

Agenda Item 11 Portfolio, Programme & Management	Andrew Grimley	17 Action: The Committee required a follow up report and update from (AG) at the next meeting in March on Portfolio, Programme and Project Management as to resource allocation between portfolio consistency of architecture and technical questions. The Committee were happy for (AG) to contact the Committee direct for a list of questions the Committee wish answered and (AG) to prepare a second paper for the meeting in March.	CR adding a second update from (AG) to the March JIAC Agenda. ACTION COMPLETE
Agenda Item 11 Portfolio, Programme & Management	DCC Jason Hogg Andrew Grimley	Action: (JH) to provide the Committee with an update on the Force Review at the March JIAC meeting.	CR adding to the JIAC March 2023 agenda. ACTION COMPLETE
Agenda Item 12 Effectiveness Review and Collated Results	Martin Thornley	Action: (GO) and (MT) to update the Committee at the March meeting on any recommended steps to improve effectiveness. Action: (GO) and (MT) to progress an advert for a new committee member, replacing Amna Rehman.	Update to be provided at JIAC meeting on 17 March 2023 agenda item 18 in AOB ACTION COMPLETE The proposal is to advertise for up to three new JIAC members. This will allow us to fill the current vacancy, plus the additional two vacancies expected from March 2024. Once vetting is complete, this would give a period of overlap to support continuity. The draft JIAC Handbook has been prepared to consolidate information about JIAC in one place, particularly supporting recruitment of new members. (We'll also share with JIAC for any views at the March 17 meeting). ACTION COMPLETE
Matters Arising from Minutes dated 18 June 2021	Lead	Action	Update / Action complete
Agenda Item 8 Annual Report of the SIRO	Mike Lattanzio/DCC Jason Hogg	Action 15. (AC) to liaise with Cat Hemmings (CH) in setting up a paper exercise rehearsal in switching off and restoring.re Ransomware attacks with a planned exercise taking place in December 2021 with (JH) being involved in the exercise.	Action 15. BC exercises planned for HC 5 th October with TVP targeted end October-December 2021. ACTION COMPLETE BUT TO REMAIN ON THIS LIST WITH UPDATES PROVIDED AFTER TVP EXERCISE HAS TAKEN PLACE BY (JH)

			<p>Update: BC exercise completed in TVP in November 2022 resulting in 10 actions relating to end user training and Cyber Response Plan. All actions are progressing and expected to be complete at next JIAC. A further update will be provided at JIAC followed by request to close.</p>
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Treasury Management Strategy Statement 2023/24

incorporating the Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2023/24

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1 INTRODUCTION

1.1 Background

The Police and Crime Commissioner (PCC) is required to operate a balanced budget, which broadly means that cash income raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the PCC's low risk policy and appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the PCC's capital plans. These capital plans provide a guide to the PCC's borrowing need, essentially the longer term cash flow planning to ensure that the PCC can meet his capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet the PCC's risk or cost objectives.

The contribution the treasury management function makes to the authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

The Chartered Institute of Public Finance and Accountancy (CIPFA) published the updated Treasury Management and Prudential Codes on 20th December 2021 and defines treasury management as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 Reporting requirements

1.2.1 Capital strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that the PCC fully understands the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

This capital strategy is reported separately from the Treasury Management Strategy Statement. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy for 2023/24 is being

presented to the PCC at his Performance and Accountability meeting on 19 January 2023.

1.2.2 Treasury Management reporting

Treasury management activity is reported quarterly during the year. This will update the PCC with progress on the capital position, amending prudential indicators as necessary, and will indicate whether the treasury operation is meeting the strategy requirements and whether any policies require revision.

The Annual Treasury Report after Year End provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

All reports are presented to the PCC at the Performance and Accountability Meeting and the Annual Report is also provided to the Joint Independent Audit Committee for scrutiny.

1.3 Treasury Management Strategy for 2023/24

The strategy for 2023/24 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (MRP) strategy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the PCC;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, CLG MRP Guidance, the CIPFA Treasury Management Code and CLG Investment Guidance.

1.4 Training

The CIPFA Code requires the responsible officer to ensure that members (*sic*) with responsibility for treasury management receive adequate training in treasury management. This especially applies to members (*sic*) responsible for scrutiny.

Furthermore, pages 47 and 48 of the Code state that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of treasury management knowledge and skills for those responsible for management, delivery, governance and decision making.

Appropriate training will be provided to the PCC and members of the Joint Independent Audit Committee.

As a minimum the PCC should carry out the following to monitor and review knowledge and skills:

- Prepare tailored learning plans for treasury management officers and relevant committee members.
- Require treasury management officers and relevant committee members to undertake self-assessment against the required competencies.
- Have regular communication with officers and relevant committee members, encouraging them to highlight training needs on an ongoing basis.

The training needs of treasury management staff are reviewed periodically.

1.5 Treasury management consultants

The Office of the PCC uses Link Treasury Services as its external treasury management advisors.

The PCC recognises that responsibility for treasury management decisions remain with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

The PCC also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The PCC will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review.

2 THE CAPITAL PRUDENTIAL INDICATORS 2021/22 – 2025/26

The PCC's capital expenditure plans are the key driver of treasury management activity. The output from the capital expenditure plans are reflected in prudential indicators.

2.1 Capital expenditure and financing

The PCC is asked to approve the summary capital expenditure and financing projections. Any shortfall in resources results in a funding borrowing need. This forms the first prudential indicator.

Table 1	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual £m	Revised Estimate £m	Estimate £m	Estimate £m	Estimate £m
Capital Expenditure	24.889	45.739	51.324	32.691	29.177
Financed by:					
Surplus Funds carried forward		28.541	37.362	7.511	(5.210)
Predicted underspend 22/23		1.038			
Capital receipts	3.999	6.052	4.165	1.200	19.510
Capital grants incl 3 rd party contributions	8.489	25.814	0.100	0.100	0.100
Revenue contributions	3.564	14.495	13.000	13.000	13.000
Borrowing	5.922	0.000	0.000	0.000	2.500
Earmarked Reserves	2.915	7.161	4.208	5.670	0.000
TOTAL	0.000	83.101	21.473	19.970	35.110
Net surplus/shortfall	0.000	37.362	7.511	(5.210)	0.723

2.2 The PCC's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the PCC's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the PCC's underlying borrowing need. Any capital expenditure included in the table above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with each asset's life.

The CFR includes other long-term liabilities such as PFI schemes and finance leases. Whilst these increase the CFR, and therefore the borrowing requirement, these types of scheme include a borrowing facility and so the PCC is not required to borrow separately for these schemes. The PCC currently has £8.650m of such schemes within the CFR.

The PCC is asked to approve the following CFR projections.

Table 2	2021/22	2022/23	2023/24	2024/25	2025/26
	Actual £m	Revised Estimate £m	Estimate £m	Estimate £m	Estimate £m
Opening CFR	60.185	63.450	60.595	57.731	54.908
Net financing need/borrowing for the year as per Table 1	5.922	0.000	0.000	0.000	2.500
Less MRP & VRP debt charged to accounts	-1.123	-1.242	-1.242	-1.227	-1.277
Less Finance Lease Liability repayment	- 1.534	- 1.613	- 1.622	- 1.596	-1.557
Movement in CFR	3.265	2.855	-2.864	- 2.823	- 0.334
Closing CFR	63.450	60.595	57.731	54.908	54.574

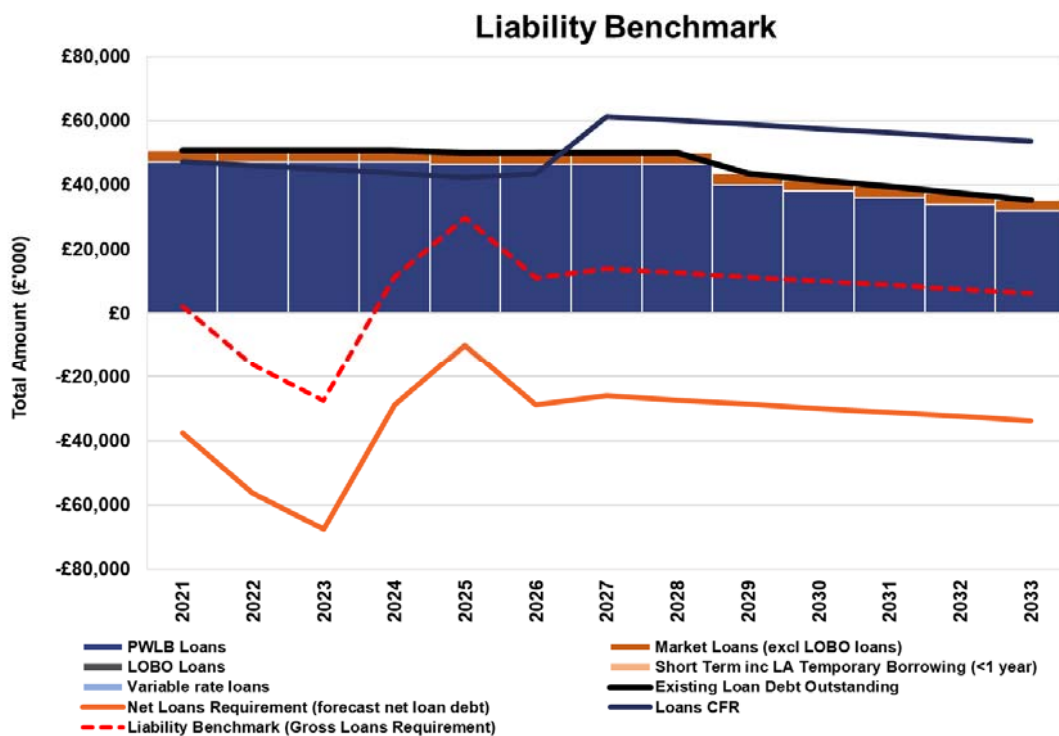
2.3 Liability Benchmark

A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The PCC is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

There are four components to the LB: -

1. **Existing loan debt outstanding:** the Authority's existing loans that are still outstanding in future years.
2. **Loans CFR:** this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on planned prudential borrowing and MRP.
3. **Net loans requirement:** gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on planned prudential borrowing, MRP and any other major cash flows.
4. **Liability benchmark** (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance

Chart 3 below shows the LB components over ten years, demonstrating that further borrowing is not required based on medium term plans. There is some headroom for additional capital spend in the 5-10 year horizon without further borrowing. Borrowing plans will be adapted in conjunction with the development of longer term capital plans.



2.4 Minimum revenue provision (MRP) policy statement

The PCC is required to pay off an element of the accumulated capital spend each year (the CFR) and make a statutory charge to revenue for the repayment of debt, known as the minimum revenue provision (MRP). The MRP policy sets out how the

PCC will pay for capital assets through revenue each year. The PCC is also allowed to make additional voluntary payments (voluntary revenue provision - VRP).

Regulations have been issued which require the PCC to approve an MRP Statement in advance of each year. A variety of options are provided, so long as there is a prudent provision.

The PCC is recommended to approve the following MRP Statement:

- For capital expenditure incurred before 1 April 2008, MRP will be based on the Regulatory Method of 4% reducing. MRP will be written down over a fixed 50 year period
- For capital expenditure incurred from 1 April 2008, the MRP will be based on the 'Asset Life Method', whereby MRP will be based on the estimated life of the assets in accordance with the regulations.
- For finance leases, an 'MRP equivalent' sum will be paid off each year.

Capital expenditure incurred during 2022/23 will not be subject to an MRP charge until 2023/24, or in the year after the asset becomes operational

2.5 Core funds and expected investment balances

Investments will be made with reference to the core balances, future cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months).

Table 4 below provides an estimate of the year-end balances for each resource and anticipated day-to-day cash flow balances.

Table 4	2021/22	2022/23	2023/24	2024/25	2025/26
Year End Resources	Actual £m	Revised Estimate £m	Estimate £m	Estimate £m	Estimate £m
General balances	20.390	20.131	15.728	15.987	15.987
Earmarked revenue reserves	38.518	35.762	28.991	22.694	35.291
Capital grants and reserves	28.541	37.363	7.512	5.209	0.724
Insurance provision	9.103	9.103	9.103	9.103	9.103
Total core funds	96.552	102.359	61.334	52.993	61.105
Working capital*	19.400	19.400	19.400	19.400	19.400
Expected investments	115.952	121.759	80.734	72.393	80.505

* The working capital balance is the average difference between cash investments and core cash balances from the last 5 financial years. The actual figure will obviously vary from day to day according to circumstances.

3 BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activities of the PCC. The treasury management function ensures that the PCC's cash is organised in accordance with the relevant professional codes so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

3.1 Current portfolio position

The PCC's borrowing portfolio position at 31 March 2022, with forward projections, is summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement or CFR), highlighting any over or under borrowing.

Table 5 PCC Borrowing Portfolio	2021/22 Actual £m	2022/23 Revised Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m
External Debt					
Debt at 1 April	50.678	50.678	50.678	50.678	49.922
Expected change in Debt	0.000	0.000	0.000	-0.756	2.500
Other long-term liabilities (OLTL) at 1 st April	10.184	8.650	7.037	5.359	3.436
Expected change in OLTL	- 1.534	- 1.613	- 1.678	- 1.737	- 1.193
Actual gross debt at 31 March	59.328	57.715	56.037	53.544	54.665
The CFR	63.450	60.595	57.731	54.908	54.574
Under / (over) borrowing	4.122	2.880	1.694	1.364	(0.091)

Within the prudential indicators there are a number of key indicators to ensure that the PCC operates their activities within well-defined limits. One of these is that the PCC needs to ensure that gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2021/22 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

The Chief Finance Officer reports that the PCC has complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.2 Treasury Indicators: limits to borrowing activity

The **operational boundary** for external debt is based on 'probable' debt during the year and is a benchmark guide, not a limit. Actual debt could vary around this boundary for short periods during the year. It should act as a monitoring indicator to initiate timely action to ensure the statutory mandatory indicator (the 'Authorised Limit', per Table 7 below) is not breached inadvertently.

Table 6 Operational boundary	2022/23 Revised Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m
Debt	50.678	50.678	50.678	52.422
Other long term liabilities	8.650	7.037	5.359	3.436
Short Term liabilities	20.000	15.000	15.000	15.000
Total	79.328	72.715	71.037	70.858

The **authorised limit** for external debt is a key prudential indicator which provides control on the overall level of affordable borrowing. It represents a limit beyond which external debt is prohibited and needs to be set and/or revised by the PCC. It reflects

the level of external debt which, whilst not necessarily desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all local authority plans, or those of a specific authority (or PCC), although this power has not yet been exercised.

The PCC is asked to approve the following authorised limit:

Table 7 Authorised limit	2022/23 Revised Estimate £m	2023/24 Estimate £m	2024/25 Estimate £m	2025/26 Estimate £m
Debt	70.678	70.678	70.678	72.422
Other long term liabilities	8.650	7.037	5.359	3.436
Short Term liabilities	20.000	15.000	15.000	15.000
Total	99.328	92.715	91.037	90.858

3.3 Prospects for interest rates¹

The PCC has appointed Link Treasury Services as his treasury advisor and part of their service is to assist the PCC to formulate a view on borrowing interest rates. The following table and subsequent paragraphs give the Link forecast view.

Table 8	Bank Rate	PWLB Borrowing Rates (including certainty rate adjustment)		
		5 year	25 year	50 year
	%	%	%	%
Dec 2022	3.50	4.20	4.60	4.30
Mar 2023	4.25	4.20	4.60	4.30
Jun 2023	4.50	4.20	4.60	4.30
Sep 2023	4.50	4.10	4.50	4.20
Dec 2023	4.50	4.00	4.40	4.10
Mar 2024	4.00	3.90	4.20	3.90
Jun 2024	3.75	3.80	4.10	3.80
Sep 2024	3.50	3.60	4.00	3.70
Dec 2024	3.25	3.50	3.90	3.60
Mar 2025	3.00	3.40	3.70	3.50
Jun 2025	2.75	3.30	3.60	3.30
Sep 2025	2.50	3.20	3.50	3.20
Dec 2025	2.50	3.10	3.50	3.20

‘Our central forecast for interest rates was updated on 19 December and reflected a view that the MPC would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. Bank Rate stands at 3.5% currently but is expected to reach a peak of 4.5% in H1 2023.

Further down the road, we anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but that timing will be one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged.

The CPI measure of inflation looks to have peaked at 11.1% in Q4 2022 (currently 10.7%). Despite the cost-of-living squeeze that is still taking shape, the Bank will want to see evidence that wages are not spiralling upwards in what is evidently a very tight labour market.

1. As of 19 December 2022

Regarding the plan to sell £10bn of gilts back into the market each quarter (Quantitative Tightening), this has started and will focus on the short, medium and longer end of the curve in equal measure, now that the short-lived effects of the Truss/Kwarteng unfunded dash for growth policy are firmly in the rear-view mirror.

In the upcoming months, our forecasts will be guided not only by economic data releases and clarifications from the MPC over its monetary policies and the Government over its fiscal policies, but the on-going conflict between Russia and Ukraine. (More recently, the heightened tensions between China/Taiwan/US also have the potential to have a wider and negative economic impact.)

On the positive side, consumers are still estimated to be sitting on over £160bn of excess savings left over from the pandemic so that will cushion some of the impact of the above challenges. However, most of those are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

PWLB RATES

- Yield The yield curve movements have become less volatile of late and PWLB 5 to 50 years Certainty Rates are, generally, in the range of 4.10% to 4.80%.
- We view the markets as having built in, already, nearly all the effects on gilt yields of the likely increases in Bank Rate and the elevated inflation outlook.

The balance of risks to the UK economy: -

The overall balance of risks to economic growth in the UK is to the downside

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are now above this level, borrowing strategies will need to be reviewed in that context. Better value can generally be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates are likely, however, to remain near Bank Rate and may also prove attractive whilst the market waits for inflation, and therein gilt yields, to drop back later in 2023.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are as follows: -

Average earnings in each year	
2022/23 (remainder)	4.80%
2023/24	4.40%
2024/25	3.30%
2025/26	2.60%
2026/27	2.50%
Years 6 to 10	2.80%

Years 10+	2.80%
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As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.

Our interest rate forecast for Bank Rate is in steps of 25 bps, whereas PWLB forecasts have been rounded to the nearest 10 bps and are central forecasts within bands of + / - 25 bps. Naturally, we continue to monitor events and will update our forecasts as and when appropriate.

3.4 Borrowing strategy

The PCC is currently maintaining an under-borrowed position. This means the capital borrowing need (the Capital Financing Requirement) has not been fully funded with loan debt as cash supporting the PCC's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as interest rates have increased and are expected to decrease in the medium term and counterparty risk is still an issue that needs to be considered.

Against this background and the risks within the economic forecast, caution will be adopted with the 2022/23 treasury operations. The Chief Finance Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances, e.g:

- * *if it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.*
- * *if it was that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any urgent decisions taken by the Chief Finance Officer will be reported to the PCC at the next available opportunity.

We will continue to monitor the forecast level of under-borrowing given the plans currently in place to utilise a significant proportion of the currently held revenue and capital reserves in coming years to help support one-off expenditure initiatives, including investment in new technology and change programmes.

Treasury management limits on activity

There are three debt related treasury activity limits. The purpose of these are to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates. However, if these are set to be too restrictive they will impair the opportunities to reduce costs / improve performance. The indicators are:

- Upper limits on variable interest rate exposure. This identifies the maximum limit for variable interest rates for both borrowing and investments.
- Upper limits on fixed interest rate exposure. This is similar to the previous indicator and covers a maximum limit on fixed interest rates;
- Maturity structure of borrowing. These gross limits are set to reduce the PCC's exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits.

The PCC is asked to approve the following treasury indicators and limits:

Table 9	2022/23	2023/24	2024/25
Interest rate exposures			
	Upper	Upper	Upper
<i>Limits on fixed interest rates:</i>			
• <i>Debt only</i>	100%	100%	100%
• <i>Investments only</i>	100%	100%	100%
<i>Limits on variable interest rates</i>			
• <i>Debt only</i>	50%	50%	50%
• <i>Investments only</i>	100%	100%	100%
Maturity structure of fixed interest rate borrowing 2021/22			
	Lower	Upper	
Under 12 months	0%	50%	
12 months to 2 years	0%	50%	
2 years to 5 years	0%	50%	
5 years to 10 years	0%	50%	
10 years and above	0%	100%	
Maturity structure of variable interest rate borrowing 2021/22			
	Lower	Upper	
<i>Under 12 months</i>	0%	100%	
<i>12 months to 2 years</i>	0%	100%	
<i>2 years to 5 years</i>	0%	100%	
<i>5 years to 10 years</i>	0%	100%	
<i>10 years and above</i>	0%	100%	

3.5 Policy on borrowing in advance of need

The PCC will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the PCC can ensure the security of such funds.

3.6 Debt rescheduling

Rescheduling of current borrowing in our debt portfolio would be considered in the event premature redemption rates providing an opportunity.

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Any rescheduling undertaken will be reported formally to the PCC in the next quarterly performance update.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment policy

The Department of Levelling Up, Housing and Communities (DLUHC) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with financial investments, (as managed by the treasury management team). Non-financial investments, if required, are covered in the separate Annual Capital Strategy.

The PCC's investment policy has regard to the following: -

- DLUHC's Guidance on Local Government Investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021

The PCC's investment priorities will be security first, liquidity second, then return.

In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider "laddering" investments for periods up to 12 months with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

In accordance with the above guidance from the DLUHC and CIPFA, and in order to minimise the risk to investments, the PCC applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the PCC will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed in appendix 5.2 under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices – schedules.

4.2 Creditworthiness policy

The PCC applies the creditworthiness service provided by Link Treasury Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;

- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the PCC to determine the suggested duration for investments. The PCC will therefore use counterparties within the following durational bands.

- Yellow 5 years
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

The Link Asset Services' creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

Typically the minimum credit ratings criteria the PCC uses will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The PCC is alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service:

- if a downgrade results in the counterparty / investment scheme no longer meeting the PCC's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the PCC will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the PCC's lending list.

Sole reliance will not be placed on the use of this external service. In addition the PCC will also use market data and market information, information on any external support for banks to help support its decision making process.

Creditworthiness.

Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, more recently the UK sovereign debt rating has been placed on Negative Outlook by the three major rating agencies in

the wake of the Truss/Kwarteng unfunded tax-cuts policy. Although the Sunak/Hunt government has calmed markets, the outcome of the rating agency reviews is unknown at present, but it is possible the UK sovereign debt rating will be downgraded. Accordingly, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its Link-provided Passport portal.

4.3 Country limits

The PCC has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch (or equivalent). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.3. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

The UK is excluded from any stipulated minimum sovereign rating requirement.

4.4 Investment strategy

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). The majority of funds will be placed in short-term deposits (including lending to other local authorities), call accounts or money market funds. Alternatively, tradable certificates of deposit (CDs) will be acquired.

Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that is the case at present, but there is the prospect of Bank Rate peaking in the first half of 2023 and possibly reducing as early as the latter part of 2023 so an agile investment strategy would be appropriate to optimise returns.

The current forecast shown in paragraph 3.3, includes a forecast for a second increase in Bank Rate in May 2022, though it could come in February.

Investments of up to 2 years will also be allowed with the Royal Bank of Scotland Group. No material change in Government ownership is expected during that period. This policy will potentially enable the PCC to lock in investment returns whilst continuing to adopt a low risk approach.

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows (based on Bank Rate to reach 4.5% in Q2 2023.:

- 2022/23 3.95% (remainder of year)
- 2023/24 4.40%
- 2024/25 3.30%
- 2025/26 2.60%
- 2026/27 2.50%
- Longer Term 2.80%

Environmental, Social & Governance (ESG) Considerations

The CIPFA Treasury Management Code of Practice 1.13 states that “Environmental, social and governance (ESG) issues are increasingly significant for investors and investment managers. This is better developed in equity and bond markets than for short-term cash deposits, and there is a diversity of market approaches to ESG classification and analysis. This means that a consistent and developed approach to ESG for public service organisations is currently difficult. Organisations are therefore recommended to consider their credit and counterparty policies in light of ESG information and develop their own ESG investment policies and treasury management practices consistent with their organisation’s own relevant policies, such as environmental and climate change policies. It is not expected that the organisation’s ESG policy will currently include ESG scoring or other real-time ESG criteria at individual investment level.”

The PCC invests in short-term cash deposits. In line with the expectations of the Code it is not proposed to include additional ESG criteria at individual investment level. ESG risks are considered primarily for their potential financial impact. The credit and counterparty policies outlined in this document include a proportionate consideration of the ESG risks, since credit rating agencies incorporate ESG considerations into their evaluations. Further restrictions would risk narrowing available counterparties and reducing Yield obtainable without benefitting Security or Liquidity, and therefore would be inconsistent with the treasury management principles.

Changes in Investment Strategy

There are now several alternative types of investment opportunity which could, potentially, yield greater returns than cash deposits:

- Ultra-short dated bond Funds
- Corporate Bonds - direct, passive and active external management (including Short-Dated Bond Funds)
- Multi Asset Funds
- Property Funds
- Equity Funds

However investing in these types of instruments would be a fundamental change of investment strategy. The PCC wishes to maintain the prudent approach of security of funds in the first instance.

Investment treasury indicator and limit - total principal funds invested for greater than 365 days. These limits are set with regard to the PCC’s liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end. A limit of £20m is recommended in order to provide officers with flexibility to take advantage of time and cash limited offers, which sometimes exceed 365 days when initially offered, or to place deposits for up to 2 years in order to lock in investments returns whilst continuing to adopt a low risk approach.

The PCC is asked to approve the treasury indicator and limit:

Table 10 - Maximum principal sums invested > 365 days			
	2022/23	2023/24	2024/25
Principal sums invested	£20m	£20m	£20m

4.5 Investment risk benchmarking

The PCC has approved benchmarks for investment Security, Liquidity and Yield.

These benchmarks are simple guideline targets (not limits) and so may be breached from time to time, depending on movements in interest rates and counterparty criteria. The purpose of the benchmark is that officers will monitor the current and trend position, and amend the operational strategy depending on any changes.

The proposed benchmarking targets for 2023/24 are set out below:

- a) **Security** - the PCC's maximum security risk benchmark for the current portfolio, when compared to historic default tables, is:
 - 0.25% historic risk of default when compared to the whole portfolio.
- b) **Liquidity** – in respect of this area the OPCC seeks to maintain:
 - Bank overdraft limit - £0.1m
 - Liquid short-term deposits - including the receipt of government grants, council tax precept income and use of short-term borrowing - of at least £5m available within one week.
 - 'Weighted Average Life' benchmark - 9 months (270 days), with a maximum of 2 years.
- c) **Yield** – performance target is to achieve:
 - an average return above SONIA compounded rates (i.e. the bespoke TVP benchmark).

Any breach of the indicators or limits will be reported to the PCC, with supporting reasons, in the quarterly performance monitoring reports. Members of the Joint Independent Audit Committee will also be notified.

4.6 End of year investment report

At the end of the financial year the Chief Finance Officer will report on the investment activity as part of his Annual Treasury Report.

5 Appendices

5.1 Economic background (as provided by Link on 2.12.2022)

“Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Q2 of 2022 saw UK GDP revised upwards to +0.2% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen’s passing. Nevertheless, CPI inflation has picked up to what should be a peak reading of 11.1% in October, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually shrunk by c500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at over 6% the MPC will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia’s invasion of Ukraine on 22nd February 2022.

Throughout Q3 Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Q4 has seen rates rise to 3.5% in December and the market expects Bank Rate to hit 4.5% by May 2023.

Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and October. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17th November gave rise to a net £55bn fiscal tightening, although much of the “heavy lifting” has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have almost completely reversed the increases seen under the previous tenants of No. 10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term. The fall below 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China all point to at least one, if not more, quarters of GDP contraction. In November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be as bad as first anticipated by the Bank.

The £ has strengthened of late, recovering from a record low of \$1.035, on the Monday following the Truss government’s “fiscal event”, to \$1.22. Notwithstanding the £’s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

CENTRAL BANK CONCERNS – DECEMBER 2022

In December, the Fed decided to push up US rates by 0.5% to a range of 4.25% to 4.5%, whilst the MPC followed by raising Bank Rate from 3% to 3.5%, in line with market expectations. EZ rates have also increased to 2% with further tightening in the pipeline.

Having said that, the sentiment expressed in the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 4.5% - 4.75%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for eight quarters starting with Q3 2022 may prove to be a little pessimistic. Will the £160bn excess savings accumulated by households through the Covid lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also)."

5.2 Credit and Counterparty Risk Management

Specified and Non-Specified Investments and Limits

Specified Investments

'Specified' investments are sterling investments of not more than one-year maturity made with any institution meeting the minimum 'high' quality criteria where applicable.

Non-Specified Investments

These are any investments which do not meet the specified investment criteria which may include more complex instruments which require greater consideration before being authorised for use. A maximum of 50% will be held in aggregate in non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made it will fall into one of the above categories.

Investments of up to 2 years will continue to be allowed with the Royal Bank of Scotland (RBS) Group, since no material change in Government ownership is expected during that period. This policy will potentially enable the PCC to lock in investment returns whilst continuing to adopt a low risk approach.

The proposed criteria for (a) Specified and (b) Non-Specified investments are presented below for approval.

a) Specified Investments

These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the PCC has the right to be repaid within 12 months if it wishes.

	Minimum credit criteria / colour band	Maximum investment per institution	Maximum maturity period
The PCC's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.		Minimal	
DMADF – UK Government	N/A	No limit	6 months
Money Market Funds (MMF) – (Low Volatility Net Asset Value) & (Constant Net Asset Value)	AAA by at least 2 rating agencies and minimum asset base of £500m	£25m or 1% of total asset base per fund whichever is the lower figure	Liquid (instant access)
Money Market Funds (MMF) – (Variable Net Asset Value)	AAA by at least 2 rating agencies and minimum asset base of £500m	£10m or 1% of total asset base per fund whichever is the lower figure	Up to 1 year
Local authorities	N/A	£10m	1 year
Term deposits with banks and building societies	Blue Orange Red	£40m £30m £20m	Up to 1 year Up to 1 year Up to 6 months

	Green	£15m	Up to 100 days
CDs or corporate bonds with banks and building societies	Blue Orange Red Green	£40m £30m £20m £15m	Up to 1 year Up to 1 year Up to 6 months Up to 100 days
Housing Associations	A-	£5m	Up to 1 year

b) Non-Specified Investments

Non-specified investments are any other type of investment (i.e. not defined as 'specified' above). The identification and rationale supporting the selection of these other investments, and the maximum limits to be applied, are set out below.

Non-specified investments would include any sterling investments with:

	Minimum credit criteria / colour band	Maximum investment per institution	Maximum maturity period
Local authorities	N/A	£10m	5 years
Term deposits with banks and building societies	Purple Blue (RBS)	£30m £20m	Up to 2 years Up to 2 years
CDs or corporate bonds with banks and building societies	Purple Blue (RBS)	£30m £40m	Up to 2 years Up to 2 years
Housing Association	A-	£5m	Up to 2 years

5.3 Approved Countries for investments

Link show the lowest rating from Fitch, Moody's and S&P (the 3 main ratings agencies) including banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France

AA-

- Belgium
- Qatar
- **U.K.**

THIS LIST IS AS AT 19.12.22

Annual Governance Statement 2022/23

This Annual Governance Statement explains how the Police and Crime Commissioner (PCC) and Chief Constable for Thames Valley have complied with their published corporate governance framework for the year ended 31 March 2023, including plans for the financial year 2023/24.

A glossary of terms is provided at the end of the Statement of Accounts.

SCOPE OF RESPONSIBILITY

Following the introduction of the Police Reform and Social Responsibility Act 2011 (the 2011 Act), the PCC and Chief Constable were established on 22nd November 2012 as separate legal entities ('corporations sole') which means they are both entitled to own assets and employ staff. However, the 2011 Act gives PCCs responsibility for the totality of policing within their force area and requires them to hold their force Chief Constable to account for the operational delivery of policing.

Under the 2011 Act, the PCC is the recipient of all funding, including government grant, precept and other sources of income related to policing and crime reduction, and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, who provides professional advice and recommendations to the PCC. However, the PCC is ultimately accountable to the public for the management of the Police Fund.

The PCC is responsible for ensuring his business is conducted in accordance with the law and proper standards of governance and, consequently, that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively in the discharge of his statutory duties and powers.

Both the PCC and Chief Constable are required to, and have, appointed chief financial officers who each have a fiduciary duty to the local taxpayer for securing the efficient use of public funds. Under the Local Government Act 1999 the PCC makes arrangements to secure continuous improvement in the way his functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the PCC is responsible for putting in place proper arrangements for the governance of his affairs and facilitating the exercise of his functions, which includes ensuring a sound system of internal control is maintained and that arrangements are in place for the management of risk. In exercising this responsibility, the PCC places reliance on the Chief Constable to support the governance and risk management processes.

The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, including police officers and staff under his direction and control, remains operationally independent in the service of the public. In discharging his overall responsibilities, the Chief Constable is responsible for establishing and maintaining appropriate risk management processes, governance arrangements and ensuring that there is a sound system of internal control which facilitates the effective exercise of these functions.

The Policing Protocol Order 2011 requires both the PCC and Chief Constable to abide by the seven principles of personal conduct set out in 'Standards in Public Life: First Report of the Committee on Standards in Public Life' (commonly known as the 'Nolan Principles'), i.e. 'Selflessness', 'Integrity', 'Objectivity', 'Accountability', 'Openness', 'Honesty' and 'Leadership'. The Nolan Principles are incorporated into both the PCC's Code of Conduct and the College of Policing 'Code of Ethics' that applies to every individual who works in policing, including the Chief Constable and PCC.

(Copies of the PCC's Code of Conduct and the College of Policing's Code of Ethics can be found at:

[Code of Ethics](#).

https://www.college.police.uk/What-we-do/Ethics/Ethics-home/Documents/Code_of_Ethics.pdf)

In addition, from an organisational perspective, the PCC and Chief Constable have approved and adopted a Code of Corporate Governance (the Code) which is consistent with the principles of the CIPFA / SOLACE guidance 'Delivering Good Governance in Local Government' (<http://www.cipfa.org/policy-and-guidance/publications/d/delivering-good-governance-in-local-government-framework-2016-edition>)

This Annual Governance Statement explains how the PCC and Chief Constable have complied with the Code and the requirements of Regulation 6 of the Accounts and Audit Regulations 2015 to conduct a review of the effectiveness of the system of internal control.

THE PURPOSE OF THE GOVERNANCE FRAMEWORK

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved. The fundamental function of good governance in the public sector is to ensure that statutory entities (in this case, the PCC and Chief Constable) achieve their intended outcomes whilst acting in the public interest at all times.

The governance framework comprises the systems and processes, and culture and values by which the PCC and Chief Constable discharge their responsibilities and through which the police service accounts to and engages with the community. It enables the PCC to monitor the achievement of his strategic objectives and to consider whether these objectives have led to the delivery of appropriate, cost-effective services, including achieving value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable and foreseeable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively, efficiently and economically.

THE GOVERNANCE FRAMEWORK

The key elements of the systems and processes that comprise the governance arrangements that have been put in place for the PCC and Thames Valley Police (TVP) include:

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

The PCC and the Chief Constable have developed and approved a 'Joint Corporate Governance Framework' which clarifies the working relationship between the PCC, Chief Constable and their respective staff. This includes the code of corporate governance, the scheme of delegation and financial regulations. The Framework is informed by the requirements of 'The Good Governance Standard for Public Services' and is consistent with the seven Nolan Principles of standards in public life.

The national police service Code of Ethics sets and defines exemplary standards of behaviour for everyone who works in policing, placing an absolute duty on officers and staff. The Code applies to everyone in policing; officers, staff, volunteers and contractors. It applies both on and off duty. It guides behaviour within the organisation as much as it informs how to deal with those outside.

Measures are in place to ensure that the PCC, Deputy PCC and employees of the Office of the PCC (OPCC) and TVP are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders. This includes the Anti-Fraud, Bribery and Corruption Policy and guidance on the

acceptance of gifts, loans and hospitality. Notifications of disclosable interests and a register of gifts and hospitality are published on the PCC and the Force websites.

The PCC and Chief Constable have transparent and accessible arrangements for dealing with complaints received from the public.

The Force has a Professional Standards Department (PSD) whose role is to uphold the ethical and professional standards of TVP. PSD manages the application of police misconduct regulations, and the administration of complaints by members of the public against the quality of service they have received from the Force and/or the conduct of police officers and police staff below the rank of Chief Constable. The PCC has a statutory responsibility to undertake reviews (formerly known as 'appeals') of the handling and outcome of complaints made against the Force, where requested by complainants, to improve transparency and accountability on behalf of the public. Furthermore, complaints against the Chief Constable are dealt with by the PCC. The independent Thames Valley Police and Crime Panel (PCP) handles formal complaints made against the PCC.

A Professional and Ethical Standards Panel has been jointly established by the PCC and Chief Constable to facilitate the discharge of their respective statutory obligations around handling and monitoring of police complaints, and to ensure that issues relating to policing integrity, ethics and professional standards are independently considered to maintain public confidence in policing. It does this by providing an annual assurance report to the PCC and Chief Constable, a copy of which can be found on the website

In addition, in 2023, the Independent Scrutiny and Oversight Board (ISOB) has been conceived and developed based on the national structure for the Police Race Action Plan. Its purpose is to provide independent oversight of the work of Thames Valley Police concerning the Race Action Plan.

Both the PCC and Chief Constable are required to demonstrate respect for the rule of law and comply with relevant laws and regulations. To that end, both employ in-house legal advisors to provide assurance and guidance upon lawful decision-making. The PCC is independent of Force management and operational decision-making, which is the responsibility of the Chief Constable. Established mechanisms and guidance are in place to ensure that the PCC and Chief Constable do not breach or misuse their legal and regulatory powers inadvertently. The PCC and his Deputy (when appointed) are subject to the PCC's Code of Conduct and Oath of Office, and the Chief Constable (and all other individuals who work in policing) are subject to the College of Policing's Code of Ethics, both of which are consistent with the Nolan principles. The Chief of Staff of the OPCC is also the designated statutory Monitoring Officer, and the OPCC Head of Governance and Compliance is Deputy Monitoring Officer, with responsibility for advising on the legality and appropriateness of the PCC's actions and decisions.

The PCC and Chief Constable create the conditions for all members of the OPCC and Force to be able to discharge their responsibilities in accordance with good practice. Guidance originating from the College of Policing and NPCC is disseminated Force-wide by the Learning and Development Team in People Services and/or the Policing Strategy Unit. Similarly, best practice for PCCs is obtained via the Association of Police and Crime Commissioners (APCC), Association of Policing and Crime Chief Executives (APAC²E) and Police and Crime Commissioners' Treasurers Society (PACCTS), and is disseminated amongst the OPCC.

The Force employs a Force Vetting Manager and team within the Professional Standards Department to ensure compliance with relevant national vetting standards.

B. Ensuring openness and comprehensive stakeholder engagement

The PCC has a statutory responsibility to consult the Chief Constable and obtain the views of the community and victims of crime about the policing of the Force area, and he must have regard to their views as well as the priorities of responsible authorities within the Thames Valley and relevant government bodies before issuing a police and crime plan (the Police and Criminal Justice Plan).

The Police and Criminal Justice Plan must be published by the end of the financial year in which the PCC is elected and, may be reviewed and revised, as necessary and appropriate, to ensure it remains relevant and fit for purpose. In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public.

The PCC's 'Police and Criminal Justice Plan 2021-2025' discharges the above duties and sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered, over the four-year period of his current tenure of office. The delivery of his Plan is supported by the Force's Strategic Plan, the OPCC's internal Strategic Delivery Plan and the corporate Financial Strategy. The Police and Criminal Justice Plan has due regard to the Strategic Policing Requirement as issued by the Home Secretary and is developed in consultation with the Chief Constable, informed by the views of the local community, victims of crime and the priorities of other key stakeholders.

The independent Thames Valley Police and Crime Panel meets regularly to review and scrutinise the decisions and actions of the PCC and his performance in delivering the priorities and key aims contained in his Police and Criminal Justice Plan. It also meets specifically to consider the PCC's proposed annual council tax precept increase; Police and Criminal Justice Plan, Annual Report and any proposed senior appointments to the roles of Deputy PCC, Chief Constable, OPCC Chief of Staff and OPCC Chief Finance Officer.

Arrangements have been agreed upon and implemented for the PCC to hold the Chief Constable to account for Force performance and compliance with other requirements. These arrangements include a schedule of formal public and private meetings, i.e. regular public Performance and Accountability Meetings (formerly known as 'Level 1' meetings), with the reports and agendas published on the PCC's website, supplemented by regular fortnightly informal, private, liaison meetings between the PCC and Chief Constable (in respect of which minutes are taken but not published).

The Framework of Corporate Governance defines the parameters for decision-making, including delegations, financial regulations and contract regulations. The PCC has published his policy statement on decision-making. All formal and significant PCC decisions taken under this policy are published on his website.

The PCC proactively publishes information to maintain openness and transparency with the public on this same website; in doing so, he also meets his obligations under the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and, as a public authority, under the Freedom of Information Act 2000.

The PCC published his 2021/22 Annual Report last June (2022) which highlighted key achievements against the first year of his strategic Police and Criminal Justice Plan. His 2022/23 Annual Report is due to be published in June 2023.

The Chief Constable has prepared and published the TVP Strategic Plan. A performance update on the strategic plan is provided to the PCC's Performance and Accountability meetings every 8 weeks, in respect of which the agenda and papers are published on the PCC's website.

Key information about the Force, including the Strategic Plan, is published on the TVP website. Information about neighbourhood policing, partnerships and sponsors, corporate events and public misconduct or special case hearings is also published, including details of upcoming hearings and how to attend. The site also allows for crimes and road traffic incidents to be reported, feedback to be given or complaints made.

The PCC and Chief Constable regularly attend local authority council meetings across the Thames Valley and provide formal briefings to constituency MPs on topical policing and crime issues at both a local and national level. In addition, the Police and Crime Panel acts as a two-way mechanism to enable local authority Panel representatives to inform the PCC of their local policing and crime matters of importance to their respective authorities and communities, and to brief their authorities on the activities and initiatives of the PCC (and the Panel).

The PCC works with and part-funds local authority Community Safety Partnerships, Youth Offending Teams and Drug and Alcohol Teams across the Thames Valley to support crime reduction and community safety activities in their local areas. Such activities are aligned with the PCC's strategic priorities and key aims, as set out in his Police and Criminal Justice Plan, and are funded by the PCC's Community Safety Fund. Through working in partnership, these activities not only help the PCC to deliver his strategic objectives but also support partners in achieving their local priorities too.

The PCC is a member of the Thames Valley Local Criminal Justice Board, which meets regularly to consider and discuss the performance of the local criminal justice system and any issues or initiatives being addressed individually and collectively by the criminal justice agencies. The PCC has chaired this Board since January 2019. An Assistant Chief Constable (ACC) represents TVP on the Board.

The Force has appropriate mechanisms for engaging with a variety of external organisational stakeholders. The Chief Constable generally attends Local Authority Chief Executive's meetings annually. The Chief Constable has delivered a presentation and answered questions in an open forum to each Council across the Thames Valley.

The South East Regional Integrated Policing (SERIP) Board considers regional change programmes and projects. All collaborative change programmes are supported by appropriate change frameworks to ensure appropriate governance processes are adopted and supported by standard products including risk and issue logs.

The OPCC and TVP communication and engagement strategies explain how local people can interact with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction.

In so doing, the PCC is helping to ensure that local policing services address the priorities of local communities and that the Force is being held to account for the way services are delivered to the public and at what cost. Furthermore, the decisions and actions of the PCC are subject to regular review and scrutiny by the Police and Crime Panel.

The Chief Constable has a statutory duty to make arrangements for obtaining the views of persons within each neighbourhood about crime and disorder in that neighbourhood. Force engagement with the public takes place on many levels, from daily street contact and phone calls to attendance at public meetings and formal surveys in relation to service priorities, levels and quality. Community Forums have been established across the force area and are active partnerships between the public, statutory and voluntary agency partners and local policing teams. "Have your say" is a consultation and priority-setting process which aims to increase public consultation and ensure that the Force tackles issues which most concern communities. In addition, the Force has active social media outlets including Facebook and Twitter. The Thames Valley Alert system also enables electronic public engagement en masse.

C. Defining outcomes in terms of sustainable service and economic benefits

The PCC's Police and Criminal Justice Plan sets out his strategic policing and crime reduction priorities and key aims, and how these will be delivered over his tenure of office.

The Chief Constable has published the annual TVP Strategic Plan, outlining a clear vision of the organisation's purpose, priorities and strategic intentions, taking account of the PCC's Police and Criminal Justice Plan and the Home Secretary's national Strategic Policing Requirement. Progress against the Force's strategic objectives (the seven 'Priority Outcomes') is assessed through focussed Strategic Plan success measures and reviewed via the Service Improvement Reviews, Force Performance Group and Strategic Vulnerabilities framework.

The organisation is committed to the identification and consideration of collaboration opportunities regarding systems, processes and resources to sustain service delivery and increase the capacity and resilience of the organisation without diminishing capability and access to specialist services.

Major partnerships and consortia involving the Force and the PCC are governed by formal collaboration agreements established under Section 22A of the Police Act 1996, or by Memoranda of Understanding,

as appropriate. Joint collaboration oversight boards provide strategic oversight and an approval process for intended service outcomes to be delivered for collaboration activity. These collaboration boards comprise Chief Officers and the PCC from each Force area participating in the collaboration, supported by appropriate advisors from the respective Force departments / SERIP.

There are also partnership arrangements in place with other agencies and stakeholders to manage vulnerability caused by the changing crime landscape, including Multi-Agency Safeguarding Hubs (MASHs).

The Medium Term Financial Plan (MTFP) and Medium Term Capital Plan (MTCP) ensure that planned activities to support the objectives of the PCC and Chief Constable are financially sustainable in the longer term. The Productivity Strategy is an integral part of the MTFP and identifies where savings and efficiencies can be achieved, and hence more resources directed to priority areas. Service delivery is reviewed within the Force's Governance & Service Improvement (GSI) department, developing an understanding of present and future demand to inform organisational and operational strategies aimed at sustaining service delivery or improvement. The Force Review has been initiated to achieve effectiveness improvements and efficiencies, to improve service delivery with our finite resources, ensuring the financial sustainability of the force. . .

Risk and business continuity matters are managed through a governance framework at a local and strategic level, to manage and mitigate threats to service delivery. Strategic Risk and Business Continuity are managed within the Force's GSI department, bringing together horizon scanning, local risk registers and change-programme risk and business continuity issues.

The Force and PCC both have a duty to consider the impact on equality of proposed changes to policies, procedures and practices. Equality Impact Assessments are routinely undertaken by TVP for policies and change programmes to assess the impact internally and externally on staff, stakeholders and the public.

D. Determining the actions necessary to achieve the intended outcomes

The Force planning cycle incorporates the annual Force Management Statement, financial plans, workforce plans and the PCC's Police and Criminal Justice Plan to inform the Force's annual Strategic Plan. Priority activities, measures and intended outcomes are proposed and approved through the Chief Constable's Management Team (CCMT) and monitored through the service improvement framework and quarterly updates to inform the PCC's Performance and Accountability meetings.

The Chief Constable maintains a rolling MTFP, which forms the basis of the annual budgets and provides a framework for the evaluation of future proposals. These are accompanied by mid-term workforce plans, managed by the People Directorate.

Decision-making at all levels of the Force is undertaken within the framework of the National Decision Model, which has the Code of Ethics at its core. The National Decision Model was introduced to ensure a greater focus on delivering the mission of policing, acting in accordance with values, enhancing the use of discretion, reducing risk aversion and supporting the appropriate allocation of limited policing resources as the demand for them increases. Both are now fully embedded in the Force, to ensure officers have the tools to act lawfully in their decision-making and to enable them to use their full powers for the benefit of citizens, communities and other stakeholders.

Both TVP only force proposals and bi-lateral projects and programmes, or those requiring the support of a collaborated unit to deliver, are co-ordinated and prioritised based on priorities, strategic objectives, capacity and financial capability and are governed through a Joint Change Governance board with representation from Thames Valley Police, Hampshire Constabulary and collaborated units.

In-flight programmes are managed by a Programme Board, chaired by a Senior Responsible Officer. Updates inform the Joint Portfolio Meeting, run collaboratively with Hampshire Constabulary, to enable coordination, planning and oversight of resources from enabling departments to achieve the desired outcomes. All programmes and projects have strategic oversight through the Force Transformation

Board, DCCs' Collaboration Board, and respective Chief Officer Groups. Collaborated programmes consider and manage shared risks and issues.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

The Chief Constable produces a MTFP and a MTCP, which are reviewed throughout the financial year alongside the OPCC's reserves to provide an effective financial probity framework for decision making. The MTFP and MTCP are closely aligned with the PCC's Police and Criminal Justice Plan and the Force Strategic Plan. The PCC approves the MTFP and the MTCP as well as the Force's annual budgets. The Police and Crime Panel must review the PCC's proposed council tax precept increase and make recommendations to the PCC before he formally sets the annual budget in February each year. Formal budget monitoring is undertaken on a regular basis throughout the year, i.e. it is presented to the PCC's regular public Performance and Accountability meetings between the PCC and Chief Constable (with agendas and minutes published on the PCC's website as well as being reviewed regularly by the CCMT).

The Productivity Strategy forms an integral part of the MTFP and incorporates the outcomes of initiatives such as Effectiveness & Efficiency or the Estates Asset Management Plan.

Force and Local Police Area Tasking and Co-ordination Group processes enable the regular review of operations, performance and resource deployment in an operational setting. CCMT provides strategic oversight for performance against Strategic Plan measures and priorities, as well as financial plans and asset management plans.

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

The PCC and Chief Constable ensure that their statutory officers have the skills, resources and support necessary to perform effectively in their roles and that these roles are properly understood throughout the organisation. Specialist advice, in areas such as taxation, legal matters and treasury management, is sourced externally, as this is more practical and cost-effective.

Chief Officers have clearly defined leadership roles and are responsible for implementing strategy and managing the delivery of services within their respective portfolios.

Officers and staff manage their performance and continuous development through the Performance Development Review framework. An annual assessment of competencies and objectives linked to Strategic Plan outcomes is supported by interim reviews and a requirement for officers and staff to undertake Continuous Professional Development. The framework also allows for the management of unsatisfactory performance or attendance where it is identified. The Force has a stated Health and Wellbeing Strategy, along with a workforce plan focussed on recruitment, retention and resilience. Progress on becoming increasingly representative of the communities the Force serves is also an area of focus. The Force is committed to being considered an employer of choice.

Chief Officers have promoted a learning environment climate focussed on continuous service improvement, recognising the importance of independent and peer review when needed. Integral to this is the identification of lessons learned, recommendations and identified areas for improvement through the end of project / programme closure reports undertaken before transitioning to business as usual, results analysis, individual management reviews, serious case reviews and Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) audit / inspection processes.

The PCC has received appropriate induction training. As the PCC has a power to appoint a Deputy to assist him discharge his statutory functions, where appointed the Deputy PCC will also receive appropriate induction training. Ongoing training and development for the PCC (and the Deputy PCC where appointed) includes attendance at appropriate national conferences and seminars.

The PCC has also implemented a staffing structure within the OPCC to ensure it has the necessary capability and capacity to support him deliver his statutory functions, such as commissioning services for victims and witnesses. 'Victims First' is the overarching name for all the PCC's services in providing support for victims of crime.

The PCC reviews the workload and performance of his office via the internal OPCC Strategic Delivery Plan, which allows him to monitor activities and identify workload priorities and staffing capacity needs in accordance with the delivery of his strategic priorities.

The PCC is a member of the national Association of Police and Crime Commissioners (APCC). The Chief Constable and his fellow chief officers are members of the National Police Chiefs' Council (NPCC).

F. Managing risks and performance through robust internal control and strong public financial management

The Chief Constable, officers and staff all recognise that risk management is an integral part of their daily function, in operational, corporate and change environments. The Risk Management Policy is supported by the Risk and Business Continuity Communications Strategy. The management of risk is governed through the Force Risk Management Group, which exists to oversee strategic risk management and business continuity processes; take ownership of strategic risk issues; delegate actions to appropriate risk managers; accept strategic risk reports and recommendations through the Governance and Service Improvement department, authorise actions and allocate resources where necessary.

The PCC and Chief Constable monitor service delivery effectively via their respective performance regimes.

The PCC has a duty to hold the Chief Constable to account for the performance of TVP generally. The PCC has therefore implemented an effective scrutiny and oversight function. He holds quarterly public 'Performance and Accountability' meetings at which the Chief Constable is required to demonstrate that the Force is performing against the strategic priorities and key aims in the PCC's Police and Criminal Justice Plan, the Home Secretary's Strategic Policing Requirement and the Force's own Strategic Plan. Similarly, the PCC meets fortnightly with the Chief Constable on a private, informal, basis to review and discuss more regularly the general performance of the Force against topical national, regional and local issues. The PCC maintains an HMICFRS tracker to follow up on any risks to the performance of the Force that have been highlighted by HMICFRS inspections.

The OPCC provides an update against its internal Strategic Delivery Plan to the PCC via the OPCC Strategic Management Group monthly meetings and quarterly Performance and Accountability meetings. The PCC, therefore, receives regular reports on service delivery plans and on progress towards outcome achievement of the priorities and aims set out in the Police and Criminal Justice Plan.

The Chief Constable holds quarterly Performance Group meetings together with his management team, regularly attended by the PCC as an observer, in which the Chief Constable reviews performance of the Force against the annual Strategic Plan. The Service Improvement Review framework is a comprehensive schedule of LPA or Departmental review meetings, starting with a period of fieldwork, and culminating with a meeting, chaired by the DCC with attendance from the local command team, to review findings and set actions. A performance update against the Force Strategic Plan is considered quarterly at CCMT meetings. This same meeting determines and monitors Force strategy, policies and performance. Gold Groups are set up and managed in response to particular areas of vulnerability or to manage particular areas of performance as necessary, for example in response to a critical incident.

The Chief Constable has implemented monthly Demand & Performance meetings, chaired by the DCC, attended by ACC of crime and ACC LP, the FCR and 3 Chief Superintendents. The meeting reviews the Demand and Performance paper. In addition, the Improvement and Innovation meeting has also been set up, chaired by the DCC, in which constructive challenge and debate on recommendations, thematic operational policies and procedures is encouraged. The findings of these meetings are fed into the Chief Constable's Performance Group or CCMT.

The Force Risk Management Group oversees risk management within the Force and is chaired by the Chief Constable. The Group focuses on strategic risks but also monitors risk management processes across the Force, including within change programmes as well as a risk radar that considers potential future risks for the force. The OPCC maintains its own strategic risk register.

A Joint Independent Audit Committee (JIAC) operates in accordance with Chartered Institute of Public Finance and Accountancy (CIPFA) guidance and the Home Office Financial Management Code of Practice. The JIAC's main role is to provide assurance to the PCC and Chief Constable that the corporate internal control and governance framework, including risk management, is operating adequately and effectively. It does this by providing an annual assurance report to the PCC and Chief Constable. The JIAC meets in public, and reports and minutes are placed on the PCC's website.

Effective counter-fraud and anti-corruption arrangements are in place and are monitored, in the main, by the Force's Professional Standards Department. The Anti-Fraud, Bribery and Corruption Policy is updated every two years and is considered and endorsed by the JIAC before formal publication. It is planned for review this financial year.

The Internal Audit Team provides assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control.

The Force manages its information in accordance with the Data Protection Act 2018 and the UK General Data Protection Regulation (UK GDPR), the Freedom of Information Act 2000 and the Code of Practice on the Management of Police Information. This is overseen by the Information Governance Board chaired by the Chief Information Officer (who also holds the position of Senior Information Risk Owner). The Joint Information Management Unit leads on information compliance for both TVP and Hampshire Constabulary (HC) and ensures that appropriate policies and procedures are in place. The Joint Information Management Unit is also responsible for providing guidance on the lawful sharing of information with partners, completion of Data Protection Impact Assessments and maintaining a library of Information Sharing Agreements. Information Asset Owners have been appointed to manage the risks to specific information types, supported by a network of data guardians. National Centre for Applied Learning Technologies (NCALT) training packages on the Code of Practice on the Management of Police Information and the Government Security Classification policy are mandatory for all officers, staff and volunteers who have access to information and completion rates are monitored by the Information Governance Board.

The PCC and Chief Constable's joint system of internal financial control is based on a framework of regular management information, financial regulations, administrative procedures (including segregation of duties), management supervision, and a system of delegation and accountability.

Financial management arrangements

The annual financial strategy and the capital strategy for the forthcoming financial year are approved as part of the annual financial planning in January each year.

The Chief Constable produces a MTFP and a MTCP which are regularly reviewed during each financial year and form the basis of the annual budgets, to provide an effective framework for decision-making. Formal budget monitoring is undertaken on a regular basis throughout the year, i.e. it is regularly reviewed by the CCMT as well as being presented to the PCC's regular public Performance and Accountability meetings between the PCC and Chief Constable (with agendas and minutes published on the PCC's website).

The Productivity Strategy is an integral part of the MTFP, challenging the effectiveness of the force and identifying savings and efficiencies to help balance the budget whilst achieving the PCC's and Chief Constable's objectives. The delivery savings within the Productivity Strategy are monitored as part of the regular financial monitoring, and by the Force Transformation Board.

The Chief Internal Auditor reports jointly to the PCC's Chief Finance Officer and the Chief Constable's Director of Finance. The Chief Internal Auditor provides a regular update to the JIAC

and provides an independent opinion on the adequacy and effectiveness of the risk management, control and governance processes.

The financial management arrangements conform with the governance requirements of the CIPFA Financial Management Code.

G. Implementing good practices in transparency, reporting and audit to deliver effective accountability

The PCC and the Chief Constable attempt to strike a balance between providing the right amount of information to satisfy transparency demands and enhance effective public scrutiny whilst not being too onerous to provide and for users to easily access and understand.

The PCC's decisions and actions are scrutinised by the Police and Crime Panel, which includes reviews of significant documentation produced by the OPCC for the benefit of the public.

The PCC complies with the Elected Local Policing Bodies (Specified Information) Order 2011 (as amended) and publishes required information on his website. Decisions of significant public interest made by the PCC are published in accordance with a template that ensures they are easy to access and interrogate. Similarly, public reports are compiled in accordance with best practice and scrutinised by the JIAC. Furthermore, the OPCC (and TVP) take all reasonable steps to help make sure our online services are accessible to all users, including disabled people.

The Chief Constable's Corporate Communications department oversees communications to the public on behalf of the Force. In doing so they abide by the corporate style guide, which is designed to ensure communications are issued in an understandable style appropriate to the intended audience. In addition, the PCC has his own communications team.

The PCC and Chief Constable both report at least annually on performance, value for money, and the stewardship of resources to stakeholders in a timely and understandable way.

The PCC and Chief Constable maintain a process to assess the extent to which the organisation is applying the principles contained in the Framework of Corporate Governance and publish the results of that assessment in the Annual Governance Statement, including an action plan for improvement and evidence to demonstrate good governance in action.

The PCC and Chief Constable ensure that the performance information that accompanies the financial statements is prepared in a consistent and timely basis and the statements allow for comparison with other similar entities.

The PCC and Chief Constable ensure that all accepted recommendations for corrective action made by external audit are acted upon.

The Joint Internal Audit team has direct access to the PCC, Chief Constable and the JIAC, and provides assurance with regard to the organisation's governance arrangements. The JIAC monitors progress with regards to the timely implementation of agreed internal audit report actions.

Both the PCC and Force are subject to external independent scrutiny and review, through the external audit of their financial statements, systems and management arrangements, and through the inspection of policing performance by HMICFRS. The resultant audit and inspection reports are published on both the PCC and TVP websites.

HMICFRS is charged with independently assessing the effectiveness, efficiency and legitimacy of police forces and fire and rescue services, in the public interest. The PCC is required to publish a response to formal reports issued by HMICFRS. The Force engages fully with the cycle of Police Effectiveness, Efficiency and Legitimacy (PEEL) inspections, Joint Targeted Area Inspections and Thematic Inspections as required.

The PCC and Chief Constable make the best use of peer challenge, reviews and inspections from regulatory bodies and professional partners (e.g. College of Policing) and implement agreed recommendations.

Before delivering key services through third-party suppliers, the PCC and Chief Constable gain assurance on risks associated with service delivery and subject these arrangements to regular review.

When working in partnership, the PCC and Chief Constable ensure that the arrangements for accountability are clear and that the need for wider public accountability has been recognised.

ARRANGEMENTS FOR REVIEW OF EFFECTIVENESS

The PCC and Chief Constable are responsible for reviewing the adequacy and effectiveness of the governance framework on at least an annual basis. This includes:

a) The Police and Crime Commissioner

The PCC has the following key statutory duties and powers to:

- produce and publish a five-year Police and Criminal Justice Plan that sets out the PCC's policing and crime objectives;
- set the annual policing budget and council tax precept;
- secure the maintenance of an efficient and effective police force;
- hold the Chief Constable to account for the exercise of their functions and of those personnel under their direction and control;
- undertake reviews (formerly known as appeals), where requested by a complainant, of the handling and outcome of their complaints made against the Force;
- handle complaints made against the Chief Constable;
- have regard to the relevant priorities of, and act in co-operation with responsible authorities in exercising their crime and disorder reduction responsibilities, including the making of related grants to any person;
- make arrangements with criminal justice bodies to provide an efficient and effective criminal justice system for the Force area;
- commission victims' support services;
- power to take on the responsibility for the governance of fire and rescue services within the Force area; and
- produce and publish an annual report.

The following key governance activities took place during 2022/23 and demonstrate how the PCC has discharged these powers and duties during that year:

- The updated framework for corporate governance was approved on XXXXX
- The PCC published his 2021/22 Annual Report in June 2022 to highlight major achievements during that financial year and to report on operational and financial performance during 2021/22
- In July 2022, the OPCC published its Strategic Delivery Plan for 2022/23. This is an internal OPCC management action plan that supports the PCC to monitor the delivery of both policing and non-policing activities, targets and measures within the Police and Criminal Justice Plan. Progress reports were presented to the PCC in public meetings regularly throughout the year and the Plan is reviewed and updated each year.
- During the autumn of 2022, the PCC worked closely with the Chief Constable to update the MTFP (2023/24 to 2025/26). He submitted his budget and council tax proposals for 2022/23 to the Police and Crime Panel on 28th January 2023. The Panel endorsed his £15 (or 6.2%) increase in Band D council tax.
- The PCC is actively engaged in the oversight and scrutiny of key collaboration activities (e.g. South East region; bilateral with Hampshire; Chiltern Transport Consortium and the National Police Air Service).

- The PCC has been actively engaged in the scrutiny of major Force business change programmes.
- Four PCC public Performance and Accountability meetings (formerly known as 'Level 1' meetings) were held in 2022/23, supplemented by fortnightly private and informal liaison meetings between the PCC and Chief Constable, to enable the PCC to hold the Chief Constable to account.

b) The Force

The CCMT met on 14 occasions as part of the strategic governance framework between April 2022 and March 2023. This also included finance and strategic planning sessions. The Joint Chief Officers Group (TVP and HC) met formally in May 2022 to determine and monitor collaborated strategy, policies and performance. Governance structures incorporated internal arrangements for the safety and wellbeing of officers and staff, as well as external arrangements for the enactment of new legislation and the continuity of policing services to the public.

The Strategic Risk Register and Business Continuity incidents are reviewed quarterly at CCMT. Existing business continuity plans were reviewed and revised to reflect evolving challenges.

Key discussions during the year included the review of the MTFP, MTCP, the PCC reserves and the Asset Management Plan, as part of the annual budget cycle. The financial plans were considered several times and the associated decisions facilitated the formal approval of the Revenue Estimates and Capital Estimates 2022/23 by the PCC at his Level 1 meeting on 19th January 2022. As part of the annual budget process, the Productivity Strategy was reviewed and continues to play an important role in identifying options to address the budget shortfall and ensure the use of resources is focused on priority areas. Delivery of the outcomes from the Effectiveness & Efficiency Programme remains a central aspect of productivity.

CCMT reviews finance and workforce planning, performance and HMICFRS activity regularly. Strategic Risks and Business Continuity are included quarterly. Other significant areas of note discussed in 2022/23 include Strategic Priorities, recruitment and retention and Senior Appointment Boards. The Strategic Plan success measures are reviewed comprehensively at the Operational and Organisational Force Performance Group meetings that are held quarterly.

The Force Transformation Board met every other month to review all in-flight change programmes in the Thames Valley only portfolio including programmes under the six pillars of the TVP 2025 strategy alongside the delivery of the savings plan (Productivity Strategy). The Joint DCC Collaboration Board met every other month as part of the governance for all bi-lateral programmes including the Contact Management Programme, RMS and Digital First. The regional SERIP board met twice in 2022 to review the Emergency Services Mobile Communications Programme (ESMCP). These governance boards are in addition to the regular programme boards chaired by each programmes' Senior Responsible Owner.

Both CCMT and Force Transformation Board are aligned to bilateral forums including the Joint Chief Officer Group and DCCs Collaboration Board, and regional forums such as SERIP.

The Governance & Service Improvement department continues to draw together corporate and strategic elements of the organisation. The over-arching function is to provide a central point of coordination, governance, strategy, policy and guidance development, change delivery, and the provision of internal evaluation of delivery including the identification of opportunities for continuous improvement.

The PEEL inspection report 2021-2022 was published on 28 April 2022 and looks at police effectiveness, efficiency and legitimacy. The findings show the force has improved in many areas, although there is more we need to do to increase our service to the public. TVP has been actively working on improvements in key areas identified in the inspection. TVP have also just been notified that the force will have another PEEL inspection in 2023.

Due to significant improvements having been made in Crime Data Integrity, the CDI Gold group was recently closed by the DCC, with on-going scrutiny and accountability to continue through the Crime Standards Board. All recommendations and areas for improvement from inspection activity have been actioned and are tracked and updated through a local database and the HMICFRS monitoring portal. The Improvement & Innovation meeting, chaired by the DCC, has been established to provide governance, leadership and drive to continuously improve and innovate in support of the Force's strategic aims; central to this is the timely delivery of improvement activity and the identification, sharing and adoption of organisational learning from all areas, reviews and inspections. This forum will ensure accountability, coordination, and timeliness of action. There have been 3 meetings between April 2022 and March 2023.

c) The Joint Independent Audit Committee

During 2022/23 the JIAC met five times to consider the external audit and internal audit plans for 2022/23, as well as receive timely updates in terms of risk management and business continuity. The JIAC also received regular briefings, including appropriate written reports, during the year from the PCC, Chief Constable and relevant senior officers. JIAC members also attend Force working groups (including the Force Transformation Board, TVP/HC Bilateral Governance Board and Performance Group) and other panel meetings (including the Professional and Ethical Standards Panel) as observers to gain a greater understanding of current governance, operational and risk activities and to assist their judgment of the adequacy of the overall Corporate Governance Framework.

The JIAC's Annual Assurance Report for 2022 was presented to the PCC and Chief Constable at their JIAC meeting on 16 December 2022. At that time the JIAC was able, based on the information that they had considered collectively or knew about individually, to give assurance to the PCC and Chief Constable that the risk management and internal control environment in Thames Valley was operating efficiently and effectively.

d) The Governance Advisory Group

A joint OPCC/TVP officer governance group (the 'Governance Advisory Group') operates with the following terms of reference:

- To provide advice to the PCC and Chief Constable on the application of statutory requirements and guidance relating to issues of corporate governance;
- To review and provide feedback on the effectiveness of the corporate governance systems determined by the PCC and Chief Constable.

The Joint Corporate Governance Framework for 2022/23 was approved by the PCC and Chief Constable at the PCC's Liaison meeting XXXX.

The Governance Advisory Group also developed this joint Annual Governance Statement for 2022/23.

e) Internal Audit

The annual report of the Chief Internal Auditor for 2021/22 was presented to the JIAC on 17 June 2022. It contained the following assurance statement on the overall adequacy and effectiveness of the internal control environment:

As of March 2021, the 2021/22 Joint Internal Audit Plan had been collated and endorsed by the JIAC.

The 2021/22 Joint Internal Audit Plan has been completed and based on this work, the opinion of both organisations' governance, risk and control frameworks is '**reasonable assurance**'.

f) External audit

In [TBC], EY issued unqualified audit opinions in respect of the 2021/22 accounts to both the PCC and Chief Constable, as well as giving an unqualified value for money conclusion. The Auditor was satisfied

that the system of internal control put in place by the PCC and Chief Constable was adequate and effective in practice.

g) Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS)

During 2022/23 HMICFRS published a number of reports regarding inspection activity, research or super-complaints. These are considered by the Force via the DCC's Innovation & Improvement meeting. All reports are publicly available on the HMICFRS website.

Below are the inspection reports that contain recommendations or areas for improvement for policing (specific to TVP or nationally). All inspection reports that contain recommendations for the Force require the PCC to publish a formal response within 56 days of the publication of the report, except for reports resulting from super-complaints:

Date published by HMICFRS	National / Force Report	Report Types	Report Title	Date CC Reported to PCC	PCC Response to HMICFRS: Y/N
28-Apr-22	Force	PEEL	PEEL 2021/22 Police effectiveness, efficiency and legitimacy An inspection of Thames Valley Police	30.05.22	Y
7- June-22	Super Complaint	VAWG	Responses to a duty to protect. Report on Centre for Women's Justice	N/A	N/A
9 –June-22	National	Thematic	Expectations for Police Custody	N/A	N/A
22-June-22	National	Thematic	Police Response to Child Sexual Exploitation	N/A	N/A
14-July-22	National	PEEL	Twenty Years On – is MAPPA achieving its objectives	N/A	N/A

11-Aug-22	National	Spotlight	The Police response to burglary robbery and other acquisitive crime – Finding time for crime	N/A	N/A
2-Sept-22	National	Thematic	Meeting the Needs of Victims in the criminal justice system	N/A	N/A
2-Nov-22	National	Thematic	Staff survey on inappropriate and prejudicial behaviours	N/A	N/A
2-Nov-22	National	PEEL	An Inspection of Vetting Misconduct and Misogyny in the Police Service	02.11.22	Y
17-Nov-22	Force	PEEL	A report into the effectiveness of vetting and counter-corruption arrangements in Thames Valley Police	17.11.22	Y
1-Dec-22	National	Digital	An inspection into how well the police and other agencies use digital forensics in their investigations	19.01.23	Y
8-Dec-22	National	PEEL	Homicide Prevention	N/A	N/A
16-Dec-22	National	Super Complaint	How Police Respond to Sexual Abuse when Victim is from	19.01.23	Y (<i>PCC response to The Victim Support</i>)

			an Ethnic background and may be at risk of honour based abuse		<i>recommendation was submitted to the College of Policing)</i>
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The PCC (or OPCC) is invited to attend the Strategic Brief at the start of inspection activity and the de-brief provided by HMICFRS following each inspection. Alternatively, the Chief Constable may provide the PCC with a briefing following an HMICFRS inspection.

h) Risk management and business continuity

The Force Risk Management Group met four times during 2022/23 as part of the CCMT strategy meetings. High-level strategic risk management and business continuity issues were reported to the JIAC on a timely basis. As at 31st March 2023, there were 20 strategic risks on the Strategic Risk Register and 1 identified issue.

Business continuity incidents, categorised by impact, were detailed in quarterly reports to CCMT and then the JIAC, including measures taken to minimise their impact. Issues reported primarily related to ICT loss of service and estates issues. The JIAC also received information on exercises to test business continuity plans, which now include key learning points.

All risks at a local and strategic level have clear ownership, are regularly reviewed and rescored according to the risk matrix, and are allocated the appropriate risk action – tolerate, treat, transfer, terminate. Risks to collaborated programmes or areas under bi-lateral governance feature on both Forces' registers.

i) Health and Safety and Environmental Management

The Health, Safety and Wellbeing and Environmental Protection Policy Statements are accessible to all staff via the Intranet and displayed on the health and safety notice boards in all TVP premises.

The Health & Safety Annual Report and the Wellbeing report were taken back to JIAC in 2021 for scrutiny and a revised Health and Safety report was signed off in 2022. The report covered the key management areas specified within 'Managing for Health & Safety HSG65 2013 (Appendix A) and documented the continuous improvement of Thames Valley Police policies and procedures for the effective management of health and safety.

The Head of the Governance & Service Improvement (G S & I) Department has overall management responsibility for the governance and implementation of Health and Safety at the operational policing, strategic and tactical levels and in respect of policing infrastructure including buildings.

j) Ethics and Integrity

A protocol between the PCC and Chief Constable provides the PCC with overview and scrutiny of complaints handled by the Force. The Professional and Ethical Standards Panel (previously called Complaints, Integrity and Ethics Panel) meets every two months and reports jointly to the PCC and Chief Constable. The Panel conducts an assessment of how the Force deals with complaints and how the PCC deals with reviews and provides a challenge and support role in respect of how the Force responds to ethical issues.

During the last 12 months, some of the issues the Panel challenged were officer and staff retention, high workloads and staff burnout, vetting backlog, issues securing appropriate adults in custody and preparation of court files by inexperienced officers.

The Panel's Annual Assurance Report for 2022 was presented at the Performance Accountability meeting on XXXXX. This 2022 Report highlighted that the Panel had scrutinised matters including the following themes:

- Body-worn video and utilisation by Officers
- Care and support in custody
- Analysing key PSD performance data
- Violence against women and girls (VAWG)
- Victim satisfaction
- Proportionality of severity assessments
- Vetting/recovery plan
- Policing protests.

The Panel was able to assure the PCC and Chief Constable that the complaints handling and management arrangements in place within TVP are operating efficiently and effectively.

The Force also has an internal Ethics & Integrity Board, chaired by the Head of the Professional Standards Department (PSD), which meets quarterly. The Force has recruited a dedicated Ethics Researcher, supporting the Ethics & Integrity Board. The Ethics Champions network has been rejuvenated, and now meet regularly to discuss ethical considerations or concerns raised from across the Force.

Policies are reviewed by the Strategic Independent Advisory Group to provide feedback on accessibility and raise ethical considerations. These are then taken to the Professional Ethical Standards Panel as necessary and appropriate.

The Chief Constable continues to promote the fundamental importance of TVP officers and staff employing the highest professional standards and principles that are embodied and enforced through the Code of Ethics. All police officers and staff have been required to complete an online training package and attend a dedicated Code of Ethics training session. All new Officers and staff receive training on the Code of Ethics as part of their induction.

During 2022/23, 1 Panel member resigned. As such, the Panel now consists of 7 members and no further recruitment is anticipated during the coming year.

During 2022/23 the PSD received and processed XXXX complaints and XXXX conduct matters, and held XXXX misconduct meetings and XXXX misconduct hearings under the statutory scheme. In addition, the OPCC itself handled XXXX complaints made against the Chief Constable and received XXXX requests for complaint reviews per the statutory police complaints scheme.

k) Thames Valley Police and Crime Panel

During 2022/23 the independent Police and Crime Panel (PCP) met on 4 occasions. Key activities undertaken by the Panel during the year included reviewing and scrutinising the PCC's Annual Report for the 2021/22 year, and scrutiny and consideration of the PCC's 2022/23 budget and council tax precept proposals. Over and above these specific activities, the Panel continued to receive and consider regular reports on the delivery of the previous PCC's Police and Crime Plan strategic priorities and key aims, including the contribution made by other partner agencies, and updates on matters of topical interest to the Panel.

In addition, the Panel operates a permanent Complaints Sub-Committee as well as ad-hoc task and finish working groups. During 2022/23 the Chief Executive of the OPCC, acting under delegated authority on behalf of the PCP, referred XXXX complaints against the PCC/Deputy PCC to the PCP for

consideration by them under the statutory scheme. None of these complaints was upheld, save for one whereby the Panel made a recommendation for an apology by the PCC and requested an update on the new Caseworker system.

The Panel itself published its own 2021/22 Annual Report in June 2022.

l) Collaboration and partnership working

The joint TVP and HC Joint Collaboration Governance Board formally met six times during 2022/23. This Board oversees and scrutinises the work of the existing collaborative functions (i.e. Contact Management, Joint Operations Unit, Joint ICT and Joint Information Management) as well as the development of collaborated change programmes. Updates are provided on new collaborative opportunities being explored. These formal meetings were supplemented by specific briefings for the PCCs and senior officers as appropriate. In addition to the Governance Board, the Joint Chief Officer Group met 3 times during 2022/23.

Governance of collaboration between Forces across the South East region is undertaken at the SE Regional Integrated Policing (SERIP) Board (chaired and attended by Deputy Chief Constables), and by PCCs and Chief Constables at the Regional Governance Board, 2 meetings of the regional governance board were held during 2022/23. The South East Regional Organised Crime Unit, hosted by TVP, brings together the regional organised crime units under one structure. It is operationally aligned with the Counter Terrorism Policing South East unit. A regional Assistant Chief Constable (ACC), who reports directly to the Chief Constable of TVP, exercises overall command of the regional crime and counter-terrorism functions. This ACC also represents serious organised crime at the South East Regional Governance Board and nationally with the National Crime Agency and other key stakeholders.

m) Conclusion

The work carried out by the Governance Advisory Group to review the Joint Corporate Governance Framework itself, and how it has been applied in practice over the financial year 2022/23, has informed the latest review of the Framework which was approved in March 2023. Consequently, the PCC and Chief Constable will be able to satisfy themselves that key governance structures supporting the discharge of their responsibilities have and continue to receive effective scrutiny.

SIGNIFICANT GOVERNANCE ISSUES

It should be noted that significant operational issues facing the organisation are not necessarily a result of weaknesses within the internal control and governance framework.

There were no significant actual or potential governance issues identified in respect of the 2021/22 year AGS which were due to be monitored during 2022/23.

There are currently no significant actual or potential governance issues identified in respect of 2022/23 activities. Accordingly, the Governance Advisory Group is satisfied to the best of its knowledge that no material breaches of the governance arrangements occurred in 2022/23 and there are no significant weaknesses in the internal control and governance environment.

In any event, the governance arrangements of the PCC and the Chief Constable will remain under review quarterly over the forthcoming financial years.

Matthew Barber
Police and Crime Commissioner

Gilliam Ormston
Chief of Staff and Monitoring Officer

Martin Thornley
Chief Finance Officer and Deputy Chief Executive

DRAFT

CIPFA Financial Management Code – Self-assessment March 2023

	Question	Answer	RAG	Areas for improvement
Section 1 - The Responsibilities of the Chief Finance Officer and Leadership Team				
A	The leadership team is able to demonstrate that the services provided by the authority provide value for money			
1	Does the authority have a clear and consistent understanding of what value for money means to it and to its leadership team?	<p>We have clear references to achieving VFM in the annual financial strategy, the Procurement Strategy and the Force Strategic Plan.</p> <p>The Governance framework includes responsibility for vfm</p> <p>CIPFA review of VFM arrangements in TVP autumn 2022 . Action Plan will be developed and implemented</p>	G	
2	Does the authority have suitable mechanisms in place to promote value for money at a corporate level and at the level of individual services?	<p>VFM is embedded in all procurement documentation and all procurement staff are fully au fait with the need to demonstrate VFM through tenders and contracts</p> <p>A corporate framework of management procedures and rules for securing value for money is incorporated in the PCC/Force 'Joint Corporate Governance Framework' and 'Financial Regulations'.</p>	A	Action plan to be developed from CIPFA VFM review

		<p>At individual service level, the DCC holds LPAs to account for effective operational performance through regular service reviews throughout the year</p> <p>The Chief Constable chairs the monthly Force Performance Group which is also attended by the PCC and a member of the Joint Independent Audit Committee (JIAC).</p>		
3	Is the authority able to demonstrate the action that it has taken to promote value for money and what it has achieved?	<p>Actions are taken from the DCC service reviews and Force Performance Group meetings and are followed up</p> <p>Procurement savings are reported to Blue Light Commercial on a quarterly basis</p> <p>Contract management is undertaken by service stakeholders, with strategic oversight from the Procurement department</p> <p>Cash savings removed from the annual revenue budget are monitored for delivery and reported to CCMT and the PCCs Level 1 public meeting on a regular basis</p>	G	
B	The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer in Local Government			
1	Is the authority's CFO a key member of the leadership team, involved in, and able to bring influence to bear on, all material business decisions?	Both CFOs (Force and OPCC) are members of their respective leadership teams	G	
2	Does the CFO lead and champion the promotion and delivery of good financial management across the authority?	Yes, both CFOs champion and lead the promotion and delivery of good financial management in the Force and OPCC	G	

3	Is the CFO suitably qualified and experienced?	Yes, both CFOs are suitably qualified and experienced	G	
4	Is the finance team suitably resourced and fit for purpose?	In an ideal world all managers would like more staff but both finance teams are properly resourced in terms of capacity and capability, and annual external audit opinions over many years demonstrate that the two respective finance teams are fit for purpose.	G	
Section 2 - Governance and Financial Management Style				
C The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control				
1	Does the leadership team espouse the Nolan principles?	Yes, the code of ethics is a key feature for all police officers and staff and is promoted during induction training and courses where every police officer and member of staff has to sign up to the national code of ethics in the presence of a chief officer. Regular online refresher training is also provide and followed up to ensure compliance All force policies and procedures embed the key principles from the Code of Ethics	G	
2	Does the authority have in place a clear framework for governance and internal control?]	Yes, the PCC and Chief Constable review and update their joint corporate governance framework on an annual basis	G	
3	Has the leadership put in place effective arrangements for assurance, internal audit and internal accountability?	Good behaviour is discussed during all staff and officer PDRs	G	

		<p>There is a whistleblowing policy which is managed and reports investigated by the Professional Standards Department (PSD)</p> <p>The PCC and Chief Constable have a joint internal audit team that reports to the CFO and Director of Finance. The Head of Internal Audit provides regular reports to each quarterly meeting of the JIAC</p> <p>Internal accountability is through individual PDRs with breaches being investigated through PSD</p> <p>Business interests are approved and recorded by PSD and then reviewed as part of the PDR process</p> <p>There is a force policy on gifts and hospitality, which is managed and promoted by PSD</p>		
4	Does the leadership team espouse high standards of governance and internal control?	<p>All key decisions are taken collectively by CCMT, with full backing documentation, rather than a single individual</p> <p>All key PCC decisions of significant public interest are published on his website including full supporting documentation</p> <p>Code of Conduct & business interests – see C1 and C3 above</p> <p>The Chief Constable’s monthly ‘headline call’ with all senior staff across TVP makes reference to</p>	G	

		governance issues where appropriate e.g. learning from PSD investigations, outcome from HMRC reports		
5	Does the leadership team nurture a culture of effective governance and robust internal control across the authority?	<p>The Joint Framework of Corporate Governance includes Finance Regulations. These are reviewed and updated annually. These are supported by more detailed Chief Constable Financial Instructions which provide guidance at the practitioner level.</p> <p>The operational data quality team reports directly to the DCC.</p> <p>HMICFRS undertake regular data quality audits and all recommendations are acted upon by TVP</p> <p>PSD publish a regular newsletter which promotes good governance arising from investigations to share best practice and learning</p>	G	
D	The authority applies the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework (2016)			
1	Has the authority sought to apply the principles, behaviour and actions set out in the Framework to its own governance arrangements?	Yes, as evidenced through the Annual Governance Statement	G	
2	Does the authority have in place a suitable local code of governance?	Yes, the PCC and Chief Constable publish a Joint Corporate Governance Framework, which includes a local, TVP code of corporate governance. This is reviewed by JIAC before the start of each financial year	G	
3	Does the authority have a robust assurance process to support its AGS?	The AGS is produced by the Governance Advisory Group, which comprises senior police staff from	G	

		the OPCC and force. A draft version of the AGS is presented to JIAC before publication		
E	The Financial Management Style of the authority supports financial sustainability			
1	Does the authority have in place an effective framework of financial accountability?	Yes, through the framework of corporate governance, including Financial Regulations and contract regulations, and supported by the Chief Constable Financial Instructions	G	
2	Is the authority committed to continuous improvement in terms of the economy, efficiency, effectiveness and equity of its services?	The Force maintains a Productivity Strategy which includes specific efficiency and effectiveness reviews across the force	G	
3	Does the authority's finance team have appropriate input into the development of strategic and operational plans?	The DoF is a member of CCMT which has collective decision making responsibility The CFO is a member of the PCC's Strategic Management Group Senior finance representatives sit on all key decision making and informative boards e.g. Change Board and Programme Boards	G	
4	Do managers across the authority possess sufficient financial literacy to deliver services cost effectively and to be held accountable for doing so?	Each key stakeholder in the organisation has a named finance contact. The Corporate Finance Department has been restructured to include specific finance business partner representation to strengthen the link between business and finance	A	Work is still in progress to improve the availability and content of financial information by utilising the improved reporting facilities in the upgraded financial system

		Good progress has been made in transforming the Finance department e.g. the restructure is complete and Finance Business Partners have been appointed.		
5	Has the authority sought an external view on its financial style, for example through a process of peer review?	Yes CIPFA undertook a review of VFM arrangements in September 2022	G	
6	Do individuals with governance and financial management responsibilities have suitable delegated powers and appropriate skills and training to fulfil these responsibilities?	Yes, as set out in Financial Regulations and Financial Instructions Skills and training are reviewed as part of the PDR process	G	
Section 3 – Medium to Long Term Financial Management				
F The authority has carried out a credible and transparent Financial Resilience Assessment				
1	Has the authority undertaken a Financial Resilience Assessment?	Yes	G	
2	Has the Assessment tested the resilience of the authority's financial plans to a broad range of alternative scenarios?	Different funding scenarios were presented to the PCC as part of the annual budget report. The budget risk assessment shows the impact of different budget assumptions e.g. pay awards	G	
3	Has the authority taken appropriate action to address any risks identified as part of the assessment	Yes	G	
G The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to Members				
1	Does the authority have a sufficiently robust understanding of the risks to its financial sustainability?	The key risks are highlighted in the financial strategy, annual budget and medium term financial plans	G	

2	Does the authority have a strategic plan and long-term financial strategy that address adequately these risks?	Yes, we have a financial strategy which is reviewed and updated annually. We also publish a separate report on reserves, balances and provisions	G	
3	Has the authority sought to understand the impact on its future financial sustainability of the strategic, operational and financial challenges that it might face (e.g. using a technique such as scenario planning)?	Scenario planning is used internally within CCMT to formulate the medium term financial plan. Published budget reports include a risk assessment which highlights the financial risk to key budget assumptions e.g. changes in future pay awards, precept levels etc.	G	
4	Has the authority reported effectively to the leadership team and to members its prospects for long-term financial sustainability, the associated risks and the impact of these for short- and medium-term decision making?	Regular reports to CCMT during the budget preparation process highlight the various risks and possible scenarios. The key strategic issues are then reported to the PCC at PAM public meetings During the year revenue and capital monitoring reports will highlight changes in significant risks and issues, and suggest appropriate action	G	
H	The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities			
1	Has the authority prepared a suitable capital strategy?	Yes, this was approved by the PCC and Chief Constable at the Level 1 public meeting on 30-11-2020 and is also published on the PCCs website	G	
2	Has the authority set prudential indicators in line with the Prudential Code?	Yes, these are included in the Annual Treasury Management Strategy Statement	G	

3	Does the authority have in place suitable mechanisms for monitoring its performance against the prudential indicators that it has set?	Yes, these are monitored by OPCC staff and reported to the PCC's PAM meeting in the quarterly TM update reports	G	
I The authority has a rolling multi-year Medium Term Financial Plan consistent with sustainable service plans				
1	Does the authority have in place an agreed medium-term financial plan?	Yes, we published our Financial Strategy in December. The MTFP covering the period 2021/22 to 2024/25 was published in January 2021 alongside the annual revenue budget	G	
2	Is the medium-term financial plan consistent with and integrated into relevant service plans and its capital strategy?	Yes	G	
3	Has the medium-term financial plan been prepared on the basis of a robust assessment of relevant drivers of cost and demand?	<p>Yes, CCMT consider information on current and future demand pressures (as currently known) including the implications for new technology and equipment</p> <p>The Force also considers relevant NPCC guidance and best practice e.g. stop & search, body worn video.</p> <p>Across CCMT, members are engaged in national forums which enables the potential financial implications of new national systems and changes to national guidelines and procedures to be identified early</p>	G	
4	Has the medium-term financial plan been tested for resilience against realistic potential variations in key drivers of cost and demand?	Yes, but in an emergency service employing omnicompetent police officers changes in demand can be accommodated by deployment policies and priorities.	G	

		Cost drivers are included in the MTFP		
5	Does the authority have in place a suitable asset management plan that seeks to ensure that its property, plant and equipment including infrastructure assets contribute effectively to the delivery of services and to the achievement of the authority's strategic aims?	<p>Yes, the Asset Management Plan is reviewed and updated regularly. The last published version is 2018 the 3 yearly review was deferred due to Covid-19 and the operational impact of a number of projects and programmes) but regular reporting on progress continues to SEG. The Strategic Estates Requirements Plan (SERP) incorporating the Estates Vision for 2032 has been signed off by CCMT. The AMP is in the process of being refreshed and is being renamed to Asset Management Framework to incorporate the linkages to the SERP, Estate Maintenance Strategy and the Environmental and Sustainability Strategy.</p> <p>A separate ICT strategy for HC and TVP is prepared and presented to the bilateral governance board</p>	G	
Section 4 - The Annual Budget				
J	The authority complies with its statutory obligations in respect of the budget setting process			
1	Is the authority aware of its statutory obligations in respect of the budget-setting process?	Yes, formal budget reports and presented to PAM public meetings and then the Police and Crime Panel	G	
2	Has the authority set a balanced budget for the current year?	Yes, as endorsed by the Police and Crime Panel and approved by the PCC	G	
3	Is the authority aware of the circumstances under which it should issue a Section 114 notice and how it would go about doing so?	Yes, both CFOs are fully aware of the s114 requirements but TVP is not remotely close to needing to issue one in the near future	G	

K	The budget report includes a statement by the Chief Finance Officer on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves			
1	Does the authority's most recent budget report include a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves?	Yes The CFO presented a financial recommendations report with the Financial strategy	G	
2	Does this report accurately identify and consider the most significant estimates used to prepare the budget, the potential for these estimates being incorrect and the impact should this be the case?	Yes the PCC CFO report to recommend approval of the financial plans included an assessment of the key financial risks.	G	
3	Does the authority have sufficient reserves to ensure its financial sustainability for the foreseeable future?	Yes, the PCC's CFO's report on the MTFP's includes an assessment of the forecast reserves.	G	
4	Does the report set out the current level of the authority's reserves, whether these are sufficient to ensure the authority's ongoing financial sustainability and the action that the authority is to take to address any shortfall?	Yes, the report provides a forecast for the next 4 years which is fully compatible with the MTFP and MTCP	G	
Section 5 - Stakeholder Engagement and Business Plans				
L	The authority has engaged where appropriate with key stakeholders in developing its long term financial strategy, medium term financial plan and annual budget			
1	How has the authority sought to engage with key stakeholders in developing its long-term financial strategy, its medium-term financial plan and its annual budget?	<p>Relevant budget headings in the MTFP are developed with Hampshire Constabulary (e.g. ICT, information management & JOU).</p> <p>The development of the SEROCU budget is agreed with regional partners and agreed through the SE collaboration board</p>	G	

		<p>The PCC undertakes public consultation on the proposed budget Fleet charges are agreed through the CTC</p> <p>Aviation charges are agreed through the NPAS Strategic Board which includes PCC and CC representation</p> <p>The PCC's annual budget and precept proposals are subject to scrutiny by the independent Police and Crime Panel, on behalf of the public, the Councillor members of which represent all local authorities across the Thames Valley</p>		
2	How effective has this engagement been?	<p>TVP and Hampshire budgets are aligned for all joint activities</p> <p>In recent years the PCC has consulted the public regarding his proposed increase in council tax precept. The response has always been positive.</p> <p>The Police and Crime Panel has always approved the PCCs proposed increase in council tax precept</p>	G	
3	What action does the authority plan to take to improve its engagement with key stakeholders?	Members of CCMT & PCC continue to look for further engagement opportunities	G	
M	The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions			
1	Does the authority have a documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication 'Project	The degree of option appraisal reflects the level of investment required and the identified risks with the proposal/project	A	Action plan to be developed from CIPFA VFM review

	and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal’?	<p>The level of option appraisal used for estate and ICT schemes are different and reflect the number of realistic options available. A good example is the proposed Forensics new build which followed HM Treasury green Book guidance</p> <p>Most significant technology schemes are led nationally either by the service or HO, and we are not involved in the development and implementation of those schemes e.g. Emergency Services Network, National Monitoring Centre</p>		
2	Does the authority offer guidance to officers as to when an option appraisal should be undertaken?	<p>Relevant staff within Finance, Procurement, ICT and Estates understand the need to produce an appropriate level of option appraisal to support new growth bids</p> <p>All new bids include some consideration of options</p> <p>Depending on the level of investment requested officers /Finance Business Partners will advise on the level of detail required</p>	G	
3	Does the authority’s approach to option appraisal include appropriate techniques for the qualitative and quantitative assessment of options?	Where appropriate, qualitative and quantitative measures are included	G	
4	Does the authority’s approach to option appraisal include suitable mechanisms to address risk and uncertainty?	Where appropriate depending on the value of the investment required and the associated risk e.g. selection of a new supplier and operational delivery for technology infrastructure.	A	

5	Does the authority report the results of option appraisals in a clear, robust and informative manner that gives clear recommendations and outlines the risk associated with any preferred option(s)?	Yes, when undertaken e.g. selection of new mobile phones	A	
Section 6 - Monitoring Financial Performance				
N	The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability			
1	Does the authority provide the leadership team with an appropriate suite of reports that allows it to identify and to correct emerging risks to its budget strategy and financial sustainability?	CCMT is provided with a monthly monitoring report which highlights emerging risks and issues. These are acted upon as necessary. Formal reports are presented to the PCC at his public Level 1 meetings The Joint ICT Board receives a monthly update on all ICT budgets. The DCCs Collaboration Board receives monthly reports on all collaborated units	G	
2	Do the reports cover both forward and backward looking information in respect of financial and operational performance?	Yes	G	
3	Are there mechanisms in place to report the performance of the authority's significant delivery partnerships such a contract monitoring data?	The DoF financial report to CCMT each month includes any emerging issues with contracts or delivery of services from outsourced partners	G	
4	Are the reports provided to the leadership team in a timely manner and in a suitable format?	Yes, produced monthly and acted upon	G	
5	Is the leadership team happy with the reports that it receives and with its ability to use these reports to take appropriate action?	Yes	G	

O The leadership team monitors the elements of its balance sheet which pose a significant risk to its financial sustainability				
1	Has the authority identified the elements of its balance sheet that are most critical to its financial sustainability?	Yes, trade debtors and creditors are monitored closely by Finance Cashflow, short and long-term borrowing, investments and the use of reserves and balances are monitored by the OPCC. These are reported to the PCC in the regular update on TM activity	G	
2	Has the authority put in place suitable mechanisms to monitor the risk associated with these critical elements of its balance sheet?	Yes. Regular reviews are carried out across the 2 finance departments	G	
3	Is the authority taking action to mitigate any risks identified?	Yes, as risks are identified action is taken e.g. supplier information including credit checks is undertaken regularly, particularly in the current economic environment with Covid-19	G	
4	Does the authority report unplanned use of its reserves to the leadership team in a timely manner?	Revenue and capital monitoring reports are presented to CCMT and the PCCs Strategic Management Group on a monthly basis. Formal budget monitoring reports are presented to all PCCs public Level 1 meetings. Any variation to the planned use of reserves is reported, with a formal recommendation to the PCC should additional monies be required to fund unplanned overspends.	G	
5	Is the monitoring of balance sheet risks integrated into the authority's management accounts reporting processes?	Yes, via CCMT and to the PCC, including through reports to Level 1 meetings	G	
Section 7 - External Financial Reporting				

P	The Chief Finance Officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice on Local Authority Accounting in the United Kingdom			
1	Is the authority's CFO aware of their responsibilities in terms of the preparation of the annual financial statements?	Yes, both CFOs are fully aware of their responsibilities in this areas	G	
2	Are these responsibilities included in the CFO's role description, personal objectives and other relevant performance management mechanisms?	They are included in both CFO job descriptions. Although closure of accounts may not be included in personal objectives, the PCC and Chief Constable are aware of its importance and regular updates are provided to JIAC	G	
3	Have the authority's financial statements hitherto been prepared on time and in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom?	TVP has a good track record of early closedown and external audit sign-off. The 2021/22 the draft accounts were prepared on time. However, external audit experienced problems in the resources of the external auditors being available to complete the audit. An failed data extraction early on in the audit had a significant knock on effect for the external auditors	A	External audit lessons learnt report has been compiled and is being worked through and monitored to ensure this does not happen again.
Q	The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions			
1	Is the authority's leadership team provided with a suitable suite of reports on the authority's financial outturn and on significant variations from budget?	An outturn report is presented to CCMT and the Level 1 meeting with clear explanations provided for each variation against budget	G	
2	Is the information in these reports presented effectively?	Yes. This information matches that provided in the formal Statement of Accounts	G	
3	Are these reports focused on information that is of interest and relevance to the leadership team?	Yes, it provides information on the full revenue budget and highlights variances which are both one-off and those that have an ongoing financial implication	G	
4	Does the leadership team feel that the reports support it in making strategic financial decisions?	Yes	G	

FINANCIAL RESILIENCE SELF-ASSESSMENT – MARCH 2023

Introduction

Financial management (FM) is at the heart of ensuring an organisation's financial sustainability and the continued provision of public services. In February 2022 CIPFA issued a Financial resilience self-assessment and medium term financial planning toolkit for local policing bodies to use.

Financial resilience is a key component of CIPFA's Financial Management model and provides an assessment of the financial sustainability of the Force and its ability to withstand financial shocks.

Police finance has been under significant pressure for over a decade following the financial crisis in 2008/09 that triggered a severe worldwide recession. In response to this, forces have implemented significant cash savings in order to balance their annual budgets. In its review of the financial sustainability of police forces in England and Wales in 2018, the National Audit Office (NAO) reported that central government funding to PCCs had fallen by 30% in real terms since 2010/11. The Police Uplift Programme and recent increases in police grant settlements go some way to reversing this situation.

Some forces are much better placed than others to weather a financial challenge such as the Covid-19 pandemic. However, all forces will need to maintain financial sustainability against such significant funding pressures. This report aims to provide the local context in Thames Valley.

Financial strategy

Public service organisations operate in a challenging and potentially volatile environment in which strategies and plans can quickly be overtaken by events. It might seem that long-term planning under such circumstances is futile, but this is far from the case. High levels of uncertainty make long-term planning even more important.

A financial strategy is the link between an organisation's long-term service objectives and its financial capacity. It seeks to ensure the organisation's strategic objectives can be achieved within the confines of the financial resources that the organisation has at its disposal.

Sophisticated strategies will be of little value if they do not reflect the existing financial health of the organisation and emerging financial pressures it faces. Consequently, it is important that the organisation initiates the financial strategy development process with a comprehensive appraisal of its current financial position and the financial challenges that it faces.

A financial strategy can help improve the organisation's financial resilience by:

- helping to maintain and improve the organisation's financial solvency and/or liquidity
- increasing the value and diversity of income from public, commercial and other sources
- enhancing the organisation's ability to manage financial risk effectively

The TVP Financial Strategy for 2023/24 was approved by the PCC and Chief Constable at their public Performance and Accountability (PAM) meeting on 19 January 2023. Following approval, it has been published on the PCCs website within the Budget Book.

Financial Resilience

Financial resilience is the ability of police forces to remain viable, stable and effective in the medium to long term while facing pressures from growing demand, a tightening of funding and an increasingly complex and unpredictable financial environment.

CIPFA's report Building financial resilience: managing financial stress in local authorities (CIPFA 2017) sets out the pillars of financial resilience, which are summarised in the following chart.



The CIPFA Financial Management Code is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. For the first time, the FM Code sets out the standards of financial management for local authorities in the UK, including police and fire bodies.

Full compliance with the Financial Management Code is expected from 1 April 2021, part of which requires a financial resilience self-assessment to be completed by section 151 officers and shared with external auditors.

Key financial resilience indicators

The CIPFA toolkit outlines six public sector indicators of financial resilience. Previous publications relate primarily to local government authorities but the latest police specific toolkit puts these into a police context. The six indicators of public sector financial resilience are:

1. The funding gap as a percentage of net revenue expenditure (NRE) over the MTFP period

2. Savings delivered as a percentage of planned savings
3. Over/underspend relative to net expenditure
4. Useable reserves as a percentage of net revenue budget
5. Council tax as a percentage of income
6. The cost of total borrowing as a percentage of NRE

1. The funding gap as a percentage of Net Revenue Expenditure (NRE) over the Medium Term Financial Planning (MTFP) period

Forces should have a clear estimate of their funding gap over the MTFP, along with a robust savings plan to meet the gap.

The Financial Management Capability Review reported that all the CIPFA-assessed forces had medium-term financial plans and strategies, although the time horizon for these varied from three years (including the current financial year) to five years. The review found that some forces had well-developed savings planned, while others had very high-level plans where the focus tended to be on 'low-hanging fruit', including delivering savings through not filling posts. Some cited new systems implementation, business process re-engineering and wider transformative programmes, but there was little evidence of any more detailed plans. Some medium-term financial plans depended on unidentified savings.

It is important to distinguish savings between agreed, planned and aspirational targets. Targets or aspirational savings rather than firm plans pose a risk to financial resilience.

TVP does not have a funding gap over the MTFP. This is reliant on realising £15m of savings from the Force Review, which is underway, but not yet complete. Full details are shown in the budget book.

The Force has a strong history of identifying cash releasing savings and using these to balance annual budget or reinvesting them in frontline policing, a strategy that has been widely scrutinised and praised by HMICFRS during various inspections and reports. To date, total cash savings of £115m have been removed from base revenue budgets over the last 12 years (i.e. 2010/11 to 2022/23), however it is becoming increasingly more difficult to identify and deliver true efficiency savings as opposed to cuts.

2. Savings delivered as a percentage of planned savings

The ability to not only identify areas where specific financial savings can be made but to also deliver those savings in practice is a key aspect of ensuring ongoing financial sustainability against a backdrop of increasing financial pressures.

Where savings plans are not delivered, this can result in overspends that require the use of limited reserves, while increasing the level of savings required in future years to compensate for this. Where service areas are required to make unplanned savings, this increases the risk of savings not being aligned to strategic priorities, or of 'short-term' solutions that are not sustainable over the medium term such as a vacancy freeze.

A tendency to have unplanned overspends and/or carrying forward of undelivered savings into the following year creates a need for greater cuts in subsequent years. Unplanned overspends are a sign that a force is struggling to translate its policy decisions into actions. The situation in TVP is provided in Table 3 below

Table: Planned –vs – Actual savings

MTFP Savings	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23 Fcst	Total
Planned (cashable) £m	10.50	2.56	4.77	3.47	3.53	2.19	27.02
Achieved £m	10.06	3.63	5.11	3.37	3.09	2.15	27.40
% of savings achieved	96%	142%	107%	97%	87%	98%	101%

As explained above TVP has a strong history of delivering cash savings. The Productivity Strategy is revisited each year and updated to include new savings and remove aborted savings where, for various reasons, it has been agreed that the saving is not achievable or it is replaced with a more appropriate saving.

3. Over/underspend relative to net revenue expenditure

The NAO's report on the financial sustainability of police forces in England and Wales 2018 found that while no police force has failed financially, there are signs emerging that forces are finding it harder to deliver an effective service.

It is important that overspending and underspending are kept under control and that actual expenditure is as close as possible to the levels planned. Inability to accurately forecast and plan expenditure risks creating unforeseen financial pressures and compromises the ability to set a balanced budget. Significant and recurring patterns of underspending may reduce the ability of a force to deliver its key objectives or meet its statutory responsibilities.

Overspends met from reserves is unlikely to be sustainable in the long-term, particularly if levels of usable reserves are already relatively low. Regular unplanned use of reserves to plug gaps in the revenue budget reduces an organisation's resilience to fund unforeseen budget pressures in future years. The situation in TVP over the last five years is set out below

Table: Over/under spend as a percentage of NRE

Over/under spend	2017/18	2018/19	2019/20	2020/21	2021/22
NRE £m	379.257	391.471	419.914	448.929	475.892
Over/(under) spend £m	-0.773	0.307	-1.196	-0.199	-1.221
Over/(under) spend as a % of NRE	-0.20%	0.08%	-0.28%	-0.04%	-0.26%

TVP has a good record of delivering a financial outturn very close to the agreed budget, which reflects strong internal governance and good financial management.

4. Useable reserves as a percentage of net revenue budget

The Financial Management Capability Review reported that all PCCs had depleted reserves in recent years, though this was usually through a proactive strategy for the planned use of reserves.

There is significant variation between PCCs in the level of general reserves held as a proportion of spend. For some, there is little flexibility for any additional unforeseen financial challenges. Reserves allow financial uncertainty to be managed effectively. Healthy levels of useable reserves are an important safety net to support financial sustainability. As well as being available to fund unexpected funding pressures, useable reserves can also fund investments required to implement efficiency savings.

It is anticipated that the level of reserves will differ significantly across PCCs – for example, PCCs for larger forces are likely to hold higher levels of reserves. Although this is a relatively simplistic analysis, the level of usable reserves available to a PCC and their force is one of the key indicators of financial resilience and sustainability.

The current MTFP forecast revenue reserves is set out below (excluding SEROCU and conditional funding).

Table: Usable reserves as a % of NRE

Usable reserves analysis	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
NRE £m	379.3	391.5	419.9	448.9	475.9	505.0	526.3	543.3	561.2	579.6
General Reserves £m	18.7	18.7	19.9	19.9	20.4	20.1	15.7	16.0	16.0	16.0
Earmarked Reserves £m	21.5	19.6	16.4	18.1	25.2	23.9	20.4	14.3	38.9	53.8
Total Revenue Reserves £m	40.2	38.3	36.3	38.0	45.6	44.1	36.1	30.3	54.9	69.8
General reserves as a % of NRE	4.9%	4.8%	4.7%	4.4%	4.3%	4.0%	3.0%	2.9%	2.8%	2.8%
Total revenue reserves as a % of NRE	10.6%	9.8%	8.7%	8.5%	9.6%	8.7%	6.9%	5.6%	9.8%	12.0%
Change in total reserve levels £m		-1.9	-2.0	1.7	7.6	-1.5	-7.9	-5.8	24.6	14.9

Despite the significant ongoing financial and operational challenges, TVP continues to hold a healthy level of general and earmarked revenue reserves. Earmarked reserves are financed to support the longer term strategic direction of the force for example, the Estates strategy. The reserves strategy and assessment is included within the annual budget book.

In addition to earmarked revenue reserves we also maintain an insurance provision to ensure that our actuarially assessment insurance liabilities are fully cash-backed, as well as maintaining capital reserves to help fund future capital investment. Capital reserves are supplemented by income from capital receipts following the sale of finite capital assets.

5. Council tax as a percentage of Force income

Due to various historical reasons, including the ongoing impact of the national police funding formula, there is a wide variation in the way that police forces are funded.

The national police funding formula is currently being reviewed and updated. An implementation date has yet to be announced by Government. As with any new formula there will be winners and losers, however those forces that receive most of their income from core Home Office grants will be affected (plus or minus) proportionately more heavily than those that receive most of their funding from council tax. The table below shows the current situation in TVP, under the MTFP assumption that Band D council tax will increase by £10 in each future year.

Table: Proportion of net revenue expenditure financed by council tax

Precept Table £m	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26	2026/ 27
Council tax precept	149.5	162.3	186.6	198.8	212.8	226.3	244.7	254.5	264.4	274.6
Surplus on collection funds	2.4	1.8	1.5	2.0	0.4	1.6	3.5	1.4	1.4	1.4
Total council tax income	151.9	164.1	188.1	200.9	213.2	227.9	248.3	255.9	265.9	276.0
NRE	379.3	391.5	419.9	448.9	475.9	505.0	526.3	543.3	561.2	579.6
Council tax as a % of NRE	40.0%	41.9%	44.8%	44.7%	44.8%	45.1%	47.2%	47.1%	47.4%	47.6%

It can be seen that, since 2017/18, the proportion of NRE funded by local council taxpayers has increased from 40% to 47%.

6. The cost of total borrowing as a percentage of NRE

Borrowing can be a valuable source of funding – for example, to fund large-scale capital projects such as new police stations. However, the cost of repaying borrowing, including interest costs, is ultimately funded from ongoing revenue budgets and can create a long-term commitment.

The cost of borrowing will vary significantly across individual force areas, depending on local circumstances, policies and risk appetite. The cost of borrowing includes external interest payments and repayments in lieu of principal i.e. minimum revenue provision (MRP). In accordance with CIPFA policy, borrowing costs also include finance leases

The following table shows the current situation in TVP.

Table: Cost of borrowing

Borrowing (£m)	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26
NRE	379.3	391.5	419.9	448.9	475.9	505.0	526.3	543.3	561.2
MRP on borrowing	0.7	0.9	0.9	1.1	1.1	1.2	1.2	1.2	1.3

Borrowing (£m)	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26
Interest on external borrowings	0.8	0.9	1.4	1.4	1.4	1.5	1.5	1.5	1.5
MRP - Finance lease principal	0.3	0.3	0.4	1.2	1.5	1.6	1.6	1.6	1.6
Finance lease interest (incl PFI)	0.5	0.5	0.4	0.5	0.5	0.4	0.4	0.3	0.3
Total cost of borrowing	2.2	2.5	3.1	4.2	4.6	4.8	4.8	4.7	4.6
Borrowing as a % of NRE	0.58%	0.63%	0.73%	0.94%	0.96%	0.95%	0.91%	0.86%	0.82%
Level of debt	28.0	32.7	56.9	60.9	59.3	57.7	56.0	53.5	54.7
Capital financing requirement	45.3	44.1	56.5	60.2	63.5	60.6	57.7	54.9	54.6
Debt as a % of NRE	7.4%	8.3%	13.5%	13.6%	12.5%	11.4%	10.6%	9.9%	9.7%

In accordance with our Capital Strategy we will only borrow for assets with a long-term life, such as land and buildings. Debt charges increased in 2020/21 due to the inclusion of finance leases for multi-functional photocopiers and a telecommunications contract with BT. Overall borrowing as a percentage of NRE remains very low, at less than 1%.

Debt, in both absolute terms and as a percentage of NRE, has increased in recent years due to external borrowing for the replacement Reading Police Station and our share of the Western Hub, but both are at reasonable levels and, more importantly, are affordable.

Further information on borrowing levels is provided in the Treasury Management Strategy Statement for 2022/23.

CONCLUSIONS

Based on the information and evidence in this financial resilience self-assessment we believe that TVP is a going concern because:

- We manage annual budgets very effectively. Since 2016/17, the largest variation against NRE has been 0.3%. Underspends in 2021/22 and 2022/23 primarily reflect difficulties in recruiting and retaining police officers and staff, coupled with supply chain and contractor problems, rather than an inability to manage expenditure effectively.
- We have a proven history of delivering productivity savings to balance annual budgets and reinvesting these in frontline operational services. In the eleven years between 2010/11 and 2021/22, some £112.7m was removed from base revenue budgets, with a further £16.3m identified for delivery over the next four years. This work is ongoing through the Efficiency and Effectiveness Programme, driven by the Deputy Chief Constable and supported by the Director of Finance and other senior colleagues
- We produce and publish our annual financial strategy and assessment of reserves, capital strategy, and a treasury management strategy statement
- We produce a very detailed 4-year medium term financial plan as well as a 4-year capital programme which shows a balanced budget.

- We maintain a healthy level of cash reserves. General balances are expected to remain at the agreed 3% of NRE level throughout the MTFP period. Earmarked reserves are scheduled to reduce over the early years of the MTFP, and grow in the later years to support the longer term capital programme.
- We maintain an insurance provision sufficient to meet the actuarially assessed level of insurance liabilities at 31st March.
- Borrowing costs when expressed as a percentage of NRE remain very low – less than 1% throughout the MTFP period.
- External debt peaked at £63.5m in 2021/22. According to current capital expenditure plans, overall debt should not rise above this level over the next four years. However, there may be a technical increase when IFRS 16 (leases) is implemented which will increase the value of assets held on the balance sheet, with a consequential increase in finance lease borrowing costs.

Other information and evidence to support this going concern assessment includes:

- We have a history of strong and effective financial management which has been acknowledged by HMICFRS in inspection reports.
- We undertake an annual self-assessment against the CIPFA Financial Management Code and report the results to the Joint Independent Audit Committee.
- We have an efficient and effective internal audit service that reports jointly to the PCC CFO and the Force Director of Finance. Quarterly update reports are presented to the Joint Internal Audit Committee. In his Annual Audit opinion for 2022/23 the Chief Internal Auditor is expected to issue an overall grade of 'Reasonable Assurance'.

Martin Thornley
PCC CFO & Deputy Chief of Staff

Linda Waters
TVP Director of Finance



Professional and Ethical Standards Panel

ANNUAL ASSURANCE REPORT 2022

Introduction and Background

1. The Police and Crime Commissioner for Thames Valley (PCC) is responsible for securing the maintenance of an efficient and effective police Force. The Chief Constable of Thames Valley Police (TVP) is responsible for maintaining the King's peace and has direction and control over TVP officers and staff.
2. The PCC, on behalf of the public, is responsible for holding the Chief Constable to account for the exercise of his functions, including those of persons under his direction and control, and for the overall performance of the Force. However, in law, the PCC must not fetter the operational independence of the Force or the Chief Constable who leads it.
3. Under the Police Reform Act 2002, the Chief Constable is the 'Appropriate Authority' responsible for dealing with complaints and misconduct matters raised against TVP police officers and staff below the rank of Chief Constable and/or complaints about the quality of service members of the public have received from the Force. The Chief Constable, therefore, has a duty to ensure adequate and effective systems and procedures are in place for managing and monitoring complaints against the Force. In practice, the Chief Constable delegates this statutory responsibility to his Professional Standards Department (PSD).
4. One of the PCC's 'holding to account' duties is to monitor the adequacy and effectiveness of the Force's handling of all complaints made against police officers, staff and the quality of service provided by the Force. To enable the PCC to discharge his statutory 'holding to account' obligations in relation to complaints made against the Force, the Chief Constable has a duty to ensure the PCC is kept informed of matters relating to the handling of complaints against TVP and any material issues arising from them. In addition to this duty, since the Policing and Crime Act 2017, which duly amended the Police Reform Act 2002, PCCs, have a duty to conduct reviews (formerly known as appeals). The Thames Valley PCC has opted for the minimum level of statutory responsibility and has opted for 'model 1'. What this means is that the appropriate authority (PSD) retain control of making recording decisions and severity assessments on all complaints but where the

relevant review body would have been PSD, it is now the OPCC. This provides for greater independence and transparency.

5. To help discharge their respective responsibilities, the PCC and Chief Constable have jointly established the Professional and Ethical Standards Panel (PESP). As of December 2022, the Panel comprised of 7 independent members of the public who were appointed following an open recruitment and selection process.
6. As well as helping the Chief Constable to obtain independent assurance that he is discharging his respective complaints duties and responsibilities effectively, other functions of the Panel include monitoring the proportionality and consistency of decision making by the Force as well as constructively challenging the way that the Chief Constable and the PCC handle professional and ethical standards issues. Full details of the remit of the Panel can be found in the Terms of Reference, which are attached at Appendix A.

Purpose of Report

7. The purpose of this Annual Assurance Report is to provide the PCC and Chief Constable with an independent assurance, as appropriate, as to the adequacy and effectiveness of the Force's arrangements for handling and dealing with complaints made against the Force. This report brings to the attention of the Chief Constable and the PCC whether the Panel has any collective views, concerns or recommendations, based on its assessment of the type and volume of complaints made against the Force. The report also details how any complaints concerning issues relating to policing integrity, ethics and professional standards were dealt with by the Force.
8. The report covers the period of PESP Meetings from January to December 2022. Meetings are held bi-monthly and in 2022 were held remotely and in person on the following dates:
 - 2 February 2022
 - 6 April 2022
 - 8 June 2022
 - 10 August 2022
 - 12 October 2022
 - 14 December 2022

Panel Focus – Complaints and Reviews Handling

9. The Panel may receive, upon request, a random selection of closed complaint files based on a theme agreed by members. Files are randomly selected from those held by the PSD. The case files are made available before meetings for the Panel to scrutinise in readiness to feedback comments at the Panel meeting and to address issues arising. Panel members also attend confidential PSD Tasking meetings where live cases are discussed.

10. The decision has also been made that Panel members will receive a selection of review files undertaken by the OPCC, on a bi-annual basis. As with complaints files, the documentation is made available to Panel members prior to the meeting at which they are being discussed, so that they consider any elements of the review that they wish to challenge.

11. During the period January to December 2022, Force-wide themes and cases reviewed at the Panel meetings were as follows:

- Body Worn Video (BWV) utilisation by officers.
- Care and support in custody.
- Analysing Key PSD Performance Data.
- Victim Satisfaction.
- TVP HMIC Report.
- Violence Against Women and Girls (VAWG).
- Proportionality of severity assessments.
- Vetting/Recovery Plan.
- Policing protests.
- Abuse of power/position or inappropriate comments amongst colleagues.
- Reflective practice and learning by reflection.

Panel Focus - PSD Complaints & Misconduct Performance Reporting and Monitoring System

12. At each meeting, the Panel receive a copy of the PSD performance monitoring report presenting data covering complaints and misconduct matters. The data is divided into two sections, namely 'Complaint Information' and 'Conduct Information'. Previously the Panel changed the frequency of data presented to make it more pertinent.

13. Matters of concern and issues raised or noted by members during the year included:

- Officer and staff retention.
- High workloads and officer/staff burnout.
- Officer inexperience in preparing Court files.
- Vetting backlog.
- Concerns that PSD letters are too long and wordy for complainants.
- That electronic equipment takes too long to be returned to individuals, impacting on their lives.
- Issues in securing appropriate adults for interview.
- Complaints being dealt with outside of PSD (i.e. being sent to the LPAs) are not being dealt with as effectively due to a number of factors.
- The number of new recruits becoming a hot spot for potential complaints.
- The number of females and ethnic minorities within the Firearms Department.
- BWV policy not being adhered to.

- Concerns regarding storage of BWV footage.
- Lack of victim focus in frontline officers.
- Out of date Force policies.

All of these concerns and issues were satisfactorily considered and explained either at the relevant meetings or 'action items' were tabled to address the concerns at future meetings, which are referenced below.

Panel Focus - Special Measures/Actions

14. As part of the meetings, all attendees are able to raise actions. Examples of actions that have been raised in 2022 are as follows.
- TVP to identify why it takes so long for electronic devices (that have been seized as part of an investigation) to be returned.
 - PSD to further investigate complaints where concerns were raised by the Panel and identify further learning.
 - Promoting good behaviour and conduct ideas report to be shared with the Panel.
 - PSD to share the business case for additional resourcing of the PSD complaints team with the Panel before it is sent to the Chief Constable for sign off.
 - For TVP to send the number of females and minority groups within the Firearms Department to the Panel.
 - For TVP to discuss the IT pressures of BWV storage further and identify what needs to be done.
 - An update to the Panel in regards to compliance with Force instruction on use of BWV, including:
 - incidents of non-compliance and outcomes,
 - IT support and servicing standards of the new kit,
 - confirmation of the Force's timeline to deploy the new kit and apply the new Force policy.
 - For TVP to provide an update to the Panel and an action plan regarding victim satisfaction.
 - Panel to request that some details of the VAWG meetings can be shared at PESP.
 - For TVP to clarify how they prioritise and ensure that policies are refreshed and updated.
 - Panel to write a letter to the PCC, asking him to speak to the Warwickshire PCC as to why the commercial vetting system was cancelled and encourage Warwickshire to reinstate the system.
 - For Panel Members to send recommendations for mental health training for further discussion.
 - TVP to advise the Panel as to what mental health related incidents will be attended by officers.

- For TVP to give further consideration of how the learning from themes for reflective practice can be identified to support further improvement across the organisation.
- Requests by the Panel for further papers in relation to presentations and/or discussions.
- Request by the Panel to circulate guidance/explanations/presentations.
- Request for presentations and suitable speakers.

Panel Focus – policies and practices concerning professional standards, integrity and ethics issues

15. During the year the Panel requested presentations, reports and ‘question and answer’ sessions in the form of ‘deep dive’ exercises that provided the opportunity for members to hold to account the force on its performance, and reflect on professional standards, integrity and ethical issues and how well they are reflected in operational policing policies and practices.
16. Presentations received covered the following topics:
- Body Worn Video.
 - Digital Forensic Services.
 - Mental Health demands on TVP policing services from the public.
 - Victim Satisfaction Strategy.
 - Violence Against Women and Girls (VAWG)
 - Vetting of TVP officers and staff.
17. As part of their scrutiny of the Force, Panel members have also attended the below meetings and written reports to be passed to the rest of the Panel for potential discussion:
- 21 January- Firearms Awareness Visit.
 - 3 February- Misconduct Meeting Chairs Training.
 - 7 February- VAWG Gold.
 - 8 February- Ethics Forum- Limits to Police Powers.
 - 15 February- Service Improvement Review (SIR) - Missing and Exploitation.
 - 16 February- PSD Tasking Meeting.
 - 15 March- Ethics Sub-Group.
 - 22 March- SIR - VAWG.
 - 23 March- VAWG Conference.
 - 30 March- PSD Tasking Meeting.
 - 25 April- VAWG Silver.
 - 28 April- Organisational Force Performance Group.
 - 11 May- Tasking Meeting.
 - 17 May- VAWG Gold.
 - 19 May- SIR.
 - 8 June- Visit to Contact Management Centre.
 - 14 June- Ethics and Integrity Board.

- 14 June- VAWG Silver.
- 22 June- PSD Tasking Meeting.
- 28 June- SIR.
- 30 June- PSD Conference.
- 18 July- VAWG Silver.
- 21 July- SIR.
- 26 July- Operational Force Performance Group.
- 3 August- PSD Tasking Meeting.
- 15 August – SIR - Domestic Abuse.
- 13 September- Ethics Sub-Group.
- 14 September- Tasking Meeting.
- 2 November- VAWG Silver.
- 3 November- Tasking Meeting.
- 9 November- Operational Force Performance Group.
- 10 November- VAWG Board.
- 25 November- SIR Organised Crime Groups (OCGs) and County Drug Lines.
- 29 November- VAWG Silver.
- 6 December- Ethics Sub-Group.
- 7 December- Tasking Meeting.

Positive Feedback

18. Whilst the PESP challenge the Chief Constable and PCC by providing constructive feedback and scrutiny, they also provide positive feedback where they believe that the Force are doing something in an exemplary fashion. Some positive feedback that the Panel provided during 2022 meetings is as follows.

- An excellent IO report from Insp Roberts and Tony Lees regarding two particular complaints, thanks given by the Panel. The Panel also noted that the quality of the reports completed by PSD are generally excellent.
- Panel members commented that TVP/Hants Firearms training was impressive and highly professional.
- It was noted that TVP had a lot of positive comments coming in from the public.
- The Panel noted that Dee Hackling has done an incredible job in pulling the complaints/misconduct data together.
- A Panel member wished to give credit to officers in relation to good investigations where complaint files had been reviewed.
- The OPCC have provided some excellent review response letters.
- The Panel noted that the problem with BWV storage was quickly resolved by the Force after coming to light and gave their thanks for the speed in moving the issue forward.
- TVP are dealing with complaints promptly and resolving many of them through service recovery and outside of Schedule 3.
- There is an improvement in the number of VAWG cases being dealt with formally.

- A Panel Member wished to give credit to PSD for wanting to engage and work with the Panel.
- The TVP 2022 HMIC PEEL Report is good with lots of positives within.
- It was acknowledged that excellent work had been undertaken by TVP on Operation London Bridge (the funeral of Queen Elizabeth II).
- The Panel noted that lots of work was being undertaken and that progress was being made with regards to improving victim contact.
- After a visit to the Contact Management Centre, Panel Members commented that the TVP staff that they encountered were brilliant.
- A Panel Member commented that the Ethics Sub-Group meeting was well attended and facilitated with good debates.

Other Panel Business – General

19. In the first meeting of the year, the Chair advised that he believed face to face meetings were better than via teams. This was therefore discussed in line with current Covid requirements and determined that attendees could attend in person.
20. TVP confirmed that 3 new ACCs were being appointed:
 - Tim Metcalfe- CTPSE/SEROCU
 - Dennis Murray- Crime and Criminal Justice
 - Catherine Akehurst- Joint Operations Unit
21. The OPCC compiled a PESP Handbook which would be available to all Panel Members.
22. Dee Hackling advised that Rachel Hannam is covering her role for a period of 12 months so she will attend meetings instead of Dee.
23. The Panel congratulated Jason Hogg for his promotion to Chief Constable of Thames Valley Police as of 1st April 2023.
24. It was confirmed that a decision will be made regarding the levels of LPA's in February 2023.
25. The Panel welcomed Gillian Ormston as new Chief of Staff for the Office of the Police and Crime Commissioner and looked forward to welcoming Martin Thornley in early 2023.
26. Former Panel member Greg Elphick's last meeting was on 8 June 2022.

Conclusions

1. The Panel's purpose is to monitor and, where necessary, challenge the way complaints against TVP police officers and staff are handled by the Force, and

how the adequacy and effectiveness of these arrangements and outcomes are overseen by the Chief Constable and PCC. In addition, the work of the Panel includes the review and challenge of associated ethics and professional standards issues.

2. Constructive challenges over the past twelve months on a wide range of topics have given the Panel a greater insight to the types of complaints and conduct issues faced by the Force and how they are addressed and responded to. It remains of the utmost importance that the public can have complete trust and confidence in the integrity, professionalism and service of their local police.
3. In receiving this insight, however, the Panel continues to appreciate the various external challenges faced by the Force, and the instrumental role played by the PSD. The role of PSD entails ensuring complaints are handled and investigated in a consistent, transparent and fair manner, and identifying police officers and staff who do not reflect the values, ethics and professional standards expected by Thames Valley Police and the communities it serves. Where appropriate, they are held to account for their shortcomings in accordance with law and disciplinary regulations. The Panel also recognised the importance of 'best practice' and the way PSD seeks this out and implements it across the Force.
4. The Panel continues to feel that the positive relationship and degree of trust that has developed with the Chief Constable, the PCC and senior staff has enabled the members to contribute constructively and objectively to Force performance in two main ways. Firstly, the ongoing monitoring of the adequacy and effectiveness of the arrangements for handling complaints, together with the testing of operational policies and practices, from an external, independent, professional standards, integrity and ethics viewpoint.

Assurance Statement

In summary, based on the information and knowledge that the Panel have gathered collectively or know about individually, the Panel can provide an assurance to the PCC and Chief Constable that the complaints handling and management arrangements in place within Thames Valley Police are operating satisfactorily with an improved efficiency, and effectively within the limits of the resources at their disposal

Panel members:

Mark Harris (Chairman)

Michael O'Connell (Vice Chair)

Umar Butt

Joanna Patil

John Barlow

Verity Murrice

Steve Buckeridge

Professional and Ethical Standards Panel

Date

Signed by Mark Harris
Chair

Appendix A

PROFESSIONAL & ETHICAL STANDARDS PANEL TERMS OF REFERENCE

Purpose

Policing in this country is by consent of the public. Police integrity is critical if the public are to trust the police to use their powers wisely and fairly.

The Professional & Ethical Standards Panel (the Panel) has been jointly commissioned by the Chief Constable and the Police and Crime Commissioner (PCC). The purpose of the panel is to provide a transparent forum that encourages constructive challenge over the way complaints against police officers and staff and professional and ethical standards issues are handled by Thames Valley Police and overseen by the Chief Constable and the PCC.

This will help to ensure that Thames Valley Police has clear ethical standards and achieves the highest levels of integrity and service delivery.

Terms of Reference

1. To regularly review a selection of complaints files so that the panel can satisfy itself that the Force's working policies and procedures for handling and resolving complaints made against police officers and staff comply with current legislation, regulation and statutory guidance.
2. To use performance data regarding complaints to ensure that the Force has an effective complaints reporting and monitoring system in place and is identifying and learning from any recurring patterns or themes.
3. To review the progress of live complaint cases or misconduct investigations, including appeals, which cause or are likely to cause particular community concern.
4. In undertaking terms (1) to (3), to continually monitor the proportionality and consistency of decision making, and raise any concern with respect to the occurrence of, or potential for, apparent bias or discrimination against minority groups as appropriate.
5. To review areas relating to professional and ethical standards and to make appropriate recommendations.
6. To consider specific matters referred to the Panel by either the Chief Constable or the PCC and to make recommendations.
7. To report, on an annual basis, the summary findings, conclusions and recommendations of the Panel to the Chief Constable and the PCC.
8. To consider within one month any allegation of misconduct or proposal for dismissal made against the Chief Executive and/or the Chief Finance Officer of the Office of the PCC, and recommend to the PCC whether it should be further investigated or progressed.
9. At all times, to maintain confidentiality with respect to the matters and information to which the panel have access.

August 2020



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Decision: 17th March 2023

Title: Joint Corporate Governance Framework

Executive Summary:

The Corporate Governance Framework provides clarity on the way the two corporations sole, i.e. the PCC and Chief Constable of Thames Valley, will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason and at the right time.

It consists of:

- Statement of corporate governance – statutory framework and local policy
- Code of corporate governance – sets out how the core principles will be implemented
- Scheme of corporate governance – defines the parameters within which the corporations sole will conduct their business
- Separate policy and procedures for each corporation sole, with protocols and other governance documents where they operate jointly.

The Framework has been reviewed and updated as appropriate.

Recommendation:

That the Committee scrutinises the draft Joint Corporate Governance framework for 2022/23 and recommends it to the PCC and Chief Constable for approval.

Police and Crime Commissioner

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL

1 Introduction and background

- 1.1 In a public sector context, good governance is about how those responsible for the service ensure they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems, processes, cultures and values by which all local government bodies are directed and controlled, and through which they account to, engage with and, where appropriate, lead their communities. These principles apply to equally the PCC and the Chief Constable of Thames Valley Police (TVP).
- 1.2 The framework has been fully reviewed and the main changes are set in section 2 below.

2 Issues for consideration

- 2.1 The following paragraphs briefly explain the main changes that have been made to each of the four components of the joint corporate governance framework.
- 2.2 A tracked changes version has been provided to members of the Committee.

References to the Chief Executive have been changed to Chief of Staff throughout this document.

References to the Police and Crime Plan have been changed to Police and Criminal Justice Plan throughout this document.

Regarding the financial regulations, some limits have been amended for alignment and consistency throughout the document.

Authorising signatories for various financial amounts have been made consistent throughout the document.

Code of Corporate Governance

Reference to the Independent Oversight Board (ISOB) has been included at A6

Scheme of corporate governance

At 6.14 the Chief of Finance and Head of Governance and Compliance can also sign documents and affix the seal where necessary. This is also reflected in point 2 of Appendix 1.

Point 3 of Appendix 1 has been deleted as the Data Protection Officer is a statutory appointment and not a delegation.

Point 6 of Appendix 1 and Point 10 of Appendix 2 have been added to reflect new statutory guidance regarding severance payments.

Financial Regulations

Point 1.1.24 has been amended to '*advise and scrutinise with respect to...*' Rather than '*ensuring regularity, propriety and Value for Money (VFM) in the use of public funds.*'

Minor amendments to 1.1.31 relating to '*reporting*' on value for money rather than '*advising*' together with implementation of processes to achieve value for money.

Financial Strategies

Minor amendments to 21.5 and 21.8, 21.12

Budgetary control

2.2.11 and 2.2.12 have been amended to take account of increasing limits for alignment and consistency of virements.

Capital Programme

2.3.20 has been amended to take account of the high inflationary environment.

Audit implications

3.3.2 has been amended to confirm that the total membership for JIAC may exceed 5 on a temporary basis to facilitate a smooth transition.

Asset Disposal

Minor amendments at 3.5.13/14 to take align with other limits and take account of property inflation.

Minor amendments at 3.5.19 to Chief Finance Officer and financial limits have been altered.

Financial limits have altered throughout the remainder of the Framework. Specifically, on page 105, 6.2.5, an addition has been made '*to authorise grants in accordance with Financial Instructions. The PCC will be required to approve any new grants over £1m.*

Paragraph added at 2.3.30 page 107 regarding approval levels.

There has been an addition of Appendix 2.

2.3 There are no specific financial implications arising directly from this report.

3 Legal Implications

3.1 There are no specific legal implications arising directly from this report.

4 Equality Implications

4.1 There are none arising specifically from this report

Background papers

Report to the Level 1 meeting on 30 March 2021

<p>Public access to information Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website within 1 working day of approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.</p>
<p>Is the publication of this form to be deferred? No</p>
<p>Is there a Part 2 form? No</p>

Name & Role	Officer
<p>Head of Unit The Corporate Governance Framework has been reviewed and updated to ensure it remains consistent with national guidance and local policies, procedures and arrangements</p>	Chief of Staff
<p>Legal Advice No specific issues arising.</p>	Head of Governance and Compliance
<p>Financial Advice No specific issues arising from this report.</p>	PCC Chief Finance Officer
<p>Equalities and Diversity No specific issues arising from this report</p>	Chief of Staff

PCC STATUTORY CHIEF OFFICERS' APPROVAL

<p>We have been consulted about the report and confirm that appropriate financial and legal advice has been taken into account.</p> <p>We are satisfied that this is an appropriate report to be submitted to the Joint Independent Audit Committee.</p> <p>Chief of Staff Date 8 March 2023</p> <p>Chief Finance Officer Date 8 March 2023</p>



JOINT CORPORATE GOVERNANCE FRAMEWORK

2022/23

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Statement of Corporate Governance for the Police and Crime Commissioner for Thames Valley and the Chief Constable of Thames Valley Police

Introduction

The purpose of this statement is to give clarity to the way the two corporations sole, the Police and Crime Commissioner for Thames Valley (PCC) and the Chief Constable of Thames Valley Police, will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason at the right time.

Context

The principal governance framework within which the corporations sole will operate is:

- Police Reform and Social Responsibility Act 2011
- The Policing Protocol Order 2011
- Standards in Public Life (known as ‘the Nolan Principles’)
- PCC Oath of Office
- PCC Code of Conduct
- The Good Governance Standard for Public Services¹
- Police Service Code of Ethics
- Home Office Strategic Policing Requirement
- Home Office Financial Management Code of Practice
- CIPFA Financial Management Code

This framework creates a public sector relationship, based upon the commissioner-provider arrangement but with unique elements such as the single elected commissioner and operational independence of the police service. It is therefore not appropriate to import corporate governance arrangements into this environment but to build upon existing good governance principles and experience.

In accordance with the CIPFA / SOLACE framework on corporate governance, the PCC and Chief Constable are required to produce separate annual governance statements to show how their respective organisations have complied with the joint code of corporate governance.

Principles

The Policing Protocol Order 2011 requires the PCC and Chief Constable to abide by the seven principles set out in ‘Standards in Public Life’ (commonly known as ‘the Nolan Principles’) which set out the personal conduct expectations of holders of a public office, i.e.

- Selflessness,
- Integrity,
- Objectivity,
- Accountability,
- Openness,
- Honesty, and
- Leadership.

These Nolan Principles are incorporated into the PCC Code of Conduct which, together with the PCC’s ‘Oath of Office’, are published on the OPCC website.

¹ The Independent Commission on Good Governance in Public Services 2005

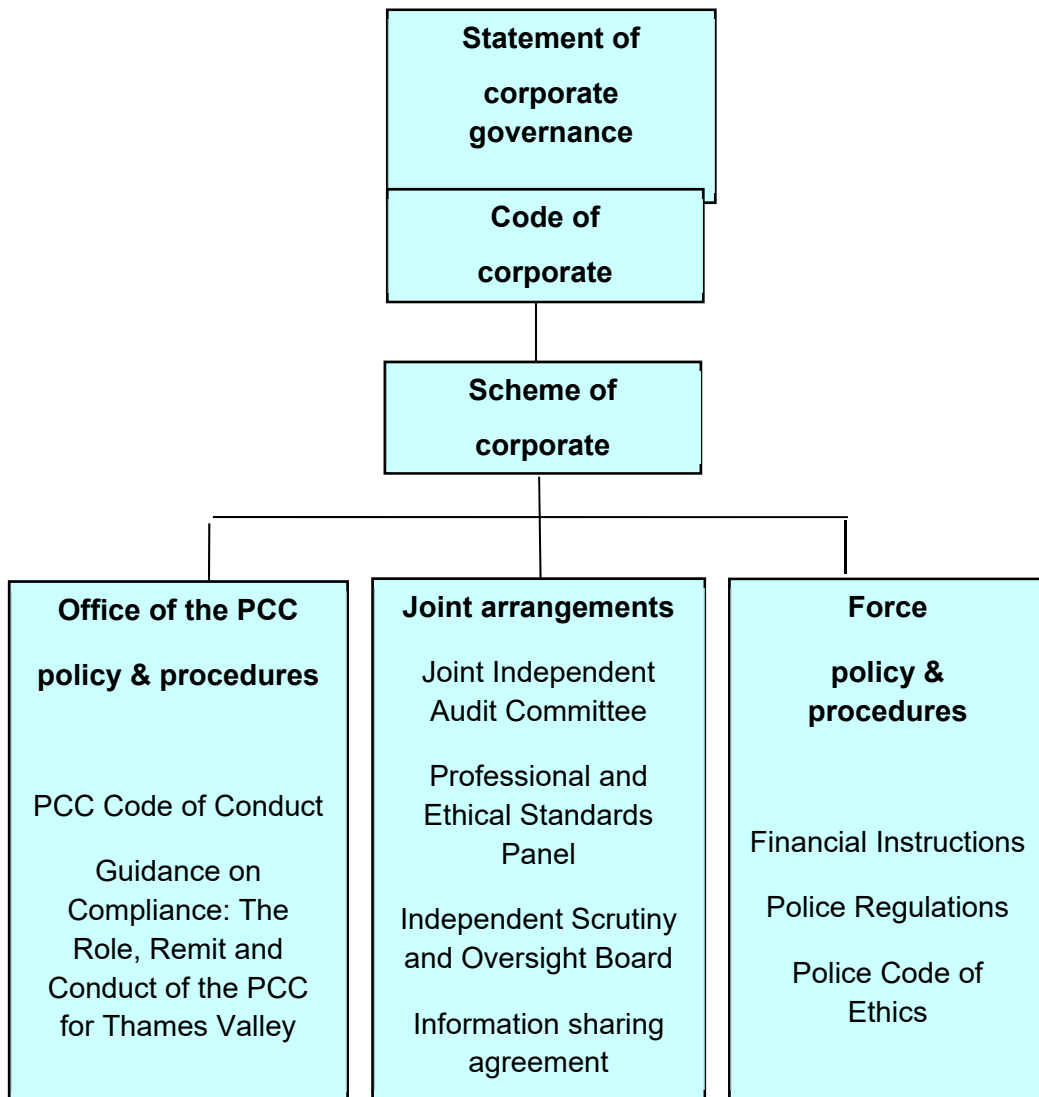
The above Nolan Principles, covering the personal conduct of public office holders, are supplemented by those organisational governance principles and management arrangements highlighted by CIPFA and SOLACE in their publication '*Delivering Good Governance in Local Government*':

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable service and economic benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Framework / Instruments of governance

The corporate governance framework within which the PCC and Chief Constable will govern, both jointly and separately, will consist of:

- Statement of corporate governance – statutory framework and local policy,
- Code of corporate governance – sets out how the core principles will be implemented,
- Scheme of corporate governance – defines the parameters within which the corporations sole will conduct their business,
- Separate policy and procedures for each corporation sole, with protocols and other governance documents where they operate jointly.



Leadership

The Governance Advisory Group reviews and updates the framework and oversees its implementation. An annual update is provided to the Joint Independent Audit Committee, which scrutinises the framework and makes recommendations to the PCC and Chief Constable who approve the final version at one of the PCC's public 'Performance and Accountability' meetings'.

Definitions used within this Joint Corporate Governance Framework

1. The Police and Crime Commissioner shall be referred to as the PCC
2. The PCC's Chief Finance Officer shall be referred to as the PCC CFO
3. The Chief Constable's Chief Finance Officer (CC CFO) is the Director of Finance
4. The 'Force' shall refer to the Chief Constable, police officers, police civilian staff, police community support officers (PCSO), special constabulary, volunteers and other members of the wider police family under the Chief Constable's direction and control

5. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders

CODE OF CORPORATE GOVERNANCE

for the Police and Crime Commissioner for Thames Valley and Chief Constable of Thames Valley Police

1 INTRODUCTION

1.1 Governance is about how organisations ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open and accountable manner. It comprises the system, processes, culture and values by which organisations are directed and controlled, and through which they account to, engage with and lead their communities.

1.2 This Code of Corporate Governance describes how the Police and Crime Commissioner (PCC) for the Thames Valley and the Chief Constable of Thames Valley Police discharge their responsibilities in this respect, reflecting their commitment to the statutory requirements. It should be read alongside the Scheme of Corporate Governance which defines the parameters for decision making, including schemes of delegations, consents and financial regulations, including contracts regulations.

1.3 The PCC has two key statutory responsibilities:

- To secure the maintenance of an efficient and effective local police force;
- To hold to account the Chief Constable of Thames Valley Police for the exercise of his functions and those of persons under his direction and control.

In exercising these functions, the PCC is accountable to the electorate in the Thames Valley Police area.

1.4 The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services provided by the Force.

1.5 The Good Governance Standard for Public Services² sets out seven core principles on which effective corporate governance should be built:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable service and economic benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability

1.6 To achieve this, a local scheme has been formulated to ensure that these principles are fully integrated in the conduct of Thames Valley Police's business as well as establishing a means of demonstrating compliance.

² CIPFA: *Delivering good governance. Guidance Notes for Policing Bodies in England and Wales: 2016 Edition*

- 1.7 Thames Valley Police must also demonstrate that the systems and processes in place are:
- Monitored for their effectiveness in practice
 - Subject to annual review to ensure they remain up to date
- 1.8 Underneath each of the seven sets of principles are a series of behaviours and outcomes that demonstrate good governance in practice.
- 1.9 Throughout this Code, the term “employees” refers to all police officers, police support staff, special constables, volunteers and other members of the wider policing family working for Thames Valley Police.
- 1.10 This Code applies to all employees, contractors and/or agents providing a direct service to Thames Valley Police.
- 1.11 The Code will be reviewed and updated as appropriate on an annual basis.

2. THE CODE OF CORPORATE GOVERNANCE

- 2.1 Effective governance relies on public confidence in the PCC, Chief Constable and their respective employees. Good governance strengthens credibility and confidence in our public services.
- 2.2 Thames Valley Police has developed a single joint Code of Corporate Governance which incorporates the core good governance principles, develops these in a local context, and sets out the arrangements for reviewing their effectiveness. At year-end the PCC and Chief Constable will produce Annual Governance Statements to show their compliance with this Code (see section 3).
- 2.3 The way in which each of the seven core principles of good governance is put into practice by Thames Valley Police is set out below, together with the expected behaviours and outcomes:

A BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

- 2.4 *Good governance flows from a shared ethos or culture, as well as from systems and structures. It cannot be reduced to a set of rules or achieved fully by compliance with a set of requirements. This spirit or ethos of good governance can be expressed as values and demonstrated as behaviour. It depends on building a corporate environment where leaders and staff believe personally in acting in accordance with generally accepted values.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- A1 The Policing Protocol Order 2011 (the Protocol) requires all parties to abide by the seven principles set out in ‘Standards in Public Life’ (known as “*the Nolan Principles*”) - *i.e.* Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership - and these will be central to the conduct and behaviour of all. It also highlights the expectation that the relationship between all parties will be based upon the principles of goodwill, professionalism, openness and trust
- A2 Additionally, the Home Office Financial Management Code of Practice requires the PCC and Chief Constable to ensure that the CIPFA ‘*Good Governance principles*’ are embedded within the way the organisations

operate. As such, the PCC and Chief Constable will set the tone for their respective organisations by creating a climate of openness, support and respect

- A3 The Police Service Code of Ethics, issued under the Police Act 1996, sets out principles and standards of professional behaviour for the policing profession of England and Wales. The Code applies to all police forces and, specifically, to chief officers in the discharge of their functions.
- A4 The PCC and Chief Constable will set out their values in the respective corporate and strategic plans and use them as a guide for decision making and as a basis for developing positive and trusting relationships
- A5 The PCC and Chief Constable will put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice. To that end, the PCC and Chief Constable have agreed to maintain jointly a 'Professional and Ethical Standards Panel' comprising members of the public. The purpose of this Panel is to monitor, challenge and make recommendations about the way complaints, ethics and integrity issues are handled by the Force and overseen by the PCC.
- A6 In addition, the PCC and Chief Constable have also put in place the Independent Scrutiny and Oversight Board. Its purpose is to provide oversight and advice to the Force to support delivery of the Race Action Plan.
- A7 The PCC and Chief Constable will recognise the limits of lawful action placed on them (e.g. the 'ultra vires doctrine') and will observe both the specific requirements of legislation and the general responsibilities placed on the PCC and Chief Constable by public law
- A8 The Chief Constable will ensure compliance with relevant national standards and policies in terms of vetting

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Behaving with integrity

- A9 Ensuring that the PCC, chief officers and staff behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby promoting and upholding the reputation of the organisation amongst its stakeholders
- A10 Ensuring the PCC and chief officers lead in establishing a culture and specific values for their organisations and staff and that they are communicated and understood. The values should build on the *Nolan Principles*
- A11 Leading by example and using these values as a framework for decision making and other actions
- A12 Demonstrating, communicating and embedding values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively

Demonstrating strong commitment to ethical values

- A13 Seeking to understand, monitor and maintain the organisation's ethical performance
- A14 Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation
- A15 Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values
- A16 Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards

Respecting the rule of law

- A17 Ensuring the PCC, chief officers and staff demonstrate respect for the rule of law as well as adhering to relevant laws and regulations
- A18 Creating the conditions to ensure that statutory chief officers, other key postholders and (where appropriate) statutory committees can fulfil their responsibilities in accordance with best practice
- A19 Striving to use full powers for the benefit of citizens, communities and other stakeholders
- A20 Dealing with reported breaches of legal and regulatory provisions effectively
- A21 Ensuring reported corruption and misuse of power are dealt with effectively

B ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

- 2.5 *Local Government, including the Police service, is run for the public good. Organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders*
- 2.6 *The PCC and Chief Constable exist primarily to provide services that people need, and this will only be achieved if there is a consistent dialogue in both directions*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- B1 The Policing Protocol Order 2011 highlights that the PCC is accountable to local people and has a duty to set and shape the strategic direction and objectives for the force area in consultation with the Chief Constable, taking into account the Strategic Policing Requirement
- B2 The PCC and Chief Constable will ensure that a shared vision, strategic plans, priorities and targets are developed having regards to the views of the local community and other key stakeholders, and that they are clearly articulated and disseminated
- B3 The PCC's statutory police and crime plan for the period 2021-2025, locally titled the 'Police and Criminal Justice Plan' (and referred to as such hereon) will clearly set out what the PCC's strategic priorities and objectives are and how they will be delivered

- B4 To complement this, the communication and engagement strategies will set out how local people will be involved with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction
- B5 The PCC and Chief Constable will develop arrangements for effective engagement with key stakeholders ensuring that, where appropriate, they inform decision making, accountability and future direction
- B6 The PCC, with the support of the Chief Constable, will engage with the independent Thames Valley Police and Crime Panel to facilitate scrutiny and public accountability of the PCC, over and above development of the annual budget and delivery of the objectives set out in the Police and Criminal Justice Plan
- B7 The PCC and Chief Constable will develop effective working relationships with constituent local authorities and other partners as necessary and appropriate
- B8 The PCC and Chief Constable will seek to ensure that when working in partnership that (a) there is clarity about the legal status of the partnership and that representatives, or organisations, both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions, and (b) that all employees are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the organisation

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Openness

- B9 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness
- B10 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action

Engaging comprehensively with institutional stakeholders

- B11 Engaging effectively with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably
- B12 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively
- B13 Ensuring that partnerships, including collaborations, are based on trust, a shared commitment to change, and a culture which promotes and accepts challenge amongst partners and that the added value of partnership working is explicit

Engaging stakeholders effectively, including individual citizens and service users

- B14 Ensuring that communication methods are effective and that the PCC and officers are clear about their roles regarding community engagement

- B15 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs

C DEFINING OUTCOMES IN TERMS OF SUSTAINABLE SERVICE AND ECONOMIC BENEFITS

- 2.7 *The long term nature and impact of many of the PCC and Chief Constable's responsibilities mean that they should seek to define and plan outcomes and that these should be sustainable. Decisions should contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.*
- 2.8 *Public sector programmes will respond to changes in the current environment, but these responses should always be framed within the PCC and Chief Constable's long term objectives and aspirations for the service, and the resources available.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- C1 The Police Reform and Social Responsibility Act 2011 (PRSRA 2011) requires the PCC to issue a Police and Crime Plan (Police and Criminal Justice Plan) covering a five year period, including one year beyond his/her term of office. It will outline the policing and crime priorities and objectives (outcomes) and the strategic direction for the policing of the Force area
- C2 Both the PCC and Chief Constable must have regard to the Plan and the PCC must have regard to the priorities of the responsible authorities during its development
- C3 Each organisation will have an annual plan which sets out how it will operate to support achievement of these outcomes
- C4 Collaboration agreements will set out those areas of business to be undertaken jointly with other forces, local policing bodies and other emergency services, whether it be to reduce cost, increase capability and/or increase resilience to protect local people
- C5 A financial strategy will be developed jointly by the CFO and Director of Finance for approval and adoption by the PCC and Chief Constable. This will be reviewed and refreshed at least annually to ensure delivery of the corporate aims and objectives. Detailed arrangements for financial management will be set out in financial regulations
- C6 The PCC is required to publish an annual report in relation to monitoring his own performance and that of the Chief Constable and Force
- C7 A commissioning and award of grants framework will be developed and maintained by the PCC, which will incorporate commissioning intentions and priorities

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Defining outcomes

- C8 Having a clear vision – an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators which provide the basis for the organisation's overall strategy, planning and other decisions
- C9 Specifying the intended impact on, or changes for stakeholders, including individual citizens and service users
- C10 Delivering defined outcomes on a sustainable basis within the resources that will be available while recognising that changing demands will place additional pressure on finite resources.
- C11 Identifying and managing risks to the achievement of outcomes as part of delivering goods and services
- C12 Managing expectations effectively about determining priorities and making the best use of the resources available

Sustainable service and economic benefits

- C13 Considering and balancing the combined service and economic impact of policies and plans when taking decisions
- C14 Taking a longer term view about decision making, taking account of risk and acting transparently where there are potential conflicts between the PCC and the Chief Constable's intended outcomes and short term factors such as the political cycle or financial constraints

D DETERMINING THE ACTIONS NECESSARY TO ACHIEVE THE INTENDED OUTCOMES

- 2.9 *Public bodies, including the Police, achieve their intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that the Police must ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure the achievement of intended outcomes.*
- 2.10 *Policy implementation usually involves choice about the approach, the objectives, the priorities and the costs and benefits. PCCs and Chief Constables must ensure that they have access to the appropriate skills and techniques.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- D1 The PCC and the Chief Constable will maintain a medium term financial strategy, updated annually, which will form the basis of the annual budgets, and provide a framework for evaluating future proposals
- D2 There will be a comprehensive process of analysis and evaluation of plans, which will normally include option appraisal, techniques for assessing the

impact of alternative approaches on the service's outcomes, and benefits realisation

- D3 The PCC and Chief Constable will jointly consider how best to achieve value for money and ensure that their agreed approach is reflected in the Police and Criminal Justice Plan objectives and associated delivery plans
- D4 The Force will maintain appropriate workforce development and asset management plans on behalf of the Chief Constable and the PCC
- D5 The PCC and Chief Constable will work together to provide clarity over the arrangements to respond to the breadth of concerns raised by local people, whether they be organisational or individual matters

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

The decision making process

- D6 Ensuring that decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore, ensuring that best value is achieved however services are provided
- D7 Making informed decisions in accordance with the National Decision Model
- D8 Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used, ensuring that the impact and consequences of those decisions is clear
- D9 The PCC and Chief Constable will decide jointly how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available
- D10 The Chief Constable will ensure that effective mechanisms and arrangements exist to monitor service delivery and deal with apparent under-performance or failings
- D11 Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets
- D12 Simultaneously engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered
- D13 Considering and monitoring shared risks when working collaboratively
- D14 Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances
- D15 Establishing appropriate performance measures as part of the planning process in order to assess and inform how the performance of the services and projects is to be measured, and service quality is reviewed
- D16 Preparing annual budgets in accordance with organisational objectives, strategies and the medium term financial plan

- D17 Informing medium and long term resource planning by drawing up realistic and robust estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy
- D18 Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets

Achieving intended outcomes

- D19 Ensuring the medium-term financial strategy integrates and balances service priorities, affordability, and other resource constraints
- D20 Ensuring that the budgeting process is comprehensive, taking into account the full cost of operations over the medium and longer term
- D21 Ensuring the medium-term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for the outcomes to be achieved while optimising resource usage

E DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

- 2.11 *The PCC and the Force need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A public organisation must ensure that it has both the capacity and capability to fulfil its own mandate. Both the individuals involved and the environment in which the police operate will change over time, and there will be a continuous need to develop its capacity as well as the skills and experience of the leadership and individual staff members. Leadership in the Police service is strengthened by the participation of people with many different types of background, reflecting the diversity of communities we serve.*
- 2.12 *Successful outcomes depend on the calibre of the people within the organisation, and it is essential that they have the appropriate skills and support*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- E1 The Office of the PCC and the Force's people priorities, as set out in the Force Strategic Plan, set the climate for continued development of individuals. The respective performance development review processes will ensure that these strategies are turned into reality for officers and members of staff
- E2 To develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed
- E3 To ensure that effective arrangements are in place for reviewing performance and agreeing an action plan(s) which would include any training or development needs
- E4 To ensure that effective arrangements are designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the PCC and police force

- E5 To ensure that career structures are in place to encourage participation and development of employees

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Developing the entity's capacity

- E6 Reviewing operations, performance and asset management on a regular basis to ensure their continuing effectiveness
- E7 Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how policing resources are allocated so that outcomes are achieved effectively and efficiently
- E8 Recognising and promoting the benefits of collaborative working where added value can be achieved through partnerships
- E9 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources

Developing the capability of the entity's leadership and other individuals

- E10 Ensuring the PCC and chief officers have clearly defined and distinctive leadership roles within a structure whereby the chief officers lead by implementing strategy and managing the delivery of services and other outputs set by the PCC and/or Chief Constable, and each provides a check and balance for each other's responsibility
- E11 Developing the capabilities of the PCC and chief officers to achieve effective shared leadership where appropriate, and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political, and environmental changes and risks
- E12 Ensuring the PCC, chief officers and staff receive appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.
- E13 Ensuring that the PCC, chief officers and staff have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they can update their knowledge on a continuing basis
- E14 Ensuring personal, organisation and system-wide development through shared learning including lessons learnt from governance failures both internal and external
- E15 Ensuring the PCC is independent of Force management and free from relationships that would materially interfere with their role
- E16 The Office of the PCC, in conjunction with the Force, should ensure that appropriate information is available for potential PCC candidates
- E17 Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections
- E18 Holding staff to account through regular performance reviews which take account of training or development needs

- E19 Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

F MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

- 2.13 *Public bodies need to ensure that the organisation's governance structures can sustain an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving outcomes. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.*
- 2.14 *All public bodies spend money raised from taxpayers and use assets which have been paid for by taxpayers to deliver and maintain services. The public is entitled to expect high standards of control and the continuous oversight of performance to correct shortfalls and to identify factors which could undermine achievement*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- F1 The PCC will develop and maintain effective arrangements to hold the Chief Constable to account for Force performance, for the exercise of the functions of the Chief Constable and the functions of persons under the direction and control of the Chief Constable, and compliance with other statutory requirements.
- F2 The PCC will develop and maintain effective arrangements to hold to account his two statutory officers, being the Chief of Staff (described in the Police Reform and Social Responsibility Act 2011 as Chief Executive Officer) and Chief Finance Officer, for the exercise of their respective functions and the performance of the Office of the PCC.
- F3 The Office of the PCC decision making policy sets out principles behind how decisions will be taken by the PCC and the standards to be adopted. This will ensure that those making decisions are provided with information that is fit for the purpose – relevant, timely and accurate and gives clear explanations of technical issues and their implications.
- F4 It requires a combined forward plan of key decisions, which brings together the business planning cycles for the Police and Criminal Justice Plan, the Office of the PCC and the Force corporate planning process. This will ensure proper governance by bringing together the right information at the right time, e.g. strategic needs assessments, costs, budgets, etc.
- F5 The National Decision Model (NDM) is suitable for all material decisions and should be used by everyone in policing where appropriate. It can be applied to spontaneous incidents or planned events, by an individual or team of people, and to both operational and non-operational situations.
- F6 The Scheme of Corporate Governance defines the parameters for key roles in the corporations sole, including schemes of delegations and/or consents from the PCC or Chief Constable and financial regulations, including contract regulations.

- F7 The risk management strategy establishes how risk and decision management is embedded throughout Thames Valley Police, with the PCC and Chief Constable and their respective staff and officers all recognising that risk management is an integral part of their job
- F8 Information relating to decisions will be made readily available to local people, with those of greater public interest receiving the highest level of transparency, except where operational and legal constraints exist.

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Managing risk

- F8 Recognising that risk management is an integral part of all activities and must be regarded as a continuous process
- F9 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively
- F10 Ensuring that the organisation is risk aware and that its risk appetite is defined and communicated clearly to those responsible for making decisions

Managing performance

- F11 Monitoring service delivery effectively including planning, specification, execution and independent post implementation review
- F12 Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible
- F13 Providing the PCC and chief officers with regular reports on service delivery plans and on progress towards outcome achievement
- F14 Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements)

Robust internal control

- F15 Aligning the risk management strategy and policies on internal control with achieving the organisation's objectives
- F16 Evaluating and monitoring the organisation's risk management and internal control on a regular basis
- F17 Ensuring effective anti-fraud, bribery and corruption arrangements are in place
- F18 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the Joint Internal Audit Team
- F19 Ensuring an audit committee or equivalent group or function, which is independent of the executive, provides a further source of effective

assurance to the PCC and Chief Constable regarding arrangements for managing risks and maintaining an effective control environment and that its recommendations are listened to and acted upon as appropriate

Managing information

- F20 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data in accordance with GDPR and Data Protection legislation
- F21 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies
- F22 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring

Strong public financial management

- F23 Ensuring financial management supports both long term achievement of outcomes and short term financial and operational performance
- F24 Ensuring well developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

G IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

- 2.15 *Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.*
- 2.16 *It is easy to pay lip service to the principles of accountability. Aspirations which are not followed through, and actions which are not explained to those who are affected by them, undermine confidence.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- G1 The PRSRA 2011 and the Policing Protocol Order clearly sets out the functions of the PCC and Chief Constable and the protocol sets out how these functions will be undertaken to discharge their respective responsibilities.
- G2 The PCC may appoint a Deputy who will be a member of his staff as highlighted in the PRSRA 2011. The role description approved by the PCC may incorporate functions delegated within the Scheme of Corporate Governance.
- G3 The PRSRA 2011 requires the PCC to have a Chief Executive and Chief Finance Officer. The Chief Executive who is referred to as the Chief of Staff will be the head of paid service and undertake the statutory responsibilities of Monitoring Officer.
- G4 The PRSRA 2011 requires the Chief Constable to appoint a Chief Finance Officer.

- G5 The Home Office Financial Management Code of Practice sets out the responsibilities of Chief Finance Officers for both the PCC and Chief Constable.
- G6 The CIPFA Financial Management Code identifies the risks to financial sustainability and introduces an overarching framework of assurance which builds on existing financial management good practice.
- G7 The PCC and Chief Constable will put in place appropriate arrangements to help ensure that the PCC, Deputy PCC (if appointed) and all employees are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice
- G8 The Scheme of Corporate Governance defines the parameters for decision making, including delegations, consents and financial regulations, including contract regulations.
- G9 The PCC, Chief Constable and all employees will operate within relevant:
 - a. Office of the PCC and Force policy and procedures,
 - b. corporate governance framework,
 - c. disciplinary regulations and codes of conduct.
- G10 A Joint Independent Audit Committee will operate in accordance with CIPFA guidance and the Home Office Financial Management Code of Practice.
- G11 The independent Thames Valley Police and Crime Panel provides checks and balances in relation to the performance of the PCC. It does this by reviewing and scrutinising the decisions and actions of the PCC. However, the Panel does not scrutinise the Chief Constable.
- G12 The PCC and Chief Constable will ensure that arrangements are in place for whistle blowing to which employees and all those contracting with Thames Valley Police have access

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Implementing good practice in transparency

- G13 Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring they are easy to access and interrogate in accordance with accessibility regulations.
- G14 Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny whilst not being too onerous to provide and for users to understand in compliance with the Elected Local Policing Bodies (Specified Information) Order 2011 and the Freedom of Information Act 2000.

Implementing good practices in reporting

- G15 Reporting at least annually on performance, value for money and the stewardship of resources to stakeholders in a timely and understandable way
- G16 Assessing the extent that the organisation is applying the principles contained in the Framework and publishing the results of this assessment

annually including an action plan for improvement and evidence to demonstrate good governance in action (the Annual Governance Statement)

- G17 Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar entities
- G18 The PCC and the Chief Constable will assess the adequacy and effectiveness of the governance arrangements for jointly managed functions as part of the annual arrangement for the review of governance.

Assurance and effective accountability

- G19 Ensuring that recommendations for corrective action made by external audit are acted upon
- G20 Ensuring an effective Internal Audit Service exists with direct access to the PCC, Chief Constable, and the Joint Independent Audit Committee, which provides assurance about the organisation's governance and risk management arrangements, and whose reports are acted upon by management
- G21 Utilising peer challenge, reviews and inspections from regulatory bodies, and implementing recommendations
- G22 Gaining assurance on risks associated with delivering services through third party suppliers, and subjecting these arrangements to regular review
- G23 Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised

3 ARRANGEMENTS FOR REVIEW OF GOVERNANCE

- 3.1 The PCC and Chief Constable are committed to maintaining a joint local Code of Corporate Governance and a Scheme of Corporate Governance, and for carrying out an annual review of their effectiveness.
- 3.2 The PCC and Chief Constable have put in place the following arrangements to review the effectiveness of the Code of Corporate Governance:
- a) The PCC and Chief Constable will jointly produce an Annual Governance Statement (AGS) which will be published on the PCC and Force websites within the annual Statement of Accounts.
 - b) The AGS will include an Action Plan, as necessary and appropriate, to rectify any significant areas of weakness in internal control and/or corporate governance.

The Force

- 3.3 The Deputy Chief Constable, under delegated authority from the Chief Constable, is responsible for corporate governance issues affecting the Force, ensuring that appropriate reviews, both proactively and reactively, are carried out into key areas and highlighted, including:
- Professional standards and performance
 - Strategic co-ordination and planning, including risk management and business continuity, and Force Management Statement.
 - Crime recording
- 3.4 The Chief Information Officer is responsible for the management of information, including information security and data protection

The Joint Independent Audit Committee

- 3.5 The Committee's operating principles include the following key requirements in respect of corporate governance:
- To consider and endorse the local Code of Corporate Governance.
 - To consider and endorse the Annual Governance Statements (AGS).
 - To monitor implementation and delivery of the agreed AGS Action Plan(s).
 - To consider the arrangements to secure value for money and review assurances and assessments of the effectiveness of these arrangements.
 - To consider and comment upon the adequacy and effectiveness of the assurance framework, and the specific governance and accountability policies, systems and controls in place, such as the Corporate Governance Framework; anti-fraud, bribery and corruption; whistle-blowing, and declarations of interest, gifts and hospitality.
 - To 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.
 - To consider the governance and assurance arrangements for significant partnerships or collaborations.

The Governance Advisory Group

- 3.6 The Governance Advisory Group, which comprises senior officers from the Office of the PCC and Force, is responsible for:
- Reviewing and updating the local Joint Corporate Governance Framework;

- monitoring compliance with the Code during the year, including the system of internal control;
- preparing the draft Annual Governance Statement(s);
- recommending an AGS Action Plan(s) to rectify significant areas of weakness;
- monitoring the implementation of agreed action plans.

3.7 Reports from the Governance Advisory Group will be presented to the Joint Independent Audit Committee, where appropriate, prior to approval by the PCC and Chief Constable.

Internal Audit

3.8 The primary role of internal audit is to give an assurance to the PCC and Chief Constable, through their two respective Chief Finance Officers, on the adequacy and effectiveness of the governance arrangements and internal controls in place to manage and mitigate risk. To this end the Chief Internal Auditor delivers an annual opinion on the effectiveness of the controls reviewed by the Joint Internal Audit Team. This annual opinion, set out in the Annual Report of the Chief Internal Auditor, is one of the key sources of evidence in support of the Annual Governance Statement(s).

3.9 The Chief Internal Auditor provides regular update reports to the Joint Independent Audit Committee on the delivery of the Annual Audit Plan and any outstanding management actions.

3.10 Major control weaknesses are reported to the Force Risk Management Group and to the Joint Independent Audit Committee.

3.11 Reviews of both the corporate governance framework and risk management arrangements periodically feature in the Annual Audit Plan. Corporate governance and risk management issues may arise through other reviews carried out by the Joint Internal Audit Team. In this case the issues will be dealt with initially in the relevant audit report. Significant governance failures identified through general audit work will also be referred to the Governance Advisory Group.

External Audit

3.12 The external auditor will audit the financial statements of the PCC and Chief Constable, as well as the Group accounts, and will also review the Annual Governance Statement(s). The external auditor also provides a Value for Money opinion which includes a review and assessment of going concern and financial sustainability. External audit plans and reports, including the Annual Audit Report, are considered by the Joint Independent Audit Committee at appropriate times in the annual cycle of meetings.

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS)

3.13 The role of HMICFRS is to independently assess the effectiveness and efficiency of police forces and fire and rescue services – in the public interest. In respect of the national police service, it also provides advice and support to the tripartite partners (Home Secretary, PCCs and police forces).

3.14 HMICFRS reports are sent to the Chief Constable and the PCC for consideration and appropriate action. HMICFRS, working alongside external audit, will play a key role in informing the PCC and the public on the efficiency and effectiveness of their

forces and, in so doing, will facilitate the accountability of chief constables to their PCCs, and PCCs to the public.

- 3.15 The PCC shall invite the Chief Constable to submit comments to him on any report published by HMICFRS that makes recommendations that apply to Thames Valley Police.
- 3.16 The PCC is required to publish his response to any relevant report issued by HMICFRS under section 55(1) of the Police Act 1996, together with any comments submitted by the Chief Constable and any response that the PCC has to the comments submitted to him by the Chief Constable, within 56 days of publication of the report by HMICFRS. The PCC will publish all such relevant reports and responses on his website. The PCC is also required to send a copy of any such published documents to the Secretary of State and HMICFRS.
- 3.17 Relevant information (reports and responses) shall also be provided to members of the Joint Independent Audit Committee and the Professional and Ethical Standards Panel and the Independent Scrutiny and Oversight Board.

Scheme of Corporate Governance 2022/23

This Scheme sets out the common understanding and agreement of the PCC and Chief Constable as to the ways in which certain functions will be governed and managed.

The Scheme includes, but is not limited to, formal delegations by the PCC and the Chief Constable. It also includes activities where the Chief Constable acts in his own right and/or pursuant to the duty to exercise his power of direction and control in such a way as is reasonable to assist the PCC to exercise his functions.

Delegation

The PCC may not arrange for any constable or any person employed by the Chief Constable to exercise any of the PCC's functions (section 18 PRSRA). Under this scheme, there is no formal delegation of any function from the PCC to any constable or member of police staff. Where this scheme refers to a delegation, that is a reference to a delegation of a function or power:

- (a) By the PCC to the Deputy PCC or to a member of his own staff; or
- (b) By the Chief Constable to another police officer or member of police civilian staff.

Chief Constable's own functions

The statutory restriction on delegation does not prevent the Chief Constable carrying out functions in his own right. That is a wide-ranging power: in addition to broad functions of keeping the peace and enforcing the law, the Chief Constable also has the power "to do anything which is calculated to facilitate, or is conducive or incidental to, to the exercise of [his] functions". This scheme also deals with the ways in which certain of the Chief Constable's functions will be exercised in such a way as is reasonable to assist the PCC to exercise his functions. For the avoidance of doubt, these are not delegations from the PCC. Nothing in this scheme is intended to fetter the Chief Constable's operational independence.

Consent

There are certain statutory restrictions on the Chief Constable's power to exercise certain functions in his own right: the Chief Constable may not acquire or dispose of land, and needs the consent of the PCC to enter into contracts and to acquire or dispose of property. This scheme also sets out the conditions on which the PCC has given consent to the Chief Constable to enter into contracts and to acquire or dispose of property (other than land³). For the avoidance of doubt, this is not a delegation from the PCC – it is the PCC giving consent to the Chief Constable to exercise certain functions in his own right, subject to compliance with this Scheme.

The PCC for Thames Valley has given consent to the Chief Constable of TVP to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations, including Contract Regulations

³ Land includes the buildings thereon

Key Principles

Officers and staff of the Chief Constable may assist the PCC to exercise his functions; indeed, the Chief Constable is under a statutory duty to exercise direction and control in such a way as is reasonable to give that assistance. This scheme sets out some of the ways in which that assistance will be given. For the avoidance of doubt, these are not delegations from the PCC.

The statutory officers are responsible for ensuring that members of staff they supervise are aware of and comply with the provisions and obligations of this Scheme of Delegation

The PCC must not restrict the operational independence of the police force and the Chief Constable who leads it.

To enable the PCC to exercise the functions of his office effectively he will need reasonable access to information held by the Force and police officers and civilian staff employed by the Chief Constable. This access must not be unreasonably withheld or obstructed by the Chief Constable or any of his employees. The importance of this requirement is reflected in the Information Sharing Agreement.

1. Introduction

- 1.1 The Statement of Corporate Governance gives clarity to the way the two corporations sole (i.e. PCC and Chief Constable) will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason at the right time.
- 1.2 The Code of Corporate Governance describes the strategies, arrangements, instruments and controls to ensure good governance in the two corporations sole.
- 1.3 This Scheme of Corporate Governance sets out the delegations from the PCC and the Chief Constable to their respective staff, and should be read alongside the aforementioned Statement and Code. In addition, it incorporates other instruments such as the financial regulations and standing orders relating to contracts.
- 1.4 This Scheme aims to clarify those powers which, for the benefit of good business practice, are given to the statutory officers. The PCC and Chief Constable may limit these powers and/or remove delegation.
- 1.5 This Scheme provides a framework which ensures business is carried out lawfully and efficiently, ensuring that decisions are not unnecessarily delayed and are taken at the appropriate level. It forms part of the overall corporate governance framework of the two corporations sole.
- 1.6 Powers are given to the PCC and Chief Constable by laws, orders, rules or regulations. Also, national conditions of employment give powers to the PCC and/or the Chief Constable or, as in the case of police regulations, the Secretary of State for the Home Department.
- 1.7 Any powers or duties placed on other statutory officers should be exercised lawfully in accordance with the PCC's and Chief Constable's respective delegations, standing orders and financial regulations, and also relevant policies, procedures, plans, strategies and budgets.
- 1.8 This Scheme does not identify all the statutory duties which are contained in specific laws and regulations; however, it provides the framework in which the various duties and powers are exercised.

2. General principles of delegation

- a. The persons appointed as the PCC's Chief of Staff (who will also be the Monitoring Officer), the PCC's Chief Finance Officer and the Chief Constable's Director of Finance have statutory powers and duties relating to their positions and, therefore, do not rely on matters being delegated to them to carry out these specific powers and duties.
- b. This scheme provides an officer with the legal authority to carry out appropriate duties of the PCC and/or Chief Constable. In carrying out these duties the officer must comply with all other statutory and regulatory requirements and relevant professional guidance including:
 - The Police Reform and Social Responsibility Act 2011 and other relevant legislation issued under this Act (e.g. The Policing Protocol Order 2011)
 - Home Office Financial Management Code of Practice
 - CIPFA Statement on the role of the Chief Financial Officer of the PCC and the Chief Finance Officer of the Chief Constable
 - CIPFA Financial Management Code

- The PCC and Chief Constable's Joint Corporate Governance Framework, including Financial Regulations and Contract Regulations
 - The PCC's and Thames Valley Police policies and procedures.
 - All data protection legislation including the Data Protection Act 2018 together with the UK General Data Protection Regulation (UK GDPR) and the Freedom of Information Act 2000
 - Health and safety at work legislation and codes
 - The Police Service Code of Ethics
- c. This Scheme is a record of the formal delegations that are in effect at the time of its publication. The PCC and Chief Constable's joint governance framework, including this Scheme, will be reviewed at least annually. With the exception of those matters listed in paragraph 4.6, any person to whom a power is delegated under this scheme may sub-delegate that power as they deem appropriate. The formal responsibility and accountability to the PCC or Chief Constable for the effective discharge of such sub-delegated powers remains in law with the person to whom the power was delegated by the PCC or Chief Constable.
- d. The PCC and/or Chief Constable may ask that a specific matter be referred to them for a decision and not be dealt with under powers of delegation.
- e. The scheme does not attempt to list all matters which form part of everyday management responsibilities.
- f. Giving delegation to officers under this scheme does not prevent an officer from referring the matter to the PCC and/or Chief Constable for a decision if the officer thinks this is appropriate (for example, because of sensitive community and/or stakeholder issues or any matter which may have a significant operational, political, reputational or financial implications).
- g. All decisions officers make under formal powers delegated to them by the PCC and/or Chief Constable must be recorded and be available for inspection.
- h. The PCC and Chief Constable may set out their reporting arrangements on actions undertaken by their own staff in respect of the use of powers delegated to them.

3. Financial Regulations, including Contract Regulations

- 3.1 Financial regulations explain the working financial relationship between the PCC, the Chief Constable and their respective chief finance officers, having regard also to the role played by the Chief of Staff. A copy is attached at Appendix 3.
- 3.2 Financial Regulations ensure that financial dealings are conducted properly and in a way which incorporates recognised best practice, and focuses on bringing operational and financial management together with timely and accurate financial information. They also include sufficient safeguards for both chief finance officers who are responsible for ensuring that the financial affairs of the PCC and police force are properly administered to discharge their statutory obligations.
- 3.3 Embedded within Financial Regulations are the Contract Regulations, which is a single set of standing orders relating to contracts. These regulations explain the procedures to be followed for procurement, tenders and contracts, including tender thresholds and authorisation levels.

4. Role of the PCC

- 4.1 The details of the role of the PCC can be found in the Code of Corporate Governance.
- 4.2 The primary responsibilities of the PCC include:
- Providing a link between the police and the community, which involves obtaining and representing the views and priorities of local people, councils and other criminal justice organisations
 - Setting out the strategic policing, crime and community safety priorities and objectives through the publication of a Police and Crime Plan
 - Setting out the Force's budget and community safety grants
 - Setting the council tax precept for policing and crime reduction
 - Overseeing community safety, the reduction of crime and delivering value for money in policing
 - Commissioning victims and witness support services
 - Handling complaints made against the personal conduct of the Chief Constable
 - Undertaking formal reviews (formerly known as 'appeals') of the handling and outcome of complaints made against the Force
 - Holding the Chief Constable to account for the performance of the Force, including that of police officers and civilian staff under his direction and control
 - Appointing the Chief Constable (and dismissing them when necessary)
 - Preparing and publishing an annual report on progress on the delivery of the Police and Criminal Justice Plan
- 4.3 The PCC owns all land and buildings and will sign contracts in accordance with the requirements of financial regulations. In approving the annual treasury management strategy statement he approves borrowing limits for both his own office and the Force.
- 4.4 The PCC will receive government grants and the council tax precept. Other sources of income received by the Force will be paid into the police fund. How this funding is allocated to operational activities is for the Chief Constable to decide in consultation with the PCC, and in accordance with the priorities and objectives set out in the Police and Criminal Justice Plan, the Strategic Policing Requirement, and any Government grant terms and conditions.
- 4.5 When exercising his duties and functions, the PCC must have regard to the following:
- The views of the people in Thames Valley, including victims of crime
 - Any report or recommendation made by the Police and Crime Panel in respect of the Police and Criminal Justice Plan, the proposed annual precept, and the annual report for the previous financial year.
 - The Police and Criminal Justice Plan and any guidance issued by the Secretary of State, including specifically the Strategic Policing Requirement.
- (Note: this list is a summary and is not exhaustive)
- 4.6 The PCC may arrange for any person (who is not the Deputy PCC) to exercise any of his functions, with the exception of those listed below:
- Determining the strategic policing and crime reduction priorities and objectives to be set out in the PCC's Police and Criminal Justice Plan
 - Issuing the Police and Criminal Justice Plan
 - Calculation of the budget requirement
 - Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - Attendance at the Police and Crime Panel in compliance with a requirement by the Panel for the PCC to do so
 - Attendance at, and presenting the PCC's annual report to, the Police and Crime Panel.

- 4.7 The Police and Crime Panel is a check and balance on the PCC through reviewing and/or scrutinising his decisions and actions, but not those of the Chief Constable.
- 4.8 The PCC will be responsible for handling complaints and conduct matters in relation to the Chief Constable, holding the Chief Constable to account for the Force's handling and investigation of complaints against police officers and civilian staff, and complying with the requirements of the Independent Office for Police Conduct.
- 4.9 The PCC has wider community safety, crime reduction and criminal justice responsibilities than those solely relating to the responsibilities and activities of the police force, and this is referred to in the Code of Corporate Governance.

5. Role of the deputy PCC

- 5.1 The PCC may appoint a deputy to exercise his functions, with the exception of those which cannot be delegated as defined by the PRSRA 2011, as listed below:
- Issuing the Police and Crime Plan
 - Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - Calculation of the budget requirement.
- 5.2 The formal delegation from the PCC to the Deputy PCC, where appointed, is set out in Appendix 1

6. Role of the PCC's Chief of Staff

Introduction

- 6.1 The PCC will appoint, under paragraph 6, Schedule 1 of the Police Reform and Social Responsibility Act 2011 (PRSRA 2011), a person to be the head of the PCC's staff namely Chief Executive (referred to in this document as the PCC's Chief of Staff) and who will act as the head of the body's paid service. Under Section 5(1C) of the Local Government and Housing Act 1989, as amended by Schedule 16 of the PRSRA 2011, the Chief of Staff is also designated to undertake the role of statutory Monitoring Officer for the PCC.
- 6.2 Accordingly, the Code of Corporate Governance identifies the role of the Chief of Staff as the head of the PCC's paid service and Monitoring Officer.
- 6.3 The formal delegations from the PCC to the Chief of Staff, which are in effect at the time of the publication of this scheme, are listed in Appendix 1. Other key responsibilities are set out below.

General

- 6.4 To prepare the Police and Criminal Justice Plan, in consultation with the Chief Constable, for submission to the PCC, including:

- obtaining the views of the public
- identifying the strategic policing and crime reduction priorities and objectives
- planning how resources will be used
- how services will be commissioned
- development and implementation of performance monitoring and reporting arrangements.

- 6.5 To prepare an Annual Report on behalf of and for submission to the PCC.
- 6.6 To provide information to the Police and Crime Panel, as reasonably required to enable the Panel to carry out its functions.
- 6.7 To consider whether, in consultation with the PCC's CFO, to provide indemnity to the PCC (and Deputy PCC) in accordance with appropriate statutory provisions and to deal with or make provision to deal with other matters arising from any proceedings relating to them.
- 6.8 To consider and approve, in consultation with the PCC's CFO, provision of indemnity and/or insurance to individual staff of the Commissioner in accordance with appropriate statutory provisions.

Financial

- 6.9 The financial management responsibilities of the Chief of Staff are set out in the financial regulations.
- 6.10 To manage the budget of the PCC's office, in consultation with PCC CFO, particularly to:
 - order goods and services and spend on items provided for in the revenue budget.
 - ask for and accept quotations and tenders for goods and services provided for in the revenue budget

Human Resources

- 6.11 To appoint, in consultation with the PCC, staff in the Office of the PCC (OPCC)
- 6.12 To make recommendations to the PCC with regard to OPCC staff terms and conditions of service, in consultation with the PCC CFO as necessary.
- 6.13 To appoint Independent Custody Visitors and terminate appointments if necessary.

Other

- 6.14 To affix the common seal of the PCC to all relevant contracts, agreements or transactions, where sealing is necessary in addition to the CFO and Head of Governance.
- 6.15 To consider and advise the PCC on the handling of any complaint or conduct matter in respect of the Chief Constable including, in consultation with the PCC's Head of Governance and Compliance, determining whether to record such a complaint on behalf of the PCC and determine whether it meets the threshold to be referred to the Independent Office for Police Conduct (IOPC)
- 6.16 To exercise such powers of the Thames Valley Police and Crime Panel as may be delegated by that Panel and accepted by the Chief of Staff. A police and crime panel may delegate all or any of the powers or duties conferred or imposed on it by The Elected Local Policing Bodies

(Complaints and Misconduct) Regulations 2012, with the exception of Part 4 (resolution of other complaints), to the PCC's Chief of Staff. The Thames Valley Police and Crime Panel has currently delegated to the Chief of Staff, and the Chief of Staff has accepted, the initial requirement to record and assess complaints made against the PCC to determine whether it is a 'conduct matter' or 'serious complaint' that must be referred to the Independent Office for Police Conduct (IOPC) or if it is a 'non-serious' complaint that is appropriate to be handled by the Police and Crime Panel itself, under Part 4 of the Regulations, i.e. under the 'informal resolution of other complaints' process.

- 6.17 To respond to consultations on proposals affecting the PCC, if necessary, after first taking the views of the Commissioner, the PCC's CFO and/or the Chief Constable, as necessary and appropriate.
- 6.18 To obtain legal or other expert advice and to appoint legal professionals whenever this is considered to be in the PCC's best interests in the exercise of his functions.
- 6.19 To make appropriate arrangements to gather the community's views on the policing of Thames Valley and preventing crime.
- 6.20 In accordance with the Vetting Code of Practice and Authorised Professional Practice (APP) issued by the College of Policing, and in the Chief of Staff's statutory capacity as the PCC's 'Monitoring Officer', to act:
 - a) as decision-maker for vetting clearance in respect of the Chief Constable, and
 - b) as appeal body in respect of vetting decisions taken by the Chief Constable in respect of other chief officers.

In both cases, the Chief of Staff will be advised by, and receive a recommendation from, the Force Vetting Manager (FVM), or the FVM of another force in circumstances where reciprocal arrangements are in place.

7. Role of the PCC's Chief Finance Officer (CFO)

- 7.1 The PCC must appoint a person to be responsible for the proper administration of the PCC's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office.
- 7.2 As the Chief Finance Officer to the PCC, the post-holder has a statutory responsibility to manage the PCC's financial affairs in accordance with sections 113 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2015.
- 7.3 The detailed financial management responsibilities of the PCC's CFO, which includes a number of delegated powers, are set out in the Financial Regulations – see Appendix 3.

8. Role of the Chief Constable

- 8.1 The role of the Chief Constable is referred to in the Code of Corporate Governance but, essentially, the Chief Constable is responsible for maintaining the Queen's peace and for the direction and control of the Force.

- 8.2 The Chief Constable is accountable to the law for the exercise of police powers, and to the PCC for the delivery of efficient and effective policing, and management of resources and expenditure by the police force.
- 8.3 The list of delegations from the Chief Constable to key Force personnel is attached at Appendix 2.
- 8.4 The Chief Constable shall appoint suitably qualified and experienced heads of department.

9. Role of the Director of Finance

- 9.1 The Chief Constable must appoint a person to be responsible for the proper administration of the Force's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office.
- 9.2 As the Chief Finance Officer appointed by the Chief Constable there is a statutory responsibility for the post-holder to manage the Force's financial affairs, in accordance with sections 113 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2015 (as amended).
- 9.3 The detailed financial management responsibilities of the Director of Finance, which includes a number of delegated powers, are set out in the Financial Regulations – see Appendix 3.

10. Role of the Director of People

- 10.1 To lead the development and implementation of strategies and policies to ensure the effective recruitment, development, deployment and management of police officers and staff, and undertake the day-to-day management of the People Directorate and services in accordance with the Financial Regulations – Appendix 3.
- 10.2 To arrange and/or provide strategic and tactical advice and assistance to the PCC and PCC's Chief of Staff on all matters relating to employment of staff, except that where responsibility to both the PCC and the CC may lead to a conflict of interest, the PCC may seek assistance from an independent advisor.

11. Role of the Head of Legal Services

- 11.1 To provide advice to and institute, defend or participate in legal actions on behalf of the Chief Constable.
- 11.2 To provide advice to, and institute, defend or participate in legal actions on behalf of, the PCC when requested to do so and where there is no identifiable conflict of interest between the PCC and the Chief Constable.
- 11.3 Specific delegations from the Chief Constable are set out in Appendix 2

12. Role of the Head of Property Services

- 12.1 Although the PCC owns all Force land and buildings, the Head of Property Services will undertake the day-to-day management of the property function subject to the provision of financial regulations, and in accordance with the agreed asset management strategy.

13. Role of the Chief Information Officer

- 13.1 The effective delivery of the Joint ICT Department and the Joint Information Management Unit, providing information assurance, access and security services across Thames Valley Police and Hampshire Constabulary.
- 13.2 To provide governance, oversight and decisions as the Senior Information Risk Owner on behalf of the Chief Constable Data Controllers.

14. Heads of Department

- 14.1 In addition to those mentioned above the Chief Constable will appoint appropriate Heads of Department to assist with the governance of the Force including but not limited to:
- Head of Chiltern Transport Consortium
 - Head of ICT
 - Head of Information Management
 - Head of Procurement
 - Head of Professional Standards

15. Urgency provisions

PCC

- 15.1 If any matter which would normally be referred to the PCC (or Deputy PCC where appointed) for a decision which arises and cannot be delayed, in the absence of the PCC or Deputy PCC the matter may be decided by the appropriate chief officer.
- 15.2 The appropriate chief officers authorised to decide urgent matters are:
- the Chief of Staff (all issues);
 - the PCC's Chief Finance Officer (financial and related issues, and all issues in the absence of the Chief of Staff in the post-holder's capacity as the designated Deputy Chief of Staff)

- 15.3 Urgent decisions taken must be reported to the PCC as soon as practicably possible.

Police Force

- 15.4 If any matter which would normally be referred to the Chief Constable (or Deputy Chief Constable) for a decision arises and cannot be delayed, in the absence of the Chief Constable (or Deputy Chief Constable as the case may be), the matter may be decided by an appropriate member of the Chief Constable's Management Team (save always that any function of the Chief Constable which must as a matter of law normally be performed by the Chief Constable personally, may only be performed by another officer in accordance with the provisions of section 41 of the PRSRA 2011).

Delegations from the PCC

To the Deputy PCC (where appointed)

- 1 To exercise any function of the PCC, with the exception of those referred to in section 18 (7) (a) (e) and (f) of the Police Reform and Social Responsibility Act 2011, i.e.
 - a) Issuing the Police and Criminal Justice Plan
 - e) Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - f) Calculation of the budget requirement.

To the Chief of Staff

- 2 To sign contracts or deeds on behalf of the PCC, irrespective of value, once they have been properly approved, and to affix the common seal of the PCC where necessary. The PCC's CFO (deputy Chief of Staff) can sign contracts or deeds as well as signing and affixing the seal.
- 3 To dismiss, in consultation with the Director of People, staff employed by the PCC (Note: Appeals will be heard by the PCC, sitting with an independent person).
- 4 To exercise the statutory powers of the PCC as "appropriate authority" for complaints and conduct matters in respect of the Chief Constable including, in consultation with the PCC's Head of Governance and Compliance, making a recording decision, referral to the Independent Office for Police Conduct (the IOPC) and appointing an officer to resolve or investigate the complaint where necessary
5. To approve the settlement of any claim (including Employment Tribunal claims) brought against the Chief Constable or the PCC, or the making of any ex gratia payment, subject to the following limits:
 - £30,000 in the case of any damages payment (where payments are to be made to more than one claimant in the case of any claim, they shall be aggregated for the purposes of calculating the level of payment)
 - £10,000 in the case of any ex gratia payment
6. Any special severance payment is excluded from the terms of this delegated authority. Such payments must be approved personally by the PCC, in consultation with the PCC's Chief of Staff, the PCC CFO, the Director of Finance and the Head of Legal Services. Such payments do not usually represent value for money, and will only be approved in exceptional circumstances in accordance with the principles contained in statutory guidance published in May 2022. For the purposes of this paragraph, "special severance payment" means any payment, over and above contractual or statutory entitlements, made on or in connection with the exit of an officer or member of staff (except those made in settlement of an existing legal claim where legal advice has been obtained).
7. To approve the payment of damages or legal costs incurred personally by police officers and staff in connection with legal proceedings, in consultation with the Chief Constable's Head of Legal Services (subject, in the case of damages payments, to the limits set out in paragraph 6 above). Decisions on approval shall be made in accordance with Home Office Circular 10/2017, or any circular or guidance replacing or supplementing that circular.

8. To arrange for the institution of, withdrawal of, defence of, or participation in, legal proceedings on behalf of the PCC.
9. To make decisions as to the exercise of discretion under the Local Government Pension Scheme, in cases where the PCC is the relevant scheme employer.

To the Chief Finance Officer

1. To sign contracts or deeds on behalf of the PCC, irrespective of value, once they have been properly approved, and to affix the common seal of the PCC where necessary.

To the Head of Governance and Compliance

1. Where the PCC is the relevant review body for police complaints matters, to carry out the functions of that review body.
2. Where the PCC has the responsibility to appoint Legally Qualified Chairs and Independent Panel Members for misconduct hearings, to make such appointments.
3. In the absence of both the Chief of Staff and the CFO, the Head of Governance and Compliance (deputy Monitoring Officer) can sign contracts or deeds as well as signing and affixing the seal.

Delegations from the Chief Constable

It is recognised that, unless a power or function of the Chief Constable must, as a matter of law, be exercised personally by him, such functions or powers need not be exercised by the Chief Constable personally but may be exercised on his behalf by such officers and staff as the Chief Constable thinks fit. There are numerous functions and powers of the Chief Constable which, as a matter of inevitable everyday practice, are in fact exercised on his behalf by other officers and members of staff. Case law recognises that where the responsibilities of an office created by statute are such that delegation is inevitable, there is an implied power to delegate. In such circumstances, there is a presumption that, where statutory powers and duties are conferred, there is a power to delegate the same unless the statute conferring them expressly or by implication provides to the contrary.

The specific delegations set out in this Appendix are not, therefore, intended to be an exhaustive list of the functions and powers of the Chief Constable which may be exercised on his behalf by another person. However, where the delegation of a specific function or power is set out in this Appendix, it must only be exercised as provided for in this Appendix (unless specifically agreed otherwise by both Chief Constable and PCC) and in accordance with any relevant Force policy. For the avoidance of doubt, however, nothing in this Appendix precludes any function or power being exercised by the Chief Constable personally, or by the Deputy Chief Constable on his behalf (to whom the functions and powers below are delegated as far as it is necessary to do so). Also, for the avoidance of doubt, any person to whom the functions and powers below are delegated may sub-delegate as they deem appropriate in accordance with the provisions of paragraph 2c of this Scheme of Governance

The delegation by the Chief Constable of his functions as “appropriate authority” for the purposes of legislation relating to complaints and conduct matters is dealt with in a separate document entitled “Chief Constable’s Scheme of Delegation: Professional Standards”, held by the Head of Professional Standards and dated 10th December 2021, as reviewed and amended from time to time.

To the Director of People

1. To make decisions on behalf of the Chief Constable under Police Pensions Regulations (except in relation to Regulation A20 (retention)), Police (Injury Benefits) Regulations and any equivalent or related regulations in respect of police pension schemes, subject to the concurrence of the Director of Finance in relation to any decision that may result in additional cost to the Force. **Note:** The Deputy Chief Constable will continue to have delegated authority to take decisions in respect of Regulation A20 (retention), or any equivalent regulation dealing with retention.
2. Managing posting, secondment and corporate special leave decisions
3. Extending the payment of sick pay beyond the contractual entitlement (in the case of police staff) or beyond the entitlement in Police Regulations (in the case of police officers) in accordance with (as applicable) police staff terms and conditions, Police Regulations and Home Office Guidance
4. Decisions relating to Police Staff suspensions and dismissal from employment
5. The exercise of discretion in relation to police officer and police staff payments in accordance with Police Regulations, PNB, TVP policy and legislation
6. Determination of Job Evaluation appeals

7. The payment of removal allowances, housing and relocation costs for senior officers and staff and hard to recruit specialist roles.
8. To make decisions as to the exercise of discretion under the Local Government Pension Scheme, in cases where the Chief Constable is the relevant scheme employer.

To the Force Head of Legal Services

9. The authority to approve the settlement of any claim (including Employment Tribunal claims) brought against the Chief Constable or the PCC, or the making of any ex-gratia payment by or on behalf of the Chief Constable, subject to the following conditions
 - a. Any damages payment of more than £10,000 must be approved by the PCC's Chief of Staff or Chief Finance Officer
 - b. Any damages payment of more than £30,000 must be approved by the PCC
 - c. Any ex-gratia payment of more than £10,000 must be approved by the PCC
 - d. Where the prior approval of insurers is required, this is obtained prior to the approval of any settlement

Note: for the purposes of section 88(2)(b) of the Police Act 1996, and paragraph 8(c) of Schedule 2 to the Police Reform and Social Responsibility Act 2011, the PCC approves the settlement of any claim made in accordance with the above authority and conditions.

10. Any special severance payment is excluded from the terms of this delegated authority. Such payments must be approved personally by the PCC, in consultation with the PCC's Chief of Staff, the PCC CFO, the Director of Finance and the Head of Legal Services. Such payments do not usually represent value for money, and will only be approved in exceptional circumstances in accordance with the principles contained in statutory guidance published in May 2022. For the purposes of this paragraph, "special severance payment" means any payment, over and above contractual or statutory entitlements, made on or in connection with the exit of an officer or member of staff (except those made in settlement of an existing legal claim where legal advice has been obtained).

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INTRODUCTION

Overview

1. Public sector accounting is covered by a range of government legislation and accounting standards that are designed to ensure proper accountability for public funds. In addition, the Home Office has issued a Financial Management Code of Practice under section 17 of the Police Reform and Social Responsibility Act 2011 and section 39 of the Police Act 1996 which permit the Secretary of State to issue codes of practice to all Police and Crime Commissioners (PCCs) and Chief Constables. The CIFPA Financial Management Code provides guidance for good and sustainable financial management in local authorities, including the police service. By complying with the principles and standards, local authorities will be able to demonstrate effective and sustainable financial stewardship.
2. Each PCC and their respective Chief Constable is established in law as a corporation sole within the 2011 Act. As such, both are enabled by law to employ staff and hold funds in their official capacity. Chief Constables are charged with the impartial direction and control of all constables and staff within the police force that they lead. Staff of the PCC are accountable to the directly elected holder of that office.
3. The public accountability for the delivery and performance of the police service is placed into the hands of the PCC on behalf of their electorate. The PCC draws on their mandate to set and shape the strategic objectives of their force area in consultation with the Chief Constable. They are accountable to the electorate; the Chief Constable is accountable to their PCC. The Police and Crime Panel within each force area is empowered to maintain a regular check and balance on the performance of the PCC in that context.
4. The PCC within each force area has a statutory duty and electoral mandate to hold the police to account on behalf of the public.
5. The PCC may appoint a Deputy PCC who may exercise any function of the PCC (with the exception of those referred to in section 18 (7) (a) (e) and (f) of the Police Reform and Social Responsibility Act 2011 – see Appendix 1, above).
6. The PCC is the recipient of all funding, including the government grant, council tax precept and other sources of income, related to policing and crime reduction and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, or in accordance with any grant terms. The Chief Constable will provide professional advice and recommendations.
7. The PCC and the Chief Constable are both required to appoint a chief finance officer.
8. To conduct its business effectively, TVP needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is to adopt and implement Financial Regulations. The Regulations contained herein have been drawn up in such a way as to ensure that the financial matters of TVP are conducted properly and in compliance with all necessary requirements.
9. The Regulations are designed to establish overarching financial responsibilities, to confer duties, rights and powers upon the PCC, the Chief Constable and their officers and to provide clarity about the financial accountabilities of groups or individuals. They apply to every member and officer of the service and anyone acting on their behalf.

10. A modern organisation should also be committed to innovation, within the regulatory framework, providing that the necessary risk assessment and approval safeguards are in place.

Definitions within the Regulations

11. For the purposes of these Regulations TVP, when used as a generic term, shall refer to:
- The PCC
 - The Chief Constable
 - The Office of the PCC (OPCC)
 - The Force
12. The PCC's chief finance officer is referred to as the PCC CFO.
13. The Chief Constable's chief finance officer is the Director of Finance
14. The Chief Executive also fulfils the monitoring officer role
15. The OPCC shall refer to the PCC, Deputy PCC and all members of staff employed by and under the direction and control of the PCC.
16. The 'Force' shall refer to the Chief Constable, police officers, police staff, police community support officers (PCSO), special constabulary, volunteers and other members of the wider police family under his direction.
17. Chief Officers when referred to as a generic term shall mean the Chief Executive, PCC CFO, Chief Constable, Director of Finance and all other members of the Chief Constable's Management Team.
18. 'Employees' when referred to as a generic term shall refer to police officers, police staff (Force and OPCC) and other members of the wider police family.
19. The expression 'authorised officer' refers to employees authorised by a chief officer.
20. The expression 'contract' refers to any commitment (including purchase orders, memoranda of understanding, leases and service level agreements) to acquire, purchase or sell goods, services or building works made on behalf of the PCC, the Force or their affiliated bodies.
21. The expression 'best value for money' shall mean the most cost effective means of meeting the need and takes account of whole life costs.
22. The expression 'he' shall refer to both male and female.
23. Within these Regulations, most of the references have been made to the responsibilities of the Chief Constable since most of the day-to-day financial management is vested with that post. However, where resources are under the control of the Chief Executive or PCC CFO, the duties, rights and powers as detailed for the Chief Constable shall apply equally to the Chief Executive or PCC CFO.

24. The terms Chief Constable, Director of Finance, Chief Executive and PCC CFO include any member of staff, contractors or agents to whom particular responsibilities may be delegated. However, the level of such delegated responsibility must be evidenced clearly, made to an appropriate level, and the member of staff given sufficient authority, training and resources to undertake the duty in hand.

Status

25. These Financial Regulations should not be seen in isolation, but rather as part of the overall regulatory and governance framework of TVP that includes the Policing Protocol, codes of conduct and the scheme of governance.
26. The PCC, Chief Constable and all employees have a general duty to take reasonable action to provide for the security of assets under their control and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
27. Financial Regulations explain the working financial relationship between the PCC and the Chief Constable and their respective chief financial officers, having regard also to the role played by the PCCs Chief Executive.
28. The PCC and Chief Constable are jointly responsible for approving or amending Financial Regulations. The PCC CFO and Director of Finance are jointly responsible for maintaining a review of Financial Regulations and submitting any additions or amendments to the PCC and Chief Constable, after consulting with the Chief Executive.
29. More detailed Financial Instructions to supplement these Regulations, shall be issued by the Chief Constable after consultation with the PCC CFO and Chief Executive.
30. Chief Officers are responsible for ensuring that all employees, contractors and agents are aware of the existence and content of these Financial Regulations and that they are complied with.
31. Breaches of Financial Regulations of a serious nature may result in disciplinary proceedings and, potentially, criminal action. Such cases shall be reported to the PCC CFO and/or Director of Finance who shall determine, after consulting with the Chief Executive, whether the matter shall be reported to the PCC and/or Chief Constable.
32. The PCC, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues – also see section 2 in the Scheme of Corporate Governance.
33. These Financial Regulations (including contract regulations) apply to all activities undertaken by TVP including those where TVP is the lead force in a collaboration or partnership activity, irrespective of where the funding for the activity comes from (e.g. Government grants, contributions from partners, fees and charges etc.)

Content

34. The Financial Regulations are divided into a number of sections, each with detailed requirements relating to the section heading. References are made throughout the individual sections to delegated limits of authority. These are also summarised in Section 7.

- Section 1 - Financial management
- Section 2 - Financial planning
- Section 3 - Management of risk and resources
- Section 4 - Systems and procedures
- Section 5 - External arrangements
- Section 6 - Contract regulations
- Section 7 - Summary of delegated limits

1.1 FINANCIAL MANAGEMENT

The Police and Crime Commissioner (PCC)

- 1.1.1 The PCC has a statutory duty and electoral mandate to ensure an efficient and effective police service and to hold the police to account on behalf of the public. The PCC is the recipient of funding relating to policing and crime reduction, including government grant, council tax precept and other sources of income. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, or in accordance with any grant terms. The statutory officers of the Chief Constable and the PCC will provide professional advice and recommendations.
- 1.1.2 The PCC shall appoint a Chief Financial Officer (the PCC CFO) to be responsible for the proper administration of the commissioner's financial affairs. He shall also appoint a Chief Executive who shall act as the PCC's monitoring officer.
- 1.1.3 The PCC is responsible for approving the policy framework and budget, monitoring financial outcomes and the approval of medium term financial plans in consultation with the Chief Constable. He is responsible for approving the overall framework of accountability and control, and monitoring compliance. In relation to these Financial Regulations this includes:
- Police and Criminal Justice Plan
 - Financial strategy
 - Capital strategy
 - Annual revenue budget
 - Capital programme
 - Medium term financial forecasts
 - Treasury management strategy, including the annual investment strategy
 - Reserves strategy and usage of reserves
 - Asset management strategy
 - Risk management strategy
 - Governance policies
- 1.1.4 The PCC is responsible for approving procedures for recording and reporting decisions taken and for monitoring compliance with agreed policy and related executive decisions.
- 1.1.5 The PCC is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework.
- 1.1.6 The PCC shall provide his chief finance officer with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed
- 1.1.7 The PCC may appoint a Deputy PCC (DPCC) for that area and arrange for the DPCC to exercise any function of the PCC

The Deputy Police and Crime Commissioner (DPCC)

- 1.1.8 The DPCC may exercise any function lawfully conferred on him by the PCC. Under the Police Reform and Social Responsibility Act 2011, the DPCC may not:

- Issue the Police and Crime Plan
- Appoint or suspend the Chief Constable, or call upon the Chief Constable to retire or resign
- Calculate the budget requirement

The Chief Constable

- 1.1.9 The Chief Constable is responsible for maintaining the Queen's Peace and has direction and control over the Force's officers and staff. The Chief Constable holds office under the Crown, but is appointed by the PCC.
- 1.1.10 The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, his constables and staff remain operationally independent in the service of the public.
- 1.1.11 To help ensure the effective delivery of policing services the Chief Constable employs all constables and staff within the force and has day to day responsibility for financial management of the force within the framework of the agreed budget allocation and levels of authorisation issued by the PCC.
- 1.1.12 The Chief Constable shall appoint a Chief Finance Officer (Director of Finance) to be responsible for the proper administration of the Chief Constable's financial affairs.
- 1.1.13 The Chief Constable must ensure that the financial management of their allocated budget remains consistent with the objectives and conditions set by the PCC. The Chief Constable will discharge this through the Director of Finance who will lead for the force on financial management.
- 1.1.14 When the Chief Constable intends to make significant change of policy or seeks to move significant sums of their budget then the approval of the PCC should be sought.
- 1.1.15 The Chief Constable shall provide the Director of Finance with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed
- 1.1.16 The Chief Constable is responsible for the day-to-day financial management of the Force within the framework of the budget, rules of virement and reporting arrangements. In operating day-to-day financial management, the Chief Constable shall comply with the approved policies and framework of accountability.
- 1.1.17 The Chief Constable shall prepare Financial Instructions to supplement the Financial Regulations and provide detailed instructions on the operation of the specific financial processes delegated to the Chief Constable. The Chief Constable shall ensure that all employees are made aware of the existence of these Regulations and are given access to them. Where appropriate, training shall be provided to ensure that the Regulations can be complied with.

The Joint Independent Audit Committee

- 1.1.18 The Home Office Financial Management Code of Practice states that the PCC and Chief Constable should establish an independent audit committee. This should be a combined body which will consider the internal and external audit reports of both the PCC and the Chief Constable. This committee will advise the PCC and the Chief Constable according to good governance principles and will adopt appropriate risk management arrangements in accordance with proper practices. In establishing the Audit Committee, the PCC and Chief Constable shall have regard to CIPFA Guidance on Audit Committees.
- 1.1.19 The Audit Committee shall comprise between three and five members who are independent of the PCC and the Force.
- 1.1.20 The Audit Committee shall establish formal terms of reference, covering its core functions, which shall be formally adopted and reviewed on an annual basis
- 1.1.21 The PCC and Chief Constable shall be represented at all meetings of the Audit Committee.

The PCC CFO

- 1.1.22 The PCC CFO has a statutory responsibility for proper financial administration and a personal fiduciary responsibility to the local council taxpayer.
- 1.1.23 The PCC CFO's statutory responsibilities are set out in:
- Paragraph 6 of Schedule 1 to the Police Reform and Social Responsibility Act 2011
 - Section 114 Local Government Finance Act 1988 (formal powers to safeguard lawfulness and propriety in expenditure)
 - The Accounts and Audit Regulations 2015
- 1.1.24 The PCC CFO is the PCC's professional adviser on financial matters and shall be responsible for:
- ensuring that the financial affairs of the PCC are properly administered and that financial regulations are observed and kept up to date;
 - advise and scrutinise with respect to regularity, propriety and Value for Money (VfM) in the use of public funds;
 - ensuring that the funding required to finance agreed programmes is available from central Government, council tax precept, other contributions and recharges;
 - Reporting to the PCC, the Police and Crime Panel and to the external auditor (s114):
 - any unlawful, or potentially unlawful, expenditure by the PCC or officers of the PCC;
 - when it appears that any expenditure is likely to exceed the resources available to it to meet that expenditure;
 - advising the PCC on the robustness of the estimates and the adequacy of financial reserves (s25 LG Act 2003);
 - preparing the annual statement of accounts for the PCC and Group, in conjunction with the Director of Finance
 - ensuring the provision of an effective internal audit service, in conjunction with the Director of Finance;

- securing the treasury management function, including loans and investments;
 - advising, in consultation with the Chief Executive on the safeguarding of assets, including risk management and insurance
 - arranging for the determination and issue of the precept
 - liaising with the external auditor; advising the PCC on the application of value for money principles by the police force to support the PCC in holding the chief constable to account for efficient and effective financial management; and.
 - ensuring compliance with the CIPFA Financial Management Code
- 1.1.25 The PCC CFO, in consultation with the Chief Executive, Director of Finance and/or Chief Constable as appropriate, shall be given powers to institute any proceedings or take any action necessary to safeguard the finances of TVP.
- 1.1.26 The PCC CFO has certain statutory duties which cannot be delegated, namely, reporting any potentially unlawful decisions by the PCC on expenditure and preparing each year, in accordance with proper practices in relation to accounts, a statement of the PCC's accounts, including group accounts.
- 1.1.27 The PCC CFO is the PCCs professional adviser on financial matters. To enable him to fulfil these duties and to ensure the PCC is provided with adequate financial advice the PCC CFO:
- must be a key member of the PCC's Leadership Team, working closely with the Chief Executive, helping the team to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest;
 - must be actively involved in, and able to bring influence to bear on, all strategic business decisions, of the PCC, to ensure that the financial aspects of immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the PCC's financial strategy;
 - must lead the promotion and delivery by the PCC of good financial management so that public money is always safeguarded and used appropriately, economically, efficiently and effectively; and
 - must ensure that the finance function is resourced to be fit for purpose.

The Director of Finance

- 1.1.28 The Director of Finance is the Chief Constable's Chief Finance Officer with responsibility for proper financial administration and a personal fiduciary responsibility to the local council taxpayer
- 1.1.29 The Director of Finance is responsible to the Chief Constable for all financial activities within the Force or contracted out under the supervision of the Force.
- 1.1.30 The Director of Finance's responsibilities are set out in:
- Paragraph 4 of Schedule 2 and paragraph 1 of Schedule 4 to the Police Reform and Social Responsibility Act 2011
 - Section 114 Local Government Finance Act 1988 (formal powers to safeguard lawfulness and propriety in expenditure)
 - The Accounts and Audit Regulations 2015

1.1.31 The Director of Finance is responsible for:

- ensuring that the financial affairs of the force are properly administered and that these financial regulations are observed and kept up to date;
- Reporting to the Chief Constable, the PCC, the PCC CFO and to the external auditor (s114):
 - any unlawful, or potentially unlawful, expenditure by the Chief Constable or officers of the Chief Constable;
 - when it appears that any expenditure of the Chief Constable is likely to exceed the resources available to it to meet that expenditure
- reporting on value for money in relation to all aspects of the force's expenditure, and implementing the processes to achieve value for money;
- advising the Chief Constable and the PCC on the soundness of the budget in relation to the force;
- liaising with the external auditor;
- working with the PCC CFO's staff to produce the statement of accounts for the Chief Constable and to assist in the production of group accounts for TVP;
- ensuring compliance with the CIPFA Financial management Code.

1.1.32 The Director of Finance has certain statutory duties which cannot be delegated, namely, reporting any potentially unlawful decisions by the force on expenditure and preparing each year, in accordance with proper practices in relation to accounts, a statement of the Chief Constable's accounts. The Director of Finance will need to observe the locally agreed timetable for the compilation of the group accounts by the PCC CFO.

1.1.33 The Director of Finance is the Chief Constable's professional adviser on financial matters. To enable her to fulfil these duties the Director of Finance:

- must be a key member of the Chief Constable's Management Team, helping it to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest;
- must be actively involved in, and able to bring influence to bear on, all strategic business decisions of the Chief Constable to ensure immediate and longer-term implications, opportunities and risks are fully considered;
- must lead the promotion and delivery by the Chief Constable of good financial management so that public money is always safeguarded and used appropriately, economically, efficiently and effectively; and
- must ensure that the finance function is resourced to be fit for purpose.

1.1.34 It must be recognised that financial regulations cannot foresee every eventuality. The Director of Finance, in consultation with the PCC CFO, shall be responsible for interpreting these regulations so as to ensure the efficient and effective operation of services.

The Chief of Staff

1.1.35 The **Chief of Staff** is responsible for the leadership and general administration of the PCC's office.

1.1.36 The **Chief of Staff** is also the PCC's designated monitoring officer, appointed under section 5(1) of the Local Government and Housing Act 1989.

1.1.37 The monitoring officer is responsible for:

- ensuring the legality of the actions of the PCC and his officers.
- ensuring that procedures for recording and reporting key decisions are operating effectively
- advising the PCC and officers about who has authority to take a particular decision
- advising the PCC about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework
- advising the PCC on matters relating to standards of conduct

1.2 FINANCIAL MANAGEMENT STANDARDS

Why is this important?

- 1.2.1 The PCC, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues. This is facilitated by ensuring that everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

Responsibilities of the PCC CFO and Director of Finance

- 1.2.2 To ensure the proper administration of the financial affairs of TVP
- 1.2.3 To ensure that proper practices are adhered to
- 1.2.4 To advise on the key strategic controls necessary to secure sound financial management
- 1.2.5 To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators
- 1.2.6 To ensure that all staff are aware of, and comply with, proper financial management standards, including these Financial Regulations.
- 1.2.7 To ensure that all staff are properly managed, developed, trained and have adequate support to carry out their financial duties effectively.

1.3 ACCOUNTING RECORDS AND RETURNS

Why is this important?

- 1.3.1 The PCC and Chief Constable will help discharge their responsibility for stewardship of public resources by maintaining proper accounting records and effective reporting arrangements. The PCC and Chief Constable have a statutory responsibility to prepare their own annual accounts to present fairly their operations during the year. These are subject to external audit. This audit provides assurance that the two separate sets of accounts have been prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of TVP resources.

Joint Responsibilities of the PCC CFO and Director of Finance

- 1.3.2 To determine the accounting procedures and records for TVP, in accordance with recognised accounting practices, and approve the strategic accounting systems and procedures employed by the Chief Constable. All employees shall operate within the required accounting policies and published timetables.
- 1.3.3 To make proper arrangements for the audit of the PCC, Force and Group accounts in accordance with the Accounts and Audit Regulations 2015.
- 1.3.4 To ensure that all claims for funds including grants are made by the due date
- 1.3.5 To ensure that bank reconciliations and other key control accounts are reconciled on a timely and accurate basis
- 1.3.6 To prepare and publish the audited accounts in accordance with the statutory timetable.

Responsibilities of the Director of Finance

- 1.3.7 To obtain the approval of the PCC CFO before making any fundamental changes to accounting records and procedures or accounting systems
- 1.3.8 To ensure that all transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis
- 1.3.9 To maintain adequate records to provide a management trail leading from the source of income and expenditure through to the accounting statements

1.4 THE ANNUAL STATEMENT OF ACCOUNTS

Why is this important?

- 1.4.1 The PCC and Chief Constable have a statutory responsibility to prepare their own accounts to present fairly their operations during the year. They must be prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The accounts will comprise separate statements for the PCC, Chief Constable as well as group accounts covering both entities.
- 1.4.2 The accounts are subject to detailed independent review by the external auditor. This audit provides assurance that the accounts are prepared correctly, that proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of TVP resources.

Joint Responsibilities of the PCC CFO and Director of Finance

- 1.4.3 To agree and publish the timetable for final accounts preparation
- 1.4.4 To select suitable accounting policies and apply them consistently
- 1.4.5 To make judgements and estimates that are reasonable and prudent
- 1.4.6 To comply with the Code of Practice on Local Authority Accounting
- 1.4.7 To prepare, sign and date the separate statement of accounts, stating that they present fairly the financial position of the PCC, Force and Group at the accounting date and their income and expenditure for the financial year just ended
- 1.4.8 To publish the audited accounts each year, in accordance with the statutory timetable
- 1.4.9 To produce summary accounts for inclusion in the PCC's annual report

Responsibilities of the PCC and Chief Constable

- 1.4.10 To consider and approve their annual accounts in accordance with the statutory timetable.

2.1 FINANCIAL PLANNING

Why is this important?

- 2.1.1 TVP is a complex organisation responsible for delivering a range of policing activities. It needs to develop systems to enable resources to be allocated in accordance with priorities. Financial planning is essential if it is to function effectively
- 2.1.2 The financial planning process should be directed by the approved policy framework, the business planning process and the need to meet key objectives
- 2.1.3 The planning process should be continuous and the planning period should cover at least 3 years. The process should include a more detailed annual plan - the budget, covering the forthcoming financial year. This allows the PCC and Force to plan, monitor and manage the way funds are allocated and spent.
- 2.1.4 It is recognised that the impact of financial planning in the police service will be constrained by the quality and timeliness of information made available by central government on resource allocation.

Financial Strategies

- 2.1.5 The financial strategy explains how the PCC and Chief Constable manage their finances to support delivery of the aims and objectives of the service, as set out in the PCC's Police and Criminal Justice Plan and the Strategic Plan, whilst ensuring financial sustainability.
- 2.1.6 The capital strategy is intended to give a high level overview of how capital expenditure, capital finance and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

Responsibilities of the PCC CFO and Director of Finance

- 2.1.7 To review and update, on an annual basis, the financial strategy and the capital strategy.

Responsibility of the PCC

- 2.1.8 To approve the annual financial strategy and the capital strategy.

Medium Term Financial Planning

- 2.1.9 The PCC and Chief Constable share a responsibility to provide effective financial and budget planning for the short, medium and longer term. They achieve this by preparing a medium term (3-5 years) financial plan (revenue) and medium term capital plan.

Responsibilities of the PCC

- 2.1.10 To identify and agree, in consultation with the Chief Constable and other relevant partners and stakeholders, a medium-term financial strategy which includes funding and spending plans for both revenue and capital. The strategy should take into account multiple years, the inter-dependencies of revenue budgets and capital investment, the role of reserves and consideration of risks. It should have regard to affordability and to CIPFA's Prudential Code for Capital Finance in Local authorities. The strategy should be aligned with the Police and Criminal Justice Plan.

Responsibilities of the PCC CFO and Director of Finance

- 2.1.11 To determine the format and timing of the medium-term financial plans to be presented to the Chief Constable and PCC. The format is to comply with all legal requirements and with latest guidance issued by CIPFA.
- 2.1.12 To prepare a medium term forecast of proposed income and expenditure for submission, initially to the Chief Constable's Management Team, and then to the PCC. When preparing the forecast, the PCC CFO and Director of Finance shall have regard to:
- the police and criminal Justice plan
 - Strategic Plan
 - policy requirements approved by the PCC as part of the policy framework
 - the strategic policing requirement
 - expected future commitments, including legislative requirements
 - initiatives planned/already underway including the local implications of national initiatives
 - funding of the draft medium term capital plan
 - proposed service developments and plans which reflect public consultation
 - the need to deliver efficiency and/or productivity savings
 - government grant allocations
 - potential implications for local taxpayers
- 2.1.13 To prepare a medium term forecast of potential resources, including options for the use of general balances, reserves and provisions, and an assumption about future levels of government funding and council tax precept income.
- 2.1.14 A gap may be identified between available resources and required resources. Requirements should be prioritised by the Chief Constable to enable the PCC to make informed judgements as to future funding levels and planning the use of resources.

Annual Revenue Budget

- 2.1.15 The revenue budget provides an estimate of the annual income and expenditure requirements for the police service and sets out the financial implications of the PCCs strategic policies. It provides Chief Officers with authority to incur expenditure and a basis on which to monitor the financial performance of both the PCC and the Force.

- 2.1.16 The PCC should consult with the Chief Constable and other relevant partners and stakeholders in planning the overall annual budget which will include a separate force budget allocation. This will take into consideration funding from government and from other sources, and balance the expenditure needs of the policing service, community safety and victims and witnesses against the level of local taxation. This should meet the statutory requirements to achieve a balanced budget (Local Government Act 2003) and be completed in accordance with the statutory timeframe.
- 2.1.17 The impact of the annual budget on the priorities and funding of future years as set out in the Police and Criminal Justice Plan and the medium-term financial strategy should be clearly identified.

Responsibilities of the PCC

- 2.1.18 To agree the planning timetable with the Chief Constable
- 2.1.19 To obtain the views of the people and relevant ratepayers' representatives in the Force area on the proposed expenditure (including capital expenditure) in the financial year ahead of the financial year to which the proposed expenditure relates
- 2.1.20 To present his proposed council tax precept to the Police and Crime Panel each year and to have regard to any report or recommendation that the Panel makes in response

Responsibilities of the PCC CFO

- 2.1.21 To determine the format of the revenue budget to be presented to the PCC. The format is to comply with all legal requirements and with latest guidance issued by CIPFA
- 2.1.22 To obtain timely and accurate information from billing authorities on the council taxbase and the latest surplus/deficit position on collection funds to inform budget deliberations
- 2.1.23 To advise the PCC on the appropriate level of general balances, earmarked reserves and provisions to be held.
- 2.1.24 To submit a report to the PCC on (1) the robustness of the estimates and the adequacy of reserves and (2) the suite of prudential indicators for the next three years, arising from the Prudential Code for Capital Finance in Local Authorities. These indicators shall be consistent with the annual revenue budget and capital programme approved by the PCC.
- 2.1.25 Upon approval of the annual budget, to submit the council tax requirement return to central government and precept requests to appropriate bodies in accordance with the legal requirement.
- 2.1.26 To produce and publish, in accordance with statutory requirements and timescales, the council tax information leaflet and send a web-link to the billing authorities.

Responsibilities of the Director of Finance

- 2.1.27 To prepare detailed budget estimates for the forthcoming financial year in accordance with the timetable agreed with the PCC CFO.

- 2.1.28 To submit draft budget proposals to the Chief Constable's Management Team to obtain approval from the Chief Constable
- 2.1.29 To submit estimates in the agreed format to the PCC for approval, including details of council tax implications and precept requirements.

2.2 BUDGETARY CONTROL

Why is this important?

- 2.2.1 Budget management ensures that once the PCC has approved the budget, resources allocated are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, enabling both the Chief Constable and PCC to review and adjust their budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.
- 2.2.2 The key controls for managing and controlling the revenue budget are that:
- a) there is a nominated budget manager for each cost centre heading who is accountable for the budgets under his direct control; and
 - b) the management of budgets must not be seen in isolation. It should be measured in conjunction with service outputs and performance measures

Revenue Monitoring

Why is this important?

- 2.2.3 By continuously identifying and explaining variances against budgetary targets, TVP can identify changes in trends and resource requirements at the earliest opportunity. The PCC and Chief Constable both operate within an annual cash limit, approved when setting the annual budget. To ensure that TVP in total does not overspend, the Director of Finance and PCC CFO are required to manage expenditure within their budget allocations, subject to the rules of virement.

Responsibilities of the Director of Finance

- 2.2.4 To provide appropriate financial information to enable budgets to be monitored effectively.
- 2.2.5 To ensure that each element of income or expenditure has a nominated budget manager to take responsibility for that part of the budget. Budget responsibility should be aligned as closely as possible to the decision making process that commits expenditure.
- 2.2.6 To ensure that total spending for operational policing remains within the overall allocation of resources and takes corrective action where significant variations from the approved budget are forecast. Where total projected expenditure exceeds the total allocation of resources due to circumstances beyond the control of the Chief Constable, both the PCC CFO and PCC shall be alerted immediately and proposals for remedy should be put forward as part of the regular reporting process to the PCC. The same responsibilities apply to the Chief of Staff and the PCC CFO for their budgets.
- 2.2.7 To submit a budget monitoring report to the Chief Constable's Management Team and the PCC on a regular basis throughout the year, containing the most recently available financial information.

Virement

Why is this important?

- 2.2.8 A virement is an approved reallocation of resources between budgets or heads of expenditure. A budget head is a line in the approved budget report. The scheme of virement is intended to enable chief officers to manage their budgets with a degree of flexibility within the overall policy framework determined by the PCC and, therefore, to provide the opportunity to optimise the use of resources to emerging needs.
- 2.2.9 The Chief Constable should only be required to refer back to the PCC when virement would incur substantive changes in the policy of the PCC or where a virement might create a future year or continuing commitment. Revenue expenditure can only be funded from revenue funding.
- 2.2.10 Key controls for the scheme of virement are:
- it is administered by chief officers in accordance within the limits set out in Financial Regulations. Any variation from this scheme requires the approval of the PCC
 - the overall budget is agreed by the PCC. Chief officers and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget
 - virement does not create additional overall budget liability.
 - each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring.

Responsibilities

- 2.2.11 The Chief Constable may use revenue provision to purchase capital items or carry out capital works subject to obtaining PCC or PCC CFO approval where the proposed transfer exceeds £1m.
- 2.2.12 The Director of Finance can approve any virement of the Force Budget where the additional costs are fully reimbursed by other bodies. The PCC's CFO can approve any virement of the PCC's own budget where the additional costs are fully reimbursed by other bodies.
- 2.2.13 For all other budgets each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring, subject to the following approval levels

Force Budget

Up to £1,000,000

Over £1,000,000

Director of Finance

PCC or PCC CFO

PCC's own budget

Up to £200,000

Over £200,000

PCC CFO

PCC

- 2.2.14 The approval of the PCC CFO (and the PCC if the value is greater than £1m) is required if an appropriation to/from earmarked revenue reserves or general revenue reserves is being sought, or the value of an existing appropriation is being amended.

2.2.15 The approval of the PCC shall be required if the virement involves:

- a) a substantial change in policy
- b) a significant addition to commitments in future years

2.3 CAPITAL PROGRAMME

Why is this important?

- 2.3.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to TVP such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and may create financial commitments in the form of financing costs and revenue running costs.
- 2.3.2 TVP is able to undertake capital investment providing the spending plans are affordable, prudent and sustainable. CIPFA's Prudential code sets out the framework under which the Force and PCC will consider their spending plans.
- 2.3.3 The capital programme is linked to both the approved financial strategy and the capital strategy.
- 2.3.4 A medium term capital plan will be produced, in accordance with the financial strategy and the capital strategy, which shows all planned capital investment over the next 3-5 years. This plan will include a schedule to show how the planned expenditure will be funded.
- 2.3.5 A separate annual capital budget will be produced before the start of the financial year. Initially, this budget will include ongoing schemes from previous years as well as annual provisions such as vehicles, plant and equipment. Additional schemes from the medium term capital plan will be included in the annual budget after tenders have been accepted and timescales are known.
- 2.3.6 Although TVP procures capital items on behalf of consortium partners, only TVP related expenditure which will be included in the fixed asset register (i.e. including CTPSE) will be included in the medium term capital plan and the annual capital budget.

Responsibilities of the Chief Constable

- 2.3.7 To develop and implement asset management plans. These will inform the medium term and annual capital programmes.

Responsibilities of the PCC

- 2.3.8 To approve the estates asset management plan

Medium Term Capital Plan

Responsibilities of the Director of Finance

- 2.3.9 To prepare a rolling programme of proposed capital expenditure, in accordance with the agreed financial strategy and the capital strategy, for initial consideration by the Chief Constable's Management Team and then for presentation to the PCC. Each scheme shall identify the total capital cost of the project and any additional revenue commitments.

- 2.3.10 To prepare project appraisals (i.e. the Business Proposal Form) for all schemes in the draft medium term capital plan. Where appropriate these will be developed jointly with Hampshire Constabulary and/or other partners, and will include an appropriate element for optimism bias. These shall be submitted to the PCC CFO and PCC for consideration and scheme approval. This will include all additional revenue and capital costs.
- 2.3.11 To identify, in consultation with the PCC CFO, available sources of funding for the medium term capital plan, including the identification of potential capital receipts from disposal of assets and the level of Direct Revenue Funding required.
- 2.3.12 A gap may be identified between available resources and required capital investment. Requirements should be prioritised by the Chief Constable to enable the PCC to make informed judgements as to which schemes should be included in the capital plan, the minimum level of funding required for each scheme and the potential phasing of capital expenditure.
- 2.3.13 A fully funded medium term capital plan shall, on an annual basis, be presented to the PCC for consideration and approval
- 2.3.14 Approval of the medium term capital plan by the PCC in January / February each year authorises the Chief Constable to seek planning permissions, incur professional fees and preliminary expenses as appropriate.

Responsibilities of the PCC CFO

- 2.3.15 To make recommendations to the PCC on the most appropriate level and application of revenue support, reserves and borrowing, under the Prudential Code, to support the capital plan.

Responsibilities of the PCC

- 2.3.16 To approve a fully funded medium term capital plan.

Annual Capital Budget

Responsibilities of the PCC

- 2.3.17 To agree the annual capital budget, and how it is to be financed.
- 2.3.18 To hold the Chief Constable to account for delivery of effective capital schemes within budget.

Responsibilities of the Chief Constable

- 2.3.19 To present an annual capital budget to the PCC for approval
- 2.3.20 To manage expenditure on individual capital schemes within the approved scheme budget. Where schemes are expected to exceed budget by more than 10% or £200,000 (whichever is the lower amount) approval should be sought from the PCC CFO. Increases of more than £1m must be approved by the PCC.

- 2.3.21 To ensure that finance leases or other credit arrangements are not entered into without the prior approval of the PCC CFO.
- 2.3.22 To ensure that, apart from professional fees (e.g. feasibility studies and planning fees) no other capital expenditure is incurred before the contract is let and the scheme is included in the annual capital budget.

Monitoring of Capital Expenditure

Responsibilities of the Director of Finance

- 2.3.23 To ensure that adequate records are maintained for all capital contracts
- 2.3.24 To monitor expenditure throughout the year against the approved capital budget.
- 2.3.25 To submit capital monitoring reports to both the Chief Constable's Management Team and the PCC on a regular basis throughout the year. These reports are to be based on the most recently available financial information. The monitoring reports will show spending to date and compare projected income and expenditure with the approved budget.
- 2.3.26 For proposed in-year amendments to the annual capital budget, for schemes not already included in the medium term capital plan, to prepare a business case for submission to the PCC for consideration and approval, including details on how the new scheme is to be funded.

Responsibilities of the PCC CFO and Director of Finance

- 2.3.27 To report on the outturn of capital expenditure as part of the annual report on the statutory accounts.

2.4 MAINTENANCE OF BALANCES AND RESERVES

Why is this important?

- 2.4.1 The PCC must decide the level of general reserves he wishes to retain before he can decide the level of council tax. Reserves are maintained as a matter of prudence. They enable the organisation to provide for cash flow fluctuations and unexpected costly events and thereby help protect it from overspending the annual budget, should such events occur. Reserves for specific purposes may also be maintained where it is likely that a spending requirement will occur in the future.

Responsibilities of the PCC CFO

- 2.4.2 To advise the PCC on reasonable levels of balances and reserves.
- 2.4.3 To report to the PCC on the adequacy of reserves and balances before he approves the annual budget and council tax (s25, LG Act 2003).
- 2.4.4 To approve appropriations to and from each earmarked reserve. These will be separately identified in the Annual Statement of Accounts.
- 2.4.5 To ensure the Annual Reserves Strategy is published on the PCC's website in accordance with Home Office requirements.

Responsibilities of the Director of Finance

- 2.4.6 To ensure that the annual revenue budget is sufficient to finance foreseeable operational needs without having to request additional approval.
- 2.4.7 To present a business case to the PCC CFO and PCC for one-off expenditure items to be funded from earmarked and/or general reserves.

Responsibilities of the PCC

- 2.4.8 To approve a policy on reserves and balances, including lower and upper parameters for the level of general balances
- 2.4.9 To approve the creation of each earmarked reserve. The purpose, usage and basis of transactions should be clearly identified for each reserve established.
- 2.4.10 To approve the allocation of monies to and from general and earmarked reserves, as part of the annual budget setting process.

3.1 RISK MANAGEMENT AND BUSINESS CONTINUITY

Why is this important?

- 3.1.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all potential significant corporate and operational risks. This should include the proactive participation of all those associated with planning and delivering services.
- 3.1.2 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk cannot be eliminated altogether. However, risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of TVP and to ensure the continued corporate and financial wellbeing of TVP. It is, therefore, an integral part of good business practice.
- 3.1.3 Business continuity is a key part of the risk management agenda and is concerned with ensuring that the organisation can continue to operate and deliver its critical services during a period of disruption.

Responsibilities of the PCC and Chief Constable

- 3.1.4 The PCC and Chief Constable are jointly responsible for approving the risk management policy statement and strategy, and for reviewing the effectiveness of risk management.

Responsibilities of Chief Officers

- 3.1.5 To prepare the TVP risk management policy statement and for promoting a culture of risk management awareness throughout TVP and reviewing risk as an ongoing process.
- 3.1.6 To maintain and/or implement new procedures, as necessary and appropriate, to identify, assess, prevent or contain material known risks, with a monitoring process in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be formalised and conducted on a continuing basis
- 3.1.7 To ensure that appropriate business continuity plans are developed, implemented and tested on a regular basis

Responsibilities of the PCC CFO and Director of Finance

- 3.1.8 To advise the PCC and Chief Constable on appropriate arrangements for insurance. Acceptable levels of risk should be determined and insured against where appropriate. Activities leading to levels of risk assessed as unacceptable should not be undertaken.
- 3.1.9 To arrange for an actuary to undertake a regular review of TVP's own self-insurance fund and, following that review, to recommend to the Chief Constable and PCC a course of action to ensure that, over the medium term, the fund is able to meet all known liabilities.
- 3.1.10 To ensure that appropriate insurance cover is provided.
- 3.1.11 To ensure that claims made by TVP against insurance policies are made promptly

Responsibilities of the Chief Constable

- 3.1.12 To make all appropriate employees aware of their responsibilities for managing relevant risks
- 3.1.13 To ensure that employees, or anyone covered by TVP insurance, is instructed not to admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim
- 3.1.14 To ensure that a comprehensive risk register is produced and updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk

Responsibilities of the Chief of Staff

- 3.1.15 To ensure that a comprehensive risk register is produced for the OPCC and is updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk

Responsibilities of the Chief of Staff and Head of Legal Services

- 3.1.16 To evaluate and authorise any terms of indemnity that TVP is requested to give by external parties.

3.2 INTERNAL CONTROL SYSTEM

Why is this important?

- 3.2.1 Internal control refers to the systems of control devised by management to help ensure TVP objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that TVP assets and interests are safeguarded.
- 3.2.2 TVP is complex and requires an internal control framework to manage and monitor progress towards strategic objectives. TVP has statutory obligations and therefore requires a system of internal control to identify, meet and monitor compliance with these obligations.
- 3.2.3 TVP faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. A system of internal control is necessary to manage these risks. The system of internal control is established in order to provide achievement of:
- efficient and effective operations
 - reliable financial information and reporting
 - compliance with laws and regulations
 - risk management

Responsibilities of Chief Officers

- 3.2.4 To implement effective systems of internal control, in accordance with advice from the PCC CFO and Director of Finance. These arrangements shall ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They shall ensure that public resources are properly safeguarded and used economically, efficiently and effectively.
- 3.2.5 To ensure that effective key controls are operating in managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance information and taking appropriate anticipatory and remedial action where necessary. The key objective of these control systems is to define roles and responsibilities.
- 3.2.6 To ensure that effective key controls are operating in financial and operational systems and procedures. This includes physical safeguard of assets, segregation of duties, authorisation and approval procedures and robust information systems.
- 3.2.7 To produce Annual Governance Statements for consideration and approval by the PCC and Chief Constable.
- 3.2.8 To consider and respond promptly to control weaknesses and issues in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

3.3 AUDIT REQUIREMENTS

Joint Independent Audit Committee

Why is this important?

- 3.3.1 The purpose of an audit committee is to provide those charged with governance (i.e. the PCC and Chief Constable) independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place

Responsibilities of the PCC and Chief Constable

- 3.3.2 To recruit and appoint 3-5 members of the Committee (total membership may exceed 5 on a temporary basis to facilitate smooth transition). These members should be independent of both the PCC and the Force
- 3.3.3 To determine the Committee Terms of Reference (or Operating Principles)
- 3.3.4 To prepare and sign annual letters of representation and submit to the external auditor
- 3.3.5 To receive and act upon the annual assurance statement from the Committee

Internal Audit

Why is this important?

- 3.3.6 Internal audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment, by evaluating the adequacy and effectiveness of internal controls that are in place to manage and mitigate financial and non-financial risk to support delivery of the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 3.3.7 The requirement for an internal audit function for local authorities is either explicit or implied in the relevant local government legislation (section 151 of the Local Government Act 1972), which requires that authorities "make arrangements for the proper administration of their financial affairs". In the Police Service, the PCC and Chief Constable are required to maintain an effective audit of their affairs by virtue of the Accounts and Audit Regulations 2015 (as amended) which state that a "relevant body must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control". The guidance accompanying the legislation states that proper internal control practices for internal audit are those contained in the Public Sector Internal Audit Standards.
- 3.3.8 In fulfilling this requirement, the PCC and Chief Constable should have regard to the Public Sector Internal Audit Standards.

- 3.3.9 In addition to enabling the PCC and the Chief Constable to fulfil their requirements in relation to the relevant Accounts and Audit Regulations, internal Audit is needed to satisfy the PCC and the Chief Constable that effective internal control systems are in place.

Responsibilities of the Joint Independent Audit Committee

- 3.3.10 In terms of internal audit, the Joint Independent Audit Committee's operating principles will include the following key activities and responsibilities:

- Annually review the internal audit charter and resource
- Receive and consider the adequacy and effectiveness of the arrangements for the provision of the internal audit service
- Consider and comment on the Internal Audit Strategy and Plan.
- Receive and review internal audit reports and monitor progress of implementing agreed actions
- To consider the Head of Internal Audit's statement on the level of conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that support the statement
- Consider and comment upon the annual report of the Head of Internal Audit
- Obtain assurance that an annual review of the effectiveness of the internal audit function takes place

- 3.3.11 To note and endorse the Internal Audit Strategy and Joint Internal Audit Plan, which sets out the joint Internal Audit Team's:

- objectives and outcomes;
- Planning methodology;
- Resources;
- Annual Plan; and
- Performance measurements.

Responsibilities of the PCC, Chief Constable, PCC CFO and Director of Finance

- 3.3.12 To ensure the provision of an adequate and effective internal audit service.

- 3.3.13 To ensure that internal auditors, having been security cleared, have the authority to:

- access TVP premises at reasonable times
- access all assets, records, documents, correspondence, control systems and appropriate personnel, subject to appropriate security clearance
- receive any information and explanation considered necessary concerning any matter under consideration
- require any employee to account for cash, stores or any other TVP asset under their control
- access records belonging to contractors, when required. This shall be achieved by including an appropriate clause in all contracts.

- 3.3.14 Internal Audit shall have direct access to all Chief Officers and employees, where necessary, to discharge their responsibilities.

Responsibilities of the PCC CFO and the Director of Finance

- 3.3.15 To approve the annual internal audit plan, having considered the views expressed by stakeholders, including the Joint Independent Audit Committee.
- 3.3.16 To approve in-year variations to the annual internal audit plan.

Responsibilities of the Chief Internal Auditor

- 3.3.17 To prepare - in consultation with the PCC, Chief Constable, PCC CFO and Director of Finance - an annual audit plan that conforms to the Public Sector Internal Audit Standards, for consideration by the Joint Independent Audit Committee.
- 3.3.18 To attend meetings of the Joint Independent Audit Committee and to present to each Committee a report on the progress in delivering the annual plan, the matters arising from audits, and the extent to which agreed actions in response to issues raised in the audit reports have been delivered.
- 3.3.19 To present an annual report to the Joint Independent Audit Committee, including an opinion on the effectiveness of the internal control environment in TVP.

Responsibilities of Chief Officers

- 3.3.20 To consider and respond promptly to control weaknesses and issues in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

Responsibilities of the Director of Finance

- 3.3.21 To ensure that new systems for maintaining financial records or records of assets, or significant changes to existing systems, are discussed with and agreed by the PCC CFO and internal audit prior to implementation.
- 3.3.22 To notify the PCC CFO immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of TVP property or resources. Pending investigation and reporting, the Chief Constable should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration. Investigation of internal financial irregularities shall normally be carried out by the Professional Standards Department, who shall consult with the Chief Internal Auditor as appropriate and keep him informed of progress. At the conclusion of the investigation the Chief Internal Auditor shall be informed of the outcome and agree with the Head of Professional Standards and the Director of Finance whether any internal audit review of the internal controls would be beneficial. The operation of this Regulation shall be in accordance with the agreed protocol between the Head of Professional Standards, the Director of Finance and the Chief Internal Auditor.

External Audit

Why is this important?

- 3.3.23 The PCC and the Chief Constable are responsible for selecting and appointing their own external auditor. They may choose to do this by using the Public Sector Audit Appointments (PSAA) Ltd.
- 3.3.24 The external auditor has rights of access to all documents and information necessary for audit purposes.
- 3.3.25 The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, the Audit Commission Act 1998 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires the National Audit Office to prepare a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice sets out the auditor's objectives to review and report upon:
- the audited body's financial statements
 - aspects of the audited body's arrangements to secure Value for Money.
- 3.3.26 In auditing the annual accounts, the external auditor must satisfy themselves, in accordance with Section 5 of the 1998 Act, that:
- the accounts are prepared in accordance with the relevant regulations;
 - they comply with the requirements of all other statutory provisions applicable to the accounts;
 - proper practices have been observed in the compilation of the accounts; and
 - the body whose accounts are being audited has made proper arrangements for securing economy, efficiency and effectiveness.
- 3.3.27 The 1998 Act sets out other specific responsibilities of the auditor, for example under the section on financial reporting.

Responsibilities of the Joint Independent Audit Committee

- 3.3.28 To approve the annual work plan and fee
- 3.5.1 To receive and respond to the ISA 260 Audit Results report on the financial statements and value for money
- 3.3.29 To receive the annual audit report

Responsibilities of the PCC CFO and Director of Finance

- 3.3.30 To liaise with the external auditor and advise the PCC and Chief Constable on their responsibilities in relation to external audit and ensure there is effective liaison between external and internal audit.
- 3.3.31 To ensure that for the purposes of their work the external auditors are given the access to which they are statutorily entitled in relation to TVP premises, assets, records, documents, correspondence, control systems and personnel, subject to appropriate security clearance.

- 3.3.32 To respond to draft action plans and to ensure that agreed recommendations are implemented in a timely manner

Responsibilities of the PCC and Chief Constable

- 3.3.33 To select and appoint the external auditor

3.4 PREVENTING FRAUD AND CORRUPTION

Why is this important?

- 3.4.1 TVP will not tolerate fraud or corruption in the administration of its responsibilities, whether from inside or outside TVP.
- 3.4.2 TVP expectation of propriety and accountability is that the PCC, Chief Constable and employees at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 3.4.3 TVP also expects that individuals and organisations (e.g. suppliers, contractors, and service providers) with whom it comes into contact will act with honesty and integrity.

Responsibilities of the PCC and Chief Constable

- 3.4.4 To approve and adopt a policy on registering of interests and the receipt of hospitality and gifts
- 3.4.5 To maintain an effective anti-fraud, bribery and corruption policy, including relevant provisions in the Bribery Act 2010.
- 3.4.6 To ensure that adequate and effective internal control arrangements are in place
- 3.4.7 To maintain a policy for the registering of interests and the receipt of hospitality and gifts covering the PCC, Chief Constable and all employees. A register of interests and a register of hospitality and gifts shall be maintained for the PCC and employees.
- 3.4.8 To adopt and maintain a whistle blowing policy to provide a facility that enables employees, the general public and contractors to make allegations of fraud, misuse and corruption in confidence, and without recrimination, to an independent contact. Procedures shall ensure that allegations are investigated robustly as to their validity, that they are not malicious and that appropriate action is taken to address any concerns identified. The Chief Constable shall ensure that all employees are aware of any approved whistle blowing policy.
- 3.4.9 To implement and maintain a clear internal financial control framework setting out the approved financial systems to be followed by the PCC, Chief Constable and all employees.
- 3.4.10 To investigate, as appropriate, all allegations of bribery, fraud and corruption.

3.5 ASSETS - Acquisition, Ownership and Disposal

Why is this important?

3.5.1 TVP holds assets in the form of land, property, vehicles, equipment, furniture and other items, together worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, that there are arrangements for the security of both assets and information required for service operations and that proper arrangements exist for the disposal of assets. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

3.5.2 It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the policies and regulations of the PCC and Chief Constable.

Context

3.5.3 The PCC will own all estate assets i.e. land and buildings.

3.5.4 The Chief Constable is responsible for the direction and control of the Force and therefore has day-to-day management of all assets used by the Force.

3.5.5 The PCC has given consent to the Chief Constable to own, operate and dispose of all non-estate assets (i.e. vehicles, plant and equipment).

3.5.6 The Chief Constable should formally consult the PCC in planning the draft budget and developing the medium term financial strategy. Both these processes should involve a full assessment of the assets required to meet operational requirements, including in terms of human resources, infrastructure, land, property and equipment.

Responsibilities of the Chief Constable

3.5.7 To ensure that the medium term financial plan is reliable and robust and, in particular, to ensure that:

- a) an estates asset management plan is produced and presented to the PCC for approval
- b) the property portfolio is managed in accordance with the agreed estates asset management plan and within budgetary provisions, in consultation with the Chief Executive and PCC CFO as appropriate
- c) lessees and other prospective occupiers of TVP land are not allowed to take possession or enter the land until a lease or agreement has been established as appropriate
- d) an overview of the ICT strategy is produced and presented to the PCC for consideration and endorsement each year

Responsibilities of the PCC

3.5.8 To approve an estates asset management plan, including disposals.

- 3.5.9 To approve the purchase of all land and buildings
- 3.5.10 To ensure that the title deeds to TVP property are held securely

Joint responsibilities of the Chief Constable and PCC

- 3.5.11 To ensure that:
- a) an asset register is maintained to provide TVP with information about fixed assets so that they are safeguarded, used efficiently and effectively, adequately maintained and valued in accordance with statutory and management requirements
 - b) assets and records of assets are properly maintained and securely held and that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place
 - c) all employees are aware of their responsibilities with regard to safeguarding TVP assets and information, including the requirements of the Data Protection Act and software copyright legislation
 - d) assets no longer required are disposed of in accordance with the law and the regulations of the TVP
 - e) all employees are aware of their responsibilities with regard to safeguarding the security of TVP ICT systems, including maintaining restricted access to the information held on them and compliance with the information and security policies.

Asset Disposal

Consent from the PCC

- 3.5.12 The PCC has given consent to the Chief Constable to dispose of all non-estate assets (e.g. vehicles, plant and equipment) in accordance with the Financial Strategy.

Responsibilities of the Chief Constable

- 3.5.13 To arrange for the disposal of (without the specific approval of the PCC):
- a) To ensure the secure and appropriate disposal of assets
 - b) Non-estate assets at the appropriate time and at the most advantageous price. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.
 - c) Police houses and other surplus land and buildings with an estimated sale value of less than £200,000. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.

Responsibilities of the PCC

- 3.5.14 To approve the disposal of police houses and other surplus land and buildings with an estimated sale value of over £200,000.

Responsibilities of the Director of Finance

- 3.5.15 To record all asset disposals in the asset register and/or appropriate inventory lists.

Responsibilities of the PCC CFO and Director of Finance

- 3.5.16 To ensure that income received for the disposal of an asset is properly banked and accounted for.
- 3.5.17 To ensure that appropriate accounting entries are made to remove the value of disposed assets from TVP records and to include the sale proceed if appropriate.

Interests in Land

Responsibilities of the Chief Constable

- 3.5.18 The Chief Constable, shall:
- a) Arrange to grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, without the specific approval of the PCC, up to an annual rental of £200,000;
 - b) take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms

Responsibilities of the PCC and Chief Finance Officer

- 3.5.19 The Chief Finance Officer shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £200,000 but below £1m.
- 3.5.20 The PCC shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £1m.

Valuation

Responsibilities of the Director of Finance

- 3.5.21 To maintain an asset register for all fixed assets with a value in excess of the limits shown below, in a form approved by the PCC CFO. Assets are to be recorded when they are acquired by TVP. Assets shall remain on the asset register until disposal. Assets are to be valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* and the requirements specified by the PCC CFO

<i>Land & Buildings</i>	<i>All values</i>
<i>Vehicles</i>	<i>All values</i>
<i>ICT hardware</i>	<i>All values</i>
<i>Plant & Equipment</i>	<i>£100,000</i>

Stocks and Stores

Responsibilities of the Director of Finance

- 3.5.22 To make arrangements for the care, custody and control of the stocks and stores of TVP and to maintain detailed stores accounts.
- 3.5.23 To undertake a complete stock check at least once per year either by means of continuous or annual stocktake. The stocktake shall be undertaken and certified by an authorised member of staff who is independent of the stock keeping function. This procedure shall be followed and a complete stock check undertaken whenever stock keeping duties change.
- 3.5.24 To write-off any discrepancies between the actual level of stock and the book value of stock up to £50,000 in value. Any items over £50,000 require the approval of the PCC CFO.
- 3.5.25 To write-off obsolete stock up to the value of £50,000. Any write-offs over £50,000 require the approval of the PCC CFO

Intellectual Property

Why is this important?

- 3.5.26 Intellectual property is a generic term that includes inventions and writing e.g. computer software.
- 3.5.27 It is TVP policy that if any Intellectual Policy is created by the employee during the course of employment then, as a general rule, this will belong to the employer, not the employee. Various acts of Parliament cover different types of intellectual property. Certain activities undertaken within TVP may give rise to items that could be patented, for example, software development. These items are collectively known as intellectual property.
- 3.5.28 In the event that TVP decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with an intellectual property policy. Matters should only proceed after legal advice

Responsibilities of the Chief Constable

- 3.5.29 To prepare guidance on intellectual property procedures and ensuring that employees are aware of these procedures.

Responsibilities of the Chief Constable and PCC

- 3.5.30 To approve the intellectual property policy

3.6 TREASURY MANAGEMENT AND BANKING ARRANGEMENTS

Treasury Management

Why is this important?

3.6.1 TVP is a large organisation that handles hundreds of millions of pounds in each financial year. It is important that TVP money is managed properly, in a way that balances risk with return, but with the prime consideration being given to the security of the TVP capital sum.

3.6.2 TVP will create and maintain, as the cornerstones for effective treasury management:

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
- Suitable Treasury Management Practices (TMPs) setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

Responsibilities of the PCC

3.6.3 To adopt the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code).

3.6.4 To approve the annual treasury management strategy statement, including the annual investment strategy

3.6.5 To receive and approve quarterly treasury management performance monitoring reports

Responsibilities of the PCC CFO

3.6.6 To implement and monitor treasury management policies and practices in line with the CIPFA Code and other professional guidance

3.6.7 To prepare reports on the PCC's treasury management policies, practices and activities, including, as a minimum, an annual strategy, quarterly performance monitoring reports and an annual report.

3.6.8 To execute and administer treasury management in accordance with the CIPFA Code and the PCC's policy.

3.6.9 To arrange borrowing and investments, in compliance with the CIPFA Code

Banking Arrangements

Why is this important?

- 3.6.10 Our banking activities are controlled by a single contract which aims to provide a wide range of complex and specialist banking services to TVP departments, establishments and staff. A consistent and secure approach to banking services is essential in order to achieve optimum performance from TVP bankers and the best possible value for money. To minimise administration and costs the PCC and Chief Constable will share bank accounts.

Responsibilities of the PCC CFO

- 3.6.11 To have overall responsibility for the banking arrangements for TVP.
- 3.6.12 To authorise the opening and closing of all TVP bank accounts. With the exception of 3.6.17 below no other employee shall open a TVP bank account unless they are performing a statutory function (e.g. treasurer of a charitable body) in their own right
- 3.6.13 To undertake bank reconciliations on a timely and accurate basis.
- 3.6.14 To determine signatories on all TVP bank accounts
- 3.6.15 To authorise the opening and closing of the digital apprenticeship levy accounts

Responsibilities of the Director of Finance

- 3.6.16 To authorise the opening and closing of TVP bank accounts, for specific purposes, as agreed with the PCC CFO.
- 3.6.17 To undertake bank reconciliations on a timely and accurate basis for these specific bank accounts.
- 3.6.18 To determine signatories on these specific TVP bank accounts
- 3.6.19 To determine appropriate internal control arrangements for operating the digital apprenticeship levy accounts

Imprest Accounts / Petty Cash

Why is this important?

- 3.6.20 Cash advances may be made to an individual in a department / establishment in order that relatively small incidental payments may be made quickly. A record of disbursements from the account should be maintained to control the account and so that the expenditure may be substantiated, accurately reflected in the TVP accounts and correctly reimbursed to the account holder.

Responsibilities of the Chief Constable

- 3.6.21 To provide appropriate employees of TVP with cash, bank imprests or pre-paid cash cards to meet minor expenditure on behalf of TVP. The Chief Constable shall determine reasonable petty cash limits and maintain a record of all transactions and petty cash advances made, and periodically review the arrangements for the safe custody and control of these advances.
- 3.6.22 To prepare detailed Financial Instructions for dealing with petty cash, to be agreed with the PCC CFO, and these shall be issued to all appropriate employees.

Money Laundering

Why is this important?

- 3.6.23 TVP is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money.
- 3.6.24 Suspicious cash deposits in any currency in excess of £15,000 (or equivalent) should be reported to the National Crime Agency (NCA)
- 3.6.25 TVP will monitor its internal control procedures to ensure they are reliable and robust.

Responsibilities of the PCC CFO

- 3.6.26 To be the nominated Money Laundering Reporting Officer (MLRO) for TVP.
- 3.6.27 Upon receipt of a disclosure to consider, in the light of all information, whether it gives rise to such knowledge or suspicion.
- 3.6.28 To disclose relevant information to the National Crime Agency (NCA)

Responsibilities of Chief Officers

- 3.6.29 To undertake appropriate checks to ensure that all new suppliers and counterparties are bona fide

Responsibilities of employees

- 3.6.30 To notify the PCC CFO as soon as they receive information which may result in them knowing or having reasonable grounds for knowing or suspecting money laundering, fraud or use of the proceeds of crime
- 3.6.31 Cash bankings from a single source over £15,000 should be reported to the PCC CFO. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act (see Financial Regulation 3.9).

3.7 STAFFING

Why is this important?

- 3.7.1 Staffing costs form the largest element of the annual policing budget. An appropriate People strategy should exist, in which staffing requirements and budget allocations are matched. The Chief Constable is responsible for approving the overall People strategy.

Responsibilities of the Chief Constable

- 3.7.2 To ensure that employees are appointed, employed and dismissed in accordance with relevant statutory regulations, national agreements and personnel policies, budgets and strategies.
- 3.7.3 To advise the PCC on the budget necessary in any given year to cover estimated staffing levels
- 3.7.4 To adjust the staffing numbers to meet the approved budget provision, and varying the provision as necessary within policy constraints in order to meet changing operational needs
- 3.7.5 To have systems in place to record all matters affecting payments to staff, including appointments, resignations, dismissals, secondments, suspensions, transfers and all absences from work.
- 3.7.6 To approve policy arrangements for premature retirements on grounds of ill-health or efficiency for all staff and redundancy arrangements for support staff.

Responsibilities of the Chief of Staff

- 3.7.7 To have the same responsibilities as above for staff employed directly by the PCC.

3.8 TRUST FUNDS

Why is this important?

- 3.8.1 Trust Funds have a formal legal status governed by a Deed of Trust. Employees and police officers acting as trustees must ensure that they are conversant with the requirements of the Trust Deed and the law and comply fully with them.
- 3.8.2 The TVP financial procedures and financial regulations should be viewed as best practice, which ought to be followed whenever practicable.
- 3.8.3 Examples include the TVP Benevolent Fund, TVP Civilian Staff Welfare Fund, TVP Welfare Fund, Thames Valley Special Constabulary Fund and the Sullhamstead Police College Trust Fund.
- 3.8.4 No employee shall open a trust fund without the specific approval of the Chief Constable or the PCC.

Responsibilities of Trustees

- 3.8.5 All employees acting as trustees by virtue of their official position shall ensure that accounts are audited as required by law and submitted annually to the appropriate body, and the PCC CFO and/or Director of Finance shall be entitled to verify that this has been done.

3.9 ADMINISTRATION OF EVIDENTIAL & NON-EVIDENTIAL PROPERTY

Why is this important?

- 3.9.1 The Chief Constable is required to exercise a duty of care and safeguard evidential or non-evidential property pending decisions on its ownership, or private property of an individual, e.g. a suspect in custody.

Responsibilities of the Chief Constable

- 3.9.2 To determine procedures for the safekeeping of the private property of a person, other than a member of staff, under his guardianship or supervision. These procedures shall be made available to all appropriate employees. For more detailed information, please refer to the Evidential and Non-Evidential Standard Operating Procedure (SOP).
- 3.9.3 To determine procedures for the safekeeping of evidential or non-evidential property. These procedures shall be made available to all appropriate employees and shall make specific reference to the need for insurance of valuable items.
- 3.9.4 To issue separate Financial Instructions for dealing with cash, including seized cash under the Proceeds of Crime Act

Responsibilities of all employees

- 3.9.5 To notify the Chief Constable immediately in the case of loss or diminution in value of such private property.

Police Property Act Fund

Why is this important?

- 3.9.6 The Police Property Act Fund consists of:
- (a) the proceeds of sale of property to which the Police (Property) Regulations 1997 apply (usually seized property where the owner has not been ascertained); and
 - (b) money to which those Regulations apply
- 3.9.7 The Fund may be used to:
- (a) Defray expenses connected with the custody and sale of the property
 - (b) Pay reasonable compensation to persons by whom property has been delivered to the police
 - (c) Make payments for charitable purposes
- 3.9.8 The Regulations also make provision for property to vest in the PCC (where it can be used for police purposes) or to be destroyed or disposed of (where the nature of the property is such that it is not in the public interest for it to be sold or retained)

Responsibilities of PCC and Chief Constable

- 3.9.9 The PCC and Chief Constable shall jointly determine the payments to be made in accordance with the Regulations, and the recipients thereof.
- 3.9.10 The PCC shall determine, on a recommendation made by or on behalf of the Chief Constable, whether any property to which the Regulations apply can be used for police purposes and, if so, whether such property shall be retained by and vest in the PCC.
- 3.9.11 The Chief Constable shall determine whether the nature of any property to which the Regulations apply is such that it is not in the public interest that it should be sold or retained and give directions as to the destruction or disposal of such property.

3.10 GIFTS, LOANS AND SPONSORSHIP

- 3.10.1 This does not include the receipt of hospitality and gifts – please see Section 3.4 ('Preventing Fraud and Corruption')

Why is this important?

- 3.10.2 In accordance with the Police Act 1996, the PCC may decide to accept gifts of money and gifts or loans of other property or services (e.g. car parking spaces) if they will enable the police either to enhance or extend the service which they would normally be expected to provide. The terms on which gifts or loans are accepted may allow commercial sponsorship of some police force activities.

Context

- 3.10.3 Gifts, loans and sponsorship are particularly suitable for multi-agency work such as crime prevention, community relations work, and victim support schemes.
- 3.10.4 Gifts, loans and sponsorship can be accepted from any source which has genuine and well intentioned reasons for wishing to support specific projects. In return, the provider may expect some publicity or other acknowledgement. It is acceptable to allow the provider to display the organisation's name or logo on publicity material, provided this does not dominate or detract from the purpose of the supported project.

Responsibilities of the PCC

- 3.10.5 To approve the policy on gifts, loans and sponsorship

Responsibilities of the Chief Constable

- 3.10.6 To accept gifts, loans or sponsorship within agreed policy guidelines.
- 3.10.7 To refer all gifts, loans and sponsorship above £50,000 to the PCC for approval before they are accepted.

Responsibilities of the Director of Finance

- 3.10.8 To present an annual report to the PCC listing all gifts, loans and sponsorship.
- 3.10.9 To maintain a central register, in a format agreed by the PCC CFO, of all sponsorship initiatives and agreements including their true market value, and to provide an annual certified statement of all such initiatives and agreements. The register will be made available to the PCC CFO, who shall satisfy himself that it provides a suitable account of the extent to which such additional resources have been received.
- 3.10.10 To bank cash from sponsorship activity in accordance with normal income procedures.

4.1 SYSTEMS & PROCESSES - INTRODUCTION

Why is this important?

- 4.1.1 There are many systems and procedures relating to the control of TVP assets, including purchasing, costing and management systems. TVP is reliant on computers for financial management information. This information must be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.
- 4.1.2 The PCC CFO and Director of Finance both have a statutory responsibility to ensure that TVP financial systems are sound and should therefore be notified of any proposed new developments or changes.

Responsibilities of the PCC CFO and Director of Finance

- 4.1.3 To make arrangements for the proper administration of TVP financial affairs, including to:
- issue advice, guidance and procedures for officers and others acting on behalf of TVP
 - determine the accounting systems, form of accounts and supporting financial records
 - establish arrangements for the audit of TVP financial affairs
 - approve any new financial systems to be introduced
 - approve any changes to existing financial systems.
- 4.1.4 To ensure, in respect of systems and processes, that
- systems are secure, adequate internal control exist and accounting records (e.g. invoices, income documentation) are properly maintained and held securely. This is to include an appropriate segregation of duties to minimise the risk of error, fraud or other malpractice.
 - appropriate controls exist to ensure that all systems input, processing and output is genuine, complete, accurate, timely and not processed previously
 - a complete audit trail is maintained, allowing financial transactions to be traced from the accounting records to the original document and vice versa
 - systems are documented and staff trained in operations
- 4.1.5 To ensure that there is a documented and tested business continuity plan to allow key system processing to resume quickly in the event of an interruption. Effective contingency arrangements, including back up procedures, are to be in place in the event of a failure in computer systems
- 4.1.6 To establish and maintain Financial Instructions identifying staff authorised to act on their behalf in respect of income collection, placing orders, making payments and employing staff.

4.2 INCOME

Why is this important?

- 4.2.1 Income is vital to TVP and effective systems are necessary to ensure that all income due is identified, collected, receipted and banked promptly.

Context

- 4.2.2 The PCC and Chief Constable should adopt the NPCC national charging policies and national guidance when applying charges for services and goods, including special services (section 25 Police Act), Mutual Aid (section 26 Police Act) and Goods & Services (section 18 Local Government Act). They should keep in mind that the purpose of charging is to ensure that, wherever appropriate, those using the services pay for them.
- 4.2.3 When specifying resource requirements, the Chief Constable will identify the expected income from charging. The Chief Constable should adopt NPCC charging policies in respect of mutual aid.
- 4.2.4 The PCC and Chief Constable should ensure that there are arrangements in place to ensure that expected charges are clearly identified in their budgets and that costs are accurately attributed and charged. When considering budget levels, the PCC and Chief Constable should ensure that ongoing resource requirements are not dependant on a significant number of uncertain or volatile income sources and should have due regard to sustainable and future year service delivery.

Responsibilities of the Chief Constable and PCC

- 4.2.5 To adopt the NPCC national charging policies and national guidance

Responsibilities of the Director of Finance and PCC CFO

- 4.2.6 To make arrangements for the collection of all income and approve the procedures, systems and documentation for its collection, including the correct charging of VAT
- 4.2.7 To agree a charging policy for the supply of goods and services, including the appropriate charging of VAT, and to review it regularly in line with corporate policies. All charges should be at full cost recovery except where regulations require otherwise or with the express approval of the PCC.
- 4.2.8 To ensure that all income is paid fully and promptly into the TVP Income Bank Account. Appropriate details should be recorded on to paying-in slips to provide an audit trail.
- 4.2.9 To ensure income is not used to cash personal cheques or make other payments.
- 4.2.10 To order and supply to appropriate employees all receipt forms, books or tickets and similar items and be satisfied as to the arrangements for their control. Official receipts or other suitable documentation shall be issued for all income received.
- 4.2.11 To operate effective debt collection and recovery procedures.

- 4.2.12 To approve the write-off of bad debts up to the level shown below. Amounts for write-off above this value must be referred to the PCC for approval, supported by a written report explaining the reason(s) for the write-off.

Up to £50,000 Director of Finance and/or PCC CFO

Over £50,000 PCC

Responsibilities of the Director of Finance

- 4.2.13 To prepare detailed Financial Instructions for dealing with income, to be agreed with the PCC CFO, and to issue them to all appropriate employees.

4.3 ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

Why is this required?

- 4.3.1 TVP has a statutory duty to ensure financial probity and best value. The PCC and Chief Constable's joint financial regulations and purchasing procedures help to ensure that the public can receive value for money. These procedures should be read in conjunction with the contract regulations in Section 5.

Responsibilities of the Director of Finance

- 4.3.2 To maintain a procurement policy covering the principles to be followed for the purchase of goods and services.
- 4.3.3 To issue official orders for all work, goods or services to be supplied to TVP, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions approved by the PCC CFO. Orders must be in a form approved by the PCC CFO.
- 4.3.4 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of TVP contracts.
- 4.3.5 Goods and services ordered must be appropriate and there must be adequate budgetary provision. Quotations or tenders must be obtained where necessary, in accordance with these regulations.
- 4.3.6 Payments are not to be made unless goods and services have been received by TVP at the correct price, quantity and quality in accordance with any official order.
- 4.3.7 To ensure that payments are made to the correct person, for the correct amount, on time (i.e. within 28 days) and are recorded properly, regardless of the method of payment.
- 4.3.8 To ensure that VAT is recovered where appropriate
- 4.3.9 To ensure that all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected
- 4.3.10 To ensure that all purchases made through e-procurement follow the rules, regulations and procedures, as set out in the Contract Regulations – see section 5.
- 4.3.11 To prepare, in consultation with the PCC CFO, detailed Financial Instructions for dealing with the ordering and payment of goods and services, and to issue these to all appropriate employees

Responsibilities of the Chief Officers

- 4.3.12 To ensure that every employee is made aware of the need to declare any links or personal interests that they may have with purchasers, suppliers and contractors if they are engaged in contractual or purchasing decisions on behalf of TVP and that such persons take no part in the selection of a supplier or contract with which they are connected.

4.4 PAYMENTS TO EMPLOYEES

Why is this required?

- 4.4.1 Employee costs are the largest item of expenditure for most police forces. It is therefore important that there are controls in place to ensure accurate, timely and valid payments are made in accordance with individuals' conditions of employment.

Responsibilities of the Director of Finance

- 4.4.2 To ensure, in consultation with the PCC CFO, the secure and reliable payment of salaries, overtime, pensions, compensation and other emoluments to existing and former employees.
- 4.4.3 To ensure that tax, superannuation and other deductions are made correctly and paid over at the right time to the relevant body.
- 4.4.4 To pay all valid travel and subsistence claims or financial loss allowance.
- 4.4.5 To pay salaries, wages, pensions and reimbursements by the most economical means.
- 4.4.6 To ensure that payroll transactions are processed only through the payroll system. Payments to individuals employed on a self-employed consultant or subcontract basis shall only be made in accordance with HM Revenue & Customs (HMRC) requirements. The HMRC applies a tight definition of employee status, and in cases of doubt, advice should be sought from them.
- 4.4.7 To ensure that full records are maintained of payments in kind and properly accounted for in any returns to the HMRC.
- 4.4.8 To prepare detailed Financial Instructions for dealing with payments to employees, to be agreed with the PCC CFO, and these shall be issued to all appropriate employees.

4.5 TAXATION

Why is this important?

- 4.5.1 Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe.

Responsibilities of the PCC CFO

- 4.5.2 To ensure the timely completion and submission of all HM Revenue & Customs (HMRC) returns regarding PAYE and that due payments are made in accordance with statutory requirements and deadlines
- 4.5.3 To ensure the timely completion and submission of VAT claims, inputs and outputs to HMRC

Responsibilities of the PCC CFO and Director of Finance

- 4.5.4 To ensure that the correct VAT liability is attached to all income due and that all VAT receivable on purchases complies with HMRC regulations
- 4.5.5 To provide details to the HMRC regarding the construction industry tax deduction scheme.
- 4.5.6 To ensure that appropriate technical staff have access to up to date guidance notes and professional advice.

4.6 CORPORATE CREDIT CARDS AND PURCHASING CARDS

Why is this important?

- 4.6.1 Credit cards provide an effective method for payment for designated officers who, in the course of their official business, have an immediate requirement for expenditure which is relevant to the discharge of their duties.
- 4.6.2 Purchase cards are an alternative method of buying and paying for relatively low value goods, which generate a high volume of invoices. This should generate an efficiency saving from lower transaction costs (i.e. fewer invoices processed and paid for through the integrated accounts payable system), as well as reducing the number of petty cash transactions
- 4.6.3 Commercial, credit and purchasing cards ['cards'] are only issued in TVP, where a clear business need is identified

Responsibilities of the Director of Finance

- 4.6.4 In conjunction with the PCC CFO to provide Financial Instructions to all cardholders.
- 4.6.5 To authorise and maintain control over the issue of cards.
- 4.6.6 To reconcile the 'card' account to the ledger on a monthly basis.

Responsibilities of credit card holders

- 4.6.7 To ensure that purchases are in accordance with approved TVP policies e.g. catering, hospitality
- 4.6.8 To provide receipted details of all payments made by 'card' each month to ensure that all expenditure is correctly reflected in the accounts and that VAT is recovered.
- 4.6.9 Card holders are responsible for ordering and paying for goods and services in accordance with the Force procurement policy, contract regulations and all procedures laid down by the Director of Finance.

4.7 EX GRATIA PAYMENTS

Why is this important?

- 4.7.1 An ex gratia payment is a payment made by TVP where no legal obligation has been established. An example may be recompense to a police officer for damage to personal property in the execution of duty or to a member of the public for providing assistance to a police officer in the execution of duty.

Responsibilities of the Chief Constable and PCC

- 4.7.2 To make ex gratia payments to members of the public up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of TVP
- 4.7.3 To make ex gratia payments up to the level shown below in any individual instance, for damage or loss of property or for personal injury to a police officer, police staff or any member of the extended police family, in the execution of duty.

Up to £10,000
Over £10,000

Head of Legal Services or Chief Executive
PCC

- 4.7.4 To maintain details of ex gratia payments in a register

5.1 CONTRACT REGULATIONS

What is a contract?

- 5.1.1 A contract is an agreement between two parties for the supply of goods and/or services. Employees should avoid giving verbal commitments to suppliers as this can constitute a contract.
- 5.1.2 The terms and conditions to be applied to the contract provide clarity and protection to the participants, and the specification of the requirement should be clearly understood by both parties. A contract's length and complexity is likely to depend on the extent of cost and complexity of the goods or services to be supplied.

Why are these important?

- 5.1.3 All employees engaged in the following activities, shall make every effort to ensure that the best value for money is achieved for the acquisition and delivery of:
- a) goods or materials;
 - b) services and consultancy;
 - c) building works;
 - d) the supply of goods or services to third parties which provide the TVP with an income.
- 5.1.4 Such efforts shall also continue throughout the lifetime of any contract to ensure that best value for money is maintained in the quality and standard of all goods, services and works supplied and in the review of proposals to change or vary any feature of any contract during its lifetime.

Key controls

- 5.1.5 These Regulations shall be read in conjunction with the Force Procurement Policy.
- 5.1.6 No contract or project shall be deliberately or artificially divided into a number of separate contracts in order to avoid the obligations set out in these Contract Regulations, or any statute or regulations.
- 5.1.7 Competition should be invited from potential providers to supply TVP with goods, services, building works, etc.
- 5.1.8 Every contract concluded on behalf of TVP shall comply with:
- a) the Public Contract Regulations;
 - b) relevant UK regulations and
 - c) the Code of Practice for Local Authorities on Data Transparency
- 5.1.9 Subject to compliance with 5.1.8, exemption from any of the following provisions of these Contract Regulations may only be made:
- a) by the written direction of the PCC; or
 - b) by a chief officer in an operational emergency.

- 5.1.10 The PCC shall be informed of the circumstances of every exemption made under 5.1.9(b) at the earliest opportunity.
- 5.1.11 In addition to adhering to the above, any employee who is engaged in any activities or processes leading to the award of a contract or in its subsequent delivery, shall:
- i. show no undue favour to or discriminate against any contractor or potential contractor or the goods, materials or services they produce;
 - ii. carry out their work in accordance with the highest standards of propriety and proper practice (including respecting the confidentiality of commercial information).
 - iii. not breach the requirements of the TVP Policy for Gifts and Gratuities, Hospitality, Discounts, Travel and other Potential Conflicts of Interest.
- 5.1.12 The contents of a contract shall be in accordance with the agreed Procurement Policy
- 5.1.13 The Commercial Governance Board includes representatives from the PCC and Force and provides oversight of the Force's compliance with these Contract Regulations.

Responsibilities

POWER TO DELEGATE

- 5.1.14 A chief officer may delegate his powers under these Contract Regulations to an authorised officer.

PURCHASING PROCEDURES AND THRESHOLDS

- 5.1.15 The procedure to be followed shall be in accordance with the Procurement Policy as well as the estimated value of the purchase as set out below (except for contracts for building construction contracts selected from the Approved List of Contractors for Small Construction Contracts - details are available from the Director of Finance and the Head of Property Services).

Value	Contract established by TVP	Framework Agreement managed by another body
<i>Less than £10,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£10,000 - £50,000</i>	<i>At least three written quotations shall be invited and responses recorded. A written specification/statement of requirements is necessary.</i>	<i>A written specification/statement of requirements is necessary Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>Over £50,000</i>	<i>Legal requirement to advertise via website</i>	<i>Contact must be made with the Procurement Department.</i>

	<p><i>Contact must be made with the Procurement Department.</i></p> <p><i>Public notice of tender shall be placed in one or more appropriate publications or other suitable media e.g. internet.</i></p>	<p><i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i></p>
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- 5.1.16 Unless specified otherwise the value of the contract is the estimated whole life cost for the duration of the contract including all extensions. Where a contract is collaborative its value shall be the cumulative estimated whole life cost of all the organisations eligible to use it.

ACQUISITIONS UNDER A FRAMEWORK CONTRACT

- 5.1.17 There are a number of buying consortia that provide framework contracts. Framework contracts provide an efficient and effective manner through which to purchase goods and/or services, including building works. In some cases, the use of a framework is mandated by government. Where there is an appropriate Framework covering the goods, services or building works concerned, the framework(s) shall be considered prior to any new procurement exercise being initiated, provided it offers best value and meets our operational requirements.

SELECTION CRITERIA

- 5.1.18 The selection of an organisation to be invited to quote or tender under these Contract Regulations shall be in accordance with the principles of any UK regulations.

INVITATIONS TO TENDER

- 5.1.19 The preferred method for obtaining quotations and tenders shall be the electronic system used by the Head of Procurement. Paper quotations and tenders shall be the exception.
- 5.1.20 All tenders issued by TVP shall consist of instructions to tenderers regarding submission information, terms, conditions and specification with a pricing schedule to be returned to TVP
- 5.1.21 Completed tenders shall be submitted through electronic tendering facilities by the date and time and in the manner stated in the instruction for invitation to tender.

OPENING OF TENDERS

- 5.1.22 Tenders submitted via the electronic system may be opened by a member of staff authorised by the Head of Procurement.

EVALUATION OF TENDERS

- 5.1.23 Those members of staff involved in the evaluation process should be mindful of the policy on gifts, loans and hospitality – see 3.4.8
- 5.1.24 Assessment criteria may be made on appropriate technical, qualitative and financial grounds which are appropriate to the contract concerned.

- 5.1.25 Evaluations of the tender submissions are to be carried out by an appropriate group associated with the contract. The Group shall have appropriate skills and be provided with relevant guidance.

ACCEPTANCE OF TENDERS / AWARD OF CONTRACT

- 5.1.26 Regardless of the route followed, the following procedures shall be applied when recommending the acceptance of a quotation or tender and prior to the award of a contract:
- i. Where a framework contract is utilised the Terms and Conditions of that framework will apply.
 - ii. Where applicable industry standard terms and conditions apply such as Joint Contracts Tribunal (JCT) and New Engineering Contracts (NEC) etc. will apply
 - iii. In all other instances the TVP's terms and conditions shall apply unless otherwise agreed by the Chief Executive (e.g. for a contract awarded under a framework agreement).
- 5.1.27 If, after a competitive tendering process, only one tender is received, unless there are exceptional circumstances which are documented by the business and agreed by the PCC, the contract will be reviewed and put back out to tender.
- 5.1.28 The approval of contract awards shall be based on the lowest or most economically advantageous quotation or tender subject to approval by:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC

Termination of Contracts

- 5.1.29 In extreme circumstances it may be appropriate to terminate a contract before its expiration date. The authority to enact such a termination is the same as the original award of the contract.

Framework contracts – vs – non-framework contracts.

- 5.1.30 Where the contract under consideration is a framework contract which provides for a large number of forces but does not, in any way, place any obligation or commitment on any force, but merely provides a less resource intensive procurement option should forces wish to utilise it, then the value to be considered is the TVP total value, over the life of the framework. For all other contracts, including call-off contracts, the value is the maximum total value of the contract, including all extension periods for all forces named on the contract.
- 5.1.31 The successful tenderer shall be advised as soon as possible after the decision has been made on the award of a contract. At the same time unsuccessful tenderers shall be advised of the decision.

SIGNING OF CONTRACTS

- 5.1.32 The previous section explains who can approve the award of a contract. Appendix 1 sets out who can physically sign a contract after approval for award of the contract has been given.

CONTRACT MONITORING

- 5.1.33 All contracts shall be monitored and measured by the way of performance indicators and regular review meetings involving the Contractor and Practitioner representation, as appropriate to the contract.
- 5.1.34 The Business Owner shall manage the contract in consultation with the Procurement Department.
- 5.1.35 Where the contract terms provide for credits to be offset against payments due or otherwise enable payments to be reduced on account of failure by the contractor to deliver the contract to the specified standards, any decision to waive entitlement to the credit or reduced payment shall only be authorised by the Chief Officer in consultation with the Head of Procurement where the amount involved is less than £50,000. Above this amount the PCC shall approve all such waivers.
- 5.1.36 Where a contract provides for any sort of credit/fund which can be drawn upon in certain circumstances (for example a Tech Fund which can be used to purchase specific items) full details will be included in the procurement documentation approved by the Commercial Governance Board. "Expenditure" against the credit/fund will be subject to approval levels as specified in Financial Instructions.
- 5.1.37 Where a Contractor is failing to provide the agreed service evidence shall be required and considered during contract review meetings and escalated with the Contractor and the force prior to any early termination of the agreement.
- 5.1.38 Escalation processes include reporting any defaults during the Contract Review Meetings, which should include Procurement representation.
- 5.1.39 Consideration shall be given to notice periods and consequences of early termination where applied.

VARIATIONS TO CONTRACT

- 5.1.40 Where a contract has been awarded it is permissible under UK regulations to vary the terms of that contract providing it does not materially affect the conditions or scope of the contract. Where the variation increases the financial commitment then approval is required as per following:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC
- 5.1.41 If the Contract Change Notice (CCN) causes the total contract value to now mean that the contract should have been authorised at a higher level than the contract had originally been authorised to, the CCN should be authorised at the level appropriate to the new overall total contract value.

CONTRACT EXTENSION

- 5.1.42 Where a contract includes options to extend its period these may be taken up through the Procurement Department, with contract extensions in excess of £1m being reported through the Commercial Governance Board and approved by the Director of Finance and the PCC CFO.

- 5.1.43 Where a contract does not include options to extend its period or the options have been used up, a replacement contract should be made if the goods or services continue to be required. Should exceptional requirements bring about a case for contract extension in these circumstances, the Exceptional Circumstances (set out below) should be followed.

EXCEPTIONAL CIRCUMSTANCES

- 5.1.44 The requirements within these Contract Regulations that competition is required for tenders and quotations may be set aside when exceptional circumstances are incurred. By definition, the circumstances leading to this action must be exceptional to those normally experienced and the business owner must provide a written case supporting their conclusion to the Head of Procurement, prior to taking action. In these circumstances, a single tender may be awarded.

SINGLE SOURCE AGREEMENT (SSA) / CONCESSION

- 5.1.45 This is a contract awarded on the basis of a direct agreement with a contractor, without going through the competitive bidding process.
- 5.1.46 Contracts identified under this route are to be carried out in accordance with the Procurement Policy and supported by a written justification using the SSA process and form by the Business Owner in consultation with the Procurement Department.
- 5.1.47 A contract may be awarded having:
- a) only invited a single quotation or tender,
 - b) received or sought an offer from a current contractor to vary the goods, services or works supplied (e.g. variation to an existing contract); providing this is compliant with Financial Instructions and the Procurement Regulations.
- 5.1.48 Where it can be demonstrated that it is in the interests of TVP not to seek competitive tenders due to:
- a) Operational urgency
 - b) The item or service is a proprietary item
 - c) Unique factors are present in the market
 - d) The costs to change are disproportionately high
 - e) When the goods and/or services are mandated nationally
 - f) Security.
- 5.1.49 Where a contract exceeds £50,000 in value the chief officer shall present a subsequent report to the PCC.

CONTRACTS REGISTER

- 5.1.50 A record of all contracts let with a value in excess of £50,000 shall be maintained by the Head of Procurement.

6.1 JOINT WORKING ARRANGEMENTS

Why is this important?

6.1.1 Public bodies are increasingly encouraged to provide seamless service delivery through working closely with other public bodies, local authorities, agencies and private service providers.

6.1.2 Joint working arrangements can take a number of different forms, each with its own governance arrangements. In TVP these are grouped under the following headings:

- Partnerships
- Consortia
- Collaboration

6.1.3 Partners engaged in joint working arrangements have common responsibilities:

- to act in good faith at all times and in the best interests of the partnership's aims and objectives
- to be willing to take on a role in the broader programme, appropriate to the skills and resources of the contributing organisation
- to be open about any conflicts that might arise
- to encourage joint working and promote the sharing of information, resources and skills
- to keep secure any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature
- to promote the project

6.1.4 In all joint working arrangements the following key principles must apply:

- before entering into the agreement, a risk assessment has been prepared
- such agreements do not impact adversely upon the services provided by TVP
- project appraisal is in place to assess the viability of the project in terms of resources, staffing and expertise
- all arrangements are properly documented
- regular communication is held with other partners throughout the project in order to achieve the most successful outcome
- audit and control requirements are satisfied
- accounting and taxation requirements, particularly VAT, are understood fully and complied with
- an appropriate exit strategy has been produced

6.1.5 The TVP element of all joint working arrangements must comply with these Financial Regulations

PARTNERSHIPS

6.1.6 The term partnership refers to groups where members work together as equal partners with a shared vision for a geographic or themed policy area, and agree a strategy in which each partner contributes towards its delivery. A useful working definition of such a partnership is where the partners:

- are otherwise independent bodies;
- agree to co-operate to achieve a common goal; and

- achieve it to create an organisational structure or process and agreed programme, and share information, risks and rewards

6.1.7 The number of partnerships, both locally and nationally, is expanding in response to central government requirements and local initiatives. This is in recognition of the fact that partnership working has the potential to:

- deliver strategic objectives;
- improve service quality and cost effectiveness;
- ensure the best use of scarce resources; and
- deal with issues which cut across agency and geographic boundaries, and where mainstream programmes alone cannot address the need.

6.1.8 Partnerships typically fall into three main categories i.e. statutory based, strategic, and ad-hoc.

Statutory based

6.1.9 These are partnerships that are governed by statute. They include, for example, Community Safety Partnerships (CSPs) and Local Strategic Partnerships (LSPs)

Strategic

6.1.10 These are partnerships set up to deliver core policing objectives. They can either be force-wide or local.

Ad-hoc

6.1.11 These are typically locally based informal arrangements agreed by the local police commander.

Context

6.1.12 As set out in section 10 of the Police Reform and Social Responsibility Act 2011, the PCC, in exercising his functions, must have regard to the relevant priorities of each responsible authority. Subject to the constraints that may be placed on individual funding streams, PCCs are free to pool funding as they and their local partners see fit. PCCs can enter into any local contract for services, individually or collectively with other local partners, including non-police bodies.

6.1.13 When the PCC acts as a commissioner of services, he will need to agree the shared priorities and outcomes expected to be delivered through the contract or grant agreement with each provider. The PCC is able to make crime and disorder grants in support of local priorities. The inclusion of detailed grant conditions directing local authorities how to spend funding need not be the default option. The power to make crime and disorder grants with conditions is contained in section 9 of the Police Reform and Social Responsibility Act 2011. The power to contract for services is set out in paragraph 14 of Schedule 1 and paragraph 7 of Schedule 3 to the Police Reform and Social Responsibility Act 2011.

Responsibilities of the PCC

6.1.14 To have regard to relevant priorities of local partners when considering, reviewing and updating the Police and Criminal Justice Plan.

- 6.1.15 To make appropriate arrangements to commission services from either the force or external providers

Responsibilities of Chief Officers

- 6.1.16 To have regard to the strategic Plan with regard to the Partnership aims and objectives.
- 6.1.17 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements

CONSORTIA ARRANGEMENTS

- 6.1.18 A consortium is a long-term joint working arrangement with other bodies, operating with a formal legal structure approved by the PCC.

Responsibilities of the PCC

- 6.1.19 To approve TVP participation in the consortium arrangement.

Responsibilities of Chief Officers

- 6.1.20 To contact the Chief of Staff and the Head of Legal Services before entering into a formal consortium agreement, to establish the correct legal framework.
- 6.1.21 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements
- 6.1.22 To produce a business case to show the full economic benefits to be obtained from participation in the consortium.
- 6.1.23 To produce a Memorandum of Understanding (MOU) setting out the appropriate governance arrangements for the project. This document should be signed by the Chief of Staff.

COLLABORATION

- 6.1.24 Under sections 22A to 22C of the Police Act 1996, as amended by section 89 of the Police Reform and Social Responsibility Act 2011, chief constables and PCCs have a duty to keep collaboration agreements and opportunities under review and to collaborate where it is in the interests of the efficiency and effectiveness of one or more police forces or policing bodies. Where collaboration is judged to be the best option, they must collaborate even if they do not expect their own force or policing body to benefit directly. Any collaboration which relates to the functions of a police force (a "force collaboration provision") must first be agreed with the chief constables of the forces concerned and approved by each PCC responsible for maintaining each of the police forces to which the force collaboration provision relates. Any collaboration which relates to the provision of support by one PCC for another PCC (a "policing body collaboration provision") must be agreed by each PCC to which the policing body collaboration provision relates.
- 6.1.25 PCCs responsible for maintaining each of the police forces to which a force collaboration provision relates shall make arrangements for jointly holding their chief constables to account for the way functions are discharged under a force collaboration agreement.

- 6.1.26 To contact the Chief of Staff and the Head of Legal Services before entering into a formal collaboration agreement, to establish the correct legal framework.
- 6.1.27 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements

6.2 EXTERNAL FUNDING

Why is this important?

- 6.2.1 External funding can be a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of TVP.
- 6.2.2 The main source of such funding for TVP will tend to be specific government grants, additional contributions from local authorities (e.g. for ANPR, CCTV and PCSOs) and donations from third parties (e.g. towards capital expenditure)

Responsibilities of Chief Officers

- 6.2.3 To pursue actively any opportunities for additional funding where this is considered to be in the best interests of TVP.

Responsibilities of the Chief Constable and the PCC

- 6.2.4 To ensure that the match-funding requirements and exit strategies are considered prior to entering into the agreements and that future medium term financial forecasts reflect these requirements.

Responsibilities of the PCC CFO and Director of Finance

- 6.2.5 To ensure that all funding notified by external bodies is received and properly accounted for, and that all claims for funds are made by the due date and that any audit requirements specified in the funding agreement are met; and to authorise grants in accordance with Financial Instructions. The PCC will be required to approve any new grants over £1m.

Responsibilities of the Chief Constable

- 6.2.6 To ensure that funds are acquired only to meet policing needs and objectives
- 6.2.7 To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood
- 6.2.8 To ensure that any conditions placed on TVP in relation to external funding are in accordance with the approved policies of the PCC. If there is a conflict, this needs to be taken to the PCC for resolution.

6.3 WORK FOR EXTERNAL BODIES

Why is this required?

- 6.3.1 TVP provides services to other bodies outside of its normal obligations, for which charges are made, e.g. training, special services. Arrangements should be in place to ensure that any risks associated with this work are minimised and that such work is not ultra vires.

Responsibilities of the Chief Constable

- 6.3.2 To ensure that proposals for assistance are costed, that no contract is subsidised by TVP and that, where possible, payment is received in advance of the delivery of the service so that TVP is not put at risk from any liabilities such as bad debts.
- 6.3.3 To ensure that appropriate insurance arrangements are in place.
- 6.3.4 To ensure that all contracts are properly documented
- 6.3.5 To ensure that such contracts do not impact adversely on the services provided by TVP

Responsibilities of the Director of Finance

- 6.3.6 The submission of tenders for the supply of goods and/or services should be approved as follows:
- a) For tenders up to £500,000 - by the Director of Finance
 - b) Between £500,000 and £1,000,000 - by the Director of Finance in consultation with the PCC CFO
 - c) Over £1,000,000 - with the prior approval of the PCC is required.

7 SUMMARY OF FINANCIAL LIMITS

This section summarises, in one place, all those financial regulations that have a specific financial limit

Virement

- 2.2.11 The Chief Constable may use revenue provision to purchase capital items or carry out capital works subject to obtaining PCC CFO approval where the proposed transfer exceeds £200,000, and PCC approval where the proposed transfer exceeds £1m.
- 2.2.12 The Director of Finance can approve any virement where the additional costs are fully reimbursed by other bodies
- 2.2.13 For all other budgets each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring, subject to the following approval levels

Force Budget

Up to £1,000,000

Over £1,000,000

Director of Finance

PCC or PCC CFO

PCC's own budget

Up to £200,000

Over £200,000

PCC CFO

PCC

Annual Capital Budget

Responsibilities of the Chief Constable

- 2.3.20 To manage expenditure on individual capital schemes within the approved scheme budget. Where schemes are expected to exceed budget by more than 10% or £200,000 (whichever is the lower amount) approval should be sought from the PCC CFO. Increases of more than £1m must be approved by the PCC.

Asset Disposal

Responsibilities of the Chief Constable

- 3.5.12 To arrange for the disposal of (without the specific approval of the PCC):
- a) Non-estate assets at the appropriate time and at the most advantageous price. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.
 - b) Police houses and other surplus land and buildings with an estimated sale value of less than £200,000.

Responsibilities of the PCC

- 3.5.13 To approve the disposal of police houses and other surplus land and buildings with an estimated sale value of over £1m

Interests in Land

Responsibilities of the Chief Constable

3.5.17 The Chief Constable, shall:

- a) Arrange to grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, without the specific approval of the PCC, up to an annual rental of £200,000;
- b) take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms

Responsibilities of the PCC and Chief Finance Officer

3.5.19 The Chief Finance Officer shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £200,000 but below £1m.

3.5.20 The PCC shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £1m.

Asset valuation

3.5.20 To maintain an asset register for all fixed assets with a value in excess of the limits shown below, in a form approved by the PCC CFO. Assets are to be recorded when they are acquired by TVP. Assets shall remain on the asset register until disposal. Assets are to be valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* and the requirements specified by the PCC CFO

<i>Land & Buildings</i>	<i>All values</i>
<i>Vehicles</i>	<i>All values</i>
<i>ICT hardware</i>	<i>All values</i>
<i>Plant & Equipment</i>	<i>£100,000</i>

Stocks and Stores

Responsibilities of the Director of Finance

3.5.23 To write-off any discrepancies between the actual level of stock and the book value of stock up to £50,000 in value. Any items over £50,000 require the approval of the PCC CFO.

3.5.24 To write-off obsolete stock up to the value of £50,000. Any write-offs over £50,000 require the approval of the PCC CFO.

Money Laundering

3.6.25 Suspicious cash deposits in any currency in excess of €15,000 (or equivalent) should be reported to the National Crime Agency (NCA)

- 3.6.32 Large cash bankings from a single source over €15,000 should be reported to the PCC CFO. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act (see Financial Regulation 3.9, 'Administration of Evidential & Non-Evidential Property').

Gifts, Loans and Sponsorship

- 3.10.7 To refer all gifts, loans and sponsorship above £50,000 to the PCC for approval before they are accepted.

Income

- 4.2.12 To approve the write-off of bad debts up to the level shown below. Amounts for write-off above this value must be referred to the PCC for approval, supported by a written report explaining the reason(s) for the write-off.

Up to £50,000 *Director of Finance and/or PCC CFO*

Over £50,000 *PCC*

Ex-gratia Payments

- 4.7.2 To make ex gratia payments to members of the public up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of TVP

Up to £10,000 *Head of Legal Services or Chief of Staff*

Over £10,000 *PCC*

- 4.7.3 To make ex gratia payments up to the level shown below in any individual instance, for damage or loss of property or for personal injury to a police officer, police staff or any member of the extended police family, in the execution of duty.

Up to £10,000 *Head of Legal Services or Chief of Staff*

Over £10,000 *PCC*

Contract Regulations

- 5.1.15 The procedure to be followed shall be in accordance with the Procurement Policy as well as, the estimated value of the purchase as set out below (except for contracts for building construction contracts selected from the Approved List of Contractors for Small Construction Contracts - details are available from the Director of Finance and the Head of Property Services).

Value	Contract established by TVP	Framework Agreement managed by another body
<i>Less than £10,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£10,000-£50,000</i>	<i>At least three written quotations shall be invited and responses recorded.</i> <i>A written specification/statement of requirements is necessary</i>	<i>A written specification/statement of requirements is necessary</i> <i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>Over £50,000</i>	<i>Legal requirement to advertise via website</i> <i>Contact must be made with the Procurement Department.</i> <i>Public notice of tender shall be placed in one or more appropriate publications or other suitable media e.g. internet.</i>	<i>Contact must be made with the Procurement Department.</i> <i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>** This is to comply with the Transparency Agenda requirements.</i>		

- 5.1.15 Unless specified otherwise the value of the contract is the estimated whole life cost. Where a contract is collaborative its value shall be the cumulative estimated whole life cost of all the organisations eligible to use it.

ACCEPTANCE OF TENDERS / AWARD OF CONTRACT

- 5.1.28 The approval of contract awards shall be based on the lowest or most economically advantageous quotation or tender subject to approval by:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC

CONTRACT MONITORING

- 5.1.34 Where the contract terms provide for credits to be offset against payments due or otherwise enable payments to be reduced on account of failure by the contractor to deliver the contract to the specified standards, any decision to waive entitlement to the credit or reduced payment shall only be authorised by the Chief Officer in consultation with the Head of Procurement where the amount involved is less than £50,000. Above this amount the PCC shall approve all such waivers.

VARIATIONS TO CONTRACT

5.1.39 Where a contract has been awarded it is permissible under EU regulations to vary the terms of that contract providing it does not materially affect the conditions or scope of the contract. Where the variation increases the financial commitment then approval is required as per following:

- iii. Up to £1m - in accordance with the Force Financial Instructions.
- iv. Above £1m - by the PCC

SINGLE SOURCE AGREEMENT (SSA) / CONCESSION

5.1.48 Where a contract exceeds £50,000 in value the chief officer shall present a subsequent report to the PCC.

CONTRACTS REGISTER

5.1.50 A record of all contracts let with a value in excess of £50,000 shall be maintained by the Head of Procurement.

6.3 WORK FOR EXTERNAL BODIES

6.3.6 The submission of tenders for the supply of goods and/or services should be approved as follows:

- a) For tenders up to £500,000 - by the Chief Constable
- b) Between £500,000 and £1,000,000 - by the Chief Constable in consultation with the PCC CFO
- c) Over £1,000,000 - with the prior approval of the PCC is required.

TVP Contract Signatures

Introduction

This explanatory note details the individual who can physically sign a contract after approval for award of the contract has been given. Financial Regulations and Financial Instructions provide the authorisation levels as to who can authorise the award of a contract. This note provides details after that approval has been received and documented.

Statutory Guidance

Schedule 2, section 7 of the Police Reform and Social Responsibility Act 2011 states:

- (1) A chief constable may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the chief constable
- (2) That includes:
 - a) entering into contracts and other agreements (whether legally binding or not), but only with the consent of the relevant police and crime commissioner (PCC);
 - b) acquiring and disposing of property, apart from land, but only with the consent of the relevant PCC

TVP Framework for Corporate Governance

At the PCC's 'level 1' Policy, Planning and Performance meeting on 1st April 2014 the PCC gave formal consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations

Acquisition and disposal of land

As stated above the Chief Constable cannot acquire or dispose of land. As such, all contracts in connection with the acquisition and disposal of land must be approved and signed by the PCC, Chief Executive or Chief Finance Officer as necessary and appropriate.

Notwithstanding the above requirement, it is recognised that most of the detailed preparatory work in connection with land transactions will be undertaken by Property Services staff and in most cases in order to deliver the TVP Asset Management Plan once approved by the PCC. Accordingly, Financial Regulations enable the Chief Constable and his staff:

- To arrange for the disposal of (without the prior approval of the PCC) police houses and other surplus land and buildings with an estimated sale value of less than £1m - Fin Reg 3.5.12(b)

- to grant or take or terminate leases or tenancies in land, or approve any assignment or sub-letting thereof, without the specific approval of the PCC up to an annual rental of £200,000 - Fin Reg 3.5.17(a)

All land transactions, including title deeds, must be in the name of the PCC and signed by the PCC or his Chief of Staff or Chief Finance Officer.

Appendix 2 sets out who can accept tenders in connection with the acquisition and disposal of land, and who should sign the relevant contracts. This is high level. Further information is provided in Force Financial Instructions

Other property contracts

As stated above the PCC has given consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations. This is because the PCC considers and approves:

- the annual financial strategy
- the capital strategy
- the asset management plan
- the annual revenue budget and capital programme
- the medium term financial plans
- the corporate governance arrangements

Furthermore, Financial Regulations enable the Chief Constable and his staff to take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms – Financial Regulation 3.5.17(b).

In practical terms the key decision is the acceptance of the tender and the subsequent award of the contract. These acceptance and award rules and procedures are clearly set out in section 5.1 of both Financial Regulations and Financial Instructions.

After the tender has been accepted and approval given for the award of a contract the actual contract document will need to be reviewed and agreed by the relevant lead specialist within Property Services. Once the details of the contract have been agreed with the supplier to the satisfaction of TVP, then the actual contract document needs to be signed.

To minimise the number of contracts that need to be signed by the OPCC a risk based approach will be used. The risk to the organisation largely, but not wholly, increases with the contract value: larger contracts generally are for more complex projects and if there is a dispute the size of the contract would make the formal legal approach to contract resolution more attractive than alternative means.

This risk-based approach is already implicit within the tender approval limits within Financial Regulations, and these will also determine who should sign the contract documents.

To assist the signatory a covering note should be produced which outlines the contract and the main parts along with any relevant details on changes. Each contract would have the points where initialling or a signature is required highlighted to ease the physical process.

The lead officer within Property Services will therefore provide a short statement to confirm they have reviewed the terms of the contract and are content that they are accurate, correct and in the best interests of TVP. For straightforward contracts this can be in the form of a one-line email whereas for the more detailed contracts which may include numerous appendices, technical specifications and amendments, the report will need to confirm that the contract has been checked and is deemed to be correct, including all the detailed appendices, amendments, and additional details.

The person authorised to sign the physical contract is set out in Appendix 2, with further information provided in Force Financial Instructions

Other (non-property) contracts

The PCC has given consent for the Chief Constable to enter contracts. As such, all general contracts are legally in the name of the Chief Constable of TVP although for practical purposes the contract itself will normally refer to Thames Valley Police.

In practical terms the key decision is the acceptance of the tender and the subsequent award of the contract. These acceptance and award rules and procedures are clearly set out in section 5.1 in both Financial Regulations and Financial Instructions. Having accepted the tender and awarded the contract the person authorised to sign the physical contract is set out in Appendix 2, with further information provided in Force Financial Instructions.

After approval has been given for the award of a contract the actual contract document will need to be reviewed and agreed by the relevant lead specialist department(s) involved. This might be ICT, Corporate Finance or Procurement. Once the details of the contract have been agreed with the supplier to the satisfaction of TVP, then the actual contract document needs to be signed.

As with property contracts a risk-based approach will be used. The risk to the organisation largely - but not wholly - increases with the contract value: larger contracts are for more complex projects and if there is a dispute the size of the contract would make the formal legal approach to contract resolution more attractive than alternative means.

This risk-based approach is already implicit within the tender approval limits within Financial Regulations, and these will also determine who should sign the contract documents.

Suppliers will be managed throughout the life of a contract in a manner appropriate to the importance of the supplier to the force.

To assist the signatory a covering note should be produced which outlines the contract and the main parts along with any relevant details on changes. Each contract would have the points where initialling or a signature is required highlighted to ease the physical process.

The lead department will therefore provide a short statement to confirm they have reviewed the terms of the contract and are content that they are accurate, correct and in the best interests of TVP. For straightforward contracts this can be in the form of a one-line email whereas for more complex ICT contracts which may include numerous appendices, technical specifications and amendments, the report will need to confirm that the report has been checked and is deemed to be correct, including all the detailed appendices, amendments, and additional details.

Storage of contracts

All original contracts currently stored by the OPCC in the Farmhouse will continue to be stored in the Farmhouse.

The PCC will, in future, store all contracts for the acquisition and disposal of land, as well as all other contracts signed by the PCC, Chief of Staff or Chief Finance Officer.

The Chief Constable shall store all contracts over £50,000 on the (national) BlueLight database and all contracts below £50,000 will be stored locally.

Contracts under Seal

Only contracts that need to be a deed should be sealed. In practical terms this only relates to those land and building contracts that are processed through the Office of the PCC

CONTRACT SIGNING

Contract Type	Contract Value	Tender Approval – Most Economic Advantage	Tender Approval – Not Most Economic Advantage /Single Quote	Contract Signatory
Acquisition & Disposal of Land	<£1 million	As per Financial Instructions	As per Financial Instructions	Chief of Staff or Chief Finance Officer
Acquisition & Disposal of Land	£1m and over	Police and Crime Commissioner	Police and Crime Commissioner	Chief of Staff or Chief Finance Officer
Building Works and Other Services	<£1 million	As per Financial Instructions	As per Financial Instructions	As per Financial Instructions
Building Works and Other Services	£1 million and over	Police and Crime Commissioner	Police and Crime Commissioner	As per Financial Instructions
Non-Property Contracts	<£1 million	As per Financial Instructions	As per Financial Instructions	As per Financial Instructions
Non-Property Contracts	£1 million and over	Police and Crime Commissioner	Police and Crime Commissioner	As per Financial Instructions



JOINT CORPORATE GOVERNANCE FRAMEWORK

2022/23

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Statement of Corporate Governance for the Police and Crime Commissioner for Thames Valley and the Chief Constable of Thames Valley Police

Introduction

The purpose of this statement is to give clarity to the way the two corporations sole, the Police and Crime Commissioner for Thames Valley (PCC) and the Chief Constable of Thames Valley Police, will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason at the right time.

Context

The principal governance framework within which the corporations sole will operate is:

- Police Reform and Social Responsibility Act 2011
- The Policing Protocol Order 2011
- Standards in Public Life (known as ‘the Nolan Principles’)
- PCC Oath of Office
- PCC Code of Conduct
- The Good Governance Standard for Public Services¹
- Police Service Code of Ethics
- Home Office Strategic Policing Requirement
- Home Office Financial Management Code of Practice
- CIPFA Financial Management Code

This framework creates a public sector relationship, based upon the commissioner-provider arrangement but with unique elements such as the single elected commissioner and operational independence of the police service. It is therefore not appropriate to import corporate governance arrangements into this environment but to build upon existing good governance principles and experience.

In accordance with the CIPFA / SOLACE framework on corporate governance, the PCC and Chief Constable are required to produce separate annual governance statements to show how their respective organisations have complied with the joint code of corporate governance.

Principles

The Policing Protocol Order 2011 requires the PCC and Chief Constable to abide by the seven principles set out in ‘Standards in Public Life’ (commonly known as ‘the Nolan Principles’) which set out the personal conduct expectations of holders of a public office, i.e.

- Selflessness,
- Integrity,
- Objectivity,
- Accountability,
- Openness,
- Honesty, and
- Leadership.

These Nolan Principles are incorporated into the PCC Code of Conduct which, together with the PCC’s ‘Oath of Office’, are published on the OPCC website.

¹ The Independent Commission on Good Governance in Public Services 2005

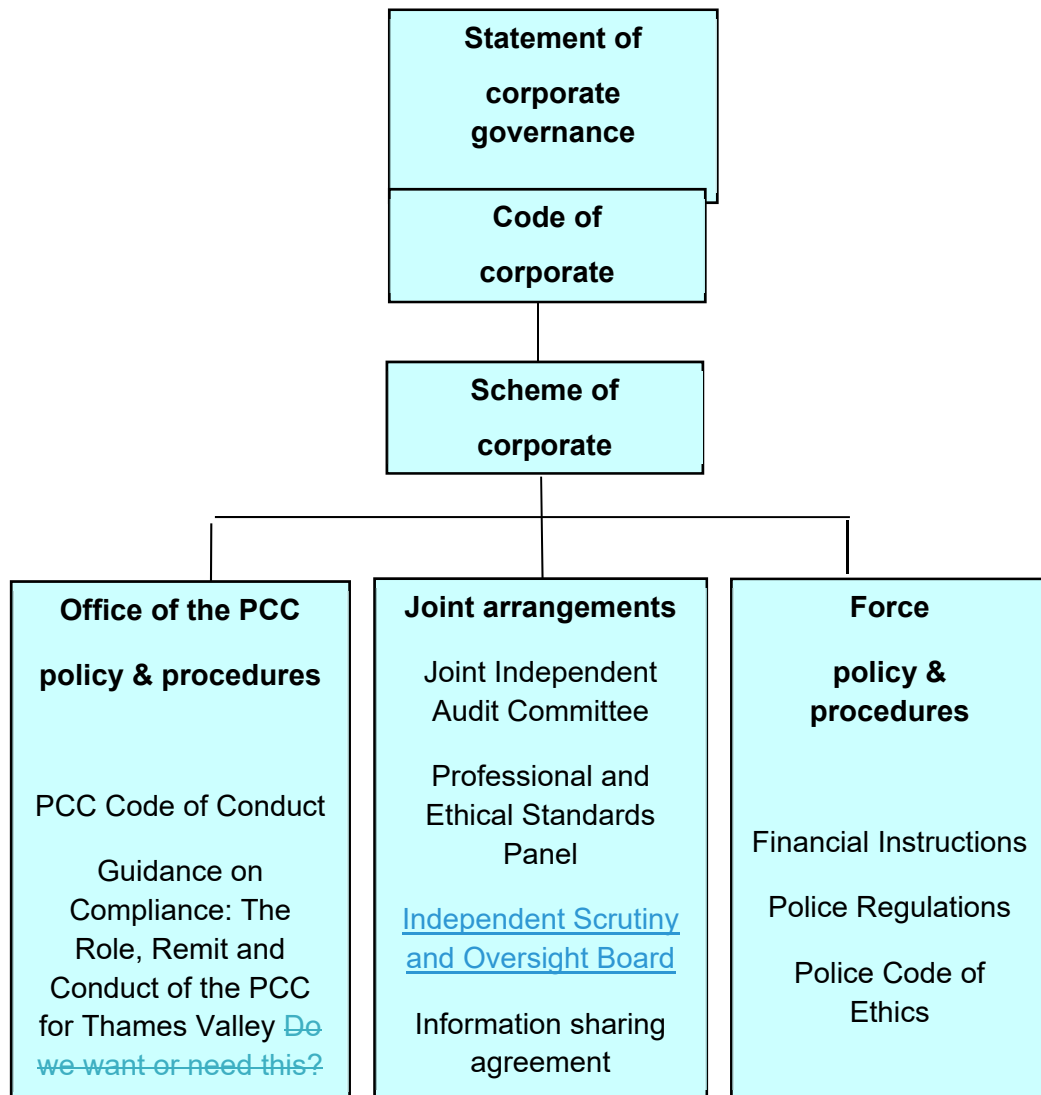
The above Nolan Principles, covering the personal conduct of public office holders, are supplemented by those organisational governance principles and management arrangements highlighted by CIPFA and SOLACE in their publication *'Delivering Good Governance in Local Government'*:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable service and economic benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability

Framework / Instruments of governance

The corporate governance framework within which the PCC and Chief Constable will govern, both jointly and separately, will consist of:

- Statement of corporate governance – statutory framework and local policy,
- Code of corporate governance – sets out how the core principles will be implemented,
- Scheme of corporate governance – defines the parameters within which the corporations sole will conduct their business,
- Separate policy and procedures for each corporation sole, with protocols and other governance documents where they operate jointly.



Leadership

The Governance Advisory Group reviews and updates the framework and oversees its implementation. An annual update is provided to the Joint Independent Audit Committee, which scrutinises the framework and makes recommendations to the PCC and Chief Constable who approve the final version at one of the PCC's public 'Performance and Accountability' meetings'.

Definitions used within this Joint Corporate Governance Framework

1. The Police and Crime Commissioner shall be referred to as the PCC
2. The PCC's Chief Finance Officer shall be referred to as the PCC CFO
3. The Chief Constable's Chief Finance Officer (CC CFO) is the Director of Finance
4. The 'Force' shall refer to the Chief Constable, police officers, police civilian staff, police community support officers (PCSO), special constabulary, volunteers and other members of the wider police family under the Chief Constable's direction and control

5. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders

CODE OF CORPORATE GOVERNANCE

for the Police and Crime Commissioner for Thames Valley and Chief Constable of Thames Valley Police

1 INTRODUCTION

1.1 Governance is about how organisations ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open and accountable manner. It comprises the system, processes, culture and values by which organisations are directed and controlled, and through which they account to, engage with and lead their communities.

1.2 This Code of Corporate Governance describes how the Police and Crime Commissioner (PCC) for the Thames Valley and the Chief Constable of Thames Valley Police discharge their responsibilities in this respect, reflecting their commitment to the statutory requirements. It should be read alongside the Scheme of Corporate Governance which defines the parameters for decision making, including schemes of delegations, consents and financial regulations, including contracts regulations.

~~1.3 The term "Thames Valley Police" is used throughout this document to reflect both the PCC and the Force.~~

~~1.4~~1.3 The PCC has two key statutory responsibilities:

- To secure the maintenance of an efficient and effective local police force;
- To hold to account the Chief Constable of Thames Valley Police for the exercise of his functions and those of persons under his direction and control.

In exercising these functions, the PCC is accountable to the electorate in the Thames Valley Police area.

~~1.5~~1.4 The Chief Constable has a statutory responsibility for the control, direction and delivery of operational policing services provided by the Force.

~~1.6~~1.5 The Good Governance Standard for Public Services² sets out seven core principles on which effective corporate governance should be built:

- Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- Ensuring openness and comprehensive stakeholder engagement
- Defining outcomes in terms of sustainable service and economic benefits
- Determining the interventions necessary to optimise the achievement of the intended outcomes
- Developing the entity's capacity, including the capability of its leadership and the individuals within it
- Managing risks and performance through robust internal control and strong public financial management
- Implementing good practices in transparency, reporting, and audit to deliver effective accountability

~~1.7~~1.6 To achieve this, a local scheme has been formulated to ensure that these principles are fully integrated in the conduct of Thames Valley Police's business as well as establishing a means of demonstrating compliance.

² CIPFA: *Delivering good governance. Guidance Notes for Policing Bodies in England and Wales: 2016 Edition*

~~1.8~~1.7 Thames Valley Police must also demonstrate that the systems and processes in place are:

- Monitored for their effectiveness in practice
- Subject to annual review to ensure they remain up to date

~~1.9~~1.8 Underneath each of the seven sets of principles are a series of behaviours and outcomes that demonstrate good governance in practice.

~~1.10~~1.9 _____ Throughout this Code, the term “employees” refers to all police officers, police support staff, special constables, volunteers and other members of the wider policing family working for Thames Valley Police.

~~1.11~~1.10 _____ This Code applies to all employees, contractors and/or agents providing a direct service to Thames Valley Police.

~~1.12~~1.11 _____ The Code will be reviewed and updated as appropriate on an annual basis.

2. THE CODE OF CORPORATE GOVERNANCE

2.1 Effective governance relies on public confidence in the PCC, Chief Constable and their respective employees. Good governance strengthens credibility and confidence in our public services.

2.2 Thames Valley Police has developed a single joint Code of Corporate Governance which incorporates the core good governance principles, develops these in a local context, and sets out the arrangements for reviewing their effectiveness. At year-end the PCC and Chief Constable will produce Annual Governance Statements to show their compliance with this Code (see section 3).

2.3 The way in which each of the seven core principles of good governance is put into practice by Thames Valley Police is set out below, together with the expected behaviours and outcomes:

A BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

2.4 *Good governance flows from a shared ethos or culture, as well as from systems and structures. It cannot be reduced to a set of rules, or achieved fully by compliance with a set of requirements. This spirit or ethos of good governance can be expressed as values and demonstrated as behaviour. It depends on building a corporate environment where leaders and staff believe personally in acting in accordance with generally accepted values.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

A1 The Policing Protocol Order 2011 (the Protocol) requires all parties to abide by the seven principles set out in ‘Standards in Public Life’ (known as “*the Nolan Principles*”) - *i.e.* Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership - and these will be central to the conduct and behaviour of all. It also highlights the expectation that the relationship between all parties will be based upon the principles of goodwill, professionalism, openness and trust

- A2 Additionally, the Home Office Financial Management Code of Practice requires the PCC and Chief Constable to ensure that the CIPFA '*Good Governance principles*' are embedded within the way the organisations operate. As such, the PCC and Chief Constable will set the tone for their respective organisations by creating a climate of openness, support and respect
- A3 The Police Service Code of Ethics, issued under the Police Act 1996, sets out principles and standards of professional behaviour for the policing profession of England and Wales. The Code applies to all police forces and, specifically, to chief officers in the discharge of their functions.
- A4 The PCC and Chief Constable will set out their values in the respective corporate and strategic plans and use them as a guide for decision making and as a basis for developing positive and trusting relationships
- A5 The PCC and Chief Constable will put in place arrangements to ensure that systems and processes are designed in conformity with appropriate ethical standards, and monitor their continuing effectiveness in practice. To that end, the PCC and Chief Constable have agreed to maintain jointly a 'Professional and Ethical Standards Panel' comprising members of the public. The purpose of this Panel is to monitor, challenge and make recommendations about the way complaints, ethics and integrity issues are handled by the Force and overseen by the PCC.
- [A6 In addition, the PCC and Chief Constable have also put in place the Independent Scrutiny and Oversight Board. Its purpose is to provide oversight and advice to the Force to support delivery of the Race Action Plan.](#)
- ~~A6~~A76 The PCC and Chief Constable will recognise the limits of lawful action placed on them (e.g. the 'ultra vires doctrine') and will observe both the specific requirements of legislation and the general responsibilities placed on the PCC and Chief Constable by public law
- ~~A7~~A87 The Chief Constable will ensure compliance with relevant national standards and policies in terms of vetting

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Behaving with integrity

- A8 Ensuring that the PCC, chief officers and staff behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby promoting and upholding the reputation of the organisation amongst its stakeholders
- A9 Ensuring the PCC and chief officers lead in establishing a culture and specific values for their organisations and staff and that they are communicated and understood. The values should build on the *Nolan Principles*
- A10 Leading by example and using these values as a framework for decision making and other actions
- A11 Demonstrating, communicating and embedding values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively

Demonstrating strong commitment to ethical values

- A12 Seeking to understand, monitor and maintain the organisation's ethical performance
- A13 Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation
- A14 Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values
- A15 Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards

Respecting the rule of law

- A16 Ensuring the PCC, chief officers and staff demonstrate respect for the rule of law as well as adhering to relevant laws and regulations
- A17 Creating the conditions to ensure that statutory chief officers, other key postholders and (where appropriate) statutory committees are able to fulfil their responsibilities in accordance with best practice
- A18 Striving to use full powers for the benefit of citizens, communities and other stakeholders
- A19 Dealing with reported breaches of legal and regulatory provisions effectively
- A20 Ensuring reported corruption and misuse of power are dealt with effectively

B ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

- 2.5 *Local Government, including the Police service, is run for the public good. Organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders*
- 2.6 *The PCC and Chief Constable exist primarily to provide services that people need, and this will only be achieved if there is a consistent dialogue in both directions*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- B1 The Policing Protocol Order 2011 highlights that the PCC is accountable to local people and has a duty to set and shape the strategic direction and objectives for the force area in consultation with the Chief Constable, taking into account the Strategic Policing Requirement
- B2 The PCC and Chief Constable will ensure that a shared vision, strategic plans, priorities and targets are developed having regards to the views of the local community and other key stakeholders, and that they are clearly articulated and disseminated
- B3 The PCC's statutory police and crime plan for the period 2021-2025, locally titled the 'Police and Criminal Justice Plan' (and referred to as such hereon) will clearly set out what the PCC's strategic priorities and objectives are and how they will be delivered

- B4 To complement this, the communication and engagement strategies will set out how local people will be involved with the PCC and the Chief Constable to ensure that their views inform decision making, accountability and future direction
- B5 The PCC and Chief Constable will develop arrangements for effective engagement with key stakeholders ensuring that, where appropriate, they inform decision making, accountability and future direction
- B6 The PCC, with the support of the Chief Constable, will engage with the independent Thames Valley Police and Crime Panel to facilitate scrutiny and public accountability of the PCC, over and above development of the annual budget and delivery of the objectives set out in the Police and Criminal Justice Plan
- B7 The PCC and Chief Constable will develop effective working relationships with constituent local authorities and other partners as necessary and appropriate
- B8 The PCC and Chief Constable will seek to ensure that when working in partnership that (a) there is clarity about the legal status of the partnership and that representatives, or organisations, both understand and make clear to all other partners the extent of their authority to bind their organisation to partner decisions, and (b) that all employees are clear about their roles and responsibilities both individually and collectively in relation to the partnership and to the organisation

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Openness

- B9 Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness
- B10 Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/courses of action

Engaging comprehensively with institutional stakeholders

- B11 Engaging effectively with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably
- B12 Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively
- B13 Ensuring that partnerships, including collaborations, are based on trust, a shared commitment to change, and a culture which promotes and accepts challenge amongst partners and that the added value of partnership working is explicit

Engaging stakeholders effectively, including individual citizens and service users

- B14 Ensuring that communication methods are effective and that the PCC and officers are clear about their roles with regard to community engagement

- B15 Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs

C DEFINING OUTCOMES IN TERMS OF SUSTAINABLE SERVICE AND ECONOMIC BENEFITS

- 2.7 *The long term nature and impact of many of the PCC and Chief Constable's responsibilities mean that they should seek to define and plan outcomes and that these should be sustainable. Decisions should contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.*
- 2.8 *Public sector programmes will respond to changes in the current environment, but these responses should always be framed within the PCC and Chief Constable's long term objectives and aspirations for the service, and the resources available.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- C1 The Police Reform and Social Responsibility Act 2011 (PRSRA 2011) requires the PCC to issue a Police and Crime Plan ([Police and Criminal Justice Plan](#)) covering a five year period, including one year beyond his/her term of office. It will outline the policing and crime priorities and objectives (outcomes) and the strategic direction for the policing of the Force area
- C2 Both the PCC and Chief Constable must have regard to the Plan and the PCC must have regard to the priorities of the responsible authorities during its development
- C3 Each organisation will have an annual plan which sets out how it will operate to support achievement of these outcomes
- C4 Collaboration agreements will set out those areas of business to be undertaken jointly with other forces, local policing bodies and other emergency services, whether it be to reduce cost, increase capability and/or increase resilience in order to protect local people
- C5 A financial strategy will be developed jointly by the CFO and Director of Finance for approval and adoption by the PCC and Chief Constable. This will be reviewed and refreshed at least annually to ensure delivery of the corporate aims and objectives. Detailed arrangements for financial management will be set out in financial regulations
- C6 The PCC is required to publish an annual report in relation to monitoring his own performance and that of the Chief Constable and Force
- C7 A commissioning and award of grants framework will be developed and maintained by the PCC, which will incorporate commissioning intentions and priorities

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Defining outcomes

- C8 Having a clear vision – an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators which provide the basis for the organisation’s overall strategy, planning and other decisions
- C9 Specifying the intended impact on, or changes for stakeholders, including individual citizens and service users
- C10 Delivering defined outcomes on a sustainable basis within the resources that will be available while recognising that changing demands will place additional pressure on finite resources.
- C11 Identifying and managing risks to the achievement of outcomes as part of delivering goods and services
- C12 Managing expectations effectively with regard to determining priorities and making the best use of the resources available

Sustainable service and economic benefits

- C13 Considering and balancing the combined service and economic impact of policies and plans when taking decisions
- C14 Taking a longer term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the PCC and the Chief Constable’s intended outcomes and short term factors such as the political cycle or financial constraints

D DETERMINING THE ACTIONS NECESSARY TO ACHIEVE THE INTENDED OUTCOMES

- 2.9 *Public bodies, including the Police, achieve their intended outcomes by providing a mixture of legal, regulatory and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that the Police have to make to ensure intended outcomes are achieved. They need robust decision making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure the achievement of intended outcomes.*
- 2.10 *Policy implementation usually involves choice about the approach, the objectives, the priorities and the costs and benefits. PCCs and Chief Constables must ensure that they have access to the appropriate skills and techniques.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- D1 The PCC and the Chief Constable will maintain a medium term financial strategy, updated annually, which will form the basis of the annual budgets, and provide a framework for evaluating future proposals
- D2 There will be a comprehensive process of analysis and evaluation of plans, which will normally include option appraisal, techniques for assessing the

impact of alternative approaches on the service's outcomes, and benefits realisation

- D3 The PCC and Chief Constable will jointly consider how best to achieve value for money and ensure that their agreed approach is reflected in the Police and Criminal Justice Plan objectives and associated delivery plans
- D4 The Force will maintain appropriate workforce development and asset management plans on behalf of the Chief Constable and the PCC
- D5 The PCC and Chief Constable will work together to provide clarity over the arrangements to respond to the breadth of concerns raised by local people, whether they be organisational or individual matters

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

The decision making process

- D6 Ensuring that decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore, ensuring that best value is achieved however services are provided
- D7 Making informed decisions in accordance with the National Decision Model
- D8 Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used, ensuring that the impact and consequences of those decisions is clear
- D9 The PCC and Chief Constable will decide jointly how the quality of service for users is to be measured and make sure that the information needed to review service quality effectively and regularly is available
- D10 The Chief Constable will ensure that effective mechanisms and arrangements exist to monitor service delivery and deal with apparent under-performance or failings
- D11 Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets
- D12 Simultaneously engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered
- D13 Considering and monitoring shared risks when working collaboratively
- D14 Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances
- D15 Establishing appropriate performance measures as part of the planning process in order to assess and inform how the performance of the services and projects is to be measured, and service quality is reviewed
- D16 Preparing annual budgets in accordance with organisational objectives, strategies and the medium term financial plan

- D17 Informing medium and long term resource planning by drawing up realistic and robust estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy
- D18 Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets

Achieving intended outcomes

- D19 Ensuring the medium term financial strategy integrates and balances service priorities, affordability, and other resource constraints
- D20 Ensuring that the budgeting process is comprehensive, taking into account the full cost of operations over the medium and longer term
- D21 Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for the outcomes to be achieved while optimising resource usage

E DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

- 2.11 *The PCC and the Force need appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A public organisation must ensure that it has both the capacity and capability to fulfil its own mandate. Both the individuals involved and the environment in which the police operate will change over time, and there will be a continuous need to develop its capacity as well as the skills and experience of the leadership and individual staff members. Leadership in the Police service is strengthened by the participation of people with many different types of background, reflecting the diversity of communities we serve.*
- 2.12 *Successful outcomes depend on the calibre of the people within the organisation, and it is essential that they have the appropriate skills and support*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- E1 The Office of the PCC and the Force's people priorities, as set out in the Force Strategic Plan, set the climate for continued development of individuals. The respective performance development review processes will ensure that these strategies are turned into reality for officers and members of staff
- E2 To develop skills on a continuing basis to improve performance including the ability to scrutinise and challenge and to recognise when outside expert advice is needed
- E3 To ensure that effective arrangements are in place for reviewing performance and agreeing an action plan(s) which would include any training or development needs
- E4 To ensure that effective arrangements are designed to encourage individuals from all sections of the community to engage with, contribute to and participate in the work of the PCC and police force

- E5 To ensure that career structures are in place to encourage participation and development of employees

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Developing the entity's capacity

- E6 Reviewing operations, performance and asset management on a regular basis to ensure their continuing effectiveness
- E7 Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how policing resources are allocated so that outcomes are achieved effectively and efficiently
- E8 Recognising and promoting the benefits of collaborative working where added value can be achieved through partnerships
- E9 Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources

Developing the capability of the entity's leadership and other individuals

- E10 Ensuring the PCC and chief officers have clearly defined and distinctive leadership roles within a structure whereby the chief officers lead by implementing strategy and managing the delivery of services and other outputs set by the PCC and/or Chief Constable, and each provides a check and balance for each other's responsibility
- E11 Developing the capabilities of the PCC and chief officers to achieve effective shared leadership where appropriate, and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political, and environmental changes and risks
- E12 Ensuring the PCC, chief officers and staff receive appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged.
- E13 Ensuring that the PCC, chief officers and staff have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis
- E14 Ensuring personal, organisation and system-wide development through shared learning including lessons learnt from governance failures both internal and external
- E15 Ensuring the PCC is independent of Force management and free from relationships that would materially interfere with their role
- E16 The Office of the PCC, in conjunction with the Force, should ensure that appropriate information is available for potential PCC candidates
- E17 Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections
- E18 Holding staff to account through regular performance reviews which take account of training or development needs

- E19 Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

F MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

- 2.13 *Public bodies need to ensure that the organisation's governance structures can sustain an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving outcomes. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability.*
- 2.14 *All public bodies spend money raised from taxpayers and use assets which have been paid for by taxpayers in order to deliver and maintain services. The public is entitled to expect high standards of control and the continuous oversight of performance to correct shortfalls and to identify factors which could undermine achievement*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- F1 The PCC will develop and maintain effective arrangements to hold the Chief Constable to account for Force performance, for the exercise of the functions of the Chief Constable and the functions of persons under the direction and control of the Chief Constable, and compliance with other statutory requirements.
- F2 The PCC will develop and maintain effective arrangements to hold to account his two statutory officers, being the Chief [Executive of Staff \(described in the Police Reform and Social Responsibility Act 2011 as Chief Executive Officer\)](#) and Chief Finance Officer, for the exercise of their respective functions and the performance of the Office of the PCC.
- F3 The Office of the PCC decision making policy sets out principles behind how decisions will be taken by the PCC and the standards to be adopted. This will ensure that those making decisions are provided with information that is fit for the purpose – relevant, timely and accurate and gives clear explanations of technical issues and their implications.
- F4 It requires a combined forward plan of key decisions, which brings together the business planning cycles for the Police and Criminal Justice Plan, the Office of the PCC and the Force corporate planning process. This will ensure proper governance by bringing together the right information at the right time, e.g. strategic needs assessments, costs, budgets, etc.
- F5 The National Decision Model (NDM) is suitable for all material decisions and should be used by everyone in policing where appropriate. It can be applied to spontaneous incidents or planned events, by an individual or team of people, and to both operational and non-operational situations.
- F6 The Scheme of Corporate Governance defines the parameters for key roles in the corporations sole, including schemes of delegations and/or consents

from the PCC or Chief Constable and financial regulations, including contract regulations.

- F7 The risk management strategy establishes how risk and decision management is embedded throughout Thames Valley Police, with the PCC and Chief Constable and their respective staff and officers all recognising that risk management is an integral part of their job
- F8 Information relating to decisions will be made readily available to local people, with those of greater public interest receiving the highest level of transparency, except where operational and legal constraints exist.

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Managing risk

- F8 Recognising that risk management is an integral part of all activities and must be regarded as a continuous process
- F9 Implementing robust and integrated risk management arrangements and ensuring that they are working effectively
- F10 Ensuring that the organisation is risk aware and that its risk appetite is defined and communicated clearly to those responsible for making decisions

Managing performance

- F11 Monitoring service delivery effectively including planning, specification, execution and independent post implementation review
- F12 Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible
- F13 Providing the PCC and chief officers with regular reports on service delivery plans and on progress towards outcome achievement
- F14 Ensuring there is consistency between specification stages (such as budgets) and post-implementation reporting (e.g. financial statements)

Robust internal control

- F15 Aligning the risk management strategy and policies on internal control with achieving the organisation's objectives
- F16 Evaluating and monitoring the organisation's risk management and internal control on a regular basis
- F17 Ensuring effective anti-fraud, bribery and corruption arrangements are in place
- F18 Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the Joint Internal Audit Team

- F19 Ensuring an audit committee or equivalent group or function, which is independent of the executive, provides a further source of effective assurance to the PCC and Chief Constable regarding arrangements for managing risks and maintaining an effective control environment and that its recommendations are listened to and acted upon as appropriate

Managing information

- F20 Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data in accordance with GDPR and Data Protection legislation
- F21 Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies
- F22 Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring

Strong public financial management

- F23 Ensuring financial management supports both long term achievement of outcomes and short term financial and operational performance
- F24 Ensuring well developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

G IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT TO DELIVER EFFECTIVE ACCOUNTABILITY

- 2.15 *Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.*
- 2.16 *It is easy to pay lip service to the principles of accountability. Aspirations which are not followed through, and actions which are not explained to those who are affected by them, undermine confidence.*

THE CORPORATE PROCESSES WHICH UNDERPIN THIS COMMITMENT

- G1 The PRSRA 2011 and the Policing Protocol Order clearly sets out the functions of the PCC and Chief Constable and the protocol sets out how these functions will be undertaken to discharge their respective responsibilities.
- G2 The PCC may appoint a Deputy who will be a member of his staff as highlighted in the PRSRA 2011. The role description approved by the PCC may incorporate functions delegated within the Scheme of Corporate Governance.
- G3 The PRSRA 2011 requires the PCC to have a Chief Executive/~~Chief of Staff~~ and Chief Finance Officer. The Chief Executive who is referred to as the ~~Chief of Staff~~ Staff will be the head of paid service and undertake the statutory responsibilities of Monitoring Officer.

- G4 The PRSRA 2011 requires the Chief Constable to appoint a Chief Finance Officer.
- G5 The Home Office Financial Management Code of Practice sets out the responsibilities of Chief Finance Officers for both the PCC and Chief Constable.
- G6 The CIPFA Financial Management Code identifies the risks to financial sustainability and introduces an overarching framework of assurance which builds on existing financial management good practice.
- G7 The PCC and Chief Constable will put in place appropriate arrangements to help ensure that the PCC, Deputy PCC (if appointed) and all employees are not influenced by prejudice, bias or conflicts of interest in dealing with different stakeholders and put in place appropriate processes to ensure that they continue to operate in practice
- G8 The Scheme of Corporate Governance defines the parameters for decision making, including delegations, consents and financial regulations, including contract regulations.
- G9 The PCC, Chief Constable and all employees will operate within relevant:
 - a. Office of the PCC and Force policy and procedures,
 - b. corporate governance framework,
 - c. disciplinary regulations and codes of conduct.
- G10 A Joint Independent Audit Committee will operate in accordance with CIPFA guidance and the Home Office Financial Management Code of Practice.
- G11 The independent Thames Valley Police and Crime Panel provides checks and balances in relation to the performance of the PCC. It does this by reviewing and scrutinising the decisions and actions of the PCC. However, the Panel does not scrutinise the Chief Constable.
- G12 The PCC and Chief Constable will ensure that arrangements are in place for whistle blowing to which employees and all those contracting with Thames Valley Police have access

BEHAVIOURS AND OUTCOMES THAT DEMONSTRATE GOOD GOVERNANCE IN PRACTICE

Implementing good practice in transparency

- G13 Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring they are easy to access and interrogate in accordance with accessibility regulations.
- G14 Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny whilst not being too onerous to provide and for users to understand in compliance with the Elected Local Policing Bodies (Specified Information) Order 2011 and the Freedom of Information Act 2000.

Implementing good practices in reporting

- G15 Reporting at least annually on performance, value for money and the stewardship of resources to stakeholders in a timely and understandable way

- G16 Assessing the extent that the organisation is applying the principles contained in the Framework and publishing the results of this assessment annually including an action plan for improvement and evidence to demonstrate good governance in action (the Annual Governance Statement)
- G17 Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar entities
- G18 The PCC and the Chief Constable will assess the adequacy and effectiveness of the governance arrangements for jointly managed functions as part of the annual arrangement for the review of governance.

Assurance and effective accountability

- G19 Ensuring that recommendations for corrective action made by external audit are acted upon
- G20 Ensuring an effective Internal Audit Service exists with direct access to the PCC, Chief Constable, and the Joint Independent Audit Committee, which provides assurance with regard to the organisation's governance and risk management arrangements, and whose reports are acted upon by management
- G21 Utilising peer challenge, reviews and inspections from regulatory bodies, and implementing recommendations
- G22 Gaining assurance on risks associated with delivering services through third party suppliers, and subjecting these arrangements to regular review
- G23 Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised

3 ARRANGEMENTS FOR REVIEW OF GOVERNANCE

- 3.1 The PCC and Chief Constable are committed to maintaining a joint local Code of Corporate Governance and a Scheme of Corporate Governance, and for carrying out an annual review of their effectiveness.
- 3.2 The PCC and Chief Constable have put in place the following arrangements to review the effectiveness of the Code of Corporate Governance:
- a) The PCC and Chief Constable will jointly produce an Annual Governance Statement (AGS) which will be published on the PCC and Force websites within the annual Statement of Accounts.
 - b) The AGS will include an Action Plan, as necessary and appropriate, to rectify any significant areas of weakness in internal control and/or corporate governance.

The Force

- 3.3 The Deputy Chief Constable, under delegated authority from the Chief Constable, is responsible for corporate governance issues affecting the Force, ensuring that appropriate reviews, both proactively and reactively, are carried out into key areas and highlighted, including:
- Professional standards and performance
 - Strategic co-ordination and planning, including risk management and business continuity, and Force Management Statement.
 - Crime recording
- 3.4 The Chief Information Officer is responsible for the management of information, including information security and data protection

The Joint Independent Audit Committee

- 3.5 The Committee's operating principles include the following key requirements in respect of corporate governance:
- To consider and endorse the local Code of Corporate Governance.
 - To consider and endorse the Annual Governance Statements (AGS).
 - To monitor implementation and delivery of the agreed AGS Action Plan(s).
 - To consider the arrangements to secure value for money and review assurances and assessments of the effectiveness of these arrangements.
 - To consider and comment upon the adequacy and effectiveness of the assurance framework, and the specific governance and accountability policies, systems and controls in place, such as the Corporate Governance Framework; anti-fraud, bribery and corruption; whistle-blowing, and declarations of interest, gifts and hospitality.
 - To 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.
 - To consider the governance and assurance arrangements for significant partnerships or collaborations.

The Governance Advisory Group

- 3.6 The Governance Advisory Group, which comprises senior officers from the Office of the PCC and Force, is responsible for:
- Reviewing and updating the local Joint Corporate Governance Framework;

- monitoring compliance with the Code during the year, including the system of internal control;
- preparing the draft Annual Governance Statement(s);
- recommending an AGS Action Plan(s) to rectify significant areas of weakness;
- monitoring the implementation of agreed action plans.

3.7 Reports from the Governance Advisory Group will be presented to the Joint Independent Audit Committee, where appropriate, prior to approval by the PCC and Chief Constable.

Internal Audit

3.8 The primary role of internal audit is to give an assurance to the PCC and Chief Constable, through their two respective Chief Finance Officers, on the adequacy and effectiveness of the governance arrangements and internal controls in place to manage and mitigate risk. To this end the Chief Internal Auditor delivers an annual opinion on the effectiveness of the controls reviewed by the Joint Internal Audit Team. This annual opinion, set out in the Annual Report of the Chief Internal Auditor, is one of the key sources of evidence in support of the Annual Governance Statement(s).

3.9 The Chief Internal Auditor provides regular update reports to the Joint Independent Audit Committee on the delivery of the Annual Audit Plan and any outstanding management actions.

3.10 Major control weaknesses are reported to the Force Risk Management Group and to the Joint Independent Audit Committee.

3.11 Reviews of both the corporate governance framework and risk management arrangements periodically feature in the Annual Audit Plan. Corporate governance and risk management issues may arise through other reviews carried out by the Joint Internal Audit Team. In this case the issues will be dealt with initially in the relevant audit report. Significant governance failures identified through general audit work will also be referred to the Governance Advisory Group.

External Audit

3.12 The external auditor will audit the financial statements of the PCC and Chief Constable, as well as the Group accounts, and will also review the Annual Governance Statement(s). The external auditor also provides a Value for Money opinion which includes a review and assessment of going concern and financial sustainability. External audit plans and reports, including the Annual Audit Report, are considered by the Joint Independent Audit Committee at appropriate times in the annual cycle of meetings.

Her Majesty's Inspectorate of Constabulary and Fire and Rescue Service (HMICFRS)

3.13 The role of HMICFRS is to independently assess the effectiveness and efficiency of police forces and fire and rescue services – in the public interest. In respect of the national police service, it also provides advice and support to the tripartite partners (Home Secretary, PCCs and police forces).

3.14 HMICFRS reports are sent to the Chief Constable and the PCC for consideration and appropriate action. HMICFRS, working alongside external audit, will play a key role in informing the PCC and the public on the efficiency and effectiveness of their

forces and, in so doing, will facilitate the accountability of chief constables to their PCCs, and PCCs to the public.

- 3.15 The PCC shall invite the Chief Constable to submit comments to him on any report published by HMICFRS that makes recommendations that apply to Thames Valley Police.
- 3.16 The PCC is required to publish his response to any relevant report issued by HMICFRS under section 55(1) of the Police Act 1996, together with any comments submitted by the Chief Constable and any response that the PCC has to the comments submitted to him by the Chief Constable, within 56 days of publication of the report by HMICFRS. The PCC will publish all such relevant reports and responses on his website. The PCC is also required to send a copy of any such published documents to the Secretary of State and HMICFRS.
- 3.17 Relevant information (reports and responses) shall also be provided to members of the Joint Independent Audit Committee ~~and the~~ Professional and Ethical Standards Panel [and the Independent Scrutiny and Oversight Board](#).

Scheme of Corporate Governance 2020/21

This Scheme sets out the common understanding and agreement of the PCC and Chief Constable as to the ways in which certain functions will be governed and managed.

The Scheme includes, but is not limited to, formal delegations by the PCC and the Chief Constable. It also includes activities where the Chief Constable acts in his own right and/or pursuant to the duty to exercise his power of direction and control in such a way as is reasonable to assist the PCC to exercise his functions.

Delegation

The PCC may not arrange for any constable or any person employed by the Chief Constable to exercise any of the PCC's functions (section 18 PRSRA). Under this scheme, there is no formal delegation of any function from the PCC to any constable or member of police staff. Where this scheme refers to a delegation, that is a reference to a delegation of a function or power:

- (a) By the PCC to the Deputy PCC or to a member of his own staff; or
- (b) By the Chief Constable to another police officer or member of police civilian staff.

Chief Constable's own functions

The statutory restriction on delegation does not prevent the Chief Constable carrying out functions in his own right. That is a wide-ranging power: in addition to broad functions of keeping the peace and enforcing the law, the Chief Constable also has the power "to do anything which is calculated to facilitate, or is conducive or incidental to, to the exercise of [his] functions". This scheme also deals with the ways in which certain of the Chief Constable's functions will be exercised in such a way as is reasonable to assist the PCC to exercise his functions. For the avoidance of doubt, these are not delegations from the PCC. Nothing in this scheme is intended to fetter the Chief Constable's operational independence.

Consent

There are certain statutory restrictions on the Chief Constable's power to exercise certain functions in his own right: the Chief Constable may not acquire or dispose of land, and needs the consent of the PCC to enter into contracts and to acquire or dispose of property. This scheme also sets out the conditions on which the PCC has given consent to the Chief Constable to enter into contracts and to acquire or dispose of property (other than land³). For the avoidance of doubt, this is not a delegation from the PCC – it is the PCC giving consent to the Chief Constable to exercise certain functions in his own right, subject to compliance with this Scheme.

The PCC for Thames Valley has given consent to the Chief Constable of TVP to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations, including Contract Regulations

³ Land includes the buildings thereon

Key Principles

Officers and staff of the Chief Constable may assist the PCC to exercise his functions; indeed, the Chief Constable is under a statutory duty to exercise direction and control in such a way as is reasonable to give that assistance. This scheme sets out some of the ways in which that assistance will be given. For the avoidance of doubt, these are not delegations from the PCC.

The statutory officers are responsible for ensuring that members of staff they supervise are aware of and comply with the provisions and obligations of this Scheme of Delegation

The PCC must not restrict the operational independence of the police force and the Chief Constable who leads it.

To enable the PCC to exercise the functions of his office effectively he will need reasonable access to information held by the Force and police officers and civilian staff employed by the Chief Constable. This access must not be unreasonably withheld or obstructed by the Chief Constable or any of his employees. The importance of this requirement is reflected in the Information Sharing Agreement.

1. Introduction

- 1.1 The Statement of Corporate Governance gives clarity to the way the two corporations sole (i.e. PCC and Chief Constable) will govern both jointly and separately to ensure they are conducting business in the right way, for the right reason at the right time.
- 1.2 The Code of Corporate Governance describes the strategies, arrangements, instruments and controls to ensure good governance in the two corporations sole.
- 1.3 This Scheme of Corporate Governance sets out the delegations from the PCC and the Chief Constable to their respective staff, and should be read alongside the aforementioned Statement and Code. In addition, it incorporates other instruments such as the financial regulations and standing orders relating to contracts.
- 1.4 This Scheme aims to clarify those powers which, for the benefit of good business practice, are given to the statutory officers. The PCC and Chief Constable may limit these powers and/or remove delegation.
- 1.5 This Scheme provides a framework which ensures business is carried out lawfully and efficiently, ensuring that decisions are not unnecessarily delayed and are taken at the appropriate level. It forms part of the overall corporate governance framework of the two corporations sole.
- 1.6 Powers are given to the PCC and Chief Constable by laws, orders, rules or regulations. Also, national conditions of employment give powers to the PCC and/or the Chief Constable or, as in the case of police regulations, the Secretary of State for the Home Department.
- 1.7 Any powers or duties placed on other statutory officers should be exercised lawfully in accordance with the PCC's and Chief Constable's respective delegations, standing orders and financial regulations, and also relevant policies, procedures, plans, strategies and budgets.
- 1.8 This Scheme does not identify all the statutory duties which are contained in specific laws and regulations; however, it provides the framework in which the various duties and powers are exercised.

2. General principles of delegation

- a. The persons appointed as the PCC's ~~Chief Executive hereinafter referred to as~~ Chief of Staff (who will also be the Monitoring Officer), the PCC's Chief Finance Officer and the Chief Constable's Director of Finance have statutory powers and duties relating to their positions and, therefore, do not rely on matters being delegated to them to carry out these specific powers and duties.
- b. This scheme provides an officer with the legal authority to carry out appropriate duties of the PCC and/or Chief Constable. In carrying out these duties the officer must comply with all other statutory and regulatory requirements and relevant professional guidance including:
 - The Police Reform and Social Responsibility Act 2011 and other relevant legislation issued under this Act (e.g. The Policing Protocol Order 2011)
 - Home Office Financial Management Code of Practice
 - CIPFA Statement on the role of the Chief Financial Officer of the PCC and the Chief Finance Officer of the Chief Constable
 - CIPFA Financial Management Code

- The PCC and Chief Constable's Joint Corporate Governance Framework, including Financial Regulations and Contract Regulations
 - The PCC's and Thames Valley Police policies and procedures.
 - All data protection legislation including the Data Protection Act 2018 together with the UK General Data Protection Regulation (UK GDPR) and the Freedom of Information Act 2000
 - Health and safety at work legislation and codes
 - The Police Service Code of Ethics
- c. This Scheme is a record of the formal delegations that are in effect at the time of its publication. The PCC and Chief Constable's joint governance framework, including this Scheme, will be reviewed at least annually. With the exception of those matters listed in paragraph 4.6, any person to whom a power is delegated under this scheme may sub-delegate that power as they deem appropriate. The formal responsibility and accountability to the PCC or Chief Constable for the effective discharge of such sub-delegated powers remains in law with the person to whom the power was delegated by the PCC or Chief Constable.
- d. The PCC and/or Chief Constable may ask that a specific matter be referred to them for a decision and not be dealt with under powers of delegation.
- e. The scheme does not attempt to list all matters which form part of everyday management responsibilities.
- f. Giving delegation to officers under this scheme does not prevent an officer from referring the matter to the PCC and/or Chief Constable for a decision if the officer thinks this is appropriate (for example, because of sensitive community and/or stakeholder issues or any matter which may have a significant operational, political, reputational or financial implications).
- g. All decisions officers make under formal powers delegated to them by the PCC and/or Chief Constable must be recorded and be available for inspection.
- h. The PCC and Chief Constable may set out their reporting arrangements on actions undertaken by their own staff in respect of the use of powers delegated to them.

3. Financial Regulations, including Contract Regulations

- 3.1 Financial regulations explain the working financial relationship between the PCC, the Chief Constable and their respective chief finance officers, having regard also to the role played by the Chief of Staff Chief Executive. A copy is attached at Appendix 3.
- 3.2 Financial Regulations ensure that financial dealings are conducted properly and in a way which incorporates recognised best practice, and focuses on bringing operational and financial management together with timely and accurate financial information. They also include sufficient safeguards for both chief finance officers who are responsible for ensuring that the financial affairs of the PCC and police force are properly administered to discharge their statutory obligations.
- 3.3 Embedded within Financial Regulations are the Contract Regulations, which is a single set of standing orders relating to contracts. These regulations explain the procedures to be followed for procurement, tenders and contracts, including tender thresholds and authorisation levels.

4. Role of the PCC

- 4.1 The details of the role of the PCC can be found in the Code of Corporate Governance.
- 4.2 The primary responsibilities of the PCC include:
- Providing a link between the police and the community, which involves obtaining and representing the views and priorities of local people, councils and other criminal justice organisations
 - Setting out the strategic policing, crime and community safety priorities and objectives through the publication of a Police and Crime Plan
 - Setting out the Force's budget and community safety grants
 - Setting the council tax precept for policing and crime reduction
 - Overseeing community safety, the reduction of crime and delivering value for money in policing
 - Commissioning victims and witness support services
 - Handling complaints made against the personal conduct of the Chief Constable
 - Undertaking formal reviews (formerly known as 'appeals') of the handling and outcome of complaints made against the Force
 - Holding the Chief Constable to account for the performance of the Force, including that of police officers and civilian staff under his direction and control
 - Appointing the Chief Constable (and dismissing them when necessary)
 - Preparing and publishing an annual report on progress ~~on~~ the delivery of the Police and Criminal Justice Plan
- 4.3 The PCC owns all land and buildings and will sign contracts in accordance with the requirements of financial regulations. In approving the annual treasury management strategy statement he approves borrowing limits for both his own office and the Force.
- 4.4 The PCC will receive government grants and the council tax precept. Other sources of income received by the Force will be paid into the police fund. How this funding is allocated to operational activities is for the Chief Constable to decide in consultation with the PCC, and in accordance with the priorities and objectives set out in the Police and Criminal Justice Plan, the Strategic Policing Requirement, and any Government grant terms and conditions.
- 4.5 When exercising his duties and functions, the PCC must have regard to the following:
- The views of the people in Thames Valley, including victims of crime
 - Any report or recommendation made by the Police and Crime Panel in respect of the Police and Criminal Justice Plan, the proposed annual precept, and the annual report for the previous financial year.
 - The Police and Criminal Justice Plan and any guidance issued by the Secretary of State, including specifically the Strategic Policing Requirement.
- (Note: this list is a summary and is not exhaustive)
- 4.6 The PCC may arrange for any person (who is not the Deputy PCC) to exercise any of his functions, with the exception of those listed below:
- Determining the strategic policing and crime reduction priorities and objectives to be set out in the PCC's Police and Criminal Justice Plan
 - Issuing the Police and Criminal Justice Plan
 - Calculation of the budget requirement
 - Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - Attendance at the Police and Crime Panel in compliance with a requirement by the Panel for the PCC to do so
 - Attendance at, and presenting the PCC's annual report to, the Police and Crime Panel.

- 4.7 The Police and Crime Panel is a check and balance on the PCC through reviewing and/or scrutinising his decisions and actions, but not those of the Chief Constable.
- 4.8 The PCC will be responsible for handling complaints and conduct matters in relation to the Chief Constable, holding the Chief Constable to account for the Force's handling and investigation of complaints against police officers and civilian staff, and complying with the requirements of the Independent Office for Police Conduct.
- 4.9 The PCC has wider community safety, crime reduction and criminal justice responsibilities than those solely relating to the responsibilities and activities of the police force and this is referred to in the Code of Corporate Governance.

5. Role of the deputy PCC

- 5.1 The PCC may appoint a deputy to exercise his functions, with the exception of those which cannot be delegated as defined by the ~~PRSRAPolice Reform and Social Responsibility Act 2011~~[PRSRSA2011](#), as listed below:
- Issuing the Police and Crime Plan
 - Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - Calculation of the budget requirement.
- 5.2 The formal delegation from the PCC to the Deputy PCC, where appointed, is set out in Appendix 1

6. Role of the PCC's ~~Chief of Staff~~ **Chief Executive**

Introduction

- 6.1 The PCC will appoint, under paragraph 6, Schedule 1 of the Police Reform and Social Responsibility Act 2011 (PRSRSA 2011), a person to be the head of the PCC's staff ~~namely Chief Executive~~ (referred to [in this document](#) as the ~~PCC Commissioner's~~ **Chief of Staff 'Chief Executive'**) and who will act as the head of the body's paid service. Under Section 5(1C) of the Local Government and Housing Act 1989, as amended by Schedule 16 of the PRSRSA 2011, the Chief ~~Executive of Staff~~ is also designated to undertake the role of statutory Monitoring Officer for the PCC.
- 6.2 Accordingly, the Code of Corporate Governance identifies the role of the ~~Chief of Staff~~ **Chief Executive** as the head of the PCC's paid service and Monitoring Officer.
- 6.3 The formal delegations from the PCC to the Chief ~~of Staff-Executive~~, which are in effect at the time of the publication of this scheme, are listed in Appendix 1. Other key responsibilities are set out below.

General

- 6.4 To prepare the Police and Criminal Justice Plan, in consultation with the Chief Constable, for submission to the PCC, including:

- obtaining the views of the public
- identifying the strategic policing and crime reduction priorities and objectives
- planning how resources will be used
- how services will be commissioned
- development and implementation of performance monitoring and reporting arrangements.

- 6.5 To prepare an Annual Report on behalf of and for submission to the PCC.
- 6.6 To provide information to the Police and Crime Panel, as reasonably required to enable the Panel to carry out its functions.
- 6.7 To consider whether, in consultation with the PCC's CFO, to provide indemnity to the PCC (and Deputy PCC) in accordance with appropriate statutory provisions and to deal with or make provision to deal with other matters arising from any proceedings relating to them.
- 6.8 To consider and approve, in consultation with the PCC's CFO, provision of indemnity and/or insurance to individual staff of the Commissioner in accordance with appropriate statutory provisions.

Financial

- 6.9 The financial management responsibilities of the Chief of Staff Executive are set out in the financial regulations.
- 6.10 To manage the budget of the PCC's office, in consultation with PCC CFO, particularly to:
- order goods and services and spend on items provided for in the revenue budget.
 - ask for and accept quotations and tenders for goods and services provided for in the revenue budget

Human Resources

- 6.11 To appoint, in consultation with the PCC, staff in the Office of the PCC (OPCC)
- 6.12 To make recommendations to the PCC with regard to OPCC staff terms and conditions of service, in consultation with the PCC CFO as necessary.
- 6.13 To appoint Independent Custody Visitors and terminate appointments if necessary.

Other

- 6.14 To affix the common seal of the PCC to all relevant contracts, agreements or transactions, where sealing is necessary.
- 6.15 To consider and advise the PCC on the handling of any complaint or conduct matter in respect of the Chief Constable including, in consultation with the PCC's Head of Governance and Compliance, determining whether to record such a complaint on behalf of the PCC and determine whether it meets the threshold to be referred to the Independent Office for Police Conduct (IOPC)
- 6.16 To exercise such powers of the Thames Valley Police and Crime Panel as may be delegated by that Panel and accepted by the Chief of Staff Executive. A police and crime panel may delegate

all or any of the powers or duties conferred or imposed on it by The Elected Local Policing Bodies (Complaints and Misconduct) Regulations 2012, with the exception of Part 4 (resolution of other complaints), to the PCC's Chief ~~of Staff~~Executive. The Thames Valley Police and Crime Panel has currently delegated to the Chief ~~of Staff~~ Executive, and the Chief ~~of Staff~~ Executive has accepted, the initial requirement to record and assess complaints made against the PCC to determine whether it is a 'conduct matter' or 'serious complaint' that must be referred to the Independent Office for Police Conduct (IOPC) or if it is a 'non-serious' complaint that is appropriate to be handled by the Police and Crime Panel itself, under Part 4 of the Regulations, i.e. under the 'informal resolution of other complaints' process.

- 6.17 To respond to consultations on proposals affecting the PCC, if necessary, after first taking the views of the Commissioner, the PCC's CFO and/or the Chief Constable, as necessary and appropriate.
- 6.18 To obtain legal or other expert advice and to appoint legal professionals whenever this is considered to be in the PCC's best interests in the exercise of his functions.
- 6.19 To make appropriate arrangements to gather the community's views on the policing of Thames Valley and preventing crime.
- 6.20 In accordance with the Vetting Code of Practice and Authorised Professional Practice (APP) issued by the College of Policing, and in the ~~Ce~~chief ~~executive's~~of Staff's statutory capacity as the PCC's 'Monitoring Officer', to act:
 - a) as decision-maker for vetting clearance in respect of the Chief Constable, and
 - b) as appeal body in respect of vetting decisions taken by the Chief Constable in respect of other chief officers.

In both cases, the Chief ~~of Staff~~ Executive will be advised by, and receive a recommendation from, the Force Vetting Manager (FVM), or the FVM of another force in circumstances where reciprocal arrangements are in place.

7. Role of the PCC's Chief Finance Officer (CFO)

- 7.1 The PCC must appoint a person to be responsible for the proper administration of the PCC's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office.
- 7.2 As the Chief Finance Officer to the PCC, the post-holder has a statutory responsibility to manage the PCC's financial affairs in accordance with sections 113 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2015.
- 7.3 The detailed financial management responsibilities of the PCC's CFO, which includes a number of delegated powers, are set out in the Financial Regulations – see Appendix 3.

8. Role of the Chief Constable

- 8.1 The role of the Chief Constable is referred to in the Code of Corporate Governance but, essentially, the Chief Constable is responsible for maintaining the Queen's peace and for the direction and control of the Force.

- 8.2 The Chief Constable is accountable to the law for the exercise of police powers, and to the PCC for the delivery of efficient and effective policing, and management of resources and expenditure by the police force.
- 8.3 The list of delegations from the Chief Constable to key Force personnel is attached at Appendix 2.
- 8.4 The Chief Constable shall appoint suitably qualified and experienced heads of department.

9. Role of the Director of Finance

- 9.1 The Chief Constable must appoint a person to be responsible for the proper administration of the Force's financial affairs, in accordance with the Financial Management Code of Practice, as issued by the Home Office.
- 9.2 As the Chief Finance Officer appointed by the Chief Constable there is a statutory responsibility for the post-holder to manage the Force's financial affairs, in accordance with sections 113 and 114 of the Local Government Finance Act 1988, and the Accounts and Audit Regulations 2015 (as amended).
- 9.3 The detailed financial management responsibilities of the Director of Finance, which includes a number of delegated powers, are set out in the Financial Regulations – see Appendix 3.

10. Role of the Director of People

- 10.1 To lead the development and implementation of strategies and policies to ensure the effective recruitment, development, deployment and management of police officers and staff, and undertake the day to day management of the People Directorate and services in accordance with the Financial Regulations – Appendix 3.
- 10.2 To arrange and/or provide strategic and tactical advice and assistance to the PCC and PCC's Chief of Staff Executive on all matters relating to employment of staff, except that where responsibility to both the PCC and the CC may lead to a conflict of interest, the PCC may seek assistance from an independent advisor.

11. Role of the Head of Legal Services

- 11.1 To provide advice to and institute, defend or participate in legal actions on behalf of the Chief Constable.
- 11.2 To provide advice to, and institute, defend or participate in legal actions on behalf of, the PCC when requested to do so and where there is no identifiable conflict of interest between the PCC and the Chief Constable.
- 11.3 Specific delegations from the Chief Constable are set out in Appendix 2

12. Role of the Head of Property Services

- 12.1 Although the PCC owns all Force land and buildings, the Head of Property Services will undertake the day to day management of the property function subject to the provision of financial regulations, and in accordance with the agreed asset management strategy.

13. Role of the Chief Information Officer

- 13.1 The effective delivery of the Joint ICT Department and the Joint Information Management Unit, providing information assurance, access and security services across Thames Valley Police and Hampshire Constabulary.
- 13.2 To provide governance, oversight and decisions as the Senior Information Risk Owner on behalf of the Chief Constable Data Controllers.

14. Heads of Department

- 14.1 In addition to those mentioned above the Chief Constable will appoint appropriate Heads of Department to assist with the governance of the Force including but not limited to:
- Head of Chiltern Transport Consortium
 - Head of ICT
 - Head of Information Management
 - Head of Procurement
 - Head of Professional Standards

15. Urgency provisions

PCC

- 15.1 If any matter which would normally be referred to the PCC (or Deputy PCC where appointed) for a decision which arises and cannot be delayed, in the absence of the PCC or Deputy PCC the matter may be decided by the appropriate chief officer.
- 15.2 The appropriate chief officers authorised to decide urgent matters are:

- the Chief ~~of Staff Executive~~ (all issues);
- the PCC's Chief Finance Officer (financial and related issues, and all issues in the absence of the Chief ~~of Staff Executive~~ in the post-holder's capacity as the designated Deputy ~~Chief Executive~~ Chief of Staff)

- 15.3 Urgent decisions taken must be reported to the PCC as soon as practicably possible.

Police Force

- 15.4 If any matter which would normally be referred to the Chief Constable (or Deputy Chief Constable) for a decision arises and cannot be delayed, in the absence of the Chief Constable (or Deputy Chief Constable as the case may be), the matter may be decided by an appropriate member of the Chief Constable's Management Team (save always that any function of the chief constable which must as a matter of law normally be performed by the chief constable personally, may only be performed by another officer in accordance with the provisions of section 41 of the ~~PRERA~~ Police Reform and Social Responsibility Act 2011)

Delegations from the PCC

To the Deputy PCC (where appointed)

- 1 To exercise any function of the PCC, with the exception of those referred to in section 18 (7) (a) (e) and (f) of the Police Reform and Social Responsibility Act 2011, i.e.
 - a) Issuing the Police and Criminal Justice Plan
 - e) Appointing or suspending the Chief Constable, or calling upon the Chief Constable to retire or resign
 - f) Calculation of the budget requirement.

To the Chief ~~of Staff~~ Executive

- 2 To sign ~~relevant~~ contracts or deeds on behalf of the PCC, irrespective of value, once they have been properly approved, and to affix the common seal of the PCC where necessary. including except those which are required to be executed under the common seal of the PCC. In these cases, the Chief Executive is authorised to sign and affix the seal. In the Chief of Staff's Executive's absence or engaged in a meeting,,,,, the The PCC's CFO (deputy Chief ~~Chief of Staff Executive~~) can sign contracts or deeds as well as signing and affixing the seal. ~~it of both the Chief of Staff and the CFO and/or the Head of Governance and Compliance (deputy Monitoring Officer) can sign contracts or deeds as well as signing and affixing the seal.~~

- 3 To dismiss, in consultation with the Director of People, staff employed by the PCC (Note: Appeals will be heard by the PCC, sitting with an independent person).

~~4 To settle employment tribunal cases and grievances of staff working in the OPCC, in consultation with the Head of Legal Services, and the Director of People, subject to approval from the with the exception of those cases felt to be exceptional because:-~~

~~5~~

~~6 they involve a high profile claimant~~

~~7 there is a particular public interest in the case~~

- 84 To exercise the statutory powers of the PCC as "appropriate authority" for complaints and conduct matters in respect of the Chief Constable including, in consultation with the PCC's Head of Governance and Compliance, making a recording decision, referral to the Independent Office for Police Conduct (the IOPC) and appointing an officer to resolve or investigate the complaint where necessary

56. To approve the settlement of any claim (including Employment Tribunal claims) brought against the Chief Constable or the PCC, or the making of any ex gratia payment, subject to the following limits:

- £30,000 in the case of any damages payment (where payments are to be made to more than one claimant in the case of any claim, they shall be aggregated for the purposes of calculating the level of payment)
- £10,000 in the case of any ex gratia payment

6. Any special severance payment is excluded from the terms of this delegated authority. Such payments must be approved personally by the PCC, in consultation with the PCC's Chief of Staff, the PCC CFO, the Director of Finance and the Head of Legal Services. Such payments do

not usually represent value for money, and will only be approved in exceptional circumstances in accordance with the principles contained in statutory guidance published in May 2022. For the purposes of this paragraph, “special severance payment” means any payment, over and above contractual or statutory entitlements, made on or in connection with the exit of an officer or member of staff (except those made in settlement of an existing legal claim where legal advice has been obtained).

7. To approve the payment of damages or legal costs incurred personally by police officers and staff in connection with legal proceedings, in consultation with the Chief Constable’s Head of Legal Services (subject, in the case of damages payments, to the limits set out in paragraph 6 above). Decisions on approval shall be made in accordance with Home Office Circular 10/2017, or any circular or guidance replacing or supplementing that circular.
8. To arrange for the institution of, withdrawal of, defence of, or participation in, legal proceedings on behalf of the PCC.
9. ~~To make temporary appointments as necessary and appropriate to the independent panel members list for police misconduct hearings. In the Chief of Staff’s Executive’s absence, the PCC’s Head of Governance and Compliance (deputy Monitoring Officer) can make these temporary appointments.~~
10. To make decisions as to the exercise of discretion under the Local Government Pension Scheme, in cases where the PCC is the relevant scheme employer.

To the Chief Finance Officer

1. To sign contracts or deeds on behalf of the PCC, irrespective of value, once they have been properly approved, and to affix the common seal of the PCC where necessary.

To the Head of Governance and Compliance

1. Where the PCC is the relevant review body for police complaints matters, to carry out the functions of that review body.
2. Where the PCC has the responsibility to appoint Legally Qualified Chairs and Independent Panel Members for misconduct hearings, to make such appointments.
3. In the absence of both the Chief of Staff and the CFO, the Head of Governance and Compliance (deputy Monitoring Officer) can sign contracts or deeds as well as signing and affixing the seal.
3. ~~Where, in accordance with the General Data Protection Regulation (UK-GDPR), and the Data Protection Act 2018, the PCC has a statutory responsibility to appoint a Data Protection Officer, to undertake that role and function.~~

Delegations from the Chief Constable

It is recognised that, unless a power or function of the Chief Constable must, as a matter of law, be exercised personally by him, such functions or powers need not be exercised by the Chief Constable personally but may be exercised on his behalf by such officers and staff as the Chief Constable thinks fit. There are numerous functions and powers of the Chief Constable which, as a matter of inevitable everyday practice, are in fact exercised on his behalf by other officers and members of staff. Case law recognises that where the responsibilities of an office created by statute are such that delegation is inevitable, there is an implied power to delegate. In such circumstances, there is a presumption that, where statutory powers and duties are conferred, there is a power to delegate the same unless the statute conferring them expressly or by implication provides to the contrary.

The specific delegations set out in this Appendix are not, therefore, intended to be an exhaustive list of the functions and powers of the Chief Constable which may be exercised on his behalf by another person. However, where the delegation of a specific function or power is set out in this Appendix, it must only be exercised as provided for in this Appendix (unless specifically agreed otherwise by both Chief Constable and PCC) and in accordance with any relevant Force policy. For the avoidance of doubt, however, nothing in this Appendix precludes any function or power being exercised by the Chief Constable personally, or by the Deputy Chief Constable on his behalf (to whom the functions and powers below are delegated in so far as it is necessary to do so). Also for the avoidance of doubt, any person to whom the functions and powers below are delegated may sub-delegate as they deem appropriate in accordance with the provisions of paragraph 2c of this Scheme of Governance

The delegation by the Chief Constable of his functions as “appropriate authority” for the purposes of legislation relating to complaints and conduct matters is dealt with in a separate document entitled “Chief Constable’s Scheme of Delegation: Professional Standards”, held by the Head of Professional Standards and dated 10th December 2021, as reviewed and amended from time to time.

To the Director of People

1. To make decisions on behalf of the Chief Constable under Police Pensions Regulations (except in relation to Regulation A20 (retention)), Police (Injury Benefits) Regulations and any equivalent or related regulations in respect of police pension schemes, subject to the concurrence of the Director of Finance in relation to any decision that may result in additional cost to the Force. Note: The Deputy Chief Constable will continue to have delegated authority to take decisions in respect of Regulation A20 (retention), or any equivalent regulation dealing with retention.
2. Managing posting, secondment and corporate special leave decisions
3. Extending the payment of sick pay beyond the contractual entitlement (in the case of police staff) or beyond the entitlement in Police Regulations (in the case of police officers) in accordance with (as applicable) police staff terms and conditions, Police Regulations and Home Office Guidance
4. Decisions relating to Police Staff suspensions and dismissal from employment
5. The exercise of discretion in relation to police officer and police staff payments in accordance with Police Regulations, PNB, TVP policy and legislation
6. Determination of Job Evaluation appeals

7. The payment of removal allowances, housing and relocation costs for senior officers and staff and hard to recruit specialist roles.
8. To make decisions as to the exercise of discretion under the Local Government Pension Scheme, in cases where the Chief Constable is the relevant scheme employer.

To the Force Head of Legal Services

9. The authority to approve the settlement of any claim (including Employment Tribunal claims) brought against the Chief Constable or the PCC, or the making of any ex gratia payment by or on behalf of the Chief Constable, subject to the following conditions
 - a. Any damages payment of more than £10,000 must be approved by the PCC's Chief [of Staff Executive](#) or Chief Finance Officer
 - b. Any damages payment of more than £30,000 must be approved by the PCC
 - c. Any ex gratia payment of more than £10,000 must be approved by the PCC
 - d. Where the prior approval of insurers is required, this is obtained prior to the approval of any settlement

Note: for the purposes of section 88(2)(b) of the Police Act 1996, and paragraph 8(c) of Schedule 2 to the Police Reform and Social Responsibility Act 2011, the PCC approves the settlement of any claim made in accordance with the above authority and conditions

10. Any special severance payment is excluded from the terms of this delegated authority. Such payments must be approved personally by the PCC, in consultation with the PCC's Chief of Staff, the PCC CFO, the Director of Finance and the Head of Legal Services. Such payments do not usually represent value for money, and will only be approved in exceptional circumstances in accordance with the principles contained in statutory guidance published in May 2022. For the purposes of this paragraph, "special severance payment" means any payment, over and above contractual or statutory entitlements, made on or in connection with the exit of an officer or member of staff (except those made in settlement of an existing legal claim where legal advice has been obtained).

FINANCIAL REGULATIONS

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INTRODUCTION

Overview

1. Public sector accounting is covered by a range of government legislation and accounting standards that are designed to ensure proper accountability for public funds. In addition, the Home Office has issued a Financial Management Code of Practice under section 17 of the Police Reform and Social Responsibility Act 2011 and section 39 of the Police Act 1996 which permit the Secretary of State to issue codes of practice to all Police and Crime Commissioners (PCCs) and Chief Constables. The CIFPA Financial Management Code provides guidance for good and sustainable financial management in local authorities, including the police service. By complying with the principles and standards, local authorities will be able to demonstrate effective and sustainable financial stewardship.
2. Each PCC and their respective Chief Constable is established in law as a corporation sole within the 2011 Act. As such, both are enabled by law to employ staff and hold funds in their official capacity. Chief Constables are charged with the impartial direction and control of all constables and staff within the police force that they lead. Staff of the PCC are accountable to the directly elected holder of that office.
3. The public accountability for the delivery and performance of the police service is placed into the hands of the PCC on behalf of their electorate. The PCC draws on their mandate to set and shape the strategic objectives of their force area in consultation with the Chief Constable. They are accountable to the electorate; the Chief Constable is accountable to their PCC. The Police and Crime Panel within each force area is empowered to maintain a regular check and balance on the performance of the PCC in that context.
4. The PCC within each force area has a statutory duty and electoral mandate to hold the police to account on behalf of the public.
5. The PCC may appoint a Deputy PCC who may exercise any function of the PCC (with the exception of those referred to in section 18 (7) (a) (e) and (f) of the Police Reform and Social Responsibility Act 2011 – see Appendix 1, above).
6. The PCC is the recipient of all funding, including the government grant, council tax precept and other sources of income, related to policing and crime reduction and all funding for a force must come via the PCC. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, or in accordance with any grant terms. The Chief Constable will provide professional advice and recommendations.
7. The PCC and the Chief Constable are both required to appoint a chief finance officer.
8. To conduct its business effectively, TVP needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is to adopt and implement Financial Regulations. The Regulations contained herein have been drawn up in such a way as to ensure that the financial matters of TVP are conducted properly and in compliance with all necessary requirements.
9. The Regulations are designed to establish overarching financial responsibilities, to confer duties, rights and powers upon the PCC, the Chief Constable and their officers and to provide clarity about the financial accountabilities of groups or individuals. They apply to every member and officer of the service and anyone acting on their behalf.

10. A modern organisation should also be committed to innovation, within the regulatory framework, providing that the necessary risk assessment and approval safeguards are in place.

Definitions within the Regulations

11. For the purposes of these Regulations TVP, when used as a generic term, shall refer to:
- The PCC
 - The Chief Constable
 - The Office of the PCC (OPCC)
 - The Force
12. The PCC's chief finance officer is referred to as the PCC CFO.
13. The Chief Constable's chief finance officer is the Director of Finance
14. The Chief Executive also fulfils the monitoring officer role
15. The OPCC shall refer to the PCC, Deputy PCC and all members of staff employed by and under the direction and control of the PCC.
16. The 'Force' shall refer to the Chief Constable, police officers, police staff, police community support officers (PCSO), special constabulary, volunteers and other members of the wider police family under his direction.
17. Chief Officers when referred to as a generic term shall mean the Chief Executive, PCC CFO, Chief Constable, Director of Finance and all other members of the Chief Constable's Management Team.
18. 'Employees' when referred to as a generic term shall refer to police officers, police staff (Force and OPCC) and other members of the wider police family.
19. The expression 'authorised officer' refers to employees authorised by a chief officer.
20. The expression 'contract' refers to any commitment (including purchase orders, memoranda of understanding, leases and service level agreements) to acquire, purchase or sell goods, services or building works made on behalf of the PCC, the Force or their affiliated bodies.
21. The expression 'best value for money' shall mean the most cost effective means of meeting the need and takes account of whole life costs.
22. The expression 'he' shall refer to both male and female.
23. Within these Regulations, most of the references have been made to the responsibilities of the Chief Constable since most of the day to day financial management is vested with that post. However, where resources are under the control of the Chief Executive or PCC CFO, the duties, rights and powers as detailed for the Chief Constable shall apply equally to the Chief Executive or PCC CFO.

24. The terms Chief Constable, Director of Finance, Chief Executive and PCC CFO include any member of staff, contractors or agents to whom particular responsibilities may be delegated. However, the level of such delegated responsibility must be evidenced clearly, made to an appropriate level, and the member of staff given sufficient authority, training and resources to undertake the duty in hand.

Status

25. These Financial Regulations should not be seen in isolation, but rather as part of the overall regulatory and governance framework of TVP that includes the Policing Protocol, codes of conduct and the scheme of governance.
26. The PCC, Chief Constable and all employees have a general duty to take reasonable action to provide for the security of assets under their control and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.
27. Financial Regulations explain the working financial relationship between the PCC and the Chief Constable and their respective chief financial officers, having regard also to the role played by the PCCs Chief Executive.
28. The PCC and Chief Constable are jointly responsible for approving or amending Financial Regulations. The PCC CFO and Director of Finance are jointly responsible for maintaining a review of Financial Regulations and submitting any additions or amendments to the PCC and Chief Constable, after consulting with the Chief Executive.
29. More detailed Financial Instructions to supplement these Regulations, shall be issued by the Chief Constable after consultation with the PCC CFO and Chief Executive.
30. Chief Officers are responsible for ensuring that all employees, contractors and agents are aware of the existence and content of these Financial Regulations and that they are complied with.
31. Breaches of Financial Regulations of a serious nature may result in disciplinary proceedings and, potentially, criminal action. Such cases shall be reported to the PCC CFO and/or Director of Finance who shall determine, after consulting with the Chief Executive, whether the matter shall be reported to the PCC and/or Chief Constable.
32. The PCC, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues – also see section 2 in the Scheme of Corporate Governance.
33. These Financial Regulations (including contract regulations) apply to all activities undertaken by TVP including those where TVP is the lead force in a collaboration or partnership activity, irrespective of where the funding for the activity comes from (e.g. Government grants, contributions from partners, fees and charges etc.)

Content

34. The Financial Regulations are divided into a number of sections, each with detailed requirements relating to the section heading. References are made throughout the individual sections to delegated limits of authority. These are also summarised in Section 7.

- Section 1 - Financial management
- Section 2 - Financial planning
- Section 3 - Management of risk and resources
- Section 4 - Systems and procedures
- Section 5 - External arrangements
- Section 6 - Contract regulations
- Section 7 - Summary of delegated limits

1.1 FINANCIAL MANAGEMENT

The Police and Crime Commissioner (PCC)

- 1.1.1 The PCC has a statutory duty and electoral mandate to ensure an efficient and effective police service and to hold the police to account on behalf of the public. The PCC is the recipient of funding relating to policing and crime reduction, including government grant, council tax precept and other sources of income. How this money is allocated is a matter for the PCC in consultation with the Chief Constable, or in accordance with any grant terms. The statutory officers of the Chief Constable and the PCC will provide professional advice and recommendations.
- 1.1.2 The PCC shall appoint a Chief Financial Officer (the PCC CFO) to be responsible for the proper administration of the commissioner's financial affairs. He shall also appoint a Chief Executive who shall act as the PCC's monitoring officer.
- 1.1.3 The PCC is responsible for approving the policy framework and budget, monitoring financial outcomes and the approval of medium term financial plans in consultation with the Chief Constable. He is responsible for approving the overall framework of accountability and control, and monitoring compliance. In relation to these Financial Regulations this includes:
- Police and Criminal Justice Plan
 - Financial strategy
 - Capital strategy
 - Annual revenue budget
 - Capital programme
 - Medium term financial forecasts
 - Treasury management strategy, including the annual investment strategy
 - Reserves strategy and usage of reserves
 - Asset management strategy
 - Risk management strategy
 - Governance policies
- 1.1.4 The PCC is responsible for approving procedures for recording and reporting decisions taken and for monitoring compliance with agreed policy and related executive decisions.
- 1.1.5 The PCC is also responsible for approving procedures for agreeing variations to approved budgets, plans and strategies forming the policy framework.
- 1.1.6 The PCC shall provide his chief finance officer with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed
- 1.1.7 The PCC may appoint a Deputy PCC (DPCC) for that area and arrange for the DPCC to exercise any function of the PCC

The Deputy Police and Crime Commissioner (DPCC)

- 1.1.8 The DPCC may exercise any function lawfully conferred on him by the PCC. Under the Police Reform and Social Responsibility Act 2011, the DPCC may not:

- Issue the Police and Crime Plan
- Appoint or suspend the Chief Constable, or call upon the Chief Constable to retire or resign
- Calculate the budget requirement

The Chief Constable

- 1.1.9 The Chief Constable is responsible for maintaining the Queen's Peace and has direction and control over the Force's officers and staff. The Chief Constable holds office under the Crown, but is appointed by the PCC.
- 1.1.10 The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of efficient and effective policing, management of resources and expenditure by the police force. At all times the Chief Constable, his constables and staff remain operationally independent in the service of the public.
- 1.1.11 To help ensure the effective delivery of policing services the Chief Constable employs all constables and staff within the force and has day to day responsibility for financial management of the force within the framework of the agreed budget allocation and levels of authorisation issued by the PCC.
- 1.1.12 The Chief Constable shall appoint a Chief Finance Officer (Director of Finance) to be responsible for the proper administration of the Chief Constable's financial affairs.
- 1.1.13 The Chief Constable must ensure that the financial management of their allocated budget remains consistent with the objectives and conditions set by the PCC. The Chief Constable will discharge this through the Director of Finance who will lead for the force on financial management.
- 1.1.14 When the Chief Constable intends to make significant change of policy or seeks to move significant sums of their budget then the approval of the PCC should be sought.
- 1.1.15 The Chief Constable shall provide the Director of Finance with such staff, accommodation and other resources as are in his opinion sufficient to allow his duties under this section to be performed
- 1.1.16 The Chief Constable is responsible for the day-to-day financial management of the Force within the framework of the budget, rules of virement and reporting arrangements. In operating day-to-day financial management, the Chief Constable shall comply with the approved policies and framework of accountability.
- 1.1.17 The Chief Constable shall prepare Financial Instructions to supplement the Financial Regulations and provide detailed instructions on the operation of the specific financial processes delegated to the Chief Constable. The Chief Constable shall ensure that all employees are made aware of the existence of these Regulations and are given access to them. Where appropriate, training shall be provided to ensure that the Regulations can be complied with.

The Joint Independent Audit Committee

- 1.1.18 The Home Office Financial Management Code of Practice states that the PCC and Chief Constable should establish an independent audit committee. This should be a combined body which will consider the internal and external audit reports of both the PCC and the Chief Constable. This committee will advise the PCC and the Chief Constable according to good governance principles and will adopt appropriate risk management arrangements in accordance with proper practices. In establishing the Audit Committee, the PCC and Chief Constable shall have regard to CIPFA Guidance on Audit Committees.
- 1.1.19 The Audit Committee shall comprise between three and five members who are independent of the PCC and the Force.
- 1.1.20 The Audit Committee shall establish formal terms of reference, covering its core functions, which shall be formally adopted and reviewed on an annual basis
- 1.1.21 The PCC and Chief Constable shall be represented at all meetings of the Audit Committee.

The PCC CFO

- 1.1.22 The PCC CFO has a statutory responsibility for proper financial administration and a personal fiduciary responsibility to the local council taxpayer.
- 1.1.23 The PCC CFO's statutory responsibilities are set out in:
- Paragraph 6 of Schedule 1 to the Police Reform and Social Responsibility Act 2011
 - Section 114 Local Government Finance Act 1988 (formal powers to safeguard lawfulness and propriety in expenditure)
 - The Accounts and Audit Regulations 2015
- 1.1.24 The PCC CFO is the PCC's professional adviser on financial matters and shall be responsible for:
- ensuring that the financial affairs of the PCC are properly administered and that financial regulations are observed and kept up to date;
 - ensuring advise and scrutinise with respect to regularity, propriety and Value for Money (VfM) in the use of public funds;
 - ensuring that the funding required to finance agreed programmes is available from central Government, council tax precept, other contributions and recharges;
 - Reporting to the PCC, the Police and Crime Panel and to the external auditor (s114):
 - any unlawful, or potentially unlawful, expenditure by the PCC or officers of the PCC;
 - when it appears that any expenditure is likely to exceed the resources available to it to meet that expenditure;
 - advising the PCC on the robustness of the estimates and the adequacy of financial reserves (s25 LG Act 2003);
 - preparing the annual statement of accounts for the PCC and Group, in conjunction with the Director of Finance
 - ensuring the provision of an effective internal audit service, in conjunction with the Director of Finance;

- securing the treasury management function, including loans and investments;
 - advising, in consultation with the Chief Executive on the safeguarding of assets, including risk management and insurance
 - arranging for the determination and issue of the precept
 - liaising with the external auditor; advising the PCC on the application of value for money principles by the police force to support the PCC in holding the chief constable to account for efficient and effective financial management; and.
 - ensuring compliance with the CIPFA Financial Management Code
- 1.1.25 The PCC CFO, in consultation with the Chief Executive, Director of Finance and/or Chief Constable as appropriate, shall be given powers to institute any proceedings or take any action necessary to safeguard the finances of TVP.
- 1.1.26 The PCC CFO has certain statutory duties which cannot be delegated, namely, reporting any potentially unlawful decisions by the PCC on expenditure and preparing each year, in accordance with proper practices in relation to accounts, a statement of the PCC's accounts, including group accounts.
- 1.1.27 The PCC CFO is the PCC's professional adviser on financial matters. To enable him to fulfil these duties and to ensure the PCC is provided with adequate financial advice the PCC CFO:
- must be a key member of the PCC's Leadership Team, working closely with the Chief Executive, helping the team to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest;
 - must be actively involved in, and able to bring influence to bear on, all strategic business decisions, of the PCC, to ensure that the financial aspects of immediate and longer term implications, opportunities and risks are fully considered, and alignment with the PCC's financial strategy;
 - must lead the promotion and delivery by the PCC of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively; and
 - must ensure that the finance function is resourced to be fit for purpose.

The Director of Finance

- 1.1.28 The Director of Finance is the Chief Constable's Chief Finance Officer with responsibility for proper financial administration and a personal fiduciary responsibility to the local council taxpayer
- 1.1.29 The Director of Finance is responsible to the Chief Constable for all financial activities within the Force or contracted out under the supervision of the Force.
- 1.1.30 The Director of Finance's responsibilities are set out in:
- Paragraph 4 of Schedule 2 and paragraph 1 of Schedule 4 to the Police Reform and Social Responsibility Act 2011
 - Section 114 Local Government Finance Act 1988 (formal powers to safeguard lawfulness and propriety in expenditure)
 - The Accounts and Audit Regulations 2015

1.1.31 The Director of Finance is responsible for:

- ensuring that the financial affairs of the force are properly administered and that these financial regulations are observed and kept up to date;
- Reporting to the Chief Constable, the PCC, the PCC CFO and to the external auditor (s114):
 - any unlawful, or potentially unlawful, expenditure by the Chief Constable or officers of the Chief Constable;
 - when it appears that any expenditure of the Chief Constable is likely to exceed the resources available to it to meet that expenditure
- ~~advising-reporting~~~~reporting~~~~the Chief Constable~~ on value for money in relation to all aspects of the force's expenditure, and implementing the processes to achieve value for money;
- advising the Chief Constable and the PCC on the soundness of the budget in relation to the force;
- liaising with the external auditor;
- working with the PCC CFO's staff to produce the statement of accounts for the Chief Constable and to assist in the production of group accounts for TVP;
- ensuring compliance with the CIPFA Financial management Code.

1.1.32 The Director of Finance has certain statutory duties which cannot be delegated, namely, reporting any potentially unlawful decisions by the force on expenditure and preparing each year, in accordance with proper practices in relation to accounts, a statement of the Chief Constable's accounts. The Director of Finance will need to observe the locally agreed timetable for the compilation of the group accounts by the PCC CFO.

1.1.33 The Director of Finance is the Chief Constable's professional adviser on financial matters. To enable her to fulfil these duties the Director of Finance:

- must be a key member of the Chief Constable's Management Team, helping it to develop and implement strategy and to resource and deliver the PCC's strategic objectives sustainably and in the public interest;
- must be actively involved in, and able to bring influence to bear on, all strategic business decisions of the Chief Constable to ensure immediate and longer term implications, opportunities and risks are fully considered;
- must lead the promotion and delivery by the Chief Constable of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively; and
- must ensure that the finance function is resourced to be fit for purpose.

1.1.34 It must be recognised that financial regulations cannot foresee every eventuality. The Director of Finance, in consultation with the PCC CFO, shall be responsible for interpreting these regulations so as to ensure the efficient and effective operation of services.

The ~~Chief Executive~~Chief of Staff

1.1.35 The Chief of Staff~~Chief Executive~~ is responsible for the leadership and general administration of the PCC's office.

1.1.36 The ~~Chief of Staff~~Chief Executive is also the PCC's designated monitoring officer, appointed under section 5(1) of the Local Government and Housing Act 1989.

1.1.37 The monitoring officer is responsible for:

- ensuring the legality of the actions of the PCC and his officers.
- ensuring that procedures for recording and reporting key decisions are operating effectively
- advising the PCC and officers about who has authority to take a particular decision
- advising the PCC about whether a decision is likely to be considered contrary or not wholly in accordance with the policy framework
- advising the PCC on matters relating to standards of conduct

1.2 FINANCIAL MANAGEMENT STANDARDS

Why is this important?

- 1.2.1 The PCC, Chief Constable and all employees have a duty to abide by the highest standards of probity (i.e. honesty, integrity and transparency) in dealing with financial issues. This is facilitated by ensuring that everyone is clear about the standards to which they are working and the controls that are in place to ensure that these standards are met.

Responsibilities of the PCC CFO and Director of Finance

- 1.2.2 To ensure the proper administration of the financial affairs of TVP
- 1.2.3 To ensure that proper practices are adhered to
- 1.2.4 To advise on the key strategic controls necessary to secure sound financial management
- 1.2.5 To ensure that financial information is available to enable accurate and timely monitoring and reporting of comparisons of national and local financial performance indicators
- 1.2.6 To ensure that all staff are aware of, and comply with, proper financial management standards, including these Financial Regulations.
- 1.2.7 To ensure that all staff are properly managed, developed, trained and have adequate support to carry out their financial duties effectively.

1.3 ACCOUNTING RECORDS AND RETURNS

Why is this important?

- 1.3.1 The PCC and Chief Constable will help discharge their responsibility for stewardship of public resources by maintaining proper accounting records and effective reporting arrangements. The PCC and Chief Constable have a statutory responsibility to prepare their own annual accounts to present fairly their operations during the year. These are subject to external audit. This audit provides assurance that the two separate sets of accounts have been prepared properly, that proper accounting practices have been followed and that quality arrangements have been made for securing economy, efficiency and effectiveness in the use of TVP resources.

Joint Responsibilities of the PCC CFO and Director of Finance

- 1.3.2 To determine the accounting procedures and records for TVP, in accordance with recognised accounting practices, and approve the strategic accounting systems and procedures employed by the Chief Constable. All employees shall operate within the required accounting policies and published timetables.
- 1.3.3 To make proper arrangements for the audit of the PCC, Force and Group accounts in accordance with the Accounts and Audit Regulations 2015.
- 1.3.4 To ensure that all claims for funds including grants are made by the due date
- 1.3.5 To ensure that bank reconciliations and other key control accounts are reconciled on a timely and accurate basis
- 1.3.6 To prepare and publish the audited accounts in accordance with the statutory timetable.

Responsibilities of the Director of Finance

- 1.3.7 To obtain the approval of the PCC CFO before making any fundamental changes to accounting records and procedures or accounting systems
- 1.3.8 To ensure that all transactions, material commitments and contracts and other essential accounting information are recorded completely, accurately and on a timely basis
- 1.3.9 To maintain adequate records to provide a management trail leading from the source of income and expenditure through to the accounting statements

1.4 THE ANNUAL STATEMENT OF ACCOUNTS

Why is this important?

- 1.4.1 The PCC and Chief Constable have a statutory responsibility to prepare their own accounts to present fairly their operations during the year. They must be prepared in accordance with proper practices as set out in the Code of Practice on Local Authority Accounting in the United Kingdom (the Code). The accounts will comprise separate statements for the PCC, Chief Constable as well as group accounts covering both entities.
- 1.4.2 The accounts are subject to detailed independent review by the external auditor. This audit provides assurance that the accounts are prepared correctly, that proper accounting practices have been followed and that arrangements have been made for securing economy, efficiency and effectiveness in the use of TVP resources.

Joint Responsibilities of the PCC CFO and Director of Finance

- 1.4.3 To agree and publish the timetable for final accounts preparation
- 1.4.4 To select suitable accounting policies and apply them consistently
- 1.4.5 To make judgements and estimates that are reasonable and prudent
- 1.4.6 To comply with the Code of Practice on Local Authority Accounting
- 1.4.7 To prepare, sign and date the separate statement of accounts, stating that they present fairly the financial position of the PCC, Force and Group at the accounting date and their income and expenditure for the financial year just ended
- 1.4.8 To publish the audited accounts each year, in accordance with the statutory timetable
- 1.4.9 To produce summary accounts for inclusion in the PCC's annual report

Responsibilities of the PCC and Chief Constable

- 1.4.10 To consider and approve their annual accounts in accordance with the statutory timetable.

2.1 FINANCIAL PLANNING

Why is this important?

- 2.1.1 TVP is a complex organisation responsible for delivering a range of policing activities. It needs to develop systems to enable resources to be allocated in accordance with priorities. Financial planning is essential if it is to function effectively
- 2.1.2 The financial planning process should be directed by the approved policy framework, the business planning process and the need to meet key objectives
- 2.1.3 The planning process should be continuous and the planning period should cover at least 3 years. The process should include a more detailed annual plan - the budget, covering the forthcoming financial year. This allows the PCC and Force to plan, monitor and manage the way funds are allocated and spent.
- 2.1.4 It is recognised that the impact of financial planning in the police service will be constrained by the quality and timeliness of information made available by central government on resource allocation.

Financial Strategies

- 2.1.5 The financial strategy explains how the PCC and Chief Constable ~~will structure and~~ manage their finances to support delivery of the aims and objectives of the service, as set out in the PCC's Police and Criminal Justice Plan and the Strategic Plan, ~~and to whilst~~ ensure sound financial sustainability management and good stewardship of public money.
- 2.1.6 The capital strategy is intended to give a high level overview of how capital expenditure, capital finance and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability.

Responsibilities of the PCC CFO and Director of Finance

- 2.1.7 To review and update, on an annual basis, the financial strategy and the capital strategy.

Responsibility of the PCC

- 2.1.8 To approve the annual financial strategy and the ~~separate~~ capital strategy.

Medium Term Financial Planning

- 2.1.9 The PCC and Chief Constable share a responsibility to provide effective financial and budget planning for the short, medium and longer term. They achieve this by preparing a medium term (3-5 years) financial plan (revenue) and medium term capital plan.

Responsibilities of the PCC

- 2.1.10 To identify and agree, in consultation with the Chief Constable and other relevant partners and stakeholders, a medium term financial strategy which includes funding and spending plans for both revenue and capital. The strategy should take into account multiple years, the inter-dependencies of revenue budgets and capital investment, the role of reserves and consideration of risks. It should have regard to affordability and also to CIPFA's Prudential Code for Capital Finance in Local authorities. The strategy should be aligned with the Police and Criminal Justice Plan.

Responsibilities of the PCC CFO and Director of Finance

- 2.1.11 To determine the format and timing of the medium term financial plans to be presented to the Chief Constable and PCC. The format is to comply with all legal requirements and with latest guidance issued by CIPFA.
- 2.1.12 To prepare a medium term forecast of proposed income and expenditure for submission, initially to the Chief Constable's Management Team, and then to the PCC. When preparing the forecast, the PCC CFO and Director of Finance shall have regard to:
- the police and criminal Justice plan
 - Strategic Plan
 - policy requirements approved by the PCC as part of the policy framework
 - the strategic policing requirement
 - ~~unavoidable,~~ expected future commitments, including legislative requirements
 - initiatives planned/already underway including the local implications of national initiatives
 - funding of the draft medium term capital plan
 - proposed service developments and plans which reflect public consultation
 - the need to deliver efficiency and/or productivity savings
 - government grant allocations
 - potential implications for local taxpayers
- 2.1.13 To prepare a medium term forecast of potential resources, including options for the use of general balances, reserves and provisions, and an assumption about future levels of government funding and council tax precept income.
- 2.1.14 A gap may be identified between available resources and required resources. Requirements should be prioritised by the Chief Constable to enable the PCC to make informed judgements as to future funding levels and planning the use of resources.

Annual Revenue Budget

- 2.1.15 The revenue budget provides an estimate of the annual income and expenditure requirements for the police service and sets out the financial implications of the PCCs strategic policies. It provides Chief Officers with authority to incur expenditure and a basis on which to monitor the financial performance of both the PCC and the Force.

- 2.1.16 The PCC should consult with the Chief Constable and other relevant partners and stakeholders in planning the overall annual budget which will include a separate force budget allocation. This will take into consideration funding from government and from other sources, and balance the expenditure needs of the policing service, community safety and victims and witnesses against the level of local taxation. This should meet the statutory requirements to achieve a balanced budget (Local Government Act 2003) and be completed in accordance with the statutory timeframe.
- 2.1.17 The impact of the annual budget on the priorities and funding of future years as set out in the Police and Criminal Justice Plan and the medium term financial strategy should be clearly identified.

Responsibilities of the PCC

- 2.1.18 To agree the planning timetable with the Chief Constable
- 2.1.19 To obtain the views of the people and relevant ratepayers' representatives in the Force area on the proposed expenditure (including capital expenditure) in the financial year ahead of the financial year to which the proposed expenditure relates
- 2.1.20 To present his proposed council tax precept to the Police and Crime Panel each year and to have regard to any report or recommendation that the Panel makes in response

Responsibilities of the PCC CFO

- 2.1.21 To determine the format of the revenue budget to be presented to the PCC. The format is to comply with all legal requirements and with latest guidance issued by CIPFA
- 2.1.22 To obtain timely and accurate information from billing authorities on the council taxbase and the latest surplus/deficit position on collection funds to inform budget deliberations
- 2.1.23 To advise the PCC on the appropriate level of general balances, earmarked reserves and provisions to be held.
- 2.1.24 To submit a report to the PCC on (1) the robustness of the estimates and the adequacy of reserves and (2) the suite of prudential indicators for the next three years, arising from the Prudential Code for Capital Finance in Local Authorities. These indicators shall be consistent with the annual revenue budget and capital programme approved by the PCC.
- 2.1.25 Upon approval of the annual budget, to submit the council tax requirement return to central government and precept requests to appropriate bodies in accordance with the legal requirement.
- 2.1.26 To produce and publish, in accordance with statutory requirements and timescales, the council tax information leaflet and send a web-link to the billing authorities.

Responsibilities of the Director of Finance

- 2.1.27 To prepare detailed budget estimates for the forthcoming financial year in accordance with the timetable agreed with the PCC CFO.

- 2.1.28 To submit draft budget proposals to the Chief Constable's Management Team to obtain approval from the Chief Constable
- 2.1.29 To submit estimates in the agreed format to the PCC for approval, including details of council tax implications and precept requirements.

2.2 BUDGETARY CONTROL

Why is this important?

- 2.2.1 Budget management ensures that once the PCC has approved the budget, resources allocated are used for their intended purpose and are properly accounted for. Budgetary control is a continuous process, enabling both the Chief Constable and PCC to review and adjust their budget targets during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.
- 2.2.2 The key controls for managing and controlling the revenue budget are that:
- a) there is a nominated budget manager for each cost centre heading who is accountable for the budgets under his direct control; and
 - b) the management of budgets must not be seen in isolation. It should be measured in conjunction with service outputs and performance measures

Revenue Monitoring

Why is this important?

- 2.2.3 By continuously identifying and explaining variances against budgetary targets, TVP can identify changes in trends and resource requirements at the earliest opportunity. The PCC and Chief Constable both operate within an annual cash limit, approved when setting the annual budget. To ensure that TVP in total does not overspend, the Director of Finance and PCC CFO are required to manage expenditure within their budget allocations, subject to the rules of virement.

Responsibilities of the Director of Finance

- 2.2.4 To provide appropriate financial information to enable budgets to be monitored effectively.
- 2.2.5 To ensure that each element of income or expenditure has a nominated budget manager to take responsibility for that part of the budget. Budget responsibility should be aligned as closely as possible to the decision making process that commits expenditure.
- 2.2.6 To ensure that total spending for operational policing remains within the overall allocation of resources and takes corrective action where significant variations from the approved budget are forecast. Where total projected expenditure exceeds the total allocation of resources due to circumstances beyond the control of the Chief Constable, both the PCC CFO and PCC shall be alerted immediately and proposals for remedy should be put forward as part of the regular reporting process to the PCC. The same responsibilities apply to the Chief Executive of Staff and the PCC CFO for their budgets.
- 2.2.7 To submit a budget monitoring report to the Chief Constable's Management Team and the PCC on a regular basis throughout the year, containing the most recently available financial information.

Virement

Why is this important?

- 2.2.8 A virement is an approved reallocation of resources between budgets or heads of expenditure. A budget head is a line in the approved budget report. The scheme of virement is intended to enable chief officers to manage their budgets with a degree of flexibility within the overall policy framework determined by the PCC and, therefore, to provide the opportunity to optimise the use of resources to emerging needs.
- 2.2.9 The Chief Constable should only be required to refer back to the PCC when virement would incur substantive changes in the policy of the PCC or where a virement might create a future year or continuing commitment. Revenue expenditure can only be funded from revenue funding.
- 2.2.10 Key controls for the scheme of virement are:
- it is administered by chief officers in accordance within the limits set out in Financial Regulations. Any variation from this scheme requires the approval of the PCC
 - the overall budget is agreed by the PCC. Chief officers and budget managers are therefore authorised to incur expenditure in accordance with the estimates that make up the budget
 - virement does not create additional overall budget liability.
 - each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring.

Responsibilities

- 2.2.11 The Chief Constable may use revenue provision to purchase capital items or carry out capital works subject to obtaining PCC or PCC CFO approval where the proposed transfer exceeds £250,000 £1m.
- 2.2.12 The Director of Finance can approve any virement of the Force Budget where the additional costs are fully reimbursed by other bodies. The PCC's CFO can approve any virement of the PCC's own budget where the additional costs are fully reimbursed by other bodies.
- 2.2.13 For all other budgets each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring, subject to the following approval levels

Force Budget

Up to £1,000,000
Over £1,000,000

Director of Finance
PCC or PCC CFO

PCC's own budget

Up to £250,000
Over £250,000

PCC CFO
PCC

- 2.2.14 The approval of the PCC CFO (~~or and the PCC~~ depending on if the value is greater than £1m) is required if an appropriation to/from earmarked revenue reserves or general revenue reserves is being sought, or the value of an existing appropriation is being amended.

2.2.15 The approval of the PCC shall be required if the virement involves:

- a) a substantial change in policy
- b) a significant addition to commitments in future years

2.3 CAPITAL PROGRAMME

Why is this important?

- 2.3.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to TVP such as land, buildings, and major items of plant, equipment or vehicles. Capital assets shape the way services are delivered in the long term and may create financial commitments in the form of financing costs and revenue running costs.
- 2.3.2 TVP is able to undertake capital investment providing the spending plans are affordable, prudent and sustainable. CIPFA's Prudential code sets out the framework under which the Force and PCC will consider their spending plans.
- 2.3.3 The capital programme is linked to both the approved financial strategy and the capital strategy.
- 2.3.4 A medium term capital plan will be produced, in accordance with the financial strategy and the capital strategy, which shows all planned capital investment over the next 3-45 years. This plan will include a schedule to show how the planned expenditure will be funded.
- 2.3.5 A separate annual capital budget will be produced before the start of the financial year. Initially, this budget will include ongoing schemes from previous years as well as annual provisions such as vehicles, plant and equipment. Additional schemes from the medium term capital plan will be included in the annual budget after tenders have been accepted and timescales are known.
- 2.3.6 Although TVP procures capital items on behalf of consortium partners, only TVP related expenditure which will be included in the fixed asset register (i.e. including CTPSE) will be included in the medium term capital plan and the annual capital budget.

Responsibilities of the Chief Constable

- 2.3.7 To develop and implement asset management plans. These will inform the medium term and annual capital programmes.

Responsibilities of the PCC

- 2.3.8 To approve the estates asset management plan

Medium Term Capital Plan

Responsibilities of the Director of Finance

- 2.3.9 To prepare a rolling programme of proposed capital expenditure, in accordance with the agreed financial strategy and the capital strategy, for initial consideration by the Chief Constable's Management Team and then for presentation to the PCC. Each scheme shall identify the total capital cost of the project and any additional revenue commitments.

- 2.3.10 To prepare project appraisals (i.e. the Business Proposal Form) for all schemes in the draft medium term capital plan. Where appropriate these will be developed jointly with Hampshire Constabulary and/or other partners, and will include an appropriate element for optimism bias. These shall be submitted to the PCC CFO and PCC for consideration and scheme approval. This will include all additional revenue and capital costs.
- 2.3.11 To identify, in consultation with the PCC CFO, available sources of funding for the medium term capital plan, including the identification of potential capital receipts from disposal of assets and the level of Direct Revenue Funding required.
- 2.3.12 A gap may be identified between available resources and required capital investment. Requirements should be prioritised by the Chief Constable to enable the PCC to make informed judgements as to which schemes should be included in the capital plan, the minimum level of funding required for each scheme and the potential phasing of capital expenditure.
- 2.3.13 A fully funded medium term capital plan shall, on an annual basis, be presented to the PCC for consideration and approval
- 2.3.14 Approval of the medium term capital plan by the PCC in January / February each year authorises the Chief Constable to seek planning permissions, incur professional fees and preliminary expenses as appropriate.

Responsibilities of the PCC CFO

- 2.3.15 To make recommendations to the PCC on the most appropriate level and application of revenue support, reserves and borrowing, under the Prudential Code, to support the capital plan.

Responsibilities of the PCC

- 2.3.16 To approve a fully funded medium term capital plan.

Annual Capital Budget

Responsibilities of the PCC

- 2.3.17 To agree the annual capital budget, and how it is to be financed.
- 2.3.18 To hold the Chief Constable to account for delivery of effective capital schemes within budget.

Responsibilities of the Chief Constable

- 2.3.19 To present an annual capital budget to the PCC for approval
- 2.3.20 To ensure-manage expenditure on individual capital schemes within the -does not exceed the- approved scheme budget. Where schemes are expected to exceed budget by more than 10% or £250200,000 (whichever is the lower amount) approval should be sought from the PCC CFO. Increases of more than £1m must be approved by the PCC.

- 2.3.21 To ensure that finance leases or other credit arrangements are not entered into without the prior approval of the PCC CFO.
- 2.3.22 To ensure that, apart from professional fees (e.g. feasibility studies and planning fees) no other capital expenditure is incurred before the contract is let and the scheme is included in the annual capital budget.

Monitoring of Capital Expenditure

Responsibilities of the Director of Finance

- 2.3.23 To ensure that adequate records are maintained for all capital contracts
- 2.3.24 To monitor expenditure throughout the year against the approved capital budget.
- 2.3.25 To submit capital monitoring reports to both the Chief Constable's Management Team and the PCC on a regular basis throughout the year. These reports are to be based on the most recently available financial information. The monitoring reports will show spending to date and compare projected income and expenditure with the approved budget.
- 2.3.26 For proposed in-year amendments to the annual capital budget, for schemes not already included in the medium term capital plan, to prepare a business case for submission to the PCC for consideration and approval, including details on how the new scheme is to be funded.

Responsibilities of the PCC CFO and Director of Finance

- 2.3.27 To report on the outturn of capital expenditure as part of the annual report on the statutory accounts.

2.4 MAINTENANCE OF BALANCES AND RESERVES

Why is this important?

- 2.4.1 The PCC must decide the level of general reserves he wishes to retain before he can decide the level of council tax. Reserves are maintained as a matter of prudence. They enable the organisation to provide for cash flow fluctuations and unexpected costly events and thereby help protect it from overspending the annual budget, should such events occur. Reserves for specific purposes may also be maintained where it is likely that a spending requirement will occur in the future.

Responsibilities of the PCC CFO

- 2.4.2 To advise the PCC on reasonable levels of balances and reserves.
- 2.4.3 To report to the PCC on the adequacy of reserves and balances before he approves the annual budget and council tax (s25, LG Act 2003).
- 2.4.4 To approve appropriations to and from each earmarked reserve. These will be separately identified in the Annual Statement of Accounts.
- 2.4.5 To ensure the **A**nnual **R**eserves **S**trategy is published on the PCC's website in accordance with Home Office requirements.

Responsibilities of the Director of Finance

- 2.4.6 To ensure that the annual revenue budget is sufficient to finance foreseeable operational needs without having to request additional approval.
- 2.4.7 To present a business case to the PCC CFO and PCC for one-off expenditure items to be funded from earmarked and/or general reserves.

Responsibilities of the PCC

- 2.4.8 To approve a policy on reserves and balances, including lower and upper parameters for the level of general balances
- 2.4.9 To approve the creation of each earmarked reserve. The purpose, usage and basis of transactions should be clearly identified for each reserve established.
- 2.4.10 To approve the allocation of monies to and from general and earmarked reserves, as part of the annual budget setting process.

3.1 RISK MANAGEMENT AND BUSINESS CONTINUITY

Why is this important?

- 3.1.1 It is essential that robust, integrated systems are developed and maintained for identifying and evaluating all potential significant corporate and operational risks. This should include the proactive participation of all those associated with planning and delivering services.
- 3.1.2 All organisations, whether private or public sector, face risks to people, property and continued operations. Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk cannot be eliminated altogether. However, risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of TVP and to ensure the continued corporate and financial wellbeing of TVP. In essence it is, therefore, an integral part of good business practice.
- 3.1.3 Business continuity is a key part of the risk management agenda and is concerned with ensuring that the organisation can continue to operate and deliver its critical services during a period of disruption.

Responsibilities of the PCC and Chief Constable

- 3.1.4 The PCC and Chief Constable are jointly responsible for approving the risk management policy statement and strategy, and for reviewing the effectiveness of risk management.

Responsibilities of Chief Officers

- 3.1.5 To prepare the TVP risk management policy statement and for promoting a culture of risk management awareness throughout TVP and reviewing risk as an ongoing process.
- 3.1.6 To maintain and/or implement new procedures, as necessary and appropriate, to identify, assess, prevent or contain material known risks, with a monitoring process in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be formalised and conducted on a continuing basis
- 3.1.7 To ensure that appropriate business continuity plans are developed, implemented and tested on a regular basis

Responsibilities of the PCC CFO and Director of Finance

- 3.1.8 To advise the PCC and Chief Constable on appropriate arrangements for insurance. Acceptable levels of risk should be determined and insured against where appropriate. Activities leading to levels of risk assessed as unacceptable should not be undertaken.
- 3.1.9 To arrange for an actuary to undertake a regular review of TVP's own self-insurance fund and, following that review, to recommend to the Chief Constable and PCC a course of action to ensure that, over the medium term, the fund is able to meet all known liabilities.
- 3.1.10 To ensure that appropriate insurance cover is provided.
- 3.1.11 To ensure that claims made by TVP against insurance policies are made promptly

Responsibilities of the Chief Constable

- 3.1.12 To make all appropriate employees aware of their responsibilities for managing relevant risks
- 3.1.13 To ensure that employees, or anyone covered by TVP insurance, is instructed not to admit liability or make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim
- 3.1.14 To ensure that a comprehensive risk register is produced and updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk

Responsibilities of the Chief Executive of Staff

- 3.1.15 To ensure that a comprehensive risk register is produced for the OPCC and is updated regularly, and that corrective action is taken at the earliest possible opportunity to either transfer, treat, tolerate or terminate the identified risk

Responsibilities of the Chief Executive of Staff and Head of Legal Services

- 3.1.16 To evaluate and authorise any terms of indemnity that TVP is requested to give by external parties.

3.2 INTERNAL CONTROL SYSTEM

Why is this important?

- 3.2.1 Internal control refers to the systems of control devised by management to help ensure TVP objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that TVP assets and interests are safeguarded.
- 3.2.2 TVP is complex and requires an internal control framework to manage and monitor progress towards strategic objectives. TVP has statutory obligations and therefore requires a system of internal control to identify, meet and monitor compliance with these obligations.
- 3.2.3 TVP faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. A system of internal control is necessary to manage these risks. The system of internal control is established in order to provide achievement of:
- efficient and effective operations
 - reliable financial information and reporting
 - compliance with laws and regulations
 - risk management

Responsibilities of Chief Officers

- 3.2.4 To implement effective systems of internal control, in accordance with advice from the PCC CFO and Director of Finance. These arrangements shall ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice. They shall ensure that public resources are properly safeguarded and used economically, efficiently and effectively.
- 3.2.5 To ensure that effective key controls are operating in managerial control systems, including defining policies, setting objectives and plans, monitoring financial and other performance information and taking appropriate anticipatory and remedial action where necessary. The key objective of these control systems is to define roles and responsibilities.
- 3.2.6 To ensure that effective key controls are operating in financial and operational systems and procedures. This includes physical safeguard of assets, segregation of duties, authorisation and approval procedures and robust information systems.
- 3.2.7 To produce Annual Governance Statements for consideration and approval by the PCC and Chief Constable.
- 3.2.8 To consider and respond promptly to control weaknesses and issues in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

3.3 AUDIT REQUIREMENTS

Joint Independent Audit Committee

Why is this important?

- 3.3.1 The purpose of an audit committee is to provide those charged with governance (i.e. the PCC and Chief Constable) independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place

Responsibilities of the PCC and Chief Constable

- 3.3.2 To recruit and appoint 3-5 members of the Committee [\(total membership may exceed 5 on a temporary basis to facilitate smooth transition\)](#). These members should be independent of both the PCC and the Force
- 3.3.3 To determine the Committee Terms of Reference (or Operating Principles)
- 3.3.4 To prepare and sign annual letters of representation and submit to the external auditor
- 3.3.5 To receive and act upon the annual assurance statement from the Committee

Internal Audit

Why is this important?

- 3.3.6 Internal audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment, by evaluating the adequacy and effectiveness of internal controls that are in place to manage and mitigate financial and non-financial risk to support delivery of the organisation's objectives. It objectively examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.
- 3.3.7 The requirement for an internal audit function for local authorities is either explicit or implied in the relevant local government legislation (section 151 of the Local Government Act 1972), which requires that authorities "make arrangements for the proper administration of their financial affairs". In the Police Service, the PCC and Chief Constable are required to maintain an effective audit of their affairs by virtue of the Accounts and Audit Regulations 2015 (as amended) which state that a "relevant body must maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control". The guidance accompanying the legislation states that proper internal control practices for internal audit are those contained in the Public Sector Internal Audit Standards.
- 3.3.8 In fulfilling this requirement, the PCC and Chief Constable should have regard to the Public Sector Internal Audit Standards.

- 3.3.9 In addition to enabling the PCC and the Chief Constable to fulfil their requirements in relation to the relevant Accounts and Audit Regulations, internal Audit is needed to satisfy the PCC and the Chief Constable that effective internal control systems are in place.

Responsibilities of the Joint Independent Audit Committee

- 3.3.10 In terms of internal audit, the Joint Independent Audit Committee's operating principles will include the following key activities and responsibilities:

- Annually review the internal audit charter and resource
- Receive and consider the adequacy and effectiveness of the arrangements for the provision of the internal audit service
- Consider and comment on the Internal Audit Strategy and Plan.
- Receive and review internal audit reports and monitor progress of implementing agreed actions
- To consider the Head of Internal Audit's statement on the level of conformance with the Public Sector Internal Audit Standards (PSIAS) and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that support the statement
- Consider and comment upon the annual report of the Head of Internal Audit
- Obtain assurance that an annual review of the effectiveness of the internal audit function takes place

- 3.3.11 To note and endorse the Internal Audit Strategy and Joint Internal Audit Plan, which sets out the joint Internal Audit Team's:

- objectives and outcomes;
- Planning methodology;
- Resources;
- Annual Plan; and
- Performance measurements.

Responsibilities of the PCC, Chief Constable, PCC CFO and Director of Finance

- 3.3.12 To ensure the provision of an adequate and effective internal audit service.

- 3.3.13 To ensure that internal auditors, having been security cleared, have the authority to:

- access TVP premises at reasonable times
- access all assets, records, documents, correspondence, control systems and appropriate personnel, subject to appropriate security clearance
- receive any information and explanation considered necessary concerning any matter under consideration
- require any employee to account for cash, stores or any other TVP asset under their control
- access records belonging to contractors, when required. This shall be achieved by including an appropriate clause in all contracts.

- 3.3.14 Internal Audit shall have direct access to all Chief Officers and employees, where necessary, to discharge their responsibilities.

Responsibilities of the PCC CFO and the Director of Finance

- 3.3.15 To approve the annual internal audit plan, having considered the views expressed by stakeholders, including the Joint Independent Audit Committee.
- 3.3.16 To approve in-year variations to the annual internal audit plan.

Responsibilities of the Chief Internal Auditor

- 3.3.17 To prepare - in consultation with the PCC, Chief Constable, PCC CFO and Director of Finance - an annual audit plan that conforms to the Public Sector Internal Audit Standards, for consideration by the Joint Independent Audit Committee.
- 3.3.18 To attend meetings of the Joint Independent Audit Committee and to present to each Committee a report on the progress in delivering the annual plan, the matters arising from audits, and the extent to which agreed actions in response to issues raised in the audit reports have been delivered.
- 3.3.19 To present an annual report to the Joint Independent Audit Committee, including an opinion on the effectiveness of the internal control environment in TVP.

Responsibilities of Chief Officers

- 3.3.20 To consider and respond promptly to control weaknesses and issues in audit reports and ensure that all critical or significant agreed actions arising from the audit are carried out in accordance with the agreed action plan included in each report.

Responsibilities of the Director of Finance

- 3.3.21 To ensure that new systems for maintaining financial records or records of assets, or significant changes to existing systems, are discussed with and agreed by the PCC CFO and internal audit prior to implementation.
- 3.3.22 To notify the PCC CFO immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of TVP property or resources. Pending investigation and reporting, the Chief Constable should take all necessary steps to prevent further loss and to secure records and documentation against removal or alteration. Investigation of internal financial irregularities shall normally be carried out by the Professional Standards Department, who shall consult with the Chief Internal Auditor as appropriate and keep him informed of progress. At the conclusion of the investigation the Chief Internal Auditor shall be informed of the outcome and agree with the Head of Professional Standards and the Director of Finance whether any internal audit review of the internal controls would be beneficial. The operation of this Regulation shall be in accordance with the agreed protocol between the Head of Professional Standards, the Director of Finance and the Chief Internal Auditor.

External Audit

Why is this important?

- 3.3.23 The PCC and the Chief Constable are responsible for selecting and appointing their own external auditor. They may choose to do this by using the Public Sector Audit Appointments (PSAA) Ltd.
- 3.3.24 The external auditor has rights of access to all documents and information necessary for audit purposes.
- 3.3.25 The basic duties of the external auditor are governed by section 15 of the Local Government Finance Act 1982, the Audit Commission Act 1998 and the Local Government Act 1999. In particular, section 4 of the 1998 Act requires the National Audit Office to prepare a code of audit practice, which external auditors follow when carrying out their duties. The code of audit practice sets out the auditor's objectives to review and report upon:
- the audited body's financial statements
 - aspects of the audited body's arrangements to secure Value for Money.
- 3.3.26 In auditing the annual accounts, the external auditor must satisfy themselves, in accordance with Section 5 of the 1998 Act, that:
- the accounts are prepared in accordance with the relevant regulations;
 - they comply with the requirements of all other statutory provisions applicable to the accounts;
 - proper practices have been observed in the compilation of the accounts; and
 - the body whose accounts are being audited has made proper arrangements for securing economy, efficiency and effectiveness.
- 3.3.27 The 1998 Act sets out other specific responsibilities of the auditor, for example under the section on financial reporting.

Responsibilities of the Joint Independent Audit Committee

- 3.3.28 To approve the annual work plan and fee
- 3.5.1 To receive and respond to the ISA 260 Audit Results report on the financial statements and value for money
- 3.3.29 To receive the annual audit report

Responsibilities of the PCC CFO and Director of Finance

- 3.3.30 To liaise with the external auditor and advise the PCC and Chief Constable on their responsibilities in relation to external audit and ensure there is effective liaison between external and internal audit.
- 3.3.31 To ensure that for the purposes of their work the external auditors are given the access to which they are statutorily entitled in relation to TVP premises, assets, records, documents, correspondence, control systems and personnel, subject to appropriate security clearance.

- 3.3.32 To respond to draft action plans and to ensure that agreed recommendations are implemented in a timely manner

Responsibilities of the PCC and Chief Constable

- 3.3.33 To select and appoint the external auditor

3.4 PREVENTING FRAUD AND CORRUPTION

Why is this important?

- 3.4.1 TVP will not tolerate fraud or corruption in the administration of its responsibilities, whether from inside or outside TVP.
- 3.4.2 TVP expectation of propriety and accountability is that the PCC, Chief Constable and employees at all levels will lead by example in ensuring adherence to legal requirements, rules, procedures and practices.
- 3.4.3 TVP also expects that individuals and organisations (e.g. suppliers, contractors, and service providers) with whom it comes into contact will act with honesty and integrity.

Responsibilities of the PCC and Chief Constable

- 3.4.4 To approve and adopt a policy on registering of interests and the receipt of hospitality and gifts
- 3.4.5 To maintain an effective anti-fraud, bribery and corruption policy, including relevant provisions in the Bribery Act 2010.
- 3.4.6 To ensure that adequate and effective internal control arrangements are in place
- 3.4.7 To maintain a policy for the registering of interests and the receipt of hospitality and gifts covering the PCC, Chief Constable and all employees. A register of interests and a register of hospitality and gifts shall be maintained for the PCC and employees.
- 3.4.8 To adopt and maintain a whistle blowing policy to provide a facility that enables employees, the general public and contractors to make allegations of fraud, misuse and corruption in confidence, and without recrimination, to an independent contact. Procedures shall ensure that allegations are investigated robustly as to their validity, that they are not malicious and that appropriate action is taken to address any concerns identified. The Chief Constable shall ensure that all employees are aware of any approved whistle blowing policy.
- 3.4.9 To implement and maintain a clear internal financial control framework setting out the approved financial systems to be followed by the PCC, Chief Constable and all employees.
- 3.4.10 To investigate, as appropriate, all allegations of bribery, fraud and corruption.

3.5 ASSETS - Acquisition, Ownership and Disposal

Why is this important?

3.5.1 TVP holds assets in the form of land, property, vehicles, equipment, furniture and other items, together worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, that there are arrangements for the security of both assets and information required for service operations and that proper arrangements exist for the disposal of assets. An up-to-date asset register is a prerequisite for proper fixed asset accounting and sound asset management.

3.5.2 It would be uneconomic and inefficient for the cost of assets to outweigh their benefits. Obsolete, non-repairable or unnecessary resources should be disposed of in accordance with the law and the policies and regulations of the PCC and Chief Constable.

Context

3.5.3 The PCC will own all estate assets i.e. land and buildings.

3.5.4 The Chief Constable is responsible for the direction and control of the Force and therefore has day-to-day management of all assets used by the Force.

3.5.5 The PCC has given consent to the Chief Constable to own, operate and dispose of all non-estate assets (i.e. vehicles, plant and equipment).

3.5.6 The Chief Constable should formally consult the PCC in planning the draft budget and developing the medium term financial strategy. Both these processes should involve a full assessment of the assets required to meet operational requirements, including in terms of human resources, infrastructure, land, property and equipment.

Responsibilities of the Chief Constable

3.5.7 To ensure that the medium term financial plan is reliable and robust and, in particular, to ensure that:

- a) an estates asset management plan is produced and presented to the PCC for approval
- b) the property portfolio is managed in accordance with the agreed estates asset management plan and within budgetary provisions, in consultation with the Chief Executive and PCC CFO as appropriate
- c) lessees and other prospective occupiers of TVP land are not allowed to take possession or enter the land until a lease or agreement has been established as appropriate
- d) an overview of the ICT strategy is produced and presented to the PCC for consideration and endorsement each year

Responsibilities of the PCC

3.5.8 To approve an estates asset management plan, including disposals.

- 3.5.9 To approve the purchase of all land and buildings
- 3.5.10 To ensure that the title deeds to TVP property are held securely

Joint responsibilities of the Chief Constable and PCC

- 3.5.11 To ensure that:
- a) an asset register is maintained to provide TVP with information about fixed assets so that they are safeguarded, used efficiently and effectively, adequately maintained and valued in accordance with statutory and management requirements
 - b) assets and records of assets are properly maintained and securely held and that contingency plans for the security of assets and continuity of service in the event of disaster or system failure are in place
 - c) all employees are aware of their responsibilities with regard to safeguarding TVP assets and information, including the requirements of the Data Protection Act and software copyright legislation
 - d) assets no longer required are disposed of in accordance with the law and the regulations of the TVP
 - e) all employees are aware of their responsibilities with regard to safeguarding the security of TVP ICT systems, including maintaining restricted access to the information held on them and compliance with the information and security policies.

Asset Disposal

Consent from the PCC

- 3.5.12 The PCC has given consent to the Chief Constable to dispose of all non-estate assets (e.g. vehicles, plant and equipment) in accordance with the Financial Strategy.

Responsibilities of the Chief Constable

- 3.5.13 To arrange for the disposal of (without the specific approval of the PCC):
- a) To ensure the secure and appropriate disposal of assets
 - b) Non-estate assets at the appropriate time and at the most advantageous price. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.
 - c) Police houses and other surplus land and buildings with an estimated sale value of less than £1m500,000. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.

Responsibilities of the PCC

- 3.5.14 To approve the disposal of police houses and other surplus land and buildings with an estimated sale value of over £500,0001m

Responsibilities of the Director of Finance

- 3.5.15 To record all asset disposals in the asset register and/or appropriate inventory lists.

Responsibilities of the PCC CFO and Director of Finance

- 3.5.16 To ensure that income received for the disposal of an asset is properly banked and accounted for.
- 3.5.17 To ensure that appropriate accounting entries are made to remove the value of disposed assets from TVP records and to include the sale proceed if appropriate.

Interests in Land

Responsibilities of the Chief Constable

- 3.5.18 The Chief Constable, shall:
- a) Arrange to grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, without the specific approval of the PCC, up to an annual rental of ~~£100,000~~ £200,000;
 - b) take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms

Responsibilities of the PCC and Chief ~~Executive of Staff~~ Finance Officer

- 3.5.19 The Chief ~~Executive of Staff~~ Finance Officer shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of ~~£100,000~~ £200,000 but below ~~£500,000~~ £1m.
- 3.5.20 The PCC shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of ~~£500,000~~ £1m.

Valuation

Responsibilities of the Director of Finance

- 3.5.21 To maintain an asset register for all fixed assets with a value in excess of the limits shown below, in a form approved by the PCC CFO. Assets are to be recorded when they are acquired by TVP. Assets shall remain on the asset register until disposal. Assets are to be valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom* and the requirements specified by the PCC CFO

<i>Land & Buildings</i>	<i>All values</i>
<i>Vehicles</i>	<i>All values</i>
<i>ICT hardware</i>	<i>All values</i>
<i>Plant & Equipment</i>	<i>£100,000</i>

Stocks and Stores

Responsibilities of the Director of Finance

- 3.5.22 To make arrangements for the care, custody and control of the stocks and stores of TVP and to maintain detailed stores accounts.
- 3.5.23 To undertake a complete stock check at least once per year either by means of continuous or annual stocktake. The stocktake shall be undertaken and certified by an authorised member of staff who is independent of the stock keeping function. This procedure shall be followed and a complete stock check undertaken whenever stock keeping duties change.
- 3.5.24 To write-off any discrepancies between the actual level of stock and the book value of stock up to £2550,000 in value. Any items over £2550,000 require the approval of the PCC CFO
- 3.5.25 To write-off obsolete stock up to the value of £2550,000. Any write-offs over £2550,000 require the approval of the PCC CFO

Intellectual Property

Why is this important?

- 3.5.26 Intellectual property is a generic term that includes inventions and writing e.g. computer software.
- 3.5.27 It is TVP policy that if any Intellectual Policy is created by the employee during the course of employment then, as a general rule, this will belong to the employer, not the employee. Various acts of Parliament cover different types of intellectual property. Certain activities undertaken within TVP may give rise to items that could be patented, for example, software development. These items are collectively known as intellectual property.
- 3.5.28 In the event that TVP decides to become involved in the commercial exploitation of inventions, the matter should proceed in accordance with an intellectual property policy. Matters should only proceed after legal advice

Responsibilities of the Chief Constable

- 3.5.29 To prepare guidance on intellectual property procedures and ensuring that employees are aware of these procedures.

Responsibilities of the Chief Constable and PCC

- 3.5.30 To approve the intellectual property policy

3.6 TREASURY MANAGEMENT AND BANKING ARRANGEMENTS

Treasury Management

Why is this important?

3.6.1 TVP is a large organisation that handles hundreds of millions of pounds in each financial year. It is important that TVP money is managed properly, in a way that balances risk with return, but with the prime consideration being given to the security of the TVP capital sum.

3.6.2 TVP will create and maintain, as the cornerstones for effective treasury management:

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities;
- Suitable Treasury Management Practices (TMPs) setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

Responsibilities of the PCC

3.6.3 To adopt the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code).

3.6.4 To approve the annual treasury management strategy statement, including the annual investment strategy

3.6.5 To receive and approve quarterly treasury management performance monitoring reports

Responsibilities of the PCC CFO

3.6.6 To implement and monitor treasury management policies and practices in line with the CIPFA Code and other professional guidance

3.6.7 To prepare reports on the PCC's treasury management policies, practices and activities, including, as a minimum, an annual strategy, quarterly performance monitoring reports and an annual report.

3.6.8 To execute and administer treasury management in accordance with the CIPFA Code and the PCC's policy.

3.6.9 To arrange borrowing and investments, in compliance with the CIPFA Code

~~3.6.10 To ensure that all investments and borrowings are made in the name of TVP.~~

Banking Arrangements

Why is this important?

~~3.6.11~~3.6.10 Our banking activities are controlled by a single contract which aims to provide a wide range of complex and specialist banking services to TVP departments, establishments and staff. A consistent and secure approach to banking services is essential in order to achieve optimum performance from TVP bankers and the best possible value for money. To minimise administration and costs the PCC and Chief Constable will share bank accounts.

Responsibilities of the PCC CFO

~~3.6.12~~3.6.11 To have overall responsibility for the banking arrangements for TVP.

~~3.6.13~~3.6.12 To authorise the opening and closing of all TVP bank accounts. With the exception of 3.6.17 below no other employee shall open a **TVP** bank account unless they are performing a statutory function (e.g. treasurer of a charitable body) in their own right

~~3.6.14~~3.6.13 To undertake bank reconciliations on a timely and accurate basis.

~~3.6.15~~3.6.14 To determine signatories on all TVP bank accounts

~~3.6.16~~3.6.15 To authorise the opening and closing of the digital apprenticeship levy accounts

Responsibilities of the Director of Finance

~~3.6.17~~3.6.16 To authorise the opening and closing of TVP bank accounts, for specific purposes, as agreed with the PCC CFO.

~~3.6.18~~3.6.17 To undertake bank reconciliations on a timely and accurate basis for these specific bank accounts.

~~3.6.19~~3.6.18 To determine signatories on these specific TVP bank accounts

~~3.6.20~~3.6.19 To determine appropriate internal control arrangements for operating the digital apprenticeship levy accounts

Imprest Accounts / Petty Cash

Why is this important?

~~3.6.21~~3.6.20 Cash advances may be made to an individual in a department / establishment in order that relatively small incidental payments may be made quickly. A record of disbursements from the account should be maintained to control the account and so that the expenditure may be substantiated, accurately reflected in the TVP accounts and correctly reimbursed to the account holder.

Responsibilities of the Chief Constable

~~3.6.22~~3.6.21 To provide appropriate employees of TVP with cash, bank imprests or pre-paid cash cards to meet minor expenditure on behalf of TVP. The Chief Constable shall determine reasonable petty cash limits and maintain a record of all transactions and petty cash advances made, and periodically review the arrangements for the safe custody and control of these advances.

~~3.6.23~~3.6.22 To prepare detailed Financial Instructions for dealing with petty cash, to be agreed with the PCC CFO, and these shall be issued to all appropriate employees.

Money Laundering

Why is this important?

~~3.6.24~~3.6.23 TVP is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money.

~~3.6.25~~3.6.24 Suspicious cash deposits in any currency in excess of €~~40~~15,000 (or equivalent) should be reported to the National Crime Agency (NCA)

~~3.6.26~~3.6.25 TVP will monitor its internal control procedures to ensure they are reliable and robust.

Responsibilities of the PCC CFO

~~3.6.27~~3.6.26 To be the nominated Money Laundering Reporting Officer (MLRO) for TVP.

~~3.6.28~~3.6.27 Upon receipt of a disclosure to consider, in the light of all information, whether it gives rise to such knowledge or suspicion.

~~3.6.29~~3.6.28 To disclose relevant information to the National Crime Agency (NCA)

Responsibilities of Chief Officers

~~3.6.30~~3.6.29 To undertake appropriate checks to ensure that all new suppliers and counterparties are bona fide

Responsibilities of employees

~~3.6.31~~3.6.30 To notify the PCC CFO as soon as they receive information which may result in them knowing or having reasonable grounds for knowing or suspecting money laundering, fraud or use of the proceeds of crime

~~3.6.32~~3.6.31 Cash bankings from a single source over €~~40~~15,000 should be reported to the PCC CFO. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act (see Financial Regulation 3.9).

3.7 STAFFING

Why is this important?

- 3.7.1 Staffing costs form the largest element of the annual policing budget. An appropriate People strategy should exist, in which staffing requirements and budget allocations are matched. The Chief Constable is responsible for approving the overall People strategy.

Responsibilities of the Chief Constable

- 3.7.2 To ensure that employees are appointed, employed and dismissed in accordance with relevant statutory regulations, national agreements and personnel policies, budgets and strategies.
- 3.7.3 To advise the PCC on the budget necessary in any given year to cover estimated staffing levels
- 3.7.4 To adjust the staffing numbers to meet the approved budget provision, and varying the provision as necessary within policy constraints in order to meet changing operational needs
- 3.7.5 To have systems in place to record all matters affecting payments to staff, including appointments, resignations, dismissals, secondments, suspensions, transfers and all absences from work.
- 3.7.6 To approve policy arrangements for premature retirements on grounds of ill-health or efficiency for all staff and redundancy arrangements for support staff.

Responsibilities of the Chief Executive of Staff

- 3.7.7 To have the same responsibilities as above for staff employed directly by the PCC.

3.8 TRUST FUNDS

Why is this important?

- 3.8.1 Trust Funds have a formal legal status governed by a Deed of Trust. Employees and police officers acting as trustees must ensure that they are conversant with the requirements of the Trust Deed and the law and comply fully with them.
- 3.8.2 The TVP financial procedures and financial regulations should be viewed as best practice, which ought to be followed whenever practicable.
- 3.8.3 Examples include the TVP Benevolent Fund, TVP Civilian Staff Welfare Fund, TVP Welfare Fund, Thames Valley Special Constabulary Fund and the Sullhamstead Police College Trust Fund.
- 3.8.4 No employee shall open a trust fund without the specific approval of the Chief Constable or the PCC.

Responsibilities of Trustees

- 3.8.5 All employees acting as trustees by virtue of their official position shall ensure that accounts are audited as required by law and submitted annually to the appropriate body, and the PCC CFO and/or Director of Finance shall be entitled to verify that this has been done.

3.9 ADMINISTRATION OF EVIDENTIAL & NON-EVIDENTIAL PROPERTY

Why is this important?

- 3.9.1 The Chief Constable is required to exercise a duty of care and safeguard evidential or non-evidential property pending decisions on its ownership, or private property of an individual, e.g. a suspect in custody.

Responsibilities of the Chief Constable

- 3.9.2 To determine procedures for the safekeeping of the private property of a person, other than a member of staff, under his guardianship or supervision. These procedures shall be made available to all appropriate employees. For more detailed information, please refer to the Evidential and Non-Evidential Standard Operating Procedure (SOP).
- 3.9.3 To determine procedures for the safekeeping of evidential or non-evidential property. These procedures shall be made available to all appropriate employees and shall make specific reference to the need for insurance of valuable items.
- 3.9.4 To issue separate Financial Instructions for dealing with cash, including seized cash under the Proceeds of Crime Act

Responsibilities of all employees

- 3.9.5 To notify the Chief Constable immediately in the case of loss or diminution in value of such private property.

Police Property Act Fund

Why is this important?

- 3.9.6 The Police Property Act Fund consists of:
- (a) the proceeds of sale of property to which the Police (Property) Regulations 1997 apply (usually seized property where the owner has not been ascertained); and
 - (b) money to which those Regulations apply
- 3.9.7 The Fund may be used to:
- (a) Defray expenses connected with the custody and sale of the property
 - (b) Pay reasonable compensation to persons by whom property has been delivered to the police
 - (c) Make payments for charitable purposes
- 3.9.8 The Regulations also make provision for property to vest in the PCC (where it can be used for police purposes) or to be destroyed or disposed of (where the nature of the property is such that it is not in the public interest for it to be sold or retained)

Responsibilities of PCC and Chief Constable

- 3.9.9 The PCC and Chief Constable shall jointly determine the payments to be made in accordance with the Regulations, and the recipients thereof.
- 3.9.10 The PCC shall determine, on a recommendation made by or on behalf of the Chief Constable, whether any property to which the Regulations apply can be used for police purposes and, if so, whether such property shall be retained by and vest in the PCC.
- 3.9.11 The Chief Constable shall determine whether the nature of any property to which the Regulations apply is such that it is not in the public interest that it should be sold or retained and give directions as to the destruction or disposal of such property.

3.10 GIFTS, LOANS AND SPONSORSHIP

- 3.10.1 This does not include the receipt of hospitality and gifts – please see Section 3.4 ('Preventing Fraud and Corruption')

Why is this important?

- 3.10.2 In accordance with the Police Act 1996, the PCC may decide to accept gifts of money and gifts or loans of other property or services (e.g. car parking spaces) if they will enable the police either to enhance or extend the service which they would normally be expected to provide. The terms on which gifts or loans are accepted may allow commercial sponsorship of some police force activities.

Context

- 3.10.3 Gifts, loans and sponsorship are particularly suitable for multi-agency work such as crime prevention, community relations work, and victim support schemes.
- 3.10.4 Gifts, loans and sponsorship can be accepted from any source which has genuine and well intentioned reasons for wishing to support specific projects. In return, the provider may expect some publicity or other acknowledgement. It is acceptable to allow the provider to display the organisation's name or logo on publicity material, provided this does not dominate or detract from the purpose of the supported project.

Responsibilities of the PCC

- 3.10.5 To approve the policy on gifts, loans and sponsorship

Responsibilities of the Chief Constable

- 3.10.6 To accept gifts, loans or sponsorship within agreed policy guidelines.
- 3.10.7 To refer all gifts, loans and sponsorship above £50,000 to the PCC for approval before they are accepted.

Responsibilities of the Director of Finance

- 3.10.8 To present an annual report to the PCC listing all gifts, loans and sponsorship.
- 3.10.9 To maintain a central register, in a format agreed by the PCC CFO, of all sponsorship initiatives and agreements including their true market value, and to provide an annual certified statement of all such initiatives and agreements. The register will be made available to the PCC CFO, who shall satisfy himself that it provides a suitable account of the extent to which such additional resources have been received.
- 3.10.10 To bank cash from sponsorship activity in accordance with normal income procedures.

4.1 SYSTEMS & PROCESSES - INTRODUCTION

Why is this important?

- 4.1.1 There are many systems and procedures relating to the control of TVP assets, including purchasing, costing and management systems. TVP is reliant on computers for financial management information. This information must be accurate and the systems and procedures sound and well administered. They should contain controls to ensure that transactions are properly processed and errors detected promptly.
- 4.1.2 The PCC CFO and Director of Finance both have a statutory responsibility to ensure that TVP financial systems are sound and should therefore be notified of any proposed new developments or changes.

Responsibilities of the PCC CFO and Director of Finance

- 4.1.3 To make arrangements for the proper administration of TVP financial affairs, including to:
- issue advice, guidance and procedures for officers and others acting on behalf of TVP
 - determine the accounting systems, form of accounts and supporting financial records
 - establish arrangements for the audit of TVP financial affairs
 - approve any new financial systems to be introduced
 - approve any changes to existing financial systems.
- 4.1.4 To ensure, in respect of systems and processes, that
- systems are secure, adequate internal control exist and accounting records (e.g. invoices, income documentation) are properly maintained and held securely. This is to include an appropriate segregation of duties to minimise the risk of error, fraud or other malpractice.
 - appropriate controls exist to ensure that all systems input, processing and output is genuine, complete, accurate, timely and not processed previously
 - a complete audit trail is maintained, allowing financial transactions to be traced from the accounting records to the original document and vice versa
 - systems are documented and staff trained in operations
- 4.1.5 To ensure that there is a documented and tested business continuity plan to allow key system processing to resume quickly in the event of an interruption. Effective contingency arrangements, including back up procedures, are to be in place in the event of a failure in computer systems
- 4.1.6 To establish and maintain Financial Instructions identifying staff authorised to act on their behalf in respect of income collection, placing orders, making payments and employing staff.

4.2 INCOME

Why is this important?

- 4.2.1 Income is vital to TVP and effective systems are necessary to ensure that all income due is identified, collected, receipted and banked promptly.

Context

- 4.2.2 The PCC and Chief Constable should adopt the NPCC national charging policies and national guidance when applying charges for services and goods, including special services (section 25 Police Act), Mutual Aid (section 26 Police Act) and Goods & Services (section 18 Local Government Act). They should keep in mind that the purpose of charging is to ensure that, wherever appropriate, those using the services pay for them.
- 4.2.3 When specifying resource requirements, the Chief Constable will identify the expected income from charging. The Chief Constable should adopt NPCC charging policies in respect of mutual aid.
- 4.2.4 The PCC and Chief Constable should ensure that there are arrangements in place to ensure that expected charges are clearly identified in their budgets and that costs are accurately attributed and charged. When considering budget levels, the PCC and Chief Constable should ensure that ongoing resource requirements are not dependant on a significant number of uncertain or volatile income sources and should have due regard to sustainable and future year service delivery.

Responsibilities of the Chief Constable and PCC

- 4.2.5 To adopt the NPCC national charging policies and national guidance

Responsibilities of the Director of Finance and PCC CFO

- 4.2.6 To make arrangements for the collection of all income and approve the procedures, systems and documentation for its collection, including the correct charging of VAT
- 4.2.7 To agree a charging policy for the supply of goods and services, including the appropriate charging of VAT, and to review it regularly in line with corporate policies. All charges should be at full cost recovery except where regulations require otherwise or with the express approval of the PCC.
- 4.2.8 To ensure that all income is paid fully and promptly into the TVP Income Bank Account. Appropriate details should be recorded on to paying-in slips to provide an audit trail.
- 4.2.9 To ensure income is not used to cash personal cheques or make other payments.
- 4.2.10 To order and supply to appropriate employees all receipt forms, books or tickets and similar items and be satisfied as to the arrangements for their control. Official receipts or other suitable documentation shall be issued for all income received.
- 4.2.11 To operate effective debt collection and recovery procedures.

- 4.2.12 To approve the write-off of bad debts up to the level shown below. Amounts for write-off above this value must be referred to the PCC for approval, supported by a written report explaining the reason(s) for the write-off.

Up to £20 50,000	Director of Finance and/or PCC CFO
£20,000 – £50,000	Director of Finance and/or PCC CFO in consultation with the Chief Executive
Over £50,000	PCC

Responsibilities of the Director of Finance

- 4.2.13 To prepare detailed Financial Instructions for dealing with income, to be agreed with the PCC CFO, and to issue them to all appropriate employees.

4.3 ORDERING AND PAYING FOR WORK, GOODS AND SERVICES

Why is this required?

- 4.3.1 TVP has a statutory duty to ensure financial probity and best value. The PCC and Chief Constable's joint financial regulations and purchasing procedures help to ensure that the public can receive value for money. These procedures should be read in conjunction with the contract regulations in Section 5.

Responsibilities of the Director of Finance

- 4.3.2 To maintain a procurement policy covering the principles to be followed for the purchase of goods and services.
- 4.3.3 To issue official orders for all work, goods or services to be supplied to TVP, except for supplies of utilities, periodic payments such as rent or rates, petty cash purchases or other exceptions approved by the PCC CFO. Orders must be in a form approved by the PCC CFO.
- 4.3.4 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of TVP contracts.
- 4.3.5 Goods and services ordered must be appropriate and there must be adequate budgetary provision. Quotations or tenders must be obtained where necessary, in accordance with these regulations.
- 4.3.6 Payments are not to be made unless goods and services have been received by TVP at the correct price, quantity and quality in accordance with any official order.
- 4.3.7 To ensure that payments are made to the correct person, for the correct amount, on time (i.e. within 28 days) and are recorded properly, regardless of the method of payment.
- 4.3.8 To ensure that VAT is recovered where appropriate
- 4.3.9 To ensure that all expenditure, including VAT, is accurately recorded against the right budget and any exceptions are corrected
- 4.3.10 To ensure that all purchases made through e-procurement follow the rules, regulations and procedures, as set out in the Contract Regulations – see section 5.
- 4.3.11 To prepare, in consultation with the PCC CFO, detailed Financial Instructions for dealing with the ordering and payment of goods and services, and to issue these to all appropriate employees

Responsibilities of the Chief Officers

- 4.3.12 To ensure that every employee is made aware of the need to declare any links or personal interests that they may have with purchasers, suppliers and contractors if they are engaged in contractual or purchasing decisions on behalf of TVP and that such persons take no part in the selection of a supplier or contract with which they are connected.

4.4 PAYMENTS TO EMPLOYEES

Why is this required?

- 4.4.1 Employee costs are the largest item of expenditure for most police forces. It is therefore important that there are controls in place to ensure accurate, timely and valid payments are made in accordance with individuals' conditions of employment.

Responsibilities of the Director of Finance

- 4.4.2 To ensure, in consultation with the PCC CFO, the secure and reliable payment of salaries, overtime, pensions, compensation and other emoluments to existing and former employees.
- 4.4.3 To ensure that tax, superannuation and other deductions are made correctly and paid over at the right time to the relevant body.
- 4.4.4 To pay all valid travel and subsistence claims or financial loss allowance.
- 4.4.5 To pay salaries, wages, pensions and reimbursements by the most economical means.
- 4.4.6 To ensure that payroll transactions are processed only through the payroll system. Payments to individuals employed on a self-employed consultant or subcontract basis shall only be made in accordance with HM Revenue & Customs (HMRC) requirements. The HMRC applies a tight definition of employee status, and in cases of doubt, advice should be sought from them.
- 4.4.7 To ensure that full records are maintained of payments in kind and properly accounted for in any returns to the HMRC.
- 4.4.8 To prepare detailed Financial Instructions for dealing with payments to employees, to be agreed with the PCC CFO, and these shall be issued to all appropriate employees.

4.5 TAXATION

Why is this important?

- 4.5.1 Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe.

Responsibilities of the PCC CFO

- 4.5.2 To ensure the timely completion and submission of all HM Revenue & Customs (HMRC) returns regarding PAYE and that due payments are made in accordance with statutory requirements and deadlines
- 4.5.3 To ensure the timely completion and submission of VAT claims, inputs and outputs to HMRC

Responsibilities of the PCC CFO and Director of Finance

- 4.5.4 To ensure that the correct VAT liability is attached to all income due and that all VAT receivable on purchases complies with HMRC regulations
- 4.5.5 To provide details to the HMRC regarding the construction industry tax deduction scheme.
- 4.5.6 To ensure that appropriate technical staff have access to up to date guidance notes and professional advice.

4.6 CORPORATE CREDIT CARDS AND PURCHASING CARDS

Why is this important?

- 4.6.1 Credit cards provide an effective method for payment for designated officers who, in the course of their official business, have an immediate requirement for expenditure which is relevant to the discharge of their duties.
- 4.6.2 Purchase cards are an alternative method of buying and paying for relatively low value goods, which generate a high volume of invoices. This should generate an efficiency saving from lower transaction costs (i.e. fewer invoices processed and paid for through the integrated accounts payable system), as well as reducing the number of petty cash transactions
- 4.6.3 Commercial, credit and purchasing cards ['cards'] are only issued in TVP, where a clear business need is identified

Responsibilities of the Director of Finance

- 4.6.4 In conjunction with the PCC CFO to provide Financial Instructions to all cardholders.
- 4.6.5 To authorise and maintain control over the issue of cards.
- 4.6.6 To reconcile the 'card' account to the ledger on a monthly basis.

Responsibilities of credit card holders

- 4.6.7 To ensure that purchases are in accordance with approved TVP policies e.g. catering, hospitality
- 4.6.8 To provide receipted details of all payments made by 'card' each month to ensure that all expenditure is correctly reflected in the accounts and that VAT is recovered.
- 4.6.9 Card holders are responsible for ordering and paying for goods and services in accordance with the Force procurement policy, contract regulations and all procedures laid down by the Director of Finance.

4.7 EX GRATIA PAYMENTS

Why is this important?

- 4.7.1 An ex gratia payment is a payment made by TVP where no legal obligation has been established. An example may be recompense to a police officer for damage to personal property in the execution of duty or to a member of the public for providing assistance to a police officer in the execution of duty.

Responsibilities of the Chief Constable and PCC

- 4.7.2 To make ex gratia payments to members of the public up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of TVP
- 4.7.3 To make ex gratia payments up to the level shown below in any individual instance, for damage or loss of property or for personal injury to a police officer, police staff or any member of the extended police family, in the execution of duty.

Up to £10,000
Over £10,000

Head of Legal Services or Chief Executive
PCC

- 4.7.4 To maintain details of ex gratia payments in a register

5.1 CONTRACT REGULATIONS

What is a contract?

- 5.1.1 A contract is an agreement between two parties for the supply of goods and/or services. Employees should avoid giving verbal commitments to suppliers as this can constitute a contract.
- 5.1.2 The terms and conditions to be applied to the contract provide clarity and protection to the participants, and the specification of the requirement should be clearly understood by both parties. A contract's length and complexity is likely to depend on the extent of cost and complexity of the goods or services to be supplied.

Why are these important?

- 5.1.3 All employees engaged in the following activities, shall make every effort to ensure that the best value for money is achieved for the acquisition and delivery of:
- a) goods or materials;
 - b) services and consultancy;
 - c) building works;
 - d) the supply of goods or services to third parties which provide the TVP with an income.
- 5.1.4 Such efforts shall also continue throughout the lifetime of any contract to ensure that best value for money is maintained in the quality and standard of all goods, services and works supplied and in the review of proposals to change or vary any feature of any contract during its lifetime.

Key controls

- 5.1.5 These Regulations shall be read in conjunction with the Force Procurement Policy.
- 5.1.6 No contract or project shall be deliberately or artificially divided into a number of separate contracts in order to avoid the obligations set out in these Contract Regulations, or any statute or regulations.
- 5.1.7 Competition should be invited from potential providers to supply TVP with goods, services, building works, etc.
- 5.1.8 Every contract concluded on behalf of TVP shall comply with:
- a) the Public Contract Regulations;
 - b) relevant UK regulations and
 - c) the Code of Practice for Local Authorities on Data Transparency
- 5.1.9 Subject to compliance with 5.1.8, exemption from any of the following provisions of these Contract Regulations may only be made:
- a) by the written direction of the PCC; or
 - b) by a chief officer in an operational emergency.

- 5.1.10 The PCC shall be informed of the circumstances of every exemption made under 5.1.9(b) at the earliest opportunity.
- 5.1.11 In addition to adhering to the above, any employee who is engaged in any activities or processes leading to the award of a contract or in its subsequent delivery, shall:
- i. show no undue favour to or discriminate against any contractor or potential contractor or the goods, materials or services they produce;
 - ii. carry out their work in accordance with the highest standards of propriety and proper practice (including respecting the confidentiality of commercial information).
 - iii. not breach the requirements of the TVP Policy for Gifts and Gratuities, Hospitality, Discounts, Travel and other Potential Conflicts of Interest.
- 5.1.12 The contents of a contract shall be in accordance with the agreed Procurement Policy
- 5.1.13 The Commercial Governance Board includes representatives from the PCC and Force and provides oversight of the Force's compliance with these Contract Regulations.

Responsibilities

POWER TO DELEGATE

- 5.1.14 A chief officer may delegate his powers under these Contract Regulations to an authorised officer.

PURCHASING PROCEDURES AND THRESHOLDS

- 5.1.15 The procedure to be followed shall be in accordance with the Procurement Policy as well as the estimated value of the purchase as set out below (except for contracts for building construction contracts selected from the Approved List of Contractors for Small Construction Contracts - details are available from the Director of Finance and the Head of Property Services).

Value	Contract established by TVP	Framework Agreement managed by another body
<i>Less than £10,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£10,000 - £50,000</i>	<i>At least three written quotations shall be invited and responses recorded. A written specification/statement of requirements is necessary.</i>	<i>A written specification/statement of requirements is necessary Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>Over £50,000</i>	<i>Legal requirement to advertise via website</i>	<i>Contact must be made with the Procurement Department.</i>

	<p><i>Contact must be made with the Procurement Department.</i></p> <p><i>Public notice of tender shall be placed in one or more appropriate publications or other suitable media e.g. internet.</i></p>	<p><i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i></p>
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- 5.1.16 Unless specified otherwise the value of the contract is the estimated whole life cost for the duration of the contract including all extensions. Where a contract is collaborative its value shall be the cumulative estimated whole life cost of all the organisations eligible to use it.

ACQUISITIONS UNDER A FRAMEWORK CONTRACT

- 5.1.17 There are a number of buying consortia that provide framework contracts. Framework contracts provide an efficient and effective manner through which to purchase goods and/or services, including building works. In some cases, the use of a framework is mandated by government. Where there is an appropriate Framework covering the goods, services or building works concerned, the framework(s) shall be considered prior to any new procurement exercise being initiated, provided it offers best value and meets our operational requirements.

SELECTION CRITERIA

- 5.1.18 The selection of an organisation to be invited to quote or tender under these Contract Regulations shall be in accordance with the principles of any UK regulations.

INVITATIONS TO TENDER

- 5.1.19 The preferred method for obtaining quotations and tenders shall be the electronic system used by the Head of Procurement. Paper quotations and tenders shall be the exception.
- 5.1.20 All tenders issued by TVP shall consist of instructions to tenderers regarding submission information, terms, conditions and specification with a pricing schedule to be returned to TVP
- 5.1.21 Completed tenders shall be submitted through electronic tendering facilities by the date and time and in the manner stated in the instruction for invitation to tender.

OPENING OF TENDERS

- 5.1.22 Tenders submitted via the electronic system may be opened by a member of staff authorised by the Head of Procurement.

EVALUATION OF TENDERS

- 5.1.23 Those members of staff involved in the evaluation process should be mindful of the policy on gifts, loans and hospitality – see 3.4.8
- 5.1.24 Assessment criteria may be made on appropriate technical, qualitative and financial grounds which are appropriate to the contract concerned.

- 5.1.25 Evaluations of the tender submissions are to be carried out by an appropriate group associated with the contract. The Group shall have appropriate skills and be provided with relevant guidance.

ACCEPTANCE OF TENDERS / AWARD OF CONTRACT

- 5.1.26 Regardless of the route followed, the following procedures shall be applied when recommending the acceptance of a quotation or tender and prior to the award of a contract:
- i. Where a framework contract is utilised the Terms and Conditions of that framework will apply.
 - ii. Where applicable industry standard terms and conditions apply such as Joint Contracts Tribunal (JCT) and New Engineering Contracts (NEC) etc. will apply
 - iii. In all other instances the TVP's terms and conditions shall apply unless otherwise agreed by the Chief Executive (e.g. for a contract awarded under a framework agreement).
- 5.1.27 If, after a competitive tendering process, only one tender is received, unless there are exceptional circumstances which are documented by the business and agreed by the PCC, the contract will be reviewed and put back out to tender.
- 5.1.28 The approval of contract awards shall be based on the lowest or most economically advantageous quotation or tender subject to approval by:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC

Termination of Contracts

- 5.1.29 In extreme circumstances it may be appropriate to terminate a contract before its expiration date. The authority to enact such a termination is the same as the original award of the contract.

Framework contracts – vs – non-framework contracts.

- 5.1.30 Where the contract under consideration is a framework contract which provides for a large number of forces but does not, in any way, place any obligation or commitment on any force, but merely provides a less resource intensive procurement option should forces wish to utilise it, then the value to be considered is the TVP total value, over the life of the framework. For all other contracts, including call-off contracts, the value is the maximum total value of the contract, including all extension periods for all forces named on the contract.
- 5.1.31 The successful tenderer shall be advised as soon as possible after the decision has been made on the award of a contract. At the same time unsuccessful tenderers shall be advised of the decision.

SIGNING OF CONTRACTS

- 5.1.32 The previous section explains who can approve the award of a contract. Appendix 1 sets out who can physically sign a contract after approval for award of the contract has been given.

CONTRACT MONITORING

- 5.1.33 All contracts shall be monitored and measured by the way of performance indicators and regular review meetings involving the Contractor and Practitioner representation, as appropriate to the contract.
- 5.1.34 The Business Owner shall manage the contract in consultation with the Procurement Department.
- 5.1.35 Where the contract terms provide for credits to be offset against payments due or otherwise enable payments to be reduced on account of failure by the contractor to deliver the contract to the specified standards, any decision to waive entitlement to the credit or reduced payment shall only be authorised by the Chief Officer in consultation with the Head of Procurement where the amount involved is less than £50,000. Above this amount the PCC shall approve all such waivers.
- 5.1.36 Where a contract provides for any sort of credit/fund which can be drawn upon in certain circumstances (for example a Tech Fund which can be used to purchase specific items) full details will be included in the procurement documentation approved by the Commercial Governance Board. "Expenditure" against the credit/fund will be subject to approval levels as specified in Financial Instructions.
- 5.1.37 Where a Contractor is failing to provide the agreed service evidence shall be required and considered during contract review meetings and escalated with the Contractor and the force prior to any early termination of the agreement.
- 5.1.38 Escalation processes include reporting any defaults during the Contract Review Meetings, which should include Procurement representation.
- 5.1.39 Consideration shall be given to notice periods and consequences of early termination where applied.

VARIATIONS TO CONTRACT

- 5.1.40 Where a contract has been awarded it is permissible under UK regulations to vary the terms of that contract providing it does not materially affect the conditions or scope of the contract. Where the variation increases the financial commitment then approval is required as per following:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC
- 5.1.41 If the Contract Change Notice (CCN) causes the total contract value to now mean that the contract should have been authorised at a higher level than the contract had originally been authorised to, the CCN should be authorised at the level appropriate to the new overall total contract value.

CONTRACT EXTENSION

- 5.1.42 Where a contract includes options to extend its period these may be taken up through the Procurement Department, with contract extensions in excess of £1m being reported through the Commercial Governance Board and approved by the Director of Finance and the PCC CFO.

- 5.1.43 Where a contract does not include options to extend its period or the options have been used up, a replacement contract should be made if the goods or services continue to be required. Should exceptional requirements bring about a case for contract extension in these circumstances, the Exceptional Circumstances (set out below) should be followed.

EXCEPTIONAL CIRCUMSTANCES

- 5.1.44 The requirements within these Contract Regulations that competition is required for tenders and quotations may be set aside when exceptional circumstances are incurred. By definition, the circumstances leading to this action must be exceptional to those normally experienced and the business owner must provide a written case supporting their conclusion to the Head of Procurement, prior to taking action. In these circumstances, a single tender may be awarded.

SINGLE SOURCE AGREEMENT (SSA) / CONCESSION

- 5.1.45 This is a contract awarded on the basis of a direct agreement with a contractor, without going through the competitive bidding process.
- 5.1.46 Contracts identified under this route are to be carried out in accordance with the Procurement Policy and supported by a written justification using the SSA process and form by the Business Owner in consultation with the Procurement Department.
- 5.1.47 A contract may be awarded having:
- a) only invited a single quotation or tender,
 - b) received or sought an offer from a current contractor to vary the goods, services or works supplied (e.g. variation to an existing contract); providing this is compliant with Financial Instructions and the Procurement Regulations.
- 5.1.48 Where it can be demonstrated that it is in the interests of TVP not to seek competitive tenders due to:
- a) Operational urgency
 - b) The item or service is a proprietary item
 - c) Unique factors are present in the market
 - d) The costs to change are disproportionately high
 - e) When the goods and/or services are mandated nationally
 - f) Security.
- 5.1.49 Where a contract exceeds £50,000 in value the chief officer shall present a subsequent report to the PCC.

CONTRACTS REGISTER

- 5.1.50 A record of all contracts let with a value in excess of £50,000 shall be maintained by the Head of Procurement.

6.1 JOINT WORKING ARRANGEMENTS

Why is this important?

6.1.1 Public bodies are increasingly encouraged to provide seamless service delivery through working closely with other public bodies, local authorities, agencies and private service providers.

6.1.2 Joint working arrangements can take a number of different forms, each with its own governance arrangements. In TVP these are grouped under the following headings:

- Partnerships
- Consortia
- Collaboration

6.1.3 Partners engaged in joint working arrangements have common responsibilities:

- to act in good faith at all times and in the best interests of the partnership's aims and objectives
- to be willing to take on a role in the broader programme, appropriate to the skills and resources of the contributing organisation
- to be open about any conflicts that might arise
- to encourage joint working and promote the sharing of information, resources and skills
- to keep secure any information received as a result of partnership activities or duties that is of a confidential or commercially sensitive nature
- to promote the project

6.1.4 In all joint working arrangements the following key principles must apply:

- before entering into the agreement, a risk assessment has been prepared
- such agreements do not impact adversely upon the services provided by TVP
- project appraisal is in place to assess the viability of the project in terms of resources, staffing and expertise
- all arrangements are properly documented
- regular communication is held with other partners throughout the project in order to achieve the most successful outcome
- audit and control requirements are satisfied
- accounting and taxation requirements, particularly VAT, are understood fully and complied with
- an appropriate exit strategy has been produced

6.1.5 The TVP element of all joint working arrangements must comply with these Financial Regulations

PARTNERSHIPS

6.1.6 The term partnership refers to groups where members work together as equal partners with a shared vision for a geographic or themed policy area, and agree a strategy in which each partner contributes towards its delivery. A useful working definition of such a partnership is where the partners:

- are otherwise independent bodies;
- agree to co-operate to achieve a common goal; and

- achieve it to create an organisational structure or process and agreed programme, and share information, risks and rewards

6.1.7 The number of partnerships, both locally and nationally, is expanding in response to central government requirements and local initiatives. This is in recognition of the fact that partnership working has the potential to:

- deliver strategic objectives;
- improve service quality and cost effectiveness;
- ensure the best use of scarce resources; and
- deal with issues which cut across agency and geographic boundaries, and where mainstream programmes alone cannot address the need.

6.1.8 Partnerships typically fall into three main categories i.e. statutory based, strategic, and ad-hoc.

Statutory based

6.1.9 These are partnerships that are governed by statute. They include, for example, Community Safety Partnerships (CSPs) and Local Strategic Partnerships (LSPs)

Strategic

6.1.10 These are partnerships set up to deliver core policing objectives. They can either be force-wide or local.

Ad-hoc

6.1.11 These are typically locally based informal arrangements agreed by the local police commander.

Context

6.1.12 As set out in section 10 of the Police Reform and Social Responsibility Act 2011, the PCC, in exercising his functions, must have regard to the relevant priorities of each responsible authority. Subject to the constraints that may be placed on individual funding streams, PCCs are free to pool funding as they and their local partners see fit. PCCs can enter into any local contract for services, individually or collectively with other local partners, including non-police bodies.

6.1.13 When the PCC acts as a commissioner of services, he will need to agree the shared priorities and outcomes expected to be delivered through the contract or grant agreement with each provider. The PCC is able to make crime and disorder grants in support of local priorities. The inclusion of detailed grant conditions directing local authorities how to spend funding need not be the default option. The power to make crime and disorder grants with conditions is contained in section 9 of the Police Reform and Social Responsibility Act 2011. The power to contract for services is set out in paragraph 14 of Schedule 1 and paragraph 7 of Schedule 3 to the Police Reform and Social Responsibility Act 2011.

Responsibilities of the PCC

6.1.14 To have regard to relevant priorities of local partners when considering, reviewing and updating the Police and Criminal Justice Plan.

- 6.1.15 To make appropriate arrangements to commission services from either the force or external providers

Responsibilities of Chief Officers

- 6.1.16 To have regard to the strategic Plan with regard to the Partnership aims and objectives.
- 6.1.17 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements

CONSORTIA ARRANGEMENTS

- 6.1.18 A consortium is a long-term joint working arrangement with other bodies, operating with a formal legal structure approved by the PCC.

Responsibilities of the PCC

- 6.1.19 To approve TVP participation in the consortium arrangement.

Responsibilities of Chief Officers

- 6.1.20 To contact the Chief ~~Executive of Staff~~ and the Head of Legal Services before entering into a formal consortium agreement, to establish the correct legal framework.
- 6.1.21 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements
- 6.1.22 To produce a business case to show the full economic benefits to be obtained from participation in the consortium.
- 6.1.23 To produce a Memorandum of Understanding (MOU) setting out the appropriate governance arrangements for the project. This document should be signed by the Chief ~~Executive of Staff~~.

COLLABORATION

- 6.1.24 Under sections 22A to 22C of the Police Act 1996, as amended by section 89 of the Police Reform and Social Responsibility Act 2011, chief constables and PCCs have a duty to keep collaboration agreements and opportunities under review and to collaborate where it is in the interests of the efficiency and effectiveness of one or more police forces or policing bodies. Where collaboration is judged to be the best option, they must collaborate even if they do not expect their own force or policing body to benefit directly. Any collaboration which relates to the functions of a police force (a "force collaboration provision") must first be agreed with the chief constables of the forces concerned and approved by each PCC responsible for maintaining each of the police forces to which the force collaboration provision relates. Any collaboration which relates to the provision of support by one PCC for another PCC (a "policing body collaboration provision") must be agreed by each PCC to which the policing body collaboration provision relates.
- 6.1.25 PCCs responsible for maintaining each of the police forces to which a force collaboration provision relates shall make arrangements for jointly holding their chief constables to account for the way functions are discharged under a force collaboration agreement.

- 6.1.26 To contact the Chief Executive of Staff and the Head of Legal Services before entering into a formal collaboration agreement, to establish the correct legal framework.
- 6.1.27 To consult, as early as possible, the Director of Finance and the PCC CFO to ensure the correct treatment of taxation and other accounting arrangements

6.2 EXTERNAL FUNDING

Why is this important?

- 6.2.1 External funding can be a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of TVP.
- 6.2.2 The main source of such funding for TVP will tend to be specific government grants, additional contributions from local authorities (e.g. for ANPR, CCTV and PCSOs) and donations from third parties (e.g. towards capital expenditure)

Responsibilities of Chief Officers

- 6.2.3 To pursue actively any opportunities for additional funding where this is considered to be in the best interests of TVP.

Responsibilities of the Chief Constable and the PCC

- 6.2.4 To ensure that the match-funding requirements and exit strategies are considered prior to entering into the agreements and that future medium term financial forecasts reflect these requirements.

Responsibilities of the PCC CFO and Director of Finance

- 6.2.5 To ensure that all funding notified by external bodies is received and properly accounted for, and that all claims for funds are made by the due date and that any audit requirements specified in the funding agreement are met: and to authorise grants in accordance with Financial Instructions. The PCC will be required to approve any new grants over £1m.

Responsibilities of the Chief Constable

- 6.2.6 To ensure that funds are acquired only to meet policing needs and objectives
- 6.2.7 To ensure that key conditions of funding and any statutory requirements are complied with and that the responsibilities of the accountable body are clearly understood
- 6.2.8 To ensure that any conditions placed on TVP in relation to external funding are in accordance with the approved policies of the PCC. If there is a conflict, this needs to be taken to the PCC for resolution.

6.3 WORK FOR EXTERNAL BODIES

Why is this required?

- 6.3.1 TVP provides services to other bodies outside of its normal obligations, for which charges are made, e.g. training, special services. Arrangements should be in place to ensure that any risks associated with this work are minimised and that such work is not ultra vires.

Responsibilities of the Chief Constable

- 6.3.2 To ensure that proposals for assistance are costed, that no contract is subsidised by TVP and that, where possible, payment is received in advance of the delivery of the service so that TVP is not put at risk from any liabilities such as bad debts.
- 6.3.3 To ensure that appropriate insurance arrangements are in place.
- 6.3.4 To ensure that all contracts are properly documented
- 6.3.5 To ensure that such contracts do not impact adversely on the services provided by TVP

Responsibilities of the Director of Finance

- 6.3.6 The submission of tenders for the supply of goods and/or services should be approved as follows:
- a) For tenders up to £500,000 - by the Director of Finance
 - b) Between £500,000 and £1,000,000 - by the Director of Finance in consultation with the PCC CFO
 - c) Over £1,000,000 - with the prior approval of the PCC is required.

7 SUMMARY OF FINANCIAL LIMITS

This section summarises, in one place, all those financial regulations that have a specific financial limit

Virement

- 2.2.11 The Chief Constable may use revenue provision to purchase capital items or carry out capital works subject to obtaining PCC CFO approval where the proposed transfer exceeds £~~250~~200,000, and PCC approval where the proposed transfer exceeds £1m.
- 2.2.12 The Director of Finance can approve any virement where the additional costs are fully reimbursed by other bodies
- 2.2.13 For all other budgets each chief officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring, subject to the following approval levels

Force Budget

Up to £1,000,000

Over £1,000,000

Director of Finance

PCC or PCC CFO

PCC's own budget

Up to £~~250~~200,000

Over £~~250~~200,000

PCC CFO

PCC

Annual Capital Budget

Responsibilities of the Chief Constable

- 2.3.20 ~~To manage expenditure on individual capital schemes within the approved scheme budget. Where schemes are expected to exceed budget by more than 10% or £200,000 (whichever is the lower amount) approval should be sought from the PCC CFO. Increases of more than £1m must be approved by the PCC. To ensure expenditure on individual schemes does not exceed the approved scheme budget by more than 10% or £250,000 whichever is the lower amount~~

Asset Disposal

Responsibilities of the Chief Constable

- 3.5.12 To arrange for the disposal of (without the specific approval of the PCC):
- Non-estate assets at the appropriate time and at the most advantageous price. Where this is not the highest offer, the Chief Constable shall consult with the PCC CFO.
 - Police houses and other surplus land and buildings with an estimated sale value of less than £~~500,000~~1m

Responsibilities of the PCC

- 3.5.13 To approve the disposal of police houses and other surplus land and buildings with an estimated sale value of over £~~500,000~~1m

Interests in Land

Responsibilities of the Chief Constable

- 3.5.17 The Chief Constable, shall:
- Arrange to grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, without the specific approval of the PCC, up to an annual rental of £~~100,000~~200,000;
 - take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms

Responsibilities of the PCC and Chief Executive

- 3.5.~~1918~~1918The Chief ~~Executive Finance Officer~~ shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £~~100,000~~200,000 but below £~~500,000~~1m.
- 3.5.~~2019~~2019The PCC shall grant or take or terminate leases or tenancies in land, and approve any assignment or sub-letting thereof, above an annual rental of £~~500,000~~1m.

Asset valuation

- 3.5.20 To maintain an asset register for all fixed assets with a value in excess of the limits shown below, in a form approved by the PCC CFO. Assets are to be recorded when they are acquired by TVP. Assets shall remain on the asset register until disposal. Assets are to be valued in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice* and the requirements specified by the PCC CFO

<i>Land & Buildings</i>	<i>All values</i>
<i>Vehicles</i>	<i>All values</i>
<i>ICT hardware</i>	<i>All values</i>
<i>Plant & Equipment</i>	<i>£100,000</i>

Stocks and Stores

Responsibilities of the Director of Finance

- 3.5.23 To write-off any discrepancies between the actual level of stock and the book value of stock up to £~~250,000~~250,000 in value. Any items over £~~250,000~~250,000 require the approval of the PCC CFO
- 3.5.24 To write-off obsolete stock up to the value of £~~250,000~~250,000. Any write-offs over £~~250,000~~250,000 require the approval of the PCC CFO

Money Laundering

- 3.6.25 Suspicious cash deposits in any currency in excess of €15,000 (or equivalent) should be reported to the National Crime Agency (NCA)
- 3.6.32 Large cash bankings from a single source over €15,000 should be reported to the PCC CFO. This instruction does not apply to seizures and subsequent bankings under the Proceeds of Crime Act (see Financial Regulation 3.9, 'Administration of Evidential & Non-Evidential Property').

Gifts, Loans and Sponsorship

- 3.10.7 To refer all gifts, loans and sponsorship above £50,000 to the PCC for approval before they are accepted.

Income

- 4.2.12 To approve the write-off of bad debts up to the level shown below. Amounts for write-off above this value must be referred to the PCC for approval, supported by a written report explaining the reason(s) for the write-off.

<i>Up to £2050,000</i>	<i>Director of Finance and/or PCC CFO</i>
<i>£20,000 to £50,000</i>	<i>Director of Finance and/or PCC CFO in consultation with the Chief Executive</i>
<i>Over £50,000</i>	<i>PCC</i>

Ex-gratia Payments

- 4.7.2 To make ex gratia payments to members of the public up to the level shown below in any individual instance, for damage or loss to property or for personal injury or costs incurred as a result of police action where such a payment is likely to facilitate or is conducive or incidental to the discharge of any of the functions of TVP

<i>Up to £10,000</i>	<i>Head of Legal Services or Chief Executive <u>Chief of Staff</u></i>
<i>Over £10,000</i>	<i>PCC</i>

- 4.7.3 To make ex gratia payments up to the level shown below in any individual instance, for damage or loss of property or for personal injury to a police officer, police staff or any member of the extended police family, in the execution of duty.

<i>Up to £10,000</i>	<i>Head of Legal Services or Chief Executive <u>Chief of Staff</u></i>
<i>Over £10,000</i>	<i>PCC</i>

Contract Regulations

- 5.1.15 The procedure to be followed shall be in accordance with the Procurement Policy as well as, the estimated value of the purchase as set out below (except for contracts for building construction contracts selected from the Approved List of Contractors for Small Construction Contracts - details are available from the Director of Finance and the Head of Property Services).

Value	Contract established by TVP	Framework Agreement managed by another body
<i>Less than £10,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£10,000-£50,000</i>	<i>At least three written quotations shall be invited and responses recorded.</i> <i>A written specification/statement of requirements is necessary</i>	<i>A written specification/statement of requirements is necessary</i> <i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>Over £50,000</i>	<i>Legal requirement to advertise via website</i> <i>Contact must be made with the Procurement Department.</i> <i>Public notice of tender shall be placed in one or more appropriate publications or other suitable media e.g. internet.</i>	<i>Contact must be made with the Procurement Department.</i> <i>Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>
<i>** This is to comply with the Transparency Agenda requirements.</i>		

- 5.1.15 Unless specified otherwise the value of the contract is the estimated whole life cost. Where a contract is collaborative its value shall be the cumulative estimated whole life cost of all the organisations eligible to use it.

ACCEPTANCE OF TENDERS / AWARD OF CONTRACT

- 5.1.28 The approval of contract awards shall be based on the lowest or most economically advantageous quotation or tender subject to approval by:
- i. Up to £1m - in accordance with the Force Financial Instructions.
 - ii. Above £1m – by the PCC

CONTRACT MONITORING

- 5.1.34 Where the contract terms provide for credits to be offset against payments due or otherwise enable payments to be reduced on account of failure by the contractor to deliver the contract to the specified standards, any decision to waive entitlement to the credit or reduced payment shall only be authorised by the Chief Officer in consultation with the Head of Procurement where the amount involved is less than £50,000. Above this amount the PCC shall approve all such waivers.

VARIATIONS TO CONTRACT

5.1.39 Where a contract has been awarded it is permissible under EU regulations to vary the terms of that contract providing it does not materially affect the conditions or scope of the contract. Where the variation increases the financial commitment then approval is required as per following:

- iii. Up to £1m - in accordance with the Force Financial Instructions.
- iv. Above £1m - by the PCC

SINGLE SOURCE AGREEMENT (SSA) / CONCESSION

5.1.48 Where a contract exceeds £50,000 in value the chief officer shall present a subsequent report to the PCC.

CONTRACTS REGISTER

5.1.50 A record of all contracts let with a value in excess of £50,000 shall be maintained by the Head of Procurement.

6.3 WORK FOR EXTERNAL BODIES

6.3.6 The submission of tenders for the supply of goods and/or services should be approved as follows:

- a) For tenders up to £500,000 - by the Chief Constable
- b) Between £500,000 and £1,000,000 - by the Chief Constable in consultation with the PCC CFO
- c) Over £1,000,000 - with the prior approval of the PCC is required.

TVP Contract Signatures

Introduction

This explanatory note details the individual who can physically sign a contract after approval for award of the contract has been given. Financial Regulations and Financial Instructions provide the authorisation levels as to who can authorise the award of a contract. This note provides details after that approval has been received and documented.

Statutory Guidance

Schedule 2, section 7 of the Police Reform and Social Responsibility Act 2011 states:

- (1) A chief constable may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the chief constable
- (2) That includes:
 - a) entering into contracts and other agreements (whether legally binding or not), but only with the consent of the relevant police and crime commissioner (PCC);
 - b) acquiring and disposing of property, apart from land, but only with the consent of the relevant PCC

TVP Framework for Corporate Governance

At the PCC's 'level 1' Policy, Planning and Performance meeting on 1st April 2014 the PCC gave formal consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations

Acquisition and disposal of land

As stated above the Chief Constable cannot acquire or dispose of land. As such, all contracts in connection with the acquisition and disposal of land must be approved and signed by the PCC, Chief Executive or Chief Finance Officer as necessary and appropriate.

Notwithstanding the above requirement, it is recognised that most of the detailed preparatory work in connection with land transactions will be undertaken by Property Services staff and in most cases in order to deliver the TVP Asset Management Plan once approved by the PCC. Accordingly, Financial Regulations enable the Chief Constable and his staff:

- To arrange for the disposal of (without the prior approval of the PCC) police houses and other surplus land and buildings with an estimated sale value of less than £500,0001m - Fin Reg 3.5.12(b)

- to grant or take or terminate leases or tenancies in land, or approve any assignment or sub-letting thereof, without the specific approval of the PCC up to an annual rental of ~~£100~~£200,000 - Fin Reg 3.5.17(a)

All land transactions, including title deeds, must be in the name of the PCC and signed by the PCC or his Chief ~~Executive of Staff~~ or Chief Finance Officer.

Appendix 2 sets out who can accept tenders in connection with the acquisition and disposal of land, and who should sign the relevant contracts. This is high level. Further information is provided in Force Financial Instructions

Other property contracts

As stated above the PCC has given consent to the Chief Constable to enter into contracts and to acquire or dispose of property, other than land, subject to the requirements of Financial Regulations. This is because the PCC considers and approves:

- the annual financial strategy
- the capital strategy
- the asset management plan
- the annual revenue budget and capital programme
- the medium term financial plans
- the corporate governance arrangements

Furthermore, Financial Regulations enable the Chief Constable and his staff to take, grant, waive or revoke covenants, easements, wayleaves, licences or other rights of user in respect of the TVP property on terms – Financial Regulation 3.5.17(b).

In practical terms the key decision is the acceptance of the tender and the subsequent award of the contract. These acceptance and award rules and procedures are clearly set out in section 5.1 of both Financial Regulations and Financial Instructions.

After the tender has been accepted and approval given for the award of a contract the actual contract document will need to be reviewed and agreed by the relevant lead specialist within Property Services. Once the details of the contract have been agreed with the supplier to the satisfaction of TVP, then the actual contract document needs to be signed.

To minimise the number of contracts that need to be signed by the OPCC a risk based approach will be used. The risk to the organisation largely, but not wholly, increases with the contract value: larger contracts generally are for more complex projects and if there is a dispute the size of the contract would make the formal legal approach to contract resolution more attractive than alternative means.

This risk based approach is already implicit within the tender approval limits within Financial Regulations, and these will also determine who should sign the contract documents.

To assist the signatory a covering note should be produced which outlines the contract and the main parts along with any relevant details on changes. Each contract would have the points where initialling or a signature is required highlighted to ease the physical process.

The lead officer within Property Services will therefore provide a short statement to confirm they have reviewed the terms of the contract and are content that they are accurate, correct and in the best interests of TVP. For straightforward contracts this can be in the form of a one-line email whereas for the more detailed contracts which may include numerous appendices, technical specifications and amendments, the report will need to confirm that the contract has been checked and is deemed to be correct, including all the detailed appendices, amendments and additional details.

The person authorised to sign the physical contract is set out in Appendix 2, with further information provided in Force Financial Instructions

Other (non-property) contracts

The PCC has given consent for the Chief Constable to enter into contracts. As such, all general contracts are legally in the name of the Chief Constable of TVP although for practical purposes the contract itself will normally refer to Thames Valley Police.

In practical terms the key decision is the acceptance of the tender and the subsequent award of the contract. These acceptance and award rules and procedures are clearly set out in section 5.1 in both Financial Regulations and Financial Instructions. Having accepted the tender and awarded the contract the person authorised to sign the physical contract is set out in Appendix 2, with further information provided in Force Financial Instructions.

After approval has been given for the award of a contract the actual contract document will need to be reviewed and agreed by the relevant lead specialist department(s) involved. This might be ICT, Corporate Finance or Procurement. Once the details of the contract have been agreed with the supplier to the satisfaction of TVP, then the actual contract document needs to be signed.

~~The principle for who signs the contract follows who has authority to approve that contract, e.g. contracts below £1m are designated within Force Financial Instructions. All contracts above £1m must be signed by the PCC or his Chief Executive of Staff or Chief Finance Officer, and the Director of Finance.~~

As with property contracts a risk based approach will be used. The risk to the organisation largely, but not wholly, increases with the contract value: larger contracts generally are for more complex projects and if there is a dispute the size of the contract would make the formal legal approach to contract resolution more attractive than alternative means.

This risk based approach is already implicit within the tender approval limits within Financial Regulations, and these will also determine who should sign the contract documents.

Suppliers will be managed throughout the life of a contract in a manner appropriate to the importance of the supplier to the force.

To assist the signatory a covering note should be produced which outlines the contract and the main parts along with any relevant details on changes. Each contract would have the points where initialling or a signature is required highlighted to ease the physical process.

The lead department will therefore provide a short statement to confirm they have reviewed the terms of the contract and are content that they are accurate, correct and in the best interests of TVP. For straightforward contracts this can be in the form of a one-line email whereas for more complex ICT contracts which may include numerous appendices, technical specifications and amendments, the report will need to confirm that the report has been checked and is deemed to be correct, including all the detailed appendices, amendments and additional details.

Storage of contracts

All original contracts currently stored by the OPCC in the Farmhouse will continue to be stored in the Farmhouse.

The PCC will, in future, store all contracts for the acquisition and disposal of land, as well as all other contracts signed by the PCC, Chief ~~Executive of Staff~~ or Chief Finance Officer.

The Chief Constable shall store all contracts over £50,000 on the (national) BlueLight database and all contracts below £50,000 will be stored locally.

Contracts under Seal

Only contracts that need to be a deed should be sealed. In practical terms this only relates to those land and building contracts that are processed through the Office of the PCC

CONTRACT SIGNING

Contract Type	Contract Value	Tender Approval – Most Economic Advantage	Tender Approval – Not Most Economic Advantage /Single Quote	Contract Signatory
Acquisition & Disposal of Land	<£1 million	As per Financial Instructions	As per Financial Instructions	Chief <u>Executive of Staff or Chief Finance Officer</u>
Acquisition & Disposal of Land	£1m and over	Police and Crime Commissioner	Police and Crime Commissioner	Chief <u>Executive of Staff and Director of Finance or Chief Finance Officer</u>
Building Works and Other Services	<£1 million	As per Financial Instructions	As per Financial Instructions	<u>As per Financial Instructions</u> <u>Director of Finance</u>
Building Works and Other Services	£1 million and over	Police and Crime Commissioner	Police and Crime Commissioner	<u>As per Financial Instructions</u> <u>Chief Executive and Director of Finance</u>
Non-Property Contracts	<£1 million	As per Financial Instructions	As per Financial Instructions	As per Financial Instructions
Non-Property Contracts	£1 million and over	Police and Crime Commissioner	Police and Crime Commissioner	<u>As per Financial Instructions</u> <u>Chief Executive and Director of Finance</u>

Force Review
CCMT Decision Paper (End of Phase 2)
22 February 2023

- 1.0 **Purpose:** The purpose of this paper is to seek a preferred option for the structure of Local Policing within Thames Valley Police¹, but not to seek a decision until detailed engagement with partners and public have been completed.
- 2.0 **Context:** The force review was established in May 2022 and began with a review of local policing structures. Following scoping work in October 22 CCMT made the decision to narrow down the options for local policing structures to either i) retaining and enhancing the 11 LPA structure or ii) moving to a 5 Operational Command Unit (OCU) approach.
- 3.0 **Executive Summary:** Moving to a 5 OCU structure would release savings of £2.6m and enable a range of effectiveness benefits, but with some associated risks. This paper represents a summary of the review. It should be read in conjunction with the associated and [detailed slide deck](#). Each section of the review has a more detailed paper that sits behind it; hyperlinks to these are available from the relevant slide in the slide deck.
- 4.0 **Force Review:** The force review has dual aims of i) improving the effectiveness of policing delivery and of ii) saving £15.4m.
- 5.0 **Method:** The method adopted by the review team has been based around 6 discrete areas of work.
- 5.1 Demand Modelling: modelling of public need and capacity, especially ICRs and CID at a local level with resource modelling methodology by Service Improvement.
 - 5.2 Data analysis: Seeking data on long term trends and indicators of public need and capacity pinch points and bottlenecks. Seeking data on 'what works' with regards to structures in the academic literature, through HMIC and the College of Policing. Review of service improvement reviews and the force management statements. Learning from previous LPA mergers.
 - 5.3 Benchmarking: A review of structural solutions considered, both implemented and rejected in a range of other forces across the UK, and a review of the HMIC Value for Money Profiles.
 - 5.4 Workforce engagement: Intensive engagement through interviews with senior leaders across the force. Workshop engagement with inspectors and frontline officers and staff.
 - 5.5 Partner engagement: Engagement with key partners including local authorities, (officers and members), Criminal Justice partners, LRF partners and blue light services.
 - 5.6 Future thinking: Obtaining projections and considering analysis of changes that are likely to occur in policing over the coming decade[2].

¹ This paper represents the proposal from phase 1 of the review which is focussed on the local policing structures of the force. Phase 2 will consider the detailed elements of local policing and the centralised functions of the force and will make proposals in February 2023.

5.7 Having obtained the above material the review relied heavily on the professional judgement of the team, it has not always been possible to meet the wants and expectations of all the staff.

6.0 Summary of Benefits and Issues with 11 LPA Structure: The October 22 CCMT paper identified that the existing 11 LPA structure and has a number of benefits including:

- 6.1 Senior leadership visibility and accessibility
- 6.2 Responsiveness at a local level.
- 6.3 Effective partnership engagement with local authorities in most areas.

However, it also identified the following issues:

- 6.4 11 LPA structure is under stress and lacks the resources needed to thrive.
- 6.5 Workloads of officers and staff in some areas are excessive and inconsistent.
- 6.6 A consistent model of senior leadership across LPAs is not reflective of threat, harm, risk and demand.
- 6.7 The crime profile and expectations of the police have changed significantly since 2010; the structure has not.
- 6.8 Safeguarding and harm reduction activity has grown in scale and significant since 2010 but is not reflected consistently in the LPA structures; gaps around exploitation, CSE, CDE, domestic abuse and vulnerability remain.
- 6.9 The level of resource dedicated to neighbourhood policing varies significantly between LPAs (from 11% to 26%).
- 6.10 Highly inconsistent distribution of supervisors across LPAs; supervisory ratios vary with least on ICR (1:8.6) and most on neighbourhood (1:4) and CID (1:4). Supervisory ratios vary from a high of 1:11 to a low of 1:2.
- 6.11 There are too few Sergeants on ICR given the increasing inexperience of the ICR workforce.
- 6.12 Significant difference between LPAs as to the functions and business rules of different teams; variance without value. Good practice is not consistently identified and shared.
- 6.13 Abstractions from core policing activity is commonplace for a range of reasons.
- 6.14 LPAs struggle to meet surge demand and manage abstractions; movement of detectives and daily activity from T&R is necessary to maintain ICR strength. There is competition for scarce resources between commands.
- 6.15 Inspectors are often working off their LPA to provide duty Inspector functions.
- 6.16 Partnership demand placing a significant challenge in some areas owing to their own resourcing.

7.0 Engagement: A significant amount of internal engagement has taken place across the workforce, staff associations and senior leaders. The key issues and requests from our workforce differ by department, area and rank. A full list of internal engagement is on slides 7,8,9 and 10. A non-exhaustive list of feedback and requests from the workforce includes:

- 7.1 Manageable workloads across teams (top issue)
- 7.2 Fewer abstractions (especially of PCs from ICR, neighbourhoods and DCs to major crime)
- 7.3 More Sergeants on ICR to support the inexperienced workforce
- 7.4 LPA Command teams that more closely reflect the threat, risk, harm and demand
- 7.5 Reduced abstractions for protected learning time under PEQF

7.6 Return of Probationer Development Units (PDUs)

7.7 Reduction of work from partners

8.0 Superintendent Engagement: Engagement with the Superintending ranks, especially those from local policing, has taken place through the Supts Association meeting, dedicated briefing sessions, LPA Commanders meeting and a series of one to one meetings. Key feedback includes the below (it should be noted that these points are not unanimous, but represent the broad consensus of views):

8.1 Concerns as to the potential for a reduction in service levels to local authority partners

8.2 Concerns regarding loss of visible local leadership

8.3 Desire to ensure HRU has appropriate resource levels

8.4 Positive about the potential for a PACE Inspector functions

8.5 Pleased about potential to increase Sergeants on ICR

8.6 Most believe that Chiefs Inspectors under a 5 OCU model should be functional, not geographic

8.7 Worried about the potential for resource to be drawn away from rural areas towards urban areas

8.8 Keen to ensure that performance management operates at CSP level

9.0 Partnership Engagement: Initial engagement with partners has been done via a survey requesting broad feedback on what is working well with their interaction with TVP, and what areas they would like to improve. The intention is to return to partners after CCMT with more detail regarding potential options to undertake further engagement and permit more time to consider and respond to detailed options. The first round of engagement has gone to 102 partner organisations and responses have been received from 56. Key themes include:

9.1 75% of respondents felt that current relationships with their LPA were excellent or good. No partner rated relationships as 'poor'.

9.2 Information sharing from force to partners is an existing issue, this came out via both qualitative and quantitative aspects of the survey.

9.3 Positive feedback that 5 OCU structure would align with county, fire, probationary and health boundaries.

9.4 Concerns that 5 OCU structure would weaken local connections, leadership relationships, engagement and bring fewer crime prevention resources to areas of less demand.

9.5 The Strategic IAG has had an in person briefing and their primary concern was to avoid any reduction in IAG numbers across the force and to ensure a strong ongoing local policing presence through neighbourhood teams.

10.0 Proposed 5 Operational Command Unit (OCU) Vision: The structure and business rules of the 11 LPA structure are well understood. However, a proposed vision for the structure of a 5 command area model is as follows:

10.1 Chief Superintendent led and having a scalable command team dependent on the threat, harm, risk and demand of the area.

10.2 Each command team will provide senior investigative and safeguarding leadership from a Detective Superintendent.

- 10.3 Each OCU will have a number of uniform and detective Chief Inspectors dependent on the size and complexity of the command area. It is recommended that the uniform Chief Inspectors have functional, not geographic, portfolios in order to avoid creating an inefficient two tier system and creating artificial silos between areas within an OCU.
- 10.4 The units will be called Operational Command Units (OCUs) rather than LPAs to mark the break with the existing local policing structure. The units will not be referred to as BCUs as they would not meet the requirement of independence (see slide 16).
- 10.5 OCUs would be operationally self-reliant and force support will be required only in exceptional circumstances.
- 10.6 Retaining the same number of neighbourhood areas (108). Geographic neighbourhoods will be small defined areas supported by a number of PCSOs and officers providing an ongoing footprint, but with the ability to cluster together to provide enforcement action and cover for one another in times of absence.
- 10.7 Reinvestment into neighbourhoods is achieved through the PCC's funding for an additional 80 PC posts, and that 100 vacant PCSO posts are converted into 66 PC posts that are also ringfenced for neighbourhood policing. Disbanding the Problem Solving Teams will also release further PC posts that can be reinvested into neighbourhood policing. Growth of neighbourhood teams will result in a change of terms of reference to include carrying crime workloads and undertaking local enforcement activity.
- 10.8 Each OCU will have 4 schools officers and 2 mental health officers working within the Harm Reduction Units. A total of 20 schools officers and 10 mental health officers forcewide.
- 10.9 Within each command area the three central building blocks will remain: Incident and Crime Response (ICR), neighbourhood, and investigations (CID and PCT). The other elements will be Proactive teams (previously called tasking/stronghold teams), the DAIU and Harm Reduction Units.
- 10.10 Problem Solving Teams cease to exist and geographic neighbourhood teams bolstered to provide problem solving capability.
- 10.11 A number of Inspector posts will provide PACE functions and reduce (not eliminate) abstractions on neighbourhood Inspectors. These posts may be based under the line management of the OCUs or under CJ; this will be determined during the force review of Criminal Justice.
- 10.12 PCSOs will be line managed by PCSO supervisors or Neighbourhood Supervisory Officers (NSOs).
- 10.13 Released Sergeant posts from neighbourhood will be reinvested into providing 25 additional supervisory support for ICR (1 per shift per OCU).
- 10.14 Each OCU will have a Harm Reduction Unit. This team will provide a range of essential functions such as: safeguarding of high risk DA victims, DA demand reduction, mental health demand, missing and exploitation, CSE prevention, obtaining and management of orders, managing MARAC/MATAcs and partnership demand.
- 10.15 Smaller tasking teams (renamed as Proactive Teams) led by a DI will operate across the whole of an OCU will focus on tackling organised crime and other enforcement activity.
- 10.16 DAIU will transfer to be delivered at OCU level under the lead of a local DCI. DAIU resources will increase by 14 DC posts to meet demand.

- 10.17 CID will be supported to provide the majority of the force's RASO response, without the creation of new RASO teams. CID will be uplifted by 7 DC posts to help meet demand.
- 10.18 Priority Crime Teams (PCTs) will remain to deal with volume and priority crime across the entirety of the OCU.
- 10.19 Each OCU will have a small performance function led by an Inspector with a focus on continuous improvement. The force will continue to keep an overview of performance at CSP level.
- 10.20 Each OCU will have a community policing and partnerships Inspector with a broad portfolio covering a range of activities currently undertaken by SPOCs.
- 10.21 The creation of a forcewide Operational Support Unit (Chiefs Reserve) to deliver a standing public order level 2 capability will reduce levels of abstraction from ICR and neighbourhood. This remains an aspiration, but as yet resources to facilitate this have not been identified in the local policing element of the review – although the resource modelling of ICR capacity in the light of the rollout of the AIU may yet identify some resource that can be released for this purpose.
- 10.22 OCU commanders will have some discretion over what functions they can create and task according to local need and to innovate (for example, LPA Commanders can create prisoner handling teams out of their existing resources if they believe it is justified). The terms of reference, remit and extent of flexibility will be laid out in a living "Haynes Manual" style document.
- 10.23 Chief Superintendents and Superintendents on the OCUs would continue to have thematic portfolios in addition to command of a large police area. However, they would be supported in delivery through provision of a Sergeant on each OCU to assist in delivery.
- 10.24 The force re-establishes a small Community Policing Command under the leadership of the newly created Citizens in Policing (CiP) Superintendent. The command would consist of 1 Chief Inspector, 1 Inspector and 2 Sergeants. It would provide line management of the problem solving analysts and the rural crime taskforce.
- 10.25 An indicative size and cost of each of the command areas is at appendix A.
- 11.0 **Benefits and Issues of a 5 OCU model for local Policing:** There is no single correct structure for the delivery of local policing. Every structure has benefits and disbenefits. A 5 OCU structure may achieve the following benefits:
- 11.1 Releasing resource to be reinvested in neighbourhood policing.
- 11.2 Releasing resource to be reinvested in DAIU and CID.
- 11.3 Provision of command teams to match the threat, harm, risk and demand of each area; including provision of detective Superintendents for each OCU.
- 11.4 Greater volume of officers able to meet surge demand without cross border working.
- 11.5 OCUs would be mostly self-sufficient and enable the free flow of resource across larger areas to meet demand.
- 11.6 Enable the creation of harm reduction units (HRUs) which can provide a range of professionalised services at a local level to support the most vulnerable; these services could include orders management and mental health (two areas the force needs to develop its offer).

- 11.7 Would enable the creation of DI posts to lead the Proactive teams across the 5 OCUs to tackle organised crime, knife crime and SAC.
- 11.8 Would enable the creation of Community Policing and Partnership Inspectors for each OCU who could lead on delivering a range of functions currently undertaken by SPOCs which abstracts Inspectors from their core functions.
- 11.9 Would enable the release of 25 Sergeants back to ICR to support an inexperienced workforce; one additional Sergeant per shift per OCU.
- 11.10 Would enable to provision of a greater number of Inspectors dedicated to supporting the PACE function and reduce abstractions of other Inspectors for this purpose (NB the numbers would not be sufficient to eliminate the need for other inspectors to undertake this function – but would reduce demand on them).
- 11.11 Would enable the provision of 5 Sergeants to support the 5 Chief Superintendents with delivery of their thematic portfolios (an increase from the existing 1 Inspector post).
- 11.12 Would enable the removal of the anomalous command areas for duty Inspectors; allowing duty Inspectors to work on their own OCUs when undertaking duty functions.
- 11.13 Would unfetter the force estates strategy and permit broader options for estates savings further into the future.
- 11.14 The 5 OCU model could offer support to the outstanding HMICFRS areas for improvement (see slide 57), and would release £2.7m in cashable savings.

The issues and disbenefits of a 5 OCU model include the following:

- 11.15 Loss of a single identifiable local commander available for local authority partners in some areas (this will most acutely impact Berkshire and Oxfordshire, but will improve in Buckinghamshire). This would necessitate a different approach to engagement with local authorities in some areas.
 - 11.16 Local commanders may seem more remote from the workforce and providing visibility will require a co-ordinated effort across the entirety of the command team.
 - 11.17 Resource could be drawn out of quieter areas into areas of higher demand, detrimentally impacting the policing of rural areas; albeit this could be mitigated through the increase in neighbourhood resource.
 - 11.18 It has been suggested that larger commands might weaken local connections; albeit this is mitigated through the increase in neighbourhood policing resource.
 - 11.19 It has been suggested that it would harm the effective working of the IAGs; albeit this is no longer an issue as the force has committed to retaining the existing 11 IAG structure for at least 2 years.
- 12.0 **Design Principles:** The iterative design of a 5 OCU model gave due regard to the following design principles:
- 12.1 There is no single correct structure for the delivery of local policing; every structural option has benefits and disbenefits. The role of CCMT is to determine the extent to which any design aligns to the overall strategy of the force.
 - 12.2 The costs of change will be considerable; it will be for CCMT to determine if the likely benefits of any change would outweigh the costs.
 - 12.3 Any design needs to be sufficiently robust and flexible to provide a framework for local policing delivery for the force for at least the next 10 years. This does not mean

that no changes can be subsequently made, but that the framework of the design will remain broadly consistent.

- 12.4 It is not possible to enhance every area of operational activity through a change in design. Some areas will have service level improvements and some will have service level reductions. These decisions need to be made deliberately, intentionally and with the aim of enhancing overall public value.
- 12.5 The 3 areas that were determined to be the focus of enhanced public value were neighbourhood policing, investigations and incident response.
- 12.6 The boundaries and functions provided by command areas should make sense to our workforce and to the public.
- 12.7 When designing functions, wherever possible, resource and accountability should align (i.e. those held accountable should have ownership of the resource for which they are accountable).
- 12.8 The deployment of scarce police resources is an inherently ethical issue – and the investment or disinvestment of resource needs to be considered in those terms.
- 12.9 There will be some areas of the design that are fixed and cannot be changed by local commanders without approval from Chief Officers, however other areas will remain open and flexible to amendment by local commanders. These areas will be specified in a living document on local policing colloquially referred to as a “Haynes Manual”².
- 12.10 Every unit and department based on an OCU should have an identified head of profession at force level who will be responsible for setting standards, identifying good practice and driving consistency across the force. For example, Domestic Abuse Supt as head of profession for Harm Reduction Units and Local DAIUs. The head of profession is identified for each element of the OCUs on the top right of the slidedeck.

13.0 Enhancements of Existing 11 LPA Model: In October 22 CCMT determined that the Force Review should focus on 2 key options. i) Move to a 5 OCU model, ii) Retain an 11 LPA model but seek to enhance and optimise it. The available enhancements under the existing 11 LPA structure are limited owing to the lack of economies of scale. However, identified enhancements to the 11 LPA model include:

- 13.1 Uplift of 80 PC posts to be ringfenced for neighbourhood policing funded by the PCC
- 13.2 Uplift of 66 further PC posts through converting 100 vacant PCSO posts
- 13.3 Could make small savings through amendments to admin provision
- 13.4 Distribution of neighbourhood resource using crime harm index
- 13.5 Use of PCSO supervisors and NSOs to line manage PCSOs
- 13.6 Harm reduction Units could be established, but would be very small and lack much of the functionality of HRUs based on OCUs
- 13.7 Small savings could be made through tweaks to the LPA command structures

It would not be possible to achieve the following enhancements under the existing 11 LPA structure:

- 13.8 DAIU could not be delivered locally without significant additional resource.

² The **Haynes Owner's Workshop Manuals** (commonly known as **Haynes Manuals**) are a series of practical manuals from the British publisher Haynes Publishing Group. The series primarily focuses upon the maintenance and repair of automotive vehicles. Haynes manuals provide detailed drawing, explanations and wiring diagrams allowing DIY enthusiasts to work on their own vehicles.

- 13.9 Savings could not be made in problem solving analysts, crime co-ordinators, PCT DI's or DS's owing to a lack of economies of scale.
- 13.10 Savings could not be made on CID DS posts that could be reinvested back into additional DC capacity owing to a lack of economies of scale.
- 13.11 It would not be possible to create a central Community Policing Command without additional resource.
- 13.12 It would not be possible to create a number of additional Inspector posts to undertake PACE cadre duties without significant additional resource.
- 13.13 It would not be possible to give each ICR shift an additional Sergeant post as to do so would require 55 Sergeant posts.
- 13.14 It would not be possible to make savings on the performance Inspector function
- 13.15 It would not be possible to create the Community Policing and Partnerships Inspector role as to do so would necessitate finding 11 additional Inspector posts.
- 13.16 It would not be possible to uplift DAIU by 14 DC posts because these posts come from the economies of scale achieved through merging tasking teams.
- 13.17 It would not be possible to have a Detective Superintendent based on each of the 11 LPAs.
- 14.0 **Estates:** A 5 OCU model would be achievable with the current force estate. The estate should be able to support change, but also offer potential opportunities to reconfigure and even rationalise the estate in certain locations to a greater extent than the current 11 LPA model can enable. There is a significant future opportunity around the Oxfordshire estate and this has direct inter-dependencies with the future HQ strategy in a 5 OCU model.
- 14.1 Any emphasis on physical centralisation of service delivery, e.g. from OCU centralised hubs, is likely to require significant extra space which may not be practical/affordable to deliver across the existing estate.
- 14.2 Merging or expanding some teams is expected to be achievable on most LPA sites, but this will impact more severely at locations where a team is not currently present and space is already constrained. However, the majority of the larger LPA sites do have potential to absorb modest/limited growth, through the robust application of Working Smart principles.
- 14.3 The estate implications of changing the approach to ICR base provision and/or the size of local facing NHPTs will need further consideration. An increase in either/both could impact on the fitness for purpose (i.e. sufficiency and suitability) of existing lower level bases. This may require alternative or expanded estate provision locally which may in practice be challenging to deliver.
- 14.4 As yet the review has been focussed on structure, but a more detailed analysis of the estates implications will take place during any implementation phase.
- 15.0 **Savings:** An enhanced 11 LPA model cannot achieve savings, and the proposed 5 OCU model could achieve savings of £2.7m. It is frequently asked how these will be achieved; and the savings do not come from any single clearly identifiable change; rather the savings are achieved in 3 main ways.
- 15.1 Economies of scale. As larger units are constructed economies of scale release resources.

- 15.2 Supervisory ratios. With larger units it is possible to create more consistent and appropriate supervisory ratios.
- 15.3 Marginal gains. Through restructuring difficult decisions have been made as reduce the level of resource invested in certain business areas based on an analysis of public value. This means that some areas will see service level reductions. These areas are clearly identified on each slide.
- 15.4 All the savings identified so far come from posts and equipment; no savings have so far been taken from estates, fleet or overtime; albeit it is anticipated that a 5 OCU model would permit such savings to be realised in due course.
- 16.0 **Scrutiny:** To date there have been 2 scrutiny sessions with i) Local Policing Chief Superintendents and some Supts to examine and test the proposals and ii) Leadership from GSI to examine and test the proposed savings. Further scrutiny groups will take place and the detail shared with all senior leaders to encourage review and feedback for further iterative changes to the proposals.
- 17.0 **Implementation:** Should the force wish to proceed with implementing a 5 OCU model after the decision at the June CCMT then learning from previous restructures is that dedicated resources make for more effective delivery. It is therefore proposed that the implementation of any proposals from the force review are separated out from the ongoing work to review the rest of the force.
- 17.1 It will be important to maintain a connection between the Force Review and the implementation. It is proposed that the review and implementation would be governed within the same programme.
- 17.2 Expected costs for implementation of the Local Policing proposals, including the estimated ICT/systems changes are estimated as £1,621,838 in 23/24 and £189,924 in 24/25. This does not include resources provided from current establishment e.g. Change Delivery Team, or from BAU teams where support would be required such as wider parts of the People Directorate, Property Services, Finance, and Corporate Comms. The delivery will also require significant time for the Local Policing leadership, outside of the costed dedicated resources, who will be key to the successful implementation.
- 17.3 Consideration will also be given to change management and change leadership skills and if further training or external support is required with this.
- 17.4 Local Policing leadership will be critical to successful implementation; although not shown here the command teams for the new OCUs will be appointed early and have a key role to play in leading the change.
- 17.5 Some resources would be provided at programme level, recognising the need to work across the design and implementation, and to manage dependencies.
- 17.6 The design and implementation teams would be co-located to maintain the connection between design and implementation.
- 17.7 It is proposed that implementation is phased to minimise the impact on the force, allow for learning to improve future phases, and deliver some change and the expected benefits earlier.
- 17.8 If a phased approach is agreed then it is proposed to begin with Buckinghamshire. MK is already a small area and would not represent a real test of the new model at scale. Oxfordshire is a very large and complex area with multiple local authority partnerships.

Berkshire is a difficult initial location owing to the need to split Bracknell and Wokingham. Buckinghamshire is considered to be the best initial location as it would be the second largest area in terms of workforce, but would be relatively straightforward as it involves the merger of just 2 police areas and will work to one local authority.

17.9 Based on a final decision by CCMT in May, the broad timeline for the phases would be:

- Phase 1 (Buckinghamshire) – May - November 2023
- Phase 2 (MK & Oxfordshire) – November 2023 - June 2024
- Phase 3 (Berkshire) – April 2024 – September 2024

17.10 The timeline for each phase allows for ICT and systems changes (see later slide for detail) and people change processes. This includes set timelines for formal consultation via UNISON and the Federation, agreed police officer/police staff change processes for redeployment and/or at risk, and the 90 day notice period where required for impacted officers.

17.11 Because of the connectedness of the changes and learning from the South Bucks merger, it is recommended that the majority of the change goes live at the same time; but that some aspects such as command structures and DAIU moves could be done earlier. Aspects of the proposals that are forcewide e.g. PACE inspector function could also be done earlier in the timeline.

18.0 **Further Work:** Further work on the local policing designs will continue over the coming months. Areas for further activity include:

18.1 The rotas critical to the effectiveness of local policing, including the PACE Inspectors rota

18.2 Demand modelling of resource requirements for ICR in the light of the AIU rollout

18.3 Analysis of required base stations for ICR based on the analysis by Process Evolution.

18.4 A review of all partnership meetings undertaken by local policing and consideration of how these might be facilitated under a 5 OCU structure

18.5 The development of an explanatory “Haynes Manual” of local policing structures and command.

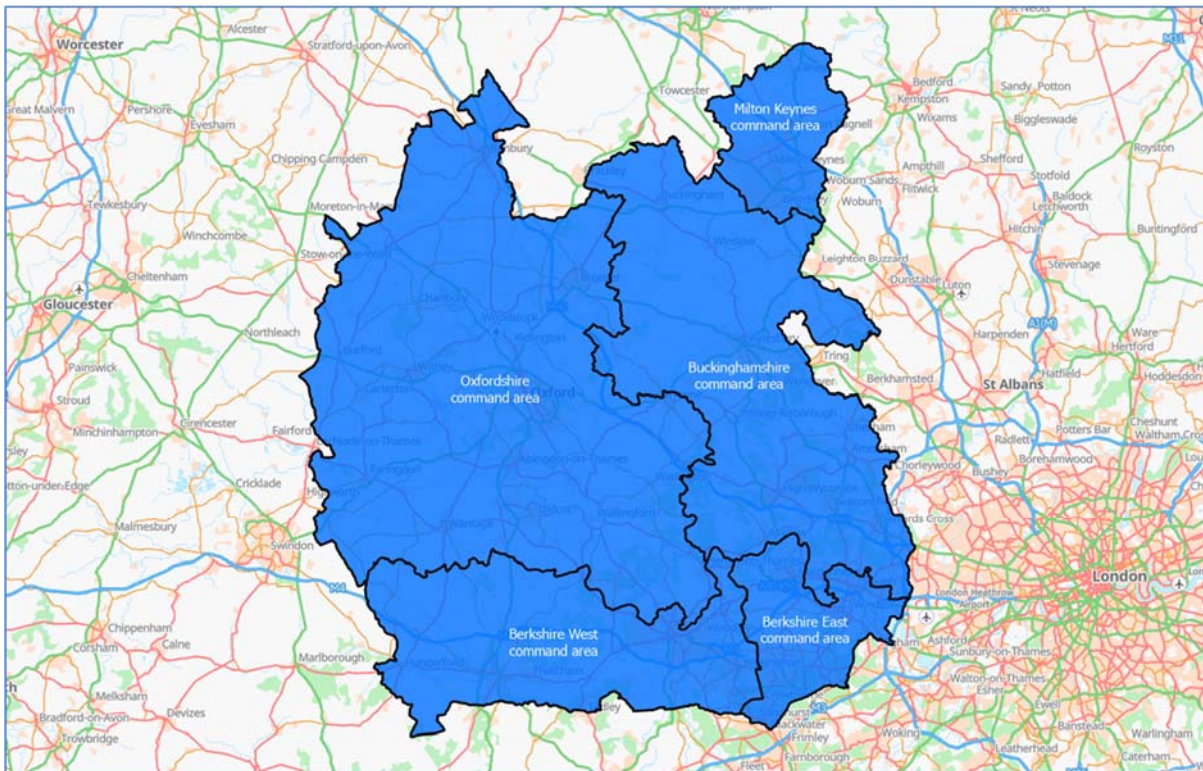
18.6 A review of the rural crime team.

18.7 The design remain opens to further iterative amendments and amendments through ongoing scrutiny by the workforce, but these will not result in any reduction in savings levels.

19.0 **Recommendation:** It is recommended that CCMT endorse the 5 OCU model as the initial preferred option for the delivery of local policing and that further engagement with the workforce, partners and public takes place to allow CCMT to make a final decision in June or July.

Appendix A: Indicative Size and Costs of 5 Command Areas

Command Hub	Officer Workforce	Staff Workforce	Total Cost (Officer)	Non-PCSO Staff Costs	PCSO costs	Total Command Hub Costs
<i>Oxfordshire</i>	708.83	153.68	£43,385,555	£1,208,213	£3,644,845	£48,238,613
<i>Buckinghamshire</i>	522.83	103.56	£32,036,866	£945,401	£2,365,504	£35,347,771
<i>Berks East</i>	509.7	114.57	£31,523,299	£1,236,622	£2,428,226	£35,188,147
<i>Berkshire West</i>	511.01	106.33	£31,397,291	£1,140,561	£2,257,525	£34,795,377
<i>Milton Keynes</i>	350.7	76.31	£21,284,478	£836,848	£1,579,433	£23,700,759
Totals	2602.44	554.45	£159,427,488	£5,367,644	£12,275,533	£177,070,665



Appendix B: 5 OCU comparator

	Population (21 census)	Square k m	Number of officers	Number of police staff	Workforce Cost	Total CHI score	Total Crime Number (12 month rolling)	Number of MPs	Number of Local Authorities
Oxfordshire	724k	2,605	708.83	153.68	£48,238,613	4,727,039	49,939	6	6
Berkshire East	397k	338.13	509.7	114.57	£35,188,147	3,175,801	35,432	4	3
Berkshire West	462k	923.87	511.01	106.33	£34,795,377	3,361,931	37,424	4	3
Buckinghamshire	505k	1,565	522.83	103.56	£35,347,771	3,083,291	34,294	5	1
Milton Keynes	287k	309	350.7	76.31	£23,700,759	2,569,995	28,239	2	1
Total	2,515,100	5,741	2602.44	554.45	£177,070,666	16,918,057	185,328	21	14

Appendix C: Success Criteria

Given the initial terms of reference for the review and the drivers for undertaking the reform it is recommended that the review works to the following success criteria:

Releasing latent capacity within the organisation which can be re-invested in frontline service delivery. Success assessed by number of posts identified that can be reinvested.

Meeting the needs of our workforce. Engagement indicates these to be a) improving supervisory ratios on ICR, b) reducing abstractions (especially on level 2 officers), c) reducing number of PACE covers for Inspectors, d) providing greater support to student officers

Delivering savings across the organisation. The restructure of local policing should contribute to the overall savings target of £15.4m.

Appendix D: Potential Impact on Areas for Improvement (AFIs)

Area	Grade	AFI	5 OCU model benefit
Preventing Crime and Anti-Social Behaviour	Adequate	The force should make sure that the use of a problem solving model is more consistently applied	Provision of a lead problem solving analyst to drive consistency of approach. Provision of problem solving tactical advisors in local policing command.
Investigating Crime	Adequate	The force needs to make sure that the requirements of the Victims Code of Practice are complied with	Additional Sergeants on ICR. More manageable workloads owing to increase in DAIU, CID, and neighbourhood officers.
Protecting vulnerable people	Adequate	The force should make sure that it actively considers the use of DVPOs/DVPNs and disclosures under Claires law in all appropriate cases	Additional resource for DAIU. Provision of dedicated officers for orders in the Harm Reduction Units. Dedicated officers for schools and mental health and exploitation.
Strategic Planning, Organisational management	Requires Improvement	The force needs to make sure that it has the capability and capacity it needs to meet and manage current demands in the most efficient manner	Additional Sergeants on ICR. Additional PCs on geographic neighbourhoods. Additional DCs in DAIU. Aim to deliver an Operational Support Unit. Development of a PACE Inspector CADRE.

Appendix E: Potential Impact on VAWG

Impact	5 OCU	11 LPA
Increase of 14 DCs in DAIU	Yes	No
Increase of 7 DCs in CID (focus on rape investigations)	Yes	No
Increase of 16 PIP2 investigators in CID	Yes	Yes
Increase of 5 OCU Community Policing and Partnerships Inspectors (one dedicated portfolio will be VAWG)	Yes	No
Reduction in Insp abstraction which will provide increased supervisory support	Yes	No
Provision of 5 D/Supt to provide leadership for VAWG and can provide LRO for Organised Crime involving VAWG	Yes	No
Creation of Harm Reduction Units to support safeguarding of the most vulnerable	Yes	Yes
Creation of officer posts dedicated to obtaining and managing Orders against VAWG perpetrators	Yes	Yes
Sgt support for thematic portfolio support for C/Supt	Yes	Yes

Appendix F: Force Review Design Work – Learning Identified

- Dedicated resources most effective to deliver against project timelines. Dedicated SRO has been essential.
- Enabling departments (ICT, Comms, People Directorate, Finance) represented within the project team has been highly beneficial.
- Stakeholder engagement has been good and helpful input received to support development of proposals. Some instances of stakeholders feeling missed by this have been addressed.
- Earlier planning for implementation and governance/resourcing for this, to allow for delineation of the Force Review work from implementation activity.
- Earlier drafting of the EIA to inform decision making at all stages.
- Earlier engagement with Strategic IAG as part of the stakeholder engagement activity, and to allow this to filter down to Local IAG discussions.

Appendix G: Haynes Manual



Haynes Manual

- Will detail how new local policing structures will look
- Job descriptions
- Terms of references
- Organisation charts
- Business rules
- Crime management
- Will be a living document, updated when appropriate
- Will provide clarity on what elements can be amended and flexible for local commanders to change and which are fixed and immutable

Appendix H:

Proposal	Enhanced 11 LPAs		5 OCUs	
	Staffing changes	Savings/ Costs	Staffing changes	Savings / Costs
Neighbourhoods (Geographic & Problem Solving)	0	£0	-12 Insps/-25 Sgts/-64.33 PCs/-104 PCSOs	-£9,713,382
Problem Solving Analysts	0	£0	+1 BB4J Lead analyst/-3 BB3H Problem Solving Analysts	-£74,269
Harm Reduction Unit	-	-	+4.5 Insp/+15 Sgt/+105 PCs/+1 BB3G	+£7,551,710
DAIU	0	£0	-2 CIs/-0.5 Insp/+14 DCs/-1 BB3G/-2 BB2E	+£473,617
Tasking / Proactive	-14 PC	- £804,566	+4 Insp/-2 PS / -16 PC	-£713,782
LP Admin	-20 BB2D/ +16 BB2E	-£81,874	-11.81 BB3F/-20.33 BB2D/+5 BB3G/+19.84 BB2E	-£168,838
PACE Cadre	+10 Insp/+1 CI	+£969,16 5	+10 Insp/+1 CI	+£969,165
OCU Inspectors	-	-	-1 Insp	-£87,565
Community Policing Command	+1 CI/+1 Insp/+2 Sgt	+£325,61 8	+1 CI/+1 Insp/+2 Sgt	+£325,618
Performance Inspectors	+3 Insp/-3 Sgt	+£45,888	-2.6 Insp/-3 Sgts	-£444,476
Command Structure	0	£0	+2 CSupts/-2 Supts/-1 CIs	-£56,259
Thematic Portfolio Support	0	£0	+5 Sgts	+£361,345
CID	0	£0	-1 Insp, -4 Sgts, +7 DCs, +16 PIP2s, -12 PIP1s, +0.5 ISOs	+£292,829
PCT	0	£0	-2 Insp, -5 Sgts, -2 PIP2s, -5 PIP1s +1.5 ISOs, -2 Crime Co-ordinators	-£857,212
PSI Uplift	-10 PIP2s	- £452,291	-10 PIP2s	-£452,910
Equipment Costs	0	£0	Cost per officer/Staff member	-£26,471
Total	+2 Police Officers/+6 Police Staff	£363,285	*+28.07 Police Officers/-129.3 Police Staff*	-£2,620,880

* see slides for explanatory notes

Force Review - Risk Register

date: 28 February 2023

Risk Lead: Chief Supt Colin Paine

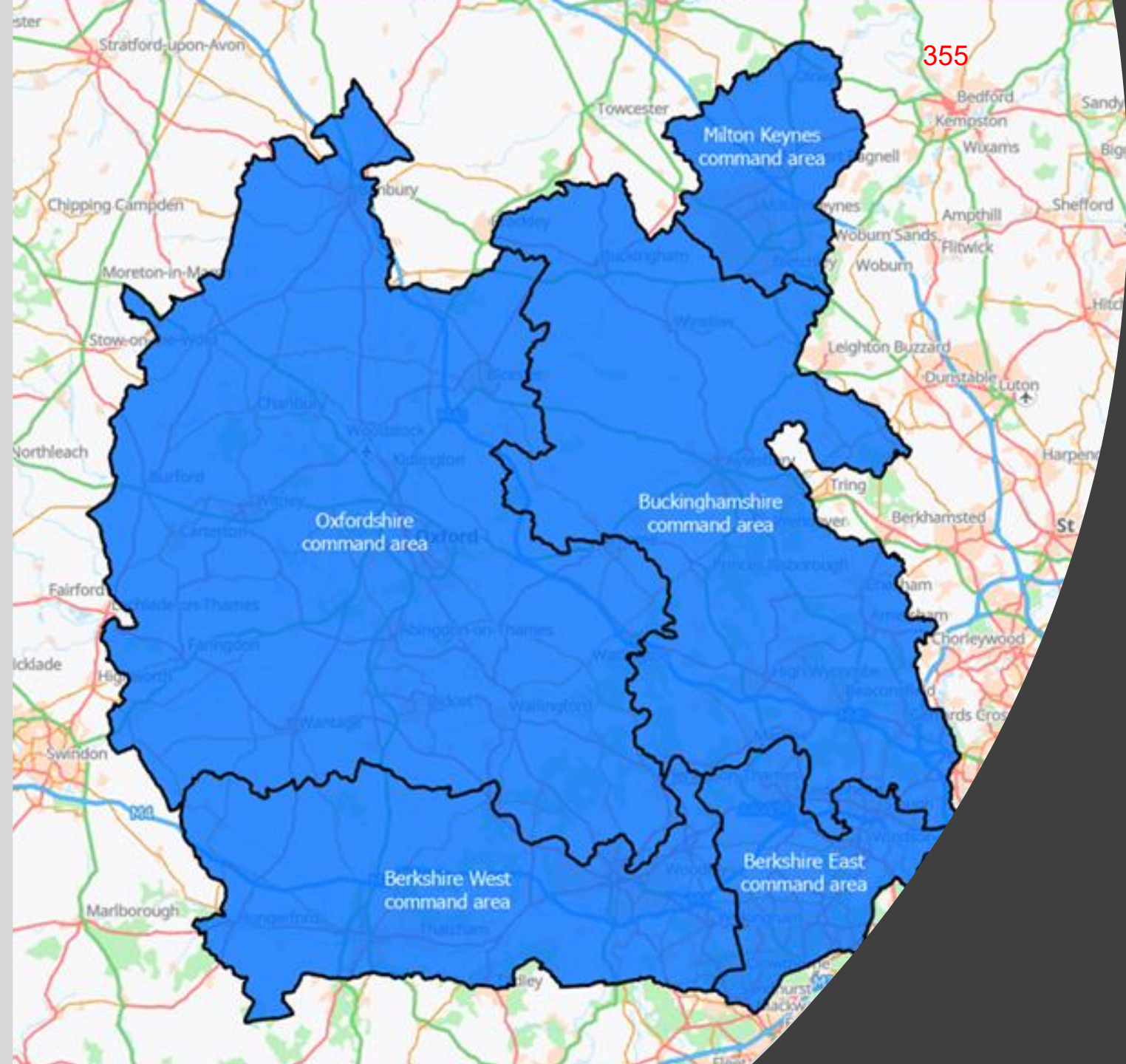
Force Review aim: To make a proposal to CCMT by end-February 2023 with regards to the structure of the operational functions of the force in order to improve the service to the public.

Risk ID	Risk Description <i>There is a risk that....</i>	Possible Causes	Potential Consequences	Impact	Likelihood	Previous Risk Score	Current Risk Score	Trend	Reviewed on	Current Mitigating actions
FR1	There is a risk that...we do not meet our final delivery target deadline (February 2023) <i>[Note: the Phase 1 target deadline, September 2022, was achieved; the Phase 1 proposals were discussed and a preferred way forward was decided at the CCMT meeting on 22nd February 2023]</i>	(a) failure to complete an adequate slide deck with conclusions and proposals for Phase 1 - Local Policing Structure - for consideration by Programme Board in January (b) substantial re-work following Programme Board in January meaning a final set of proposals agreeable to CCMT is not deliverable by February (c) the proposals and decisions may be subject to formal public engagement and outcomes therefrom [we have assumed in our planning that formal public engagement is not required]	We miss the window of the annual strategy/planning cycle in 2023 to enable due consideration to be given in a review of longer term Force strategy as well as 2023/24 annual planning and priorities.	3	1	3	3		28/02/2023	
FR2	There is a risk that...we do not have or use sufficient resources (quantity and quality (i.e. experience and competence)) to perform analysis and research, draw conclusions and proposals, and produce/present report. <i>[Phase 1 resourcing has been managed effectively; the risk here now relates to Phase 2 and beyond]</i>	(a) we are unable to secure requested support (could be people are not available or managers are unwilling to release people) (b) individuals assigned to support the work become unavailable much sooner than expected and are not replaced (e.g. unavailable to us due to resignation, reassignment, retirement, transfer) (c) there is a gap in the overall breadth of experience and competence to perform a review such as this as effectively as possible (d) we do not get the best out of the people who are available and used (e) insufficient expert ICT resource to analyse implementation impact and scenarios	We may take longer to strat or complete certain tasks. We may cut corners to complete tasks in the timescales demanded. There are gaps in some of the thinking, analysis, and conclusions.	3	2	6	6		28/02/2023	Planning for Phase 2 and beyond will have due regard for experience of the relevant areas/departments as well as exercises to review effectiveness and efficiency. SRO able to escalate to DCC if any gaps in capacity/capability identified. Also, consider scheduling in extra challenges and re-thinks to help ensure quality in the final stages.
FR2a	There is a risk that...FISO is not able to provide sufficient resources (quantity and quality (i.e. experience and competence)) to support us in performing analysis and research, draw conclusions and proposals, and produce/present report. <i>[Note: FISO proposals were discussed at the CCMT meeting on 22nd February 2023]</i>	(a) FISO is continuously and heavily stretched with other priorities (b) FISO is not persuaded to give the Force Review a high enough priority	We may not reach robust or clear conclusions in respect of FISO	3	2	6	6		28/02/2023	
FR3	There is a risk that...the scope and tasks required expand beyond what has been envisaged and planned for <i>[Phase 1 has essentially reached a conclusion, with the risk being that something emerges in the January/February Programme Board/CCMT considerations. The risk assessed here relates to Phase 2 and beyond, where specific plans have yet to be developed]</i>	(a) We miss the need for some material tasks in our initial planning (b) CCMT request significant additional work (c) the emerging findings and conclusions are such that significant additional research and analyses are required (d) scope becomes too broad and we don't get adequate focus on practical conclusions and doability	We may not be able to deal with the additional scope and work with the resources available and in the timescales demanded.	3	2	6	6		28/02/2023	Clear direction from the SRO on the scope. SRO liaison with DCC and CCMT. Close communication between the team manager and SRO on any emerging areas of work and how to deal with this. SRO to escalate any changes in scope or additional work to DCC to agree and potentially assign additional resources.
FR4 [includes what was FR5]	There is a risk that...the quality of inputs from engagement is insufficient or inputs are incomplete to help ensure the best quality analysis and recommendations, or we don't develop, check, and maintain the best assumptions <i>[for Phase 1, the general view is that we have obtained and taken account of adequate quality inputs. The risk as assessed relates more to Phase 2 and beyond.]</i>	(a) lack of engagement from those approached across TVP for views and information (b) we do not approach other Forces from whom we could learn significantly (c) where we do approach other Forces, we fail to learn fully from their successes and failures (d) we do not engage with sufficient numbers and representation across the Force to get the widest and best input and views from police officers and others (e) inadequate attention to identifying, assessing and documenting key assumptions (through PESTELO analysis or similar processes) (f) we don't adequately test our conclusions and proposals against the certainty of our assumptions (g) we don't adequately reflect the latest VFM profile data	We may miss important learning from other Forces and precedent situations. We may impact on welfare or morale if the wider force is concerned about this repeating the Operating Model or negatively impacting on them. The conclusions we draw are not good enough and may be incomplete.	2	1	2	2		28/02/2023	for Phases 2 and beyond, we will arrange and hold various engagement meetings with departmental and functional management and representatives. Other engagement routes e.g. email inbox, HoD meetings by the SRO, SLF briefing, Supts Assoc. Stakeholder mapping completed and support from Corp Comms to plan engagement with different stakeholders. Team that brings different perspectives to develop the proposals, based on multiples sources of evidence, regular meetings to check quality and challenge any assumptions. Review Board set up and regular check-ins with DCC on progress. Ensure general learning from other organisations' experiences (good and bad). Tim to review the latest VFM profiles (received late-February).
FR6	There is a risk that ...our conclusions and proposals are sub-optimal	(a) our analysis is incomplete, lacks integrity, or is erroneous (b) we fail to conduct sufficient scenario testing and sensitivity analysis, as part of ensuring conclusions and proposals are sound in relation to uncertain longer-term futures (c) we fail to connect up the Force Review with other key initiatives, especially the review of managing frontline demand, led by Claire Widdison (C/Supt Christian Burt), and the review of service delivery and crime management, led by Ed Herridge (d) there are multiple concurrent TVP reviews and initiatives and which have inter-dependencies	The conclusions and proposals may be good for one chosen scenario but may not be so good for alternative plausible scenarios. We fail to assess how sensitive our conclusions and proposals may be to the key aspects (assumptions, demand, environment, etc.). There may be a disconnect between the Force Review and other key reviews (especially: front-line demand, and service delivery & crime management).	3	1	3	3		28/02/2023	Deconfliction meetings/reviews with Colin Paine, Ed Herridge and Claire Widdison (Christian Burt) have taken place to ensure strategic consistency and alignment of the Phase 1 (Local Policing Structure) proposals. Given that emerging proposals have been presented and discussed over several months now, the probability of mis-alignment has reduced, but the impact of any mis-alignment should not be ignored. Need to ensure continued deconfliction meetings/reviews for Phase 2 and beyond. Right team with expertise and experience to deliver the work to the standard required. Ensure that we have a sufficiently clear mapping of scope/analyses/conclusions for all relevant reviews and initiatives.

FR7	There is a risk that ...our conclusions and proposals are not sufficiently convincing	(a) we reach a conclusion as to a preferred affordable force structure, but that we are unable to evidence that this enables the desired level of public service improvement. (b) there is inadequate understanding or empathy from the audience contributing to a lack of buy-in to the proposed way forward (c) we fail to connect with the P&CC and the OPCC executive to explain proposals and gain their feedback and buy-in (d) we fail to explain adequately and convince the SIAG and supporting IAGs (e) we fail to explain adequately and convince partner agencies	There is inadequate understanding, buy-in and follow-through commitment to prioritisation and implementation. Inadequate support from the P&CC and OPCC for proposals. No support from SIAG/IAGs for the proposed changes. Unplanned defensive work is needed to deal with any adverse feedback from public engagement.	3	2	6	6		28/02/2023	SRO to have regular engagement with DCC, CC and wider CCMT, including in run-up to key decisions. In particular, strong engagement with Christine Kirby/People Directorate senior management is critical to gaining commitment. SRO to continue regular review/contact with Ed Herridge and Claire Widdison in respect of overall Force strategy. Attention given to effective engagement and communication with target audiences. Ensure appropriate engagement with the P&CC/OPCC from the Chief Constable, DCC, and SRO. Presentation and discussion with Programme Board/CCMT in January/February will be critical, plus the follow through with key third parties (including the IAG). Careful preparation of material to be used in public engagement.
FR8	There is a risk that....the quality of data is insufficient or data is incomplete to help ensure the best quality analysis and recommendations <i>[not aware of any particular substantial issues from Phase 1 work, but the risk is inherent for Phase 2 and subsequent work]</i>	(a) there are issues or concerns regarding the quality of data we use to inform our analysis and conclusions (b) the overall picture of financials, organisation, productivity, etc. may be incomplete, inaccurate, or misleading (c) we are insufficiently rigorous in our analysis	We may draw the wrong or sub-optimal conclusions from the data and analysis to hand.	3	2	6	6		28/02/2023	Checking data from different sources for validation and consistency. Use of Service Improvement expertise on most accurate data and any confidence issues that need to be communicated at the point of making decisions.
FR9 [includes what FR14]	There is a risk that....our partner organisations are not engaged or supportive of changes or our proposals do not satisfy partners' requirements and expectations	(a) exploratory discussions with partner organisations are insufficient in respect of Phase 1 (b) proposals are not fully thought through in respect of partner impacts, in respect of both Phase 1 and Phase 2 (c) poor subsequent execution of changes in respect of partner interfaces (d) TVP leadership is not engaged and sharing key programme messages with partners (e) messaging on the need for change not strong enough and/or relevant enough to partners (f) rushed consultation with partners once decisions are made (g) pilot takes place too soon and partners not adequately consulted (h) specifically IAGs - inadequate attention and efforts to get IAGs on-side.	Weakened relationships and interfaces with partner organisations, including the IAGs. Service to the public is damaged and/or opportunities to improve service are missed. The programme becomes a political issue. Intervention from PCC Unwanted media escalation. Programme is delayed to bring partners on board. Mixed messages to partners.	3	3	9	9		28/02/2023	Produce and maintain/refine an overall strategy for communication of our Force Review aims with TVP's partner organisations...for Phase 1, as well as Phase 2 and beyond. Ensure the message to partner organisations is a clear and constant one of 'we want to remain efficient and well-structured to serve all parties' rather than 'we are considering fewer LPAs'. Particular attention must be given to reviewing proposals with the Strategic IAG and supporting IAGs, to get them to understand and allay any fears and misconceptions. Recent IAG engagement indicates that the risk of material concerns has receded. Letter from DCC (via LPA Commanders) has been sent to partners making them aware of the Force Review and its aims, in respect of Phase 1. In due course, consider how best to ensure appropriate engagement with partners in Phase 2. Receive, consider, and respond to any unprompted feedback/concerns from partners during Phase 1 (probably received through LPA Commanders). Chief Constable has delivered an MP's brief of the Force Review and its aims. Engage with partner organisations. Rigorously test emerging proposals/conclusions for their impact on partnership interfaces, before finalising. Consider a prototype or pilot for a particular area of Thames Valley. However, care must be taken to avoid 'jumping the gun' as there is an external expectation that implementation should not precede due consultation/engagement and the consideration of ensuing feedback.
FR10	There is a risk thatinformation technology/systems are a fundamental barrier to the timely and effective implementation of proposed changes <i>[also gives rise to specific risk FR17]</i>	(a) coding structures are complex and laborious to amend (b) many current structural mappings are hard-coded in existing systems, requiring effort to amend	(a) costly, lengthy delivery of required changes	2	1	6	2		28/02/2023	Learn lessons from other Forces' restructures and our own internal structural change in South Buckinghamshire, in respect of IT-related implications and the scale/nature of changes. Consider the costs of a 'big bang' implementation of changes vs. a phased implementation of changes and the relative merits from both a business and ICT perspective. In respect of Phase 1 (Local Policing structure), ICT costs and development requirements have been assessed to a reasonable degree of certainty and factored into the impact assessment and implementation business case.
FR11	There is a risk thatthe Force Review work to be completed by ICT does not gain sufficient priority attention within ICT's overall change portfolio given all the other competing demands, such that the desired Force Review implementation timescales are not achievable. <i>[Note: Phase 1 requirements are essentially clear and factored into implementation plans. The risk continues to be relevant to Phase 2 and beyond.]</i>	(a) competing priorities (b) limitations of budgets and ICT capacity (c) we (and/or the annual planning round conclusions) do not give clear direction or influence ICT priorities in good time	(a) late analysis and prioritisation (b) late delivery of required system changes	3	2	6	6		28/02/2023	Discussions have taken place with ICT in respect of Phase 1. Discussions with ICT are necessary for Phase 2 and beyond to agree scenarios to be assessed by ICT.
FR12	There is a risk that....the ICR backfill will persist for a significant period and have a significant impact on the Force Review proposals	(a) lack of resources for NHPT (b) inability to answer and respond to emergency call (c) levels of officer wellbeing	(a) inability to deliver parts of the new Force structure	2	3	6	6		28/02/2023	
FR13	There is a risk thatour workforce is not engaged or supportive of potential change	a) leadership is not engaged and sharing key messages b) messaging on the need for change not strong enough and/or relevant enough to workforce c) rushed consultation once decisions are made d) pilot takes place too soon and workforce not consulted e) suspicion that the programme driven by solely by cost/headcount f) experience of past programmes g) Other programmes also taking place (FISO change, Force Identity conflict or misalign with FR messaging and aims) h) resistance and delays to implementation i) feelings of unease in some quarters (e.g. Superintendents)	a) retention b) recruitment c) morale d) media escalation e) programme delay to bring workforce on board f) intervention from unions/Federation g) added risk to other programmes (FISO, Force Identity)	2	2	4	4		28/02/2023	a) CP/JH continued engagement with senior leaders/1.1s/SLF/Superintendents Assoc. b) messaging repeated; monthly force-wide updates, planned Intranet section, planned sharing of exec summaries = transparency. c) further employee engagement must take place post-Sept CCMT paper This should involve leaders and be through a number of comms channels; briefings, emails, Chief messaging [for team discussion] d) no pilot should take place before full employee engagement is completed [for team discussion] e) give particular attention to Superintendents (some of whom may see threats to their jobs and be resistant to change) - efforts are being devoted to mitigating this risk f) appropriate communications via Knowzoni etc. and through line management in respect of the CCMT's decision on the preferred Local Policing structural option and its implications, while we wait for the outcome of public engagement and then a final implementation decision.

FR15	<p>There is a risk that...our proposals do respond appropriately to any changes to the scope and nature of the Force Review and do not satisfy the CCMT's emerging objectives for operational cost savings</p> <p><i>[for noting: Phase 1 is essentially complete, barring any substantial changes from the ongoing public engagement. Risk remains significant and relevant for Phase 2 and beyond]</i></p>	<p>Subsequent to the initiation of the Force Review where cost savings were expected as a consequence of proposals, CCMT has identified an objective for substantial cost savings to be attributable to the Force Review (a target range has been set). This is in consequence of the overall strategic impact of UK inflation and its substantial anticipated cost impact on TVP.</p> <p>a) the proposed (preferred, optimal) solution for the Force Review without regard to any cost saving objective does not project a steady state position that enables the CCMT target to be reached.</p> <p>b) we do have regard to the CCMT target, there is some degree of modification of what would otherwise be optimal proposals, but the projected cost savings are nevertheless lower than the CCMT target and we are unwilling to modify the proposals further</p> <p>Insufficient regard to the lead time for identifying and planning property-related changes (and ongoing cost reductions).</p>	<p>a) the prospective cost savings attributable to the final proposals do not meet the CCMT target range</p> <p>b) we may need more time to re-analyse or extend the analysis</p> <p>c) untimely awareness within Property Services of changes to premises requirements and late assessment and planning for consequences</p>	3	3	9	8		28/02/2023	<p>a) CP to seek clarity and decision as to any changes to Force Review objectives, scope and constraints (including any specific cost saving targets)</p> <p>b) given the fluid nature of the Force's financial planning, we need to keep this key risk (impact and likelihood) under continuing review</p> <p>DCC and deconfliction reviews and consideration shall aim to address any risks and issues relevant to scope and nature of the Force Review strategy.</p> <p>Attention to be given to engaging with Property Services and ensuring timely assessment.</p> <p>A clearer picture on this matter is expected following the CCMT consideration of Local Policing proposals in February.</p>
FR16	<p>There is a risk that...we present mixed messages on the strategic aims of the Force Review in respect of cost savings (i.e. savings being a consequence of proposals vs. savings being a key driver of the proposals)</p>	<p>a) we fail to manage effectively the potential conflict between cost savings as a driver and cost savings as a consequence</p>	<p>a) confused or negative reactions to proposals</p> <p>b) unwelcome challenges to the proposals and more effort to respond to these than we would wish</p> <p>c) we potentially may have to revisit and revise the proposals</p>	3	1	3	3		28/02/2023	<p>CP to keep close contact with the DCC in respect of CCMT's position.</p> <p>DCC fully bought into Phase 1 proposals. Clarity of aims, scope and proposed changes will be addressed through processes and engagements in place for Phase 1.</p>
FR17	<p>There is a risk thatICT-related cost estimates are so high that this destroys the business case for change.</p> <p><i>[for noting, this applies as much to Phase 2 and beyond as it does to Phase 1]</i></p>	<p>(a) ICT systems are so complex, difficult and time-consuming to change</p> <p>b) unit ICT staff/contractor costs are high</p>	<p>(a) may be an impediment to making some desirable changes - i.e. operational improvements and better public outcomes cannot be afforded</p>	3	2	6	6		28/02/2023	<p>Keep a close eye on ICT impact assessment.</p>
FR18	<p>There is a risk that....CCMT is unable to agree a Phase 1 (Local Policing Structure) solution that offers the prospect of improving materially both policing effectiveness and at the same time is capable of delivering the cost savings required.</p> <p><i>[Note: At the meeting on 22nd February 2023, CCMT made an acceptable decision on the preferred option for the proposed structure]</i></p>	<p>Differing opinions and views as to whether all desired policing outcomes and improvements can be achieved.</p>	<p>Further Phase 1 work, revision to proposals, and delays to completion of Phase 1.</p>	4	1	4	4		28/02/2023	
FR19	<p>There is a risk that...decisions and actions taken during implementation weaken or compromise the strategy and changes agreed by CCMT.</p>	<p>Disconnect between the leadership and directions taken during implementation from the strategy and changes agreed by CCMT.</p> <p>Assumptions made during the strategy work prove to be false or inadequate during the more detailed implementation.</p>	<p>The benefits realisable through implementation are less than presented with the strategy and proposals.</p> <p>Insufficient momentum with the implementation.</p> <p>Inadequate quality for some of the changes implemented and</p>	4	2	8	8		28/02/2023	<p>Ensure the strategy leadership continues to liaise with implementation leadership throughout the implementation of each Phase. This allows for challenge and checking alignment with strategy and intentions.</p>
FR20	<p>There is a risk that....operational management and performance post-implementation are such that policing effectiveness is inadequate or cost savings are not realised.</p> <p><i>[Risk related to post-programme - this is a Force risk rather than programme related]</i></p>	<p>Disconnect between the aims and performance of operational management and the aims and anticipated targets during implementation.</p> <p>Assumptions made during implementation prove to be false or inadequate during actual operation.</p>	<p>The benefits realised in the actual revised operational steady state are less than planned and anticipated through the implementation processes.</p>	4	2	8	8		28/02/2023	<p>Ensuring relevant performance measures and close/effective management of benefits realisation. Key role for CMMT oversight - i.e. that operational outcomes are in line with strategic intentions and implementation targets.</p>
FR21	<p>There is a risk that....the Force is materially inhibited for external reasons from realising police officer savings post-2025/2026.</p>	<p>TVP has mis-called the requirement for foamal public engagement on conclusions and change proposals.</p>	<p>Cost savings would not be realised to the extent required.</p>	4	2	8	8		28/02/2023	<p>Focus assertively on medium to longer-term opportunities for cost savings in police staffing, premises, etc.</p> <p>Keep a watching brief on political developments.</p>
FR22	<p>There is a risk that....there is a serious (legal) challenge to the adequacy of consultation/public engagement in respect of Local Policing structure conclusions and change proposals.</p> <p><i>Note: Following discussion with the Head of Legal, it is now accepted that consultation/public engagement will take place following CCMT conclusion and conditional decision on the Local Policing proposals. So this risk shall be closed (upon next review of the register). A new risk shall be added to the effect that there is a risk of 'jumping the gun' with implementation before due process has been completed for consultation/public engagement.</i></p>	<p>TVP has mis-called the requirement for foamal public engagement on conclusions and change proposals.</p>	<p>Delay (3 months, say) to finalising and approving change proposals and commencing implementation.</p> <p>Possible amendment to change proposals to respond to feedback from the formal public engagement.</p> <p>Possible media headlines giving an adverse opinion of TVP for not planning and conducting sufficient robust public engagement.</p>	3	1	3	3		28/02/2023	
FR23	<p>There is a risk that....TVP 'jumps the gun' in respect of implementation before due process is complete (including consideration and response to feedback received) in respect of consultation/public engagement on TVP's proposals/conditional decision.</p>	<p>Lack of project control or directions not aligning with agreed positioning.</p>	<p>Possible adverse media headlines.</p> <p>TVP's relationship with partner organisations weakens.</p>	3	1	3	3		28/02/2023	<p>Assess which activities could be reasonably undertaken irrespective of consultation/public engagement.</p> <p>Prepare plans for implementation whilst consultation/public engagement is under way so as to avoid a slow start to implementation when the opportunity arises.</p> <p>Consider options and timelines for public engagement and a decide a balanced approach with a stretching but realistic deadline.</p> <p>Initiate the public engagement process.</p>
FR24	<p>There is a risk that....there is insufficient premises capacity at the proposed OCU central sites to accommodate all teams/roles that we desire to operate in a co-located manner in the new structure. This is not seen as a factor affecting the initial implementation aims, but is a possible constraint on future opportunities to co-locate.</p>	<p>Limitations of space afforded from existing premises.</p>	<p>Limitation on operational benefits that may be sought from future analysis and proposals.</p>						28/02/2023	<p>TO BE WORKED THROUGH IN DUE COURSE</p>

FR25	There is a risk that...some of the officer post savings identified through the Force Review could be restricted by needing to identify up to 222 officer posts to rebalance the overall TVP establishment.	Instructions and requirements from the Home Office. Challenges and situations elsewhere withinin TVP may impinge on the Force Review proposals.	Reduced benefits and possible inability to meet the overall savings targets expected from the Force review. Reworking the Phase 1 analysis and proposals.	3	2	6	6		28/02/2023	The Force Review team and the implementation team(s) being established need to have a clear, aligned and robust view of resource impacts and changes/timelines. Keep an eye on the overall Force position regarding manpower, initiatives, challenges and issues.
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Force Review Local Policing structure proposals

Colin Paine
Chief Superintendent
Head of Force Review

March 2023

Force Review

- The policing landscape has changed substantially since the last major structural review in 2010 which removed BCUs. There is now increased complexity of investigation and rising public expectations, placing increasing pressure on the force and policing nationally. This is presenting itself through calls for service, increased expectations, increased safeguarding demand and complex investigations.
- The consequences are stretched ICR and investigation teams, pressure on response times, abstractions to meet major crime enquiries and stress on the quality of service delivery.
- While a range of structural reforms have occurred since 2010, there has not been a single unifying strategy. Each individual reform improved service delivery, but the cumulative impact of these reforms was not deliberately planned.
- In response to this, CCMT established a Force Review in May 2022 to undertake an assessment of the force structures.
- The central aim of the Review is to improve service to the public through a structure that allows for increased capacity across the operational functions of the force. However it is also required to deliver substantial savings, as part of an £8m target set across changes to Local Policing, FISO, Force Crime and Criminal Justice.

Force Review

Local Policing in Thames Valley:

- Resident population of 2,515,100
- 5741 square km
- Population grown by 10.8% since 2011
- 3156 officers and police staff
- Costs £177m

The aim of the programme of BOTH achieving substantial savings AND achieving effectiveness improvements is extremely challenging. It is exceptionally unusual to try to achieve both in a single programme of work.

There is no single correct structure for the force; every structural option include benefits and disbenefits. The selection of an appropriate structure is about recognising these and selecting the structure that most closely aligns to the strategy.

Any structural changes are unlikely to be perfect when first implemented. A phased approach to implementation will enable a feedback loop between implementation and design; this will allow for refinement and optimisation of the model.

With a 5 Operational Command Unit (OCU) structure the savings come from an array of marginal opportunities. No waste or fat has been identified in local policing. Achieving savings requires decision making and judgments as to which areas require investment and which can have service level reductions. These are not easy judgements and different views exist.

The cost of implementation is significant and needs to be weighed against the proposed savings and opportunities presented.

Method

The method adopted³⁵⁸ by the review team has been based around 6 discrete areas of work.

- **Demand Modelling:** modelling of public need and capacity, especially ICRs and CID at a local level with Service Improvement and Process Evolution.
- **Data analysis:** Seeking data on long term trends and indicators of public need and capacity pinch points. Seeking data on 'what works' with regards to structures in academic literature, through HMIC and the College of Policing. Review of service improvement reviews and the force management statements. Learning from previous LPA mergers.
- **Benchmarking:** A review of structural solutions considered, both implemented and rejected in a range of other forces across the UK, and a review of the HMIC Value for Money Profiles.
- **Workforce engagement:** Intensive engagement through interviews with senior leaders across the force. Workshop engagement with inspectors and frontline officers and staff.
- **Partner engagement:** Engagement with key partners including local authorities, (officer and members), Criminal Justice partners, LRF partners and blue light services.
- **Future thinking:** Obtaining projections and considering analysis of changes that are likely to occur in policing over the coming decade^[2].
- Having obtained the above material the review relied heavily on the professional judgement of the team and operational leadership engagement, it will not always been possible to meet the wants and expectations of all staff.
- [\[2\] Policing in England and Wales: Future Operating Environment 2040 \(college.police.uk\)](#)

Public Value

- It is ³⁵⁹not possible to achieve the required savings without service level reductions in some areas of local policing.
- All functions delivered by the current local policing structure add value; but public value is assessed against the benchmark of whether the functions adds more or less value than that of an LPA PC.
- Every business area has requested further resources for their functions; it is not possible or realistic to service all such requests.
- Some functions see service level reductions – judgements have had to be made about the relative public value provided by different functions.
- Some business areas will have service level improvements (trade offs are involved throughout).
- Data sources, including Force Management Statement 5, have been used to inform where further resource investment should be prioritised.

Key issues with current structure

- The 11 LPA structure works but is under stress and lacks the resources needed to thrive.
- Workloads of officers and staff in many areas are excessive.
- A consistent model of senior leadership across LPAs is not reflective of threat, harm, risk and demand.
- The crime profile and expectations of the police have changed significantly since 2010; the structure has not.
- Safeguarding and harm reduction activity has grown in scale and significance since 2010 but is not reflected consistently in the LPA structures; gaps around exploitation, CSE, CDE, domestic abuse and vulnerability remain.
- The level of resource dedicated to neighbourhood policing varies significantly between LPAs (from 11% to 26%).
- Highly inconsistent distribution of supervisors across LPAs; supervisory ratios vary with least on ICR (1:8.6) and most on neighbourhood (1:4) and CID (1:4).
- There are too few Sergeants on ICR given the increasing inexperience of the ICR workforce.
- Competitive performance culture between LPAs and multiple structural barriers to cohesive working.
- Significant difference between LPAs as to the functions and business rules of different teams; variance without value. Good practice is not consistently identified and shared.
- Growth of various teams across the force has resulted in abstractions from core policing activity.
- LPAs struggle to meet surge demand and manage abstractions; movement of detectives and daily activity from T&R is necessary to maintain ICR strength. There is competition for scarce resources between commands.
- Inspectors are often working off their LPA to provide duty Inspector function.
- Partnership demand placing a significant challenge in some areas owing to their own resourcing.

Internal engagement and feedback

Key requests from officers and staff:

- *Manageable workloads across all teams*
- *Fewer abstractions (for DCs to major crime, for level 2 commitments, for ICR cover, for PACE Inspector cover)*
- *More Sgts on ICR to support the inexperienced workforce*
- *LPA Command teams that match the scale of threat, risk, harm and demand*
- *Forcewide Operational Support Unit (Chiefs Reserve)*
- *Reduced amount of protected learning time abstractions*
- *Return of probationer development units (PDUs)*
- *Improve LPA DMMs to reduce the pressure on ICR Sergeants*
- *More visibility from CCMT*
- *Reduction of work coming from partners*

Engagement with frontline officers and staff on LPAs

17 focus groups held with 142 Sgts, PCs and PCSOs. 6 semi structured interviews with 42 Inspectors from various roles.

Engagement with DAIU

3 focus groups with DAIU frontline, 2 SMT Q&A sessions.

Engagement with senior leaders

Semi structured interviews of every LPA Command Team and engagement with Superintendents and Chief Superintendents across the Force.
Enabling Depts e.g. ICT

Further engagement with all groups will be ongoing.

Stakeholder engagement

Police Federation – Mark McIntyre	Would like to see further investment in ICR but recognises the financial position of the force and is broadly supportive of the proposals. Pleased to see further investment in neighbourhood, ICR Sgts, PACE Insp cadre and DAIU. Supportive of NSOs (if remunerated and trained appropriately).
Superintendents' Association – Emma Burroughs	Pleased to see Chief Supt led commands that will provide greater support to Supts. Recognises the value of Chief Supts in leading on thematic portfolios. Pleased to see an increase in capacity for DAIU and local ownership. Wants to ensure that Inspector & Sergeant numbers are right in a new model. Pleased to see recognition & increased capacity to manage the increased complexity of crime/safeguarding requirements.
Unison – Ken Cooney	Recognises the current financial pressures of the force, although no staff reductions are desirable. States that proposals are reasonable and based on appropriate tweaks rather than wholesale simply cutting teams. Does not wish to see any reduction in PCSO numbers or replacement of PCSO posts with PCs.
Strategic IAG – John Barlow	Concerns SIAG not consulted earlier, resources in rural areas will be drawn into urban and on reduction in the number of IAGs. Engagement with SIAG in February – they are pleased with the proposals in line for community policing.
Police and Crime Commissioner	Briefings held and PCC kept informed.

Partner engagement – Phase 1 (introducing options)

July 2022: Letter from DCC Hogg introducing the review

November 2022: Letter from DCC Hogg updating on options and requesting feedback

December 2022: Survey closed. Response date extended for Bracknell Forest and Wokingham Borough Councils.

Partner engagement – Phase 2 (refining options)

Objective	Methodology
Acknowledge and address feedback from Phase 1	Share Phase 1 feedback report that includes a force response to the themes raised. Where possible outline known mitigations to concerns plus examples of alignment with positive feedback.
Provide further detail on proposals (reassurance and mitigation)	Use our updated data and work to provide a briefing note to partners with further details on the five-area model. Use consistent format: DCC letter, senior leader distribution, along with briefing slides and FAQs for partner meetings.
Tailor engagement for high-risk partners	Offer face to face briefings

Outcomes:

- Partners are identified who will be advocates of our approach and support us publicly
- Partner feedback ensures our proposals are well-considered, robust and well-informed
- Partners are fully engaged, reducing risk of negative media attention and political intervention

It is recommended Thames Valley Police considers a 5 OCU model for delivery of local policing.

Doing so will release approximately £2.6m in savings and enable:

- Release of 25 Sergeants back to ICR to support an inexperienced ICR workforce
- Double the number of officers on geographic neighbourhood teams
- Creation of Harm Reduction Units to tackle vulnerability and exploitation
- Creation of a small central Community Policing command
- Creation of 5 OCU Community Policing Inspectors to pick up a range of support functions
- 20 dedicated schools officers within the Harm Reduction Units
- 10 dedicated mental health officers within Harm Reduction Units
- 10 officers dedicated to increasing the use, monitoring and management of orders within Harm Reduction Units
- Ownership of DAIU by OCUs
- 14 officers released to grow DAIU to meet demand
- Command teams that match the challenge of the command areas
- ICR numbers maintained
- CID increase of 7 DCs and 4 PSIs
- Creation of a small Inspector PACE duty function with 11 Inspectors

Summary Recommendations

Proposed vision for 5 OCU Commands

- Chief Superintendent led, with a scalable command team.
- The key units in each OCU will be I) neighbourhood policing, ii) ICR, iii) CID, iv) Priority Crime Teams, v) Domestic Abuse Units, vi) Proactive Team, vii) Harm Reduction Units
- There will be a number of additional single posts to provide specific functions; I) Performance Inspector, ii) Community Policing and Partnerships Inspector, iii) a Sergeant to deliver on the C/Supt thematic portfolio
- Retain and build on neighbourhood policing; retain 108 neighbourhoods ; distribute neighbourhood resources using Crime Harm Index; double the PCs in neighbourhood policing.
- Problem Solving Teams cease to exist and problem solving enforcement activity returned to geographic neighbourhoods. Harm reduction activity undertaken through the establishment of Harm Reduction Units on each OCU. HRUs under the leadership of a DCI.
- Move DAIU from central crime directorate to sit under the 5 OCUs; increase DAIU resources by 14 DCs.
- Detective Superintendent leadership on each OCU.
- PCSOs to be line managed by PCSO supervisors, or Neighbourhood Supervisory Officers (NSOs)
- Increase of 25 Sergeants on ICR to support inexperienced workforce.
- Inspectors PACE function established to reduce Inspector abstractions

Summary of Proposals for 11 LPAs and 5 OCUs

Proposal	Enhanced 11 LPAs		5 OCUs	
	Staffing changes	Savings/Costs	Staffing changes	Savings / Costs
Neighbourhoods (Geographic & Problem Solving)	0	£0	-12 Insp/-25 Sgts/-64.33 PCs/-72 PCSOs	-£9,940,571
Problem Solving Analysts	0	£0	+1 BB4J Lead analyst/-3 BB3H Problem Solving Analysts	-£75,009
Harm Reduction Unit	-	-	+4.5 Insp/+15 Sgt/+85 PCs/+1 BB3G	+£6,580,331
DAIU	0	£0	-2 CIs/-0.5 Insp/+14 DCs/-1 BB3G/-2 BB2E	+£492,055
Tasking / Proactive	-14 PC	-£804,566	+4 Insp/-2 PS / -16 PC	-£737,582
LP Admin	-20 BB2D/ +16 BB2E	-£81,874	-2.81 BB3F/-20.33 BB2D/+11.84 BB2E/+1 BB4J	-£238,101
PACE Cadre	0	£0	+10 Insp/+1 CI	+£987,865
OCU Inspectors	-	-	-1 Insp	-£89,265
Community Policing Command	+1 CI/+1 Insp/+2 Sgt	+£325,618	+1 CI/+1 Insp/+2 Sgt	+£332,418
Performance Inspectors	+3 Insp/-3 Sgt	+£45,888	-2.6 Insp/-3 Sgts	-£444,476
Community Policing & Partnership Inspectors	-	-	+5 Insp	+£446,325
Command Structure	0	£0	+2 CSupts/-2 Supts/-1 CIs	-£57,959
Thematic Portfolio Support	-	-	+5 Sgts	+£369,845
CID	0	£0	-1 Insp, -4 Sgts, +7 DCs, +16 PIP2s, -12 PIP1s, +0.5 ISOs	+£297,894
PCT	0	£0	-2 Insp, -5 Sgts, -2 PIP2s, -5 PIP1s +1.5 ISOs, -2 Crime Co-ordinators	-£871,887
PSI Uplift	-10 PIP2s	-£452,910	-10 PIP2s	-£456,610
Total	+1 Police Officer/-14 Police Staff	£967,844	*+3.07 Police Officers/-99.2 Police Staff	-£2,914,224

Summary of proposed police officer changes under a 5 OCU model ³⁶⁸

Police Officer Rank	Staffing changes	Savings / Costs
Chief Superintendents	Increase of 2	+£270,214
Superintendents	Decrease of 2	-£232,958
Chief Inspectors	Decrease of 1	-£93,515
Inspectors	Increase of 5.4	+£472,851
Sergeants	Decrease of 17	-£1,228,573
Constable	Increase of 46.33	+£2,662,539
Total	Increase of 33.73 officers	+£1,850,558

Impact on Areas For Improvements

The 5 OCU model has the potential to positively impact on the following HMIC AFIs from the 2021/22 PEEL Inspection.

Area	Grade	AFI	5 OCU model benefit
Preventing Crime and Anti-Social Behaviour	Adequate	The force should make sure that the use of a problem solving model is more consistently applied	Provision of a lead problem solving analyst to drive consistency of approach. Provision of problem solving tactical advisors in local policing command.
Investigating Crime	Adequate	The force needs to make sure that the requirements of the Victims Code of Practice are complied with	Additional Sergeants on ICR. More manageable workloads owing to increase in DAIU, CID, PCT and neighbourhood officers.
Protecting vulnerable people	Adequate	The force should make sure that it actively considers the use of DVPOs/DVPNs and disclosures under Claires law in all appropriate cases	Additional resource for DAIU. Provision of dedicated officers for orders in the Harm Reduction Units. Dedicated officers for schools and mental health and exploitation.
Strategic Planning, Organisational management	Requires Improvement	The force needs to make sure that it has the capability and capacity it needs to meet and manage current demands in the most efficient manner	Additional Sergeants on ICR. Additional PCs on geographic neighbourhoods. Additional DCs in DAIU. Aim to deliver an Operational Support Unit. Development of a PACE Inspector CADRE.

Impact on VAWG

Impact	5 OCU	11 LPA
Increase of 14 DCs in DAIU	Yes	No
Increase of 7 DCs in CID (focus on rape investigations)	Yes	No
Increase of 16 PIP2 investigators in CID	Yes	Yes
Increase of 5 OCU Support Inspectors (one dedicated portfolio will be VAWG)	Yes	No
Reduction in Insp abstraction which will provide increased supervisory support	Yes	No
Provision of 5 D/Supt to provide leadership for VAWG and can provide LRO for Organised Crime involving VAWG – 5 OHU only	Yes	No
Creation of Harm Reduction Units to support safeguarding of the most vulnerable	Yes	Yes
Creation of officer posts dedicated to obtaining and managing Orders against VAWG perpetrators	Yes	Yes
Sgt support for thematic portfolio support for C/Supt	Yes	Yes

LP implementation – proposed success criteria

Success Criteria	Example Measures (to be finalised with Service Imp)
<p>Better management of our demand through increasing frontline service delivery capacity</p> <ul style="list-style-type: none"> • Moving officers to provide capacity to manage frontline demand • Greater capacity for supervisory oversight on ICRs to assist with more effective management of demand • Helping achieve manageable and fairly distributed workloads 	<ul style="list-style-type: none"> • Number of PC and Sgt posts returned to a) neighbourhood, b) ICR and c) investigations • Workloads of officers to reduce (open investigations at any one time reduce, as closing investigations quicker) • Lower supervisory ratios on ICRs • Number of Sgt reviews, Insp reviews taking place • Workloads are more balanced across officers in different teams – less extremes across the force
<p>Enable improved wellbeing for those affected by the changes over the longer-term</p>	<ul style="list-style-type: none"> • Overall sickness levels reduce • Improved feeling of support among officers • More positive scores in Wellbeing surveys
<p>Deliver agreed amount of the £8m savings (not including part to be delivered by FISO and C&CJ)</p>	<ul style="list-style-type: none"> • Savings removed from the budget • No increase in overtime expenditure
<p>No deterioration in performance levels overall from the change over the longer-term</p>	<ul style="list-style-type: none"> • Based on overall force performance measures and force priorities

Key risks

	Risk	Mitigation
1	The force is materially inhibited from realising police officer savings post-2025/2026 as it may be required to maintain police officer uplift numbers despite budgetary pressures.	Focus assertively on medium to longer-term opportunities for cost savings in police staffing, premises, etc.
2	Leadership capability may not be sufficient to deliver a transformational change on this scale and in the timescales required.	Establishing a strong programme team led by a senior police lead, and having sufficient chief officer leadership.
3	Partners who do not feel adequately engaged with may raise a legal challenge to the change	Further engagement with partners will give more detail on proposals. Decisions made at CCMT in February will be 'in principle' only and subject to review and refinement against partner feedback.
4	CCMT may be unable to agree a solution that offers the prospect of improving materially both policing effectiveness <u>and</u> is capable of delivering the cost savings required.	Robust reviewing, discussing, challenging, socialising of emerging proposals with a wide relevant stakeholder audience.
5	Decisions and actions taken during implementation may weaken or compromise the strategy and changes agreed by CCMT.	Ensure the strategy leadership continues to liaise with implementation leadership.
6	Operational management and performance post-implementation are such that policing effectiveness is inadequate or cost savings may not be realised.	Ensure relevant performance measures and close/effective management of benefits realisation.

Next Steps

- Workforce, partner and public consultation is underway, to inform a final decision at an extraordinary CCMT 9th June.
- Work is progressing to develop a business case for the change including costs, timeline and resourcing for implementation of the preferred 5 OCU model. If not agreed a project to enhance the existing 11 LPA model and deliver savings will still be required.
- The Force Review will continue onto other parts of the force – next phase covers Crime & Criminal Justice. A separate implementation project will be established; learning from previous restructures is that dedicated resources make for more effective delivery. It will be important to maintain a connection between the Force Review and the implementation, so it is proposed that the review and implementation would be governed within the same programme.
- It is proposed that implementation is phased to minimise the impact on the force, allow for learning to improve future phases, and deliver some change and the expected benefits earlier.
- Based on a final decision by CCMT in early June, the broad timeline for the phases would be:
 - Phase 1 (Buckinghamshire) – May - November 2023
 - Phase 2 (MK & Oxfordshire) – November 2023 - June 2024
 - Phase 3 (Berkshire) – April 2024 – September 2024

Cyber Governance Overview

February 2023

Version 2023.02 v1.0

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Version Control

Date	Version	Author/Reviewer	Comments
26/01/2023	V0.1	Paul McFarlane	Initial Draft
06/02/2023	V0.2	Paul McFarlane	Updated roles & responsibilities
08/02/2023	V0.3	Mike Lattanzio	Peer Reviewed and updated
22/02/2023	V0.4	Paul McFarlane, Mark Fogwill, Sharon Warwick, Marion Peuleve, Rachel Hill	Peer Review by IaaS & IG, sections updated, organisational flow added, future steps added
23/02/2023	V0.5	Paul McFarlane	Consolidation of additional comments
28/02/2023	V1.0	Paul McFarlane	Published
07/03/2023	V1.1	Paul McFarlane	Policies added, Win10 Cyber Security Diagram added

1 INTRODUCTION

1.1 Purpose of overview

The aim of this short paper is to provide an update as to the forces position around Cyber Governance. This document will describe how we currently manage our cyber risks from a governance and assurance perspective, as well as how we respond to threats and incidents.

The purpose is to outline:

- Roles and responsibilities of personnel that are involved in cyber governance
- Senior ownership and accountability
- Business driven reporting, reporting cycles, and metrics
- Culture around cyber awareness and how this is developed
- Lines of defence and how these work
- Testing our cyber response
- Transition to the new National framework

1.2 Cyber Governance Framework

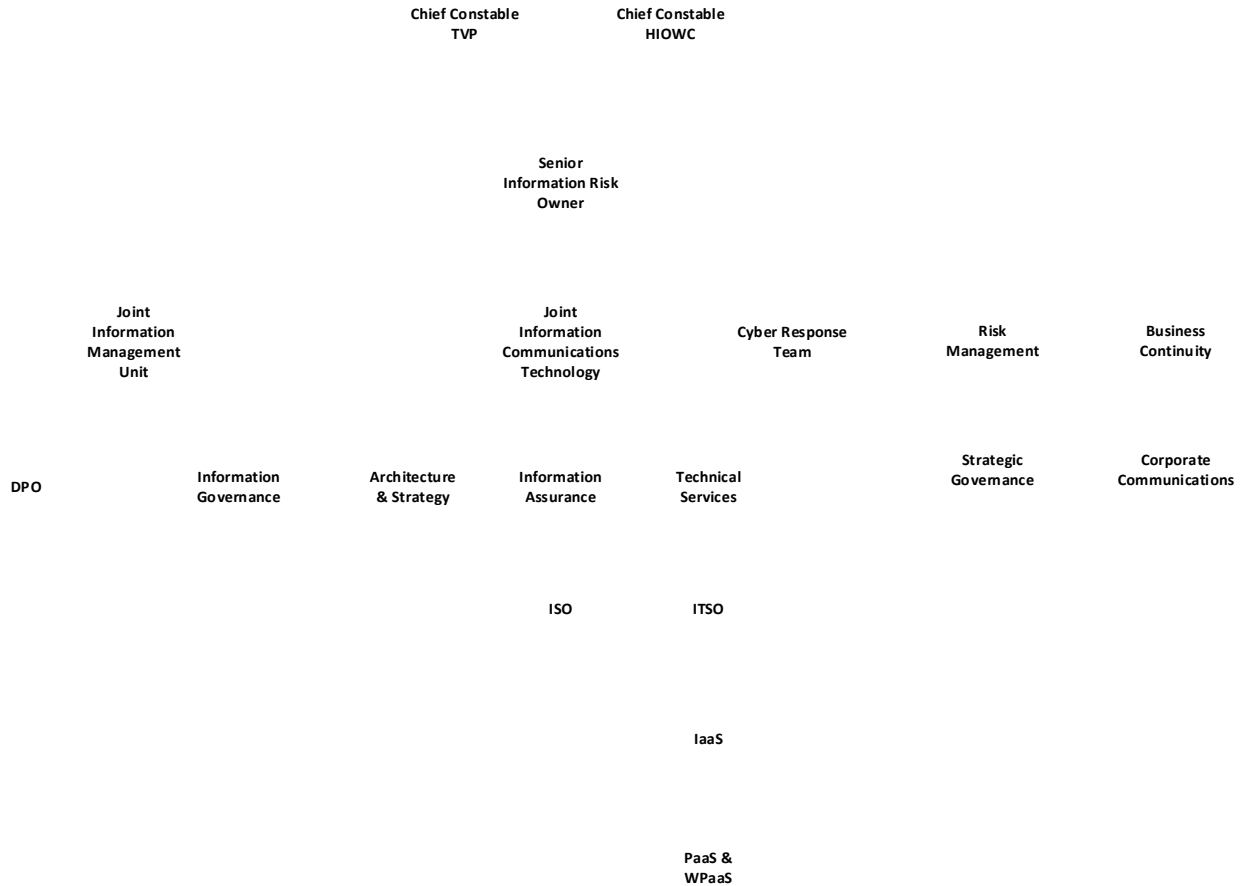
Currently the force follows the NIST framework for cyber governance with the following pillars.

- Identify
- Protect
- Detect
- Respond
- Recover
- Repeat

This document will set out how the forces manage each of these pillars and provide a high level view of the organisation, processes, and accountability for each.

2 OVERVIEW OF ROLES & RESPONSIBILITIES

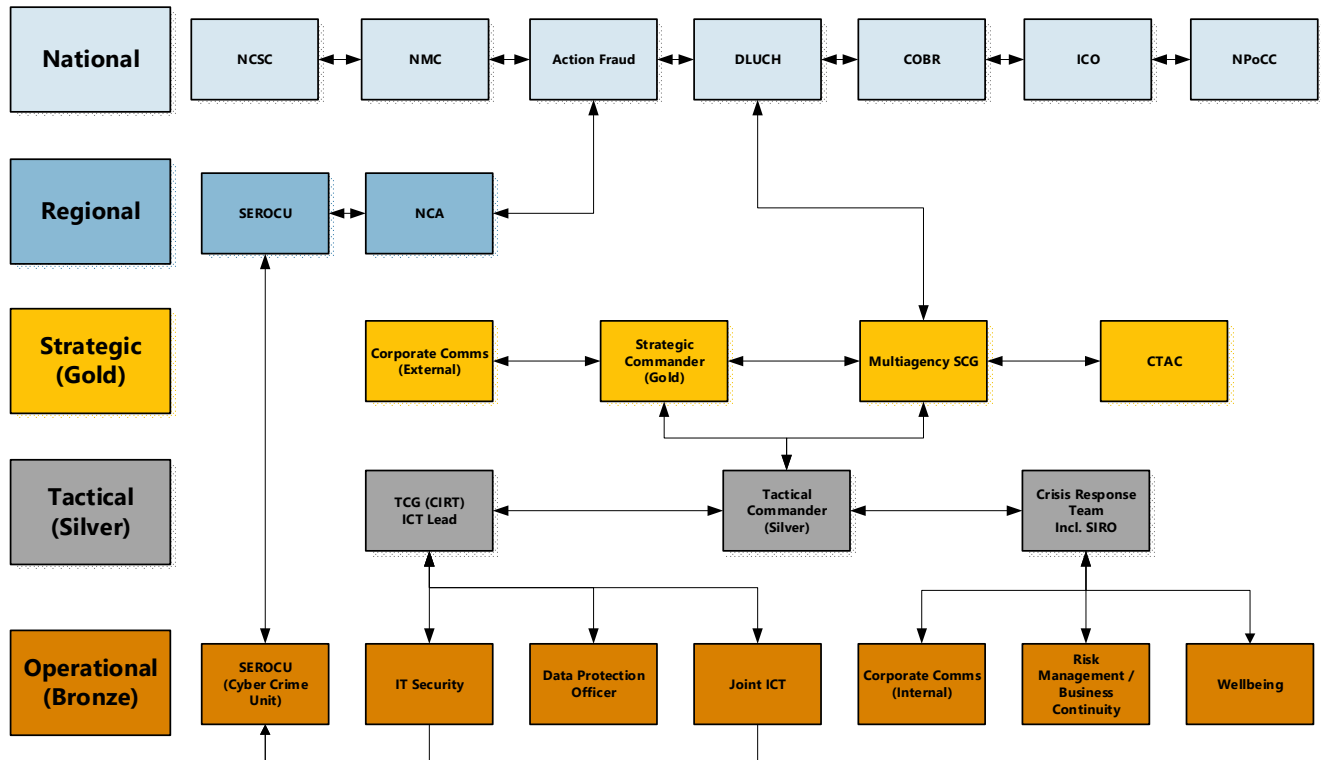
Diagram 1: Cyber Governance: Organisational structure within TVP and HIOWC



2.1 Glossary of Terms

SIRO	Senior Information Risk Owner
ITSO	IT Security Officer
ISO	Information Security Officer
DPO	Data Protection Officer
iaaS	Infrastructure as a Service
PaaS	Platforms as a Service
JICT	Joint Information, Communications, and Technology
JIMU	Joint Information Management Unit
IG	Information Governance
TVP	Thames Valley Police
HIOWC	Hampshire & Isle of Wight Constabulary
SEROCU	South East Regional Organised Crime Unit
NMC	National Management Centre
NCSC	National Cyber Security Centre
NIST	National Institute of Standards and Technology
PDS	Police Digital Service

Diagram 2: TVP & HIOWC Cyber Response Gold/Silver/Bronze command structure



This diagram shows the force structure for dealing with a cyber-incident. If a larger scale attack is in place, affecting multiple forces, the force would align with the national response plan.

2.2 SIRO

This role has overall accountability for the forces approach to cyber governance. This role receives information concerning the risks identified within the force and sets out the strategy to manage these. This role also assesses and determines if the force can accept an identified risk or whether action must be taken to remove/reduce risk.

2.3 Joint ICT

JICT are key in delivering the solutions across the pillars of the NIST Framework. JICT defines the architecture and works with the force leads to identify what needs to be protected and sets out the strategy to defend the key systems and infrastructure. Alerts and events that require action are managed by the Service Desk and IT Security. JICT have response plans in place to ensure that actions are taken when certain events occur, as well as comprehensive measurement and reporting of all incidents raised.

JICT has a contract with the Police Digital Services (PDS) National Monitoring Centre (NMC) to monitor our systems and we work closely with the NMC to build our response strategy, allowing us to take proactive actions as well as reactive responses more quickly.

2.4 Architecture & Strategy (JICT)

The Architecture & Strategy team within JICT are responsible for designing the solutions for TVP and HIOWC. They work with the other teams across JICT to understand the requirements for the technical solutions and provide designs which will be implemented to protect the force systems and networks.

2.5 IT Security Officer (ITSO)

The IT Security Officer is responsible for triaging data security incidents in accordance with the computer security incident response team (CSIRT) process. This role is accountable for feeding into the security strategy for the organisation and making recommendations. The role is also accountable for taking actions to resolve security breaches and administer controls for the organisation.

2.6 Information Security Officer (ISO)

The Information Security Office is responsible for providing advice to the SIRO on information security areas and keeping them up to date on how emerging risks fit into our environment.

The ITSO works with the Change Delivery teams to review and assess the security controls that have been set out in architectural designs. This role will engage with Project and Programme Managers to ensure that security measures are well defined, documented, and implemented efficiently. This work is applicable to all changes to existing solutions, as well as new solutions being implemented by JICT.

The ISO is also responsible for ensuring that changes in National standards are disseminated through IA and to the ITSO.

The ISO must have a good range of skills and knowledge which cover data protection, information assurance and information security risks so they can offer a rounded approach to cyber governance.

The ISO works closely with the ITSO making sure changes and security education communications are fit for purpose and is available to cover the ITSO during periods of leave.

In terms of cyber security response, they assist in lessons learned exercises and make sure that information is fed back into the development cycle, so over time we learn from our experiences and maintain a good insight into our level of risk.

2.7 Infrastructure Management (IaaS)

This function is responsible for managing firewall and boundary protection measures and responding to emerging attack vectors by blocking access to and from our network, as and when required. IaaS is responsible for monitoring uptime of services and making decisions to drop connections during DDoS attempts. IaaS are also responsible for ensuring all related infrastructure services and devices are kept in a supported state.

2.8 Platform Management (PaaS & WPaaS)

This function is responsible for controlling the access levels to information by placing users in role based groups and amending the permissions based on a policy of least privilege. The team also monitors the release of patches issued by Microsoft, ensuring that our servers and desktops/laptops are protected with OS updates, and security patches. PaaS are also responsible for ensuring all related platform services and devices are kept in a supported state.

2.9 Force Data Protection Officer (DPO)

This role is responsible for advising the two Forces on compliance with the UK GDPR and the Data Protection Act 2018. This includes responsibility for driving the Forces' Information Management Policy and the assessment of a security incident's impact on personal data and therefore the rights and freedoms of data subjects.

This role is responsible for assessing whether the incident is a data breach, and if so, whether it meets the legal threshold for reporting to the Information Commissioner's Office (ICO) within a 72 hour timeframe.

Where the impact on data subject's rights and freedoms is significant, this role will also assess whether the legal threshold for formally notifying the data subject has been met. This decision should not affect any operational decisions to notify the data subjects (although they should be coordinated as far as possible).

This role is also responsible for briefing the Senior Information Risk Owner (in TVP and HIOWC this is the Chief Information Officer).

2.10 Information Governance (IG)

This function sits under the Data Protection Officer and provides proactive and reactive advice to ensure that the use of personal data is limited to those uses permitted under the UK GDPR and the Data Protection Act 2018 and any breaches of the rules, as a result of a security incident, is risk assessed and if necessary escalated to the DPO for a decision on whether it needs to be reported to the ICO. This function will record and update details about the security incident on the Service Now incident log.

Information Governance are responsible for the processes to review and advise on data breaches, which may be internal (e.g. phishing) or external (e.g. solicitors working with police data).

2.11 Risk Management / Business Continuity

Due to the likely impact of cyber-attacks on front line policing, both TVP and HIOWC have interfaces in to the cyber response planning. Both forces approach risk management, strategic governance, and Business Continuity separately and the Joint units (JOUs) work closely with each of these teams to ensure a holistic approach and response. These teams lead on testing business units through desk-top scenarios, which are supported by JICT to assess the readiness of individual teams response during a cyber-event. Lessons learned are captured and actions set where required to close any gaps identified during these exercises.

3 OPERATIONAL OVERVIEW

Diagram 3: Organisational view of operations

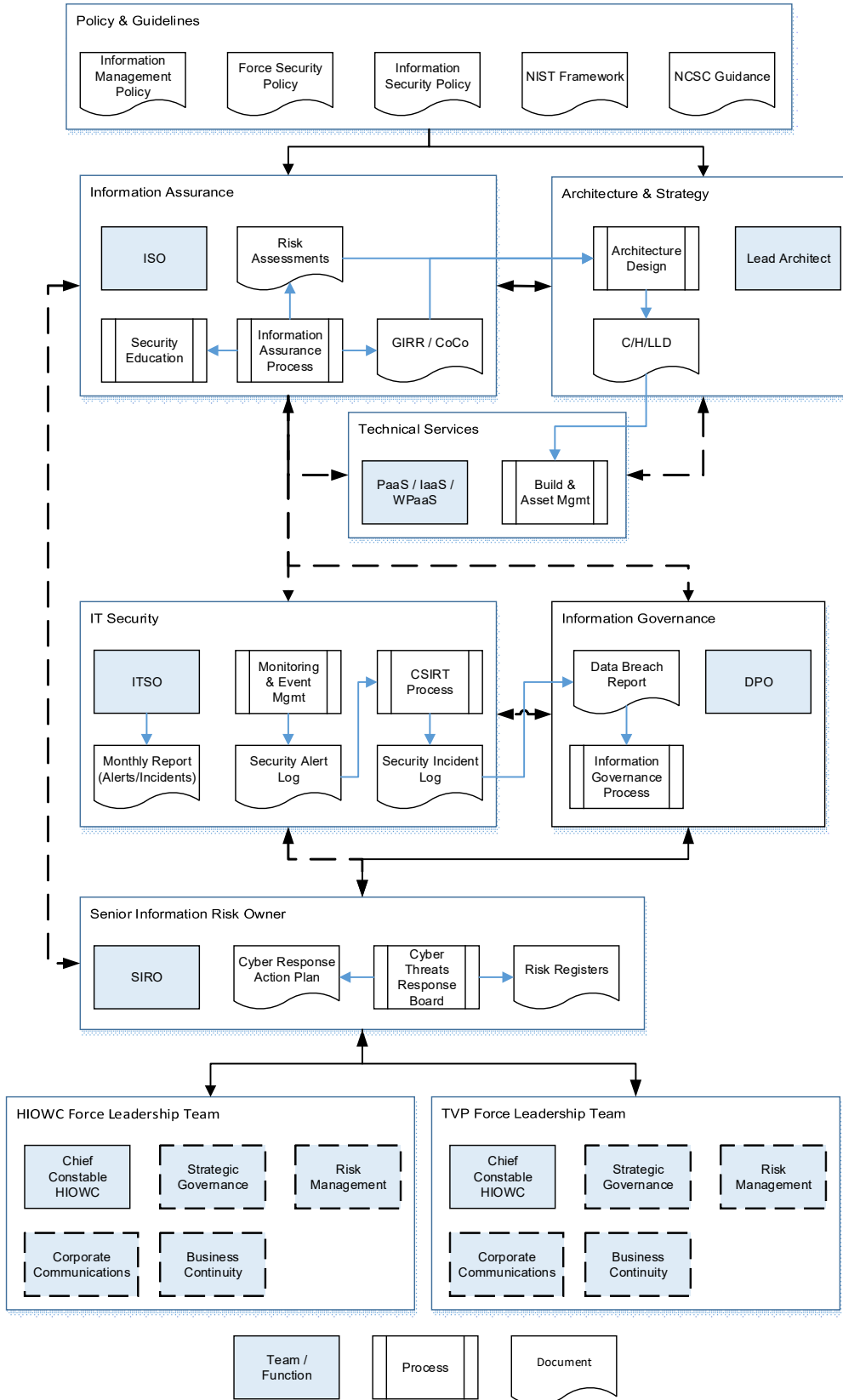
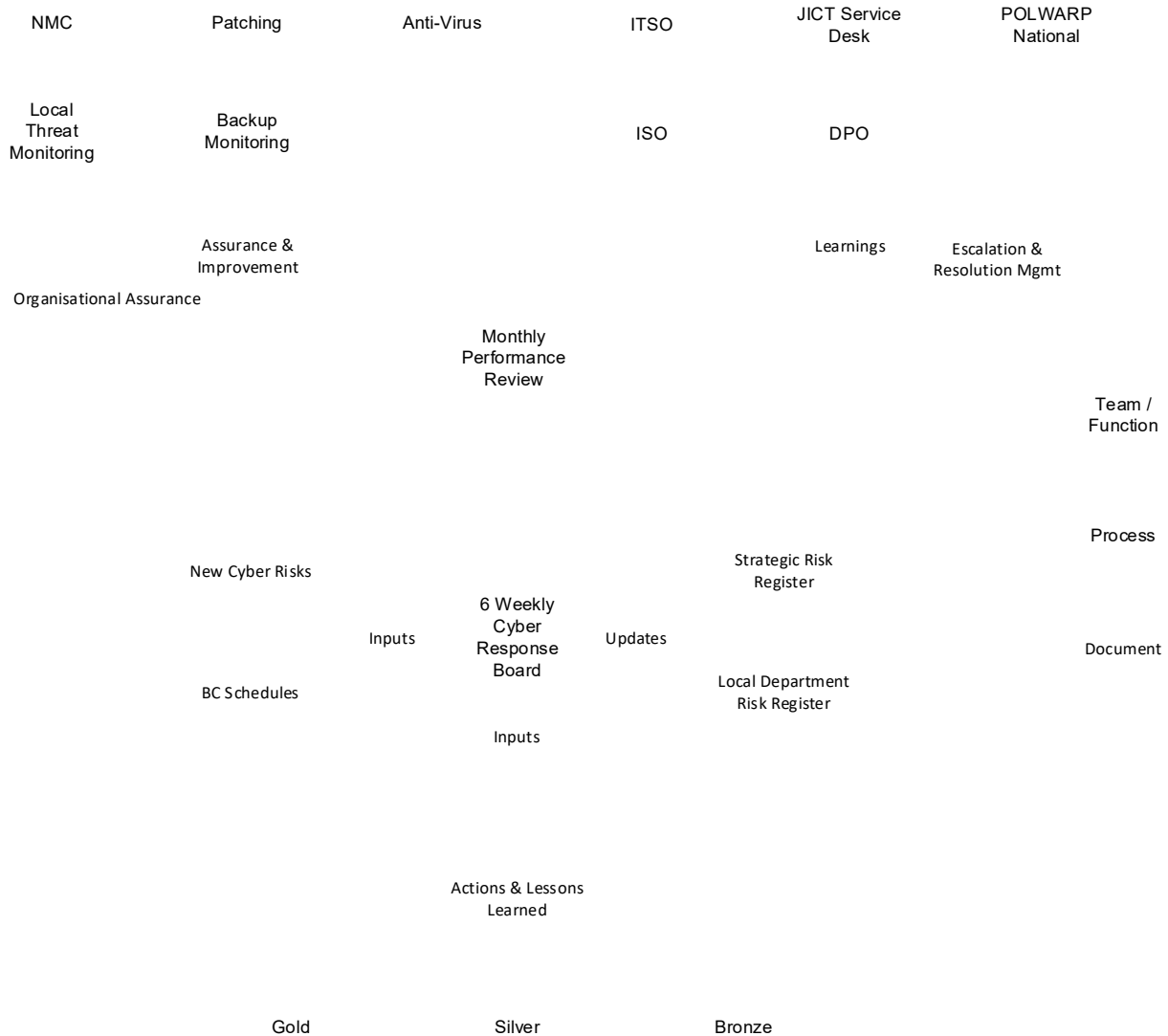


Diagram 4 Cyber Threat Response Board and interfaces to operations



This diagram shows the structure that has been set up through the implementation of the Cyber Threats Response Board and the interfaces within the operation.

3.1 Operational Summary

The force follows the NIST framework to complete activities and provide a holistic approach to cyber governance.

Teams within JICT engage with the force leads to understand the risks to the forces and identified what needs protecting. Threats are identified through engagement with external

SOC recommendations (via NMC), national recommendations (e.g. NCSC), as well as asset management, penetration testing, and IT health checks.

The environment is protected with three levels of operational controls; Technology, People, and Processes.

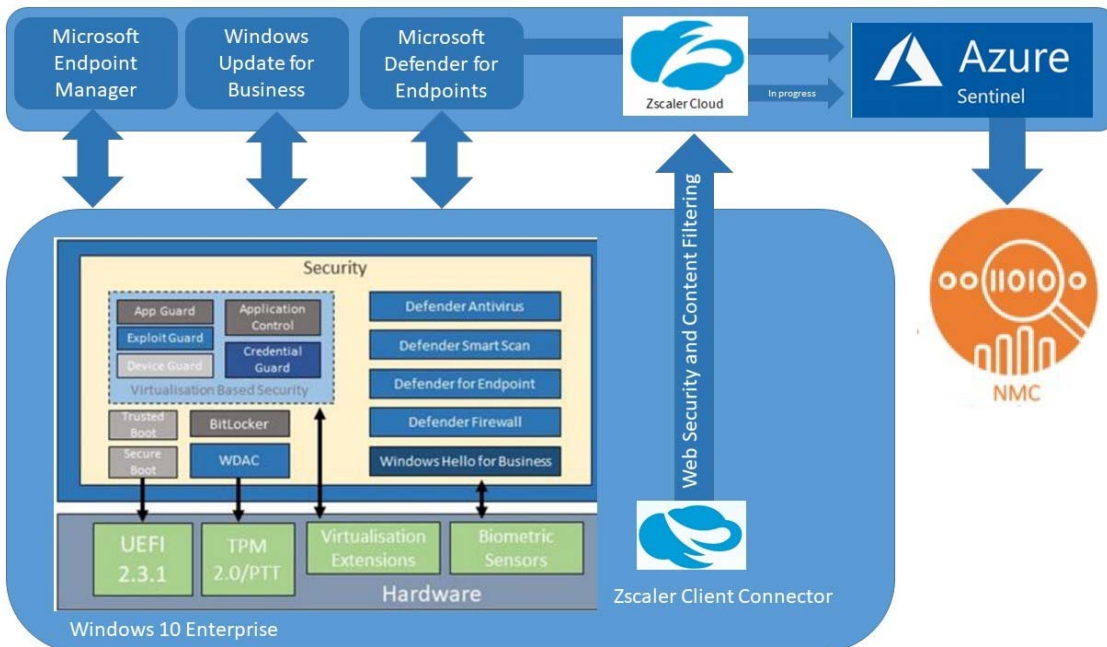
JICT maintains a controlled approach to patching devices, ensuring that these are well maintained to minimise risk from legacy devices and outdated software.

A number of tools have been deployed by JICT to detect cyber-attacks, including event monitoring, review of alerts identified by the NMC, SCEP, Sentinel, and MS Defender. All incidents are raised in Service Now and follow a well-defined computer security incident response team (CSIRT) process.

Cyber awareness is carried out through training and awareness campaigns. Mandatory training, provided by College of Policing includes information management, information security, and awareness of personal responsibilities to keep data appropriately managed. Awareness campaigns focus on specific threats around phishing, ransomware, malware, and other threats that users will need to keep updated on.

3.2 Lines of Defence - Technological

Taking an approach of security by design, the Architecture & Strategy, working closely with Information Assurance, ensure that proposed programmes of work are risk assessed and include appropriate safeguards against identified threats.



3.3 Lines of Defence - Process

All changes to infrastructure, platforms, and applications are subject to a controlled change process which sees proposals assessed by Architecture Review Board, Software Approval Board, Change Advisory Board, as well as portfolio and project management assurance. The Digital Triage Board has been recently set up to manage the Power BI platform and applications.

Security Incidents are logged reports are produced and reviewed on a monthly basis as part of IT Security's KPI pack. This enables JICT Senior Management Team (SMT) to review what's happened and identify trends or risks that need to be addressed.

Major incidents are reviewed and root cause analysis is completed to identify actions that, when completed, will prevent repeat incidents occurring, and contribute towards reducing any potential attack surface which has been exposed.

Where potential data breaches are identified during Security Incidents, these are passed to Information Governance, who assess the potential impact and provide advice to the users impacted. Data Breaches may be the result of phishing attempts, ransomware attacks, malware attacks, and also accidental or inappropriate disclosure of data. As part of the approach to maintain confidentiality, integrity, and availability, data breaches are also logged if data is unavailable for a period of time, which would have a detrimental impact on the force.

A comprehensive Cyber Response Plan has been developed to cover the initial response to a major cyber-attack. This plan sets out the organisational structure, process flow, and roles & responsibilities across both forces that will be enacted once the plan is triggered. The plan sets out the setting up of the Gold/Silver/Bronze response team, as well as triggering Business Continuity plans within the various reporting structures.

IT Security within JICT produce a monthly report which contains the summary of incidents that have been raised during the previous month. The report is reviewed by JICT Senior Management Team and forms part of the JICT updates to the SIRO

This report includes details on the following incidents

- Lost/Stolen Equipment
- Spam & Malicious Emails
- Virus Detection Reporting
- Azure Sentinel Dashboard (Security Monitoring)
- National Monitoring Centre (NMC) alerts

3.4 Lines of Defence - People

The force has developed a security education culture to drive awareness of cyber threats. JICT develops awareness campaigns around risks which are published to Force Intranet, distributed as part of focused mail campaigns, and included as updates to Force Wide newsletters.

The following policies and processes that have been set up to provide structure and guidance

- Training Strategy for Information Management Security & Awareness
- Regional Information Security Policy
- IT Security Management Policy
- Acceptable Use of Information and IT Systems Policy
- Electronic Communications Policy
- Use of Mobile Devices Abroad Policy
- Privileged User Access Policy

The force undertakes testing of cyber scenarios documenting lessons learned to ensure that plans are effective and understood. Lessons learned from these exercises are fed in to action plans, and training plans, to improve efficiency of responses and awareness of threats. Risks to the force are captured in Force Risk Logs as well as reviewed on the Cyber Threats Response Board.

Desktop scenarios and training exercises are held with business units across the force to understand their level of preparedness to a cyber-incident, assess their response, and provide advice regarding improvements. Actions are logged and followed up to ensure that lessons are learned from these exercises. Desktop exercises have been completed ahead of major planned activity to assess impact of cyber-attacks on operations, including a desktop scenario based around Op Bridge.

Internal Audits have been conducted to assess our IT Cyber Security (Resilience) by the Joint Internal Audit Team, following which a “Reasonable Assurance” rating was awarded.

3.5 Cyber Threat & Response Management Board

The Cyber Threat & Response Management board has been set up to provide a comprehensive bilateral response to our cyber threat & response position ensuring agreed and appropriate solutions and remediation plans are in place and actively progressing additionally, informing Force(s) Executive of strategic outcomes and ensuring learning activities are cascaded to respective departments.

The board is chaired by the SIRO and its membership includes leads across both forces that are involved in Cyber Governance, including Strategic Force Risk, Business Continuity Leads, Digital Intel & Investigation, JICT, and JIMU

This board meets every six (6) weeks and acts as a centralised governance function for all cyber related mediation and improvements. It also plans table top/simulation exercises, audits, and service improvement initiatives.

4 TRANSITION TO NEW NATIONAL FRAMEWORK

TVPHC are subject to national accreditation to ensure it meets the correct standards for Information Security controls. Before 2023 this was done largely through the GIRR and the Codes of Connections which were snapshot assessments of how closely the force meets national standards.



During 2023 these will be replaced by SyAp (Security Assessment for Policing) which will provide a maturity assessment of how the force meets agreed standards and then, on an ongoing basis, provide direction in the areas that need to be prioritised to raise the standards. The SyAp is based on NIST standards and will provide a score for each of 198 NEP controls to allow better management information to be available to the business to help identify areas for development and improvement.



Project, Programme and Portfolio Management

JIAC – March 2023

Andrew Grimley, Head of Change

1. Introduction

All formally defined projects and programmes in TVP (with the exception of estates projects*) are governed via one of two portfolios:

	TVP Only Transformation Portfolio	TVP/HC Joint Collaboration Portfolio
Type of projects	Business change and transformation projects that impact TVP only	Projects delivered with the support of Joint ICT and in collaboration with Hampshire Constabulary
Examples	Force Review, Uplift, SDCM, Working Smart, Citizens in Policing, Next Steps	Pronto, Digital Technology Enablers, BT Transform, RMS Upgrade, Digital Forensics
Overall accountable	Deputy Chief Constable TVP	Deputy Chief Constable TVP and Deputy Chief Constable HC
Responsible for Portfolio Management	Head of Change, TVP	Head of Change, TVP Head of Corporate Insights, HC

This paper sets out the governance, risk management and assurance arrangements for the two main portfolios including examples and addressing specific questions from JIAC.

* Estates projects are governed separately by the DCC via the TVP Strategic Estates Group and are not covered in this paper

2. New Project Approval

Main Governance Board

The Joint Change Governance Board is held monthly and acts as the primary sign off for Project Applications and Business Cases in both forces. It is chaired by the TVP Head of Strategic Governance and includes representatives from Finance, JICT, JIMU and enabling departments in both forces. Escalations from this board if required are made to DCCs.

High Level Process



Annual Planning Process (APP)

All budget bids (whether for a new project, additional capital expenditure or for revenue growth) are submitted by September for the following financial year. The standard template and process for approving bids is owned by Strategic Governance. Joint bids are co-ordinated with Corporate Insights in HC. This process culminates in successful bids being approved by CCMT and then the PCC for inclusion in the budget. A successful bid for a project authorises proceeding to the next stage and enables release of up to 10% of that budget to develop a business case if required.

In-year Project Applications

Where an urgent need arises for a new project that has not already secured funding in the annual planning round, a Project Application Template (PAT) is submitted for approval at the Joint Change Governance Board. PATs that request a new budget in-year require approval from finance to proceed. Where additional budget is required outside of authorising limits – finance seek approval from CCMT and OPCC as needed. An approved PAT authorises proceeding to the next stage and enables release of up to 10% of that budget to develop a business case if required. If not critical or mandatory, PATs are often diverted into the Annual Planning Process.

Business Case Development and Approval

The purpose of the business case is to demonstrate overall public value for money in the project and commitment from all enabling departments to proceed with the recommended delivery option. Business Cases are owned by the Senior Responsible Owner (SRO) for the project who is either the sponsor of the annual planning bid or identified in the PAT. Development of a business case is co-ordinated by either a Project/Programme Manager, a JICT Business Partner (if technical in nature) or a combination of the two.

A standard business case template ensures that all relevant enabling departments are consulted and is approved at Joint Change Governance Board with the input from:

- **JICT PMO** – including any technical artefacts required and a signed off estimation of technical effort
- **Procurement** – including the engagement of Commercial Governance Board if required at this stage
- **JIMU** – including consideration of Data Protection Impact Assessments and GDPR compliance

- **Business Change** – including scrutiny of benefits and business change support required
- **People Directorate** – including consideration of HR implications, Equality Impact Assessments and consultation with unions and enabling HR support
- **Finance** – including budget forecast, cashable benefits and any further financial authorisation required

Approved business cases are either:

- 1) Approved with release of the full project budget to the SRO
- 2) Approved with release of part of the project budget to the SRO to return at a specified point
- 3) Approved subject to further financial authorisation (as advised by finance teams in both forces)

Business cases are sometimes rejected or require more work or due diligence before returning to this board.

Once a project has an approved business case it moves into in-flight governance which is covered in the next section.

Risk Management

Delivery risks are required to be outlined in Annual Planning Bids and Project Application Templates. Business Cases have a specific section for detailing the scored risks of delivery. Risks are scrutinised during this stage of the process at the Joint Change Governance Board, including identifying where a project may be mitigating (or causing) a strategic or department risk.

Specific areas that are often challenged and discussed at Joint Change Governance Board include:

External supplier costs: where possible, procurement and selection of a preferred supplier takes place before final business case approval to ensure initial costs are accurate. Contingency is also scrutinised and challenged where necessary with input from procurement.

Internal resource costs: ICT have developed a resource estimation panel to calibrate estimates from different technical areas including the appropriate level of contingency. Based on lessons learnt we have begun to deliver digital projects in smaller phases which are easier to estimate.

Overstating benefits: The business case template has been amended to make the distinction between direct and enabled benefits and that all benefits must state how they will be measured. This area is regularly challenged for further work at Joint Change Governance Board and is an area for continuous improvement.

Innovation risk – most approved projects fall into the mandatory or critical category and therefore do not present this risk. Early proposals particularly for engagement in technologies like facial recognition, AI or automation are considered earlier in the process at a Joint Digital Triage Board. Joint Change Governance Board includes representation from departments that are able to flag up reputational risks at an early stage.

Assurance

Joint Change Governance Board has optional attendance from the OPCC in both forces as a standing invite. Where further financial approval is required outside of the approved budget and authorising limits this is flagged by finance representatives at the board.

Internal Audit has previously looked at particular programmes of work including scrutiny of the business case and budget approval process. HMIC inspections have previously asked for details of this part of the process including attending governance meetings. The Annual Planning Process has heavy involvement from both CCMT and OPCC in its decision making.

Examples

Police Uplift

- An externally driven national programme of change. National programme and project governance was the responsibility of the Home Office.
- We stood up our own implementation team internally to deliver the TVP activities required. The work was established as a formally governed project and project manager assigned once the extent of the work required was clear.
- The project had an agreed Business Case and an implementation plan specifically related to the allocation of Uplift resources across the Force – approved at Joint Change Governance Board
- A series of annual planning bids and in-year CCMT requests secured dedicated enabling resources for the project over 3 years.
- Uplift was incorporated into the TVP Recruitment and Retention Programme with its own project board (Silver group) – which also initially reported into the Workforce Board and an Uplift Gold meeting (chaired by the DCC).
- The project and programme reported monthly and were governed at TVP Transformation Board. Uplift also gave regular updates and received scrutiny at CCMT with occasional updates to OPCC.
- Once the bulk of the project activity had been completed – project support was scaled back but it was agreed to continue the Uplift Project Board and Gold Group oversight. The project still reports in monthly but now via the Focus the Frontline Programme.
- The project completes regular reporting for the national Home Office programme including on benefits realisation.
- Once the project is ready to close it will complete and end of project report including lessons learnt and benefits evaluation before final approval for sign off at Transformation Board.

Forensics Improvement Programme

- An internally driven multi-year investment.
- A significant strategic risk was identified about the need to maintain forensic accreditation and keep up with the increasing demand for processing and analysing digital evidence in almost all investigations.
- A multi-year funding bid with accompanying business case was submitted into the annual planning process – this included TVP only and collaborative joint digital elements.
- Funding was secured in year 1 with an allowance made in the MTFS for following years of investment (subject to annual budget planning decisions each year).
- The programme was initiated with two clearly defined governance routes:
 - TVP Only Forensics Improvement Programme – reporting up into TVP Transformation Board
 - Joint TVP/HC Digital Forensics Programme – reporting up into DCCs' Collaboration Board
- Each major project in the programmes is following through the project lifecycle including a specific business case and PID to baseline cost/benefits/risks being taken to ICT Portfolio Board (for digital projects) and Joint Change Governance Board (for all projects)
- It has a programme level PID and regularly monitored RAID log.
- The budget is reviewed monthly as part of the programme governance with both TVP and HOIWC Finance teams and will inform any future annual planning bids if required.

3. Programme and Project Delivery

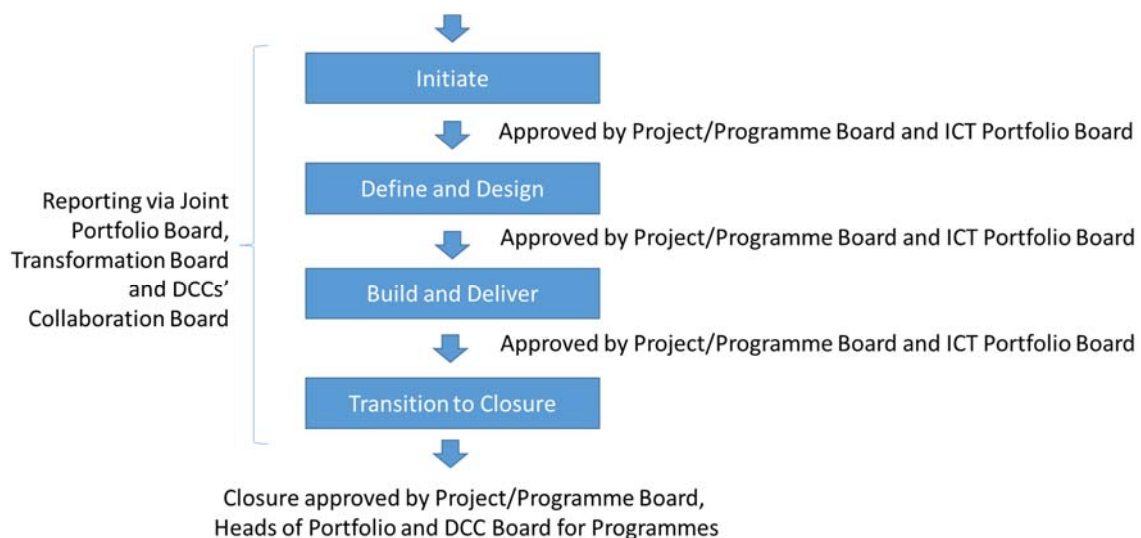
Main Governance Boards

Several boards are responsible for the governance of projects and programmes once they have had an approved business case and move into delivery...

	ICT Portfolio Board	Joint Portfolio Board	TVP Transformation Board	DCCs' Collaboration Board
Chaired by	JICT Portfolio PMO Manager	Heads of Change for TVP and HC	TVP DCC	TVP DCC and HC DCC
Main attendees	<ul style="list-style-type: none"> JICT SMT ICTPMO Technical Project and Programme Managers Senior Business Partners 	<ul style="list-style-type: none"> Programme and Project Managers Enabling Department representatives 	<ul style="list-style-type: none"> SROs Enabling department representatives OPCC representative 	<ul style="list-style-type: none"> SROs Enabling department representatives OPCC representatives
Scope	All formally defined projects that require JICT resources outside of BAU	All programmes and major projects in TVP and Joint Portfolio	All programmes and major projects in the TVP Portfolio	All programmes and major projects in the Joint Portfolio
Frequency of meeting	Monthly	Monthly	Every other month	Every other month
Frequency of status reporting	Monthly (technical project managers also complete status reports weekly)	Monthly	Monthly	Monthly
Purpose of meeting	<ul style="list-style-type: none"> Portfolio status monitoring ICT stage gate approval Monitoring of stage gate milestones Risks/Issues/Dependencies Provide support to Red and Amber projects 	<ul style="list-style-type: none"> Portfolio status monitoring Risks/issues/dependencies Identify items for escalation to DCC Boards Project closure decisions Lessons learnt sharing 	<ul style="list-style-type: none"> Portfolio status monitoring SRO's held to account for their programme Escalated risks/issues/dependencies Project closure approval 	<ul style="list-style-type: none"> Portfolio status monitoring SRO's held to account for their programme Escalated risks/issues/dependencies Project closure approval

In addition each programme and major project is required to have a regular Programme/Project board chaired by the SRO. These are usually monthly as standard although the exact cadence is determined by the SRO, overseen by the Heads of Change.

High Level Process



All formally defined projects and programmes in TVP and collaborated projects and programmes with Hampshire follow the same high level project process outlined above which aligns with PRINCE2 standard practice. The diagram shows where gateway decisions between each stage are made.

All technical projects have formally defined and approved stage gates between “Define and Design”, “Build and Deliver” and “Transition to Closure” which follows ICT good practice.

We do not insist on a formal stage gate between the middle stages for business change projects and programmes. Project and programme boards define their own internal stages depending on the type of project and approach agreed between the project/programme manager and SRO. Business change projects always have formal stage gates after Business Case Development, Initiation and before Closure. They are overseen while in-flight by monthly reporting, the Joint Portfolio Board and escalations to other boards when required.

The individual approach for delivery of each project is outlined in the business case and defined in more detail in the Project Initiation Document (PID) which is the document used to confirm a project is ready to move from initiation into the next stage. Where projects need to be initiated quickly, a combined Business Case and PID template is used to enable the sign off of both stage-gates at the same time.

Delegated Authority

The SRO for each project, via the project board, has delegated authority to make decisions about the project within the scope of the business case and approved budget and still subject to the force’s organisational controls and processes. The PID includes agreed tolerances for budget, scope, timescale and benefits that define when deviations should be escalated up from the team (via the project or programme manager) to the project or programme board.

SROs are held to account for the performance of their project or programme at Transformation Board (TVP Portfolio) and DCCs’ Collaboration Board (joint portfolio). Programme and Project Managers are held to account at Joint Portfolio Board and ICT Portfolio Board (for technical project and programme managers) as well as via line management up to the Head of Change (TVP) and Head of Portfolio (JICT)

Should an SRO feel they need to request additional budget to complete a project, there is a defined process for this that includes a documented project change request and consideration of the level of authority and scrutiny needed to consider the request. This can involve one or more of the following:

- Direct agreement with finance teams (suitable for small additional funding requests only)
- Consideration at Joint Change Governance Board
- Consideration at the DCC’s Collaboration Board, HC SAO Board or TVP Transformation Board
- Consultation and consideration with OPCCs if appropriate

Methodology and training

The high level project process follows PRINCE2 standard methodology and internal JICT stage gates also align to good practice for traditional waterfall technical delivery. Each project is free to define its own delivery approach within the high level framework as long as the high level process and stage gate controls are adhered to. This is agreed as part of the PID at initiation. Over the past few years, this has seen some projects successfully adopt a more agile approach to delivery, particularly when working with suppliers who increasingly only work in this way.

All TVP Business Change Project Managers either already have PRINCE2 (or equivalent) qualification or are placed on a course to complete this after joining. Business Change Programme Managers do the equivalent for MSP (Managing Successful Programmes).

Risk Management

Each project is required to maintain a risk register and to report at least monthly on key risks and issues. A template is provided for project/programme managers as well as a section on the online project/programme management tool.

Project and Programme Boards are expected to cover key risks and issues as a key item on the agenda. SROs have the responsibility to escalate key programme risks to the portfolio board and for organisational risks to be raised with the relevant department or strategic risk register process.

Key risks and issues for inflight programmes are reviewed by the Heads of Change at Joint Portfolio Board and a decision made on which require escalating to TVP Transformation Board or Joint DCCs Collaboration Board. As well as risks specific to a project or programme, a portfolio risk register is maintained that includes cross-cutting risks impacting the whole portfolio of change. This is covered as a standing item at the DCCs Collaboration Board.

Assurance

Joint Portfolio Board has optional attendance from the OPCC in both forces. TVP Transformation Board has OPCC representation invited to every meeting. DCC's Collaboration Board has optional attendance from both OPCCs as a standing invite.

Internal Audit regularly look at particular programmes of work including scrutiny of governance, risk management and benefits. HMIC inspections have previously looked at governance arrangements for project and programme delivery.

The OPCC policy on "Governance Arrangements for the Oversight and Scrutiny of Major Force Projects" provides additional assurance for the PCC.

The terms of reference for both Transformation Board and DCCs Collaboration Board include the ability for DCCs to commission external audit and assurance for major programmes/projects on a case by case basis and external independent assurance has been sought in the past for major programmes including Equip, DEMS and CMP.

4. Portfolio Management

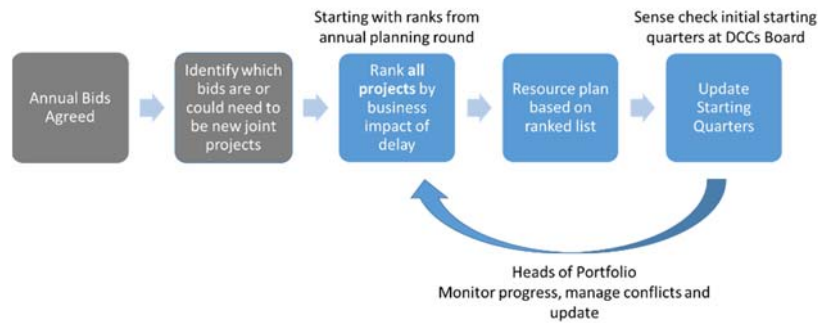
Responsibilities

- Portfolio management for the TVP only portfolio is the responsibility of the TVP Head of Change, accountable up to the DCC.
- Portfolio management for the Joint Collaboration Portfolio is the responsibility of the Head of Change (TVP) and Head of Corporate Insights (HC) accountable up to the DCCs of both forces.
- The Head of ICT Change Delivery also carries out portfolio management activities specific to ICT resources and technical deliverables – supported by the JICT Portfolio Management Office (ICTPMO) accountable up to the Chief Information Officer.

Governance

- The monthly Joint Portfolio Board, chaired by the TVP Head of Change considers the following for in-flight projects and programmes:
 - Dependency management
 - Resource allocation, conflicts and requests
 - Escalated risks and issues
 - Requests for change including requests for additional budget
 - A portfolio risk register which includes risks/issues to the portfolio overall
- The monthly JICT Portfolio Board, chaired by ICTPMO Manager considers the following for projects that require ICT resources and technical deliverables:
 - Portfolio performance/dashboard
 - Red/Amber project review
 - Stage-gate approvals
 - Upcoming stage gate and go-live milestones
- A weekly grip meeting takes place between TVP/HC/JICT to ensure:
 - Quick identification of issues and preparing decisions for the appropriate governance board
 - Swift follow up of actions from the other boards and meetings
 - Forward planning on starting quarters for new projects
 - Reprioritisation of projects in both portfolios as necessary
 - Resolving smaller resource conflicts and blockers
- These boards and meetings feed up into the DCCs Collaboration Board (joint portfolio) and TVP Transformation Board (TVP only portfolio)

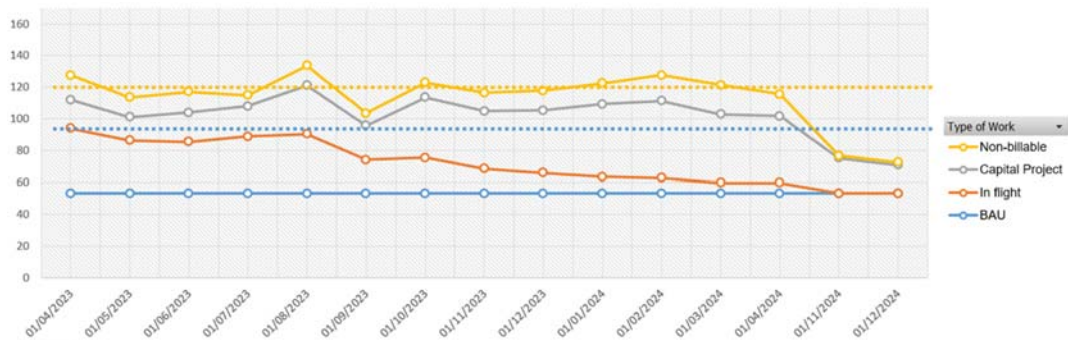
Annual Portfolio Planning



During the annual budget planning process, financial bids for a number of new projects or programmes are normally received.

As part of the budget setting process, the following portfolio impacts are considered:

- JICT Resource
 - JICT Business Partners are consulted on bids before submission.
 - After the initial triage of bids, resource estimates are refined and the ICTPMO carries out a resource planning forecast for the digital portfolio (current projects + new projects likely to be funded)
 - An example of the level of JICT resource planning which is considered at this stage is shown below:



- Change delivery resource
 - Heads of Change in TVP and HC review all bids for change delivery resource required and impact on business units in terms of deliverability
- Other enabling department resource
 - HR, Procurement, Corporate Comms, JIMU and other enabling departments and consulted during the process for impacts on their teams

Based on the above, and the agreed priority order of the bids as determined by the annual planning process – a recommendation is presented to the DCCs Collaboration Board on:

- Which in-flight projects (if any) are recommended to be closed or put on hold to allow for new priorities
- Which proposed projects cannot be delivered during the financial year due to resource constraints
- Of the projects that can be delivered – which quarter of the upcoming year can they be planned to start

Starting quarters for new projects are signed off by DCCs Collaboration Board before the beginning of the new financial year and are reviewed by Heads of Change in the regular governance boards during the year.

How does TVP ensure that programmes in the portfolio connect to each other?

- Technical architecture
 - Architecture Review Board (ARB) considers all proposed designs and changes to systems before they are made or approved
 - ARB approval includes signing off a Concept Level Design (CLD) before the business case can be approved
 - High Level Design approval is required by the ARB to move any project into production environment
 - Head of Strategy and Architecture sits on the JICT Portfolio Board

- Data model
 - This is managed on a system by system basis
 - We have a newly developed data model for RMS across TVP and HC which is beginning to drive some corporate reporting across both forces
 - The evolution of this model will need to include CMP and other integrated systems – supported and governed by the newly formed Integrated Systems Support team

- Cyber security standards and accreditation
 - Information Assurance are a required sign off at business case stage
 - See separate JIAC paper for details of our approach to cyber security

- User experience design
 - This is considered on a programme or project basis. The vast majority of digital systems are off-the-shelf with limited input from TVP as customer into the overall user design other than basic configuration
 - Our procurement and business case processes ensure that the relevant accessibility standards are adhered to and an Equality Impact Assessment is carried out for the introduction of any new digital capability

- Business processes
 - Business process changes are considered by each programme with oversight from the Head of Change and Transformation Board on major changes to policy or process being introduced that may impact other programmes of work. A change to a business process must be agreed with the owner of the business process in both TVP and HC if necessary.
 - The monthly Joint Portfolio Board considers dependencies in terms of process changes when raised as risks/issues as part of its terms of reference
 - For Joint Digital projects a set of digital principles have been adopted which lay out the design for joint systems to converge on the same processes in TVP and HC where possible
 - The new joint integrated systems support team will help to ensure that business process changes and managed collaboratively across both forces via the product managers for RMS, CMP and Pronto

Portfolio Risks

Current cross-portfolio risks that are being monitored (in addition to risks held by each project/programme) are:

Risk	RAG	Mitigation
1. There may be insufficient JICT capacity to successfully deliver all planned digital projects	RED	Detailed ICT resource modelling was carried out to inform 23/24 annual planning process. Weekly grip meeting and monthly joint portfolio board to keep tight control of changes and focus on resource limitations in key areas. Heads of Change to review project priority order during the year based on business impact of delay to resolve resource conflicts – pushing lower priority projects out to make space for urgent new work is likely to be required. JICT focussing on recruitment and retention in key areas.
2. There may be insufficient business change capacity to successfully deliver all planned projects an digital projects	AMBER	Proactive recruitment of additional fixed term funded TVP project managers ahead of the start of the new financial year (4 offers made at the beginning of March). Project Support Officer and Business Change Manager recruitment to follow. Recruitment also underway in Hampshire. New digital projects have been reviewed for business change impact with funding included where necessary. In year requests for additional support will be prioritised by business impact of delay and project management support removed from lower priority projects if necessary.
3. National programme changes may disrupt resourcing and plans for projects in the portfolio	AMBER	Heads of Change to monitor in the absence of SERIP providing this function regionally. Process to be put in place to ensure these are checked at relevant governance boards. Request to Police Digital Service to provide better visibility of upcoming requests.
4. Network capacity may not be sufficient to support the requirements of projects across the portfolio	GREEN	Low risk compared to previous years but continue to keep in sight. Longer term strategy paper in development from JICT.
5. Benefits realisation may not have sufficient central grip and governance whilst in flight and after closure	AMBER	Refresh of joint governance processes to increase benefits tracking and oversight whilst projects are in-flight and after closure. TVP Monthly Programme reporting now includes more detail on benefits at programme level and action to develop more clearly defined benefits for TVP Portfolio.

5. Benefits realisation

Benefits are defined, tracked and evaluated at each stage of the project process as outlined below:

Annual Planning Bids / Project Application Template

The Annual Planning Bid and Project Application template include a description of the high level benefits. Because of the type of mandatory or critical projects submitted, they also focus at this stage on outlining the risk that will have to be accepted or the dis-benefit caused if the project is not funded. Both forms also require the submitter to describe which strategic objective the project will support in the Force and/or OPCC priorities. Annual planning bids are scrutinised during the annual planning process. Project Application Templates are reviewed by the Joint Change Governance Board.

Business Case

Benefits are a mandatory section of every business case for approval. The business case template requires SROs to specify for each benefit:

- Whether it is a direct benefit of the project or just enables the benefit to be realised in the future
- Whether it is a cashable or non-cashable benefit – these are validated by finance during the process
- How the benefit will be measured
- When the benefit is expected to be realised

These are scrutinised and challenged at Joint Change Governance Board.

Project Initiation Document

The Project Initiation Document, approved by the Project or Programme Board, requires Project Managers to specify the benefits expected and in addition to the business case information, it also requires an identified owner for each benefit listed.

Benefits Tracking and Reporting

Whilst a project is in-flight, the Project Manager (or Business Change Manager if that role is included in the project team) has the responsibility for maintaining and updating a benefits realisation plan and tracker – for which a standard template is provided. Monthly project and programme reporting includes a section for reporting on benefits.

A number of programmes have benefits which also contribute to the force's performance framework and these outcomes are tracked additionally at Force Performance Group. Examples include the adoption of a new mobile policing application, officer time saved from digital capabilities, diversity of police officer intakes and tracking officer uplift numbers.

Cashable savings from projects, if they have been assigned a line in the TVP productivity plan – are monitored and challenged at the Savings Delivery Board.

The SRO is overall accountable for the delivery of benefits in the project and as part of the recent updates to TVP Transformation Board we have included a specific slide on benefits for each major programme including for each programme benefit, requiring a measurement, baseline, goal and status.

Further work will be carried out in 23/24 to look at improving the joint portfolio processes for benefits tracking while projects are in-flight and this is an area for continuous improvement.

End of Project Report

An important section of the End of Project Report is the evaluation of the benefits delivered by the project and any benefits that remain to be realised. This section includes:

- Benefits achieved to date
- Residual benefits expected

- Plan for review of benefits after closure
- Deviations from the original business case – including any unexpected benefits or dis-benefits.

The benefits claimed for major programmes are reviewed by the Head of Change and validated by finance before being presented to TVP Transformation Board or Joint DCCs Collaboration Board for formal closure to be agreed.

It is a condition of closure that there is an agreed plan in place, with ownership, for the review of benefits after closure where relevant.

Post-Closure

Where projects have residual benefits to be realised or evaluated after formal closure, the plan for these including ownership is agreed as part of the closure report.

Examples of post-closure benefits tracking include:

- TVP Operating Model - Following a major restructure to the force and the closure of the programme, a number of post-project evaluations were completed including an internal Service Improvement Review (SIR) which led to changes to mitigate some of the dis-benefits caused by the new model
- SDCM – this project to introduce a new operational unit is being delivered in phases with an internal evaluation of benefits after each phase. After closure the performance of the unit will be incorporated into Force Performance governance.
- Digital Evidence Management System (DEMS) – in addition to the benefits evaluation completed during closure – the key benefits in terms of officer time saved were tracked at TVP Organisational Performance group in the year after closure
- Pronto – this project is currently transitioning to closure. An evaluation of benefits realised so far will be in the end of project report and includes quantifiable officer time saved and data quality benefits. Adoption of the new capability has also been tracked in Organisational Performance Group. The new Joint Digital Team has been resourced to support the continuing development of Pronto after closure including the driving of adoption of new modules and benefits across both forces.

6. Lessons learned

At initiation

The Project Initiation Document template includes specific prompts to describe how lessons learnt from similar projects have been taken into account in selecting the project approach. Projects are often prompted this question in Joint Change Governance Board or Joint Portfolio Board. Examples of where this has been done are:

- DEMS: Lessons learnt from CMP were taken into consideration in splitting the business case for this large project into phases, releasing the funding to deliver a basic first live product, before considering further investment in more complex integrations
- Pronto: Lessons learnt from CMP and DEMS were used to inform the project approach for Pronto which took a much more iterative approach to the introduction of new modules, development of integrations and business change to drive adoption over time rather than a big-bang launch
- Force Review: a review of lessons learnt from previous TVP restructure projects was undertaken by the team and informed the development of their options and final papers.

In-flight

Project and Programme Managers are expected to keep a log of lessons learnt during delivery and this is used to inform both actions taken during the project and the end of project report. When we have carried out annual reviews of lessons learnt across all projects, we include the live lessons learnt logs from projects that are still in-flight as well as those that have recently closed

Project Closure

It is a condition of project closure that all projects must demonstrate they have:

- Carried out a lessons learnt gathering exercise with input from all stakeholder groups
- Documented lessons learnt and recommendations
- Shared lessons learnt with the relevant departments and owners of any recommendations

When large programmes of work close, the programme manager shares their lessons learnt with their peers at the Joint Portfolio Board and the SRO shares lessons learnt with either the TVP Transformation Board or DCCs Collaboration Board.

Major Lessons Learnt Reviews

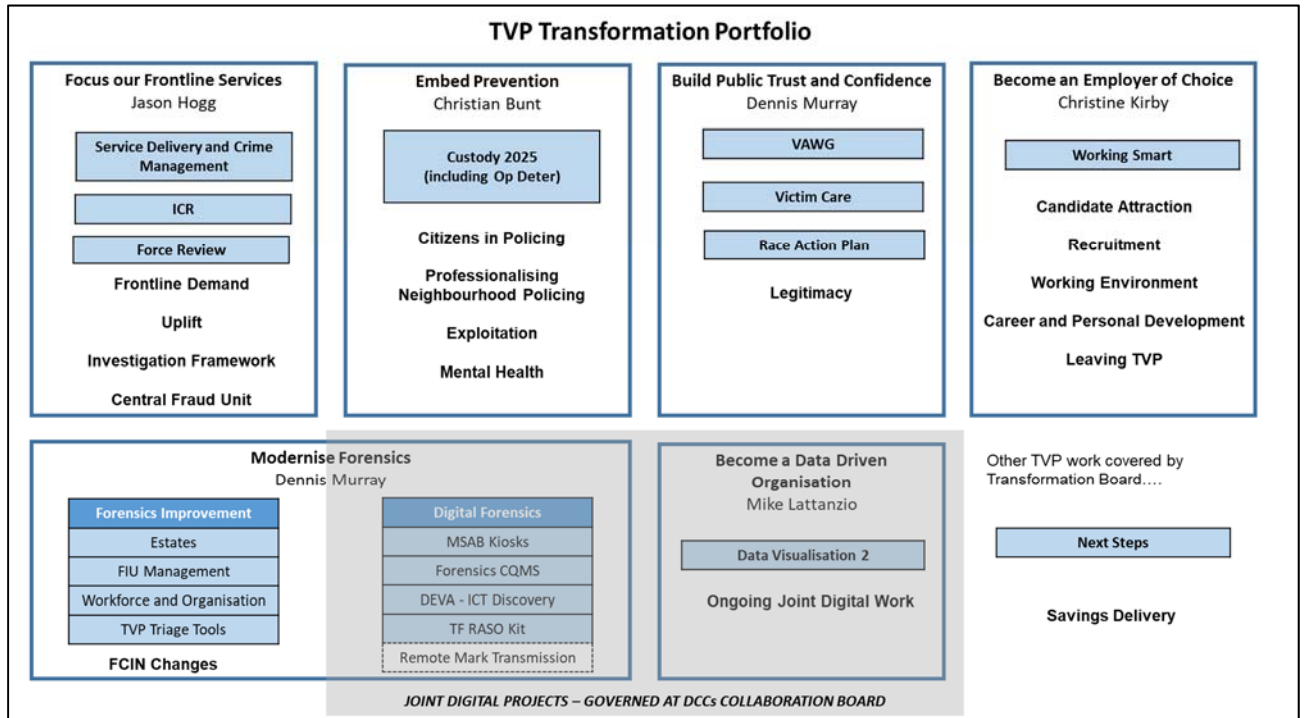
In addition to the lessons learnt process for each individual project and programme the following broader lessons learnt reviews have been conducted internally:

- Review of lessons learnt from projects in 2017-2018 generated 18 recommendations
- Review of lessons learnt from projects in 2019-2021 generated 17 recommendations
- Review of Contact Management Platform (CMP) Programme: Organisational Lessons Learnt, Key Themes and Recommendations carried out in 2022 generated 42 recommendations
- The above combined with lessons learnt from the closure of the Equip Programme in TVP led to the adoption of a set of digital project principles adopted by the DCC's Collaboration board in 2022 and previously shared with JIAC
- A number of internal audit reports in TVP and HC have looked at specific projects with recommendations tracked through that process

7. Annex

TVP Only Portfolio

The recently restructured TVP Transformation Portfolio is shown below. Names under the heading for each box are the Senior Responsible Owner (SRO). Blue boxes represent individually structured projects. Other areas listed are work-streams within each programme.

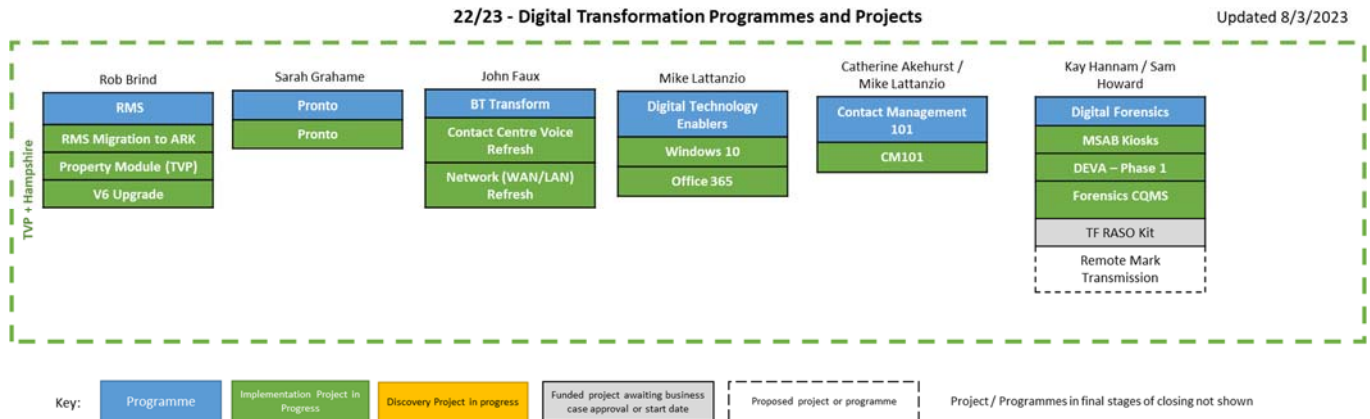


Programme	Objective	Key Benefits
Focus our Frontline Services	By March 31st 2025 we will support our frontline responders and investigators through focussing their time on prompt and effective response and investigation.	<ul style="list-style-type: none"> • Significant improvement in ICR deployability • Increased levels of outcome rate for priority and volume crime • Improved response times for local policing teams • Improved wellbeing and morale amongst frontline responders and investigators • Improvement in victim satisfaction with the quality of our response and investigation of volume crime (excluding DA + RASO) • Significant improvement in victim satisfaction with our frontline response and investigation of DA and RASO
Embed Prevention	By March 31st 2025 we will be proactively reducing crime, victimisation and re-offending across the Thames Valley through collaborative problem solving and prevention.	<ul style="list-style-type: none"> • Reduction in arrests and re-offending of identified high intensity custody users. • Greater access to intervention for Under 18's in Milton Keynes for those in possession of a knife • Improving police response to knife enabled crime and a more robust response to those possessing an offensive weapon (knife) • A greater ability to measure the success of our interventions through the development of performance measures

Build Public Trust and Confidence	By March 31st 2025 we will have significantly improved the levels of trust and confidence that the public have in Thames Valley Police overall with particular focus on Violence Against Women and Girls and the trust and confidence of our Black, Asian and minority ethnic communities.	<ul style="list-style-type: none"> • TVP will be a Force that is representative of Black and Ethnic minority people and communities and supports it's Black and ethnic minority officers and staff • TVP will deliver a service that is fair, respectful and equitable in its action towards Black and ethnic minority people and communities • TVP will routinely involve Black and ethnic minority people and communities in its governance • TVP will deliver a service that effectively protects Black, including Asian and ethnic minority, people and communities from crime and seeks justice for them • Significant increase in the trust and confidence of women and girls in the Thames Valley • Improvement in our internal culture relating to VAWG • Improve the current Victim Satisfaction rate • Improve the quality of information from the satisfaction survey • TVP will be compliant with the Victim Code of Practice
Become an Employer of Choice	By March 31st 2025, our workforce will be up to strength, more engaged and more representative of the communities we serve at every level.	<ul style="list-style-type: none"> • Achieve and maintain an acceptable level of police staff vacancies • Police officer establishment up to strength by end of each FY • Reduction in avoidable officer and staff attrition rates • Significant increase in wellbeing and employee engagement • Increase the ethnic representation of our communities at all levels in the Force • Increase female representation in senior roles • All employees have a sense of belonging and feeling included
Modernise Forensics	To deliver a fully accredited, innovative, market-leading employer and provider of forensic services; with the capability and capacity to deliver proportionate timely services from scene to conclusion that meets demand at the point of need to support effective crime investigation for TVP and other external organisations.	<ul style="list-style-type: none"> • Increased volume and speed of forensic deliverables • Reduced volume (and therefore cost) of outsourcing • Risk reduction • Process Efficiencies • Improved Resource Utilisation • Increased customer satisfaction & value • Increased FIU Staff Wellbeing
Next Steps	To upgrade HR, Duties Management, Fleet Management, Finance, Payroll and the related reporting systems to supported versions in order to mitigate business continuity and security risks to these systems over the next 3+ years.	Mitigate legacy system risks in relation to TVP's current: <ul style="list-style-type: none"> • HR system • Fleet management system • Finance system • Payroll system • Duties Management system

Joint Collaboration Portfolio

The Joint Digital Portfolio shown below is governed collaboratively with Hampshire Constabulary. Names above each programme show the Senior Responsible Owner (SRO) accountable across both forces.



Programme	Objective	Key Benefits
RMS	Upgrade to the latest version of RMS in both forces including migration of hosting to the ARK datacentre.	<ul style="list-style-type: none"> Provide users with updated functionality in latest version Implement new module functionality Enables improved data quality and governance Maintain version alignment with other UK forces Reduce hosting costs and improve performance
Pronto	Introduce the Pronto mobile app as a frontline digital policing capability in both forces.	<ul style="list-style-type: none"> Reduction in frontline officer time spent on travelling and entering forms on paper, RMS or other systems Improvement of data quality completeness and validity in RMS Enables future efficiency savings in departments across both forces
BT Transform	<ul style="list-style-type: none"> To support the mobile device refresh and switch from VF to EE. Technical Refresh of entire Voice platform to mitigate technical debt risk Technical refresh of all out of support WAN Routers, LAN switches and connections 	<ul style="list-style-type: none"> Delivery of the new BT contract and associated reduction in annual spend Mitigates technical debt Improved continuity of services Reduced risk of service loss Enables future product and technology enhancements
Contact Management 101	To deliver a reduction in wait times for 101 and enhance contact options for the public.	<ul style="list-style-type: none"> Reduction in 101 call wait times Enabling email service for victims to request updates from the OIC, online portal and chat-bot capability without the need to go through 101 Improved monitoring of demand and analytics to ensure efficient routing of calls and resourcing Reduction in the service support costs.
Digital Technology Enablers	Introduce Windows 10 and Office 365 across both forces with the associated pre-requisites and	<ul style="list-style-type: none"> Direct benefits around compliance, support, security and business continuity Required for future compatibility of software across the estate

	security measures through the National Enabling Programme.	<ul style="list-style-type: none"> • Key enabler for Working Smart and wider efficiency savings through mobile and home working
Digital Forensics	Part of the overall TVP Modernise Forensics strategic objective detailed above.	Enables benefits listed in the TVP Modernise Forensics strategic objective above and the equivalent in Hampshire Constabulary.


Smaller ICT upgrade projects are not listed here. These are covered under the joint portfolio governance arrangements and report in via ICTPMO. They follow the same project process and governance as all of the above but at project rather than programme level.





OPCC Strategic Risk Register - Summary


Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev
1	Collaboration	Interforce collaborations become ineffective in delivering PCC outcomes	4	1	4	↑ 3
2	Legally Qualified Chairs	Inability to hold misconduct hearings due to no Legally Qualified Chairs (LQCs) available	2	2	4	→ 4
3	PCC Unavailable	Absence of PCC meaning critical decisions can not be taken	4	1	4	→ 4
4	Victims Model	Delivery failure of project to move Victims service to non-consent model	3	2	6	→ 6
5	Grant Management	Delivery failure of externally funded grants	2	2	4	→ 4
6	Violence Reduction Unit	Failure to meet Home Office funded requirements for Violence Reduction Partnerships	2	2	4	NEW


Risk Heat Map		Impact			
		1 Minimum	2 Moderate	3 Major	4 Critical
Likelihood	4 Probable				
	3 Likely				
	2 Possible		← 2 → 6 ← 5 →	← 4 →	
	1 Unlikely				1 → ← 3


Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	
1	Collaboration	Interforce collaborations become ineffective in delivering PCC outcomes	4	1	4	↑ 3	
Background							
A number of collaborations with other forces are used to deliver operational services efficiently							
Potential Consequences							
If collaborations were to become ineffective, then friction could be inserted into decision-making with loss of value from the collaboration and risk to service delivery. Loss of service within collaboration could have a significant and critical impact on a number of Force operational areas thus making it impossible to deliver the PCC strategic plan e.g. Roads policing, IT, Firearms,							
Mitigations in place							
Strong regional relationship between PCCs / CCs - quarterly regional meetings provide effective forum							Owner
Section 22 Agreements provide legal basis							MB/GO
Joint governance arrangements including major projects protocol							GO
Actions underway							
Date Added	Action Description	Action Update	Target Date	Owner			
Feb-23	Review of external governance / assurance is planned over the coming months which will incorporate the joint governance meetings	The scope of the review is currently being developed by Vicki Waskett and will be available during March 23. This will set out the full timescales for the review which will aim to be fully completed by April 24	Apr-24	GO/ VW			
Feb-23	Increase risk score	Decision taken to increase risk score as underscored in initial assessment. Rationale linked to delivery of 101 function being collaborated,	Complete	GO			

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	
2	Legally Qualified Chairs	Inability to hold misconduct hearings due to no Legally Qualified Chairs (LQCs) available	2	2	4	→ 4	
Background							
LQCs concerned at facing personal liability in the absence of primary legislation to provide a judicial immunity (no indication from the Home Office that this is imminent, however, it is part of their terms of reference of the Dismissal Review which is due to be completed within the next few months). They also face the risk of bearing the costs of being summoned to attend a Tribunal. Therefore many LQCs have withdrawn from providing their services.							
Potential Consequences							
Police officers suspended for long periods of time - financial cost, loss of service from officers found to have no case to answer Reputational damage and loss of public confidence							
Mitigations in place							
The PCC provides an indemnity to LQCs							Owner
Four emergency LQCs have been appointed to SE region							VW
Seven of the 19 LQCs on the TV list are still willing to sit, so panels are continuing but with reduced capacity.							VW
Actions underway							
Date Added	Action Description		Action Update		Target Date	Owner	
Jun-22	Recruit new LQCs in SE Area		Recruitment currently underway.		Jun-23	VW	
Dec-22	Review emerging national decisions and updates on LQCs		No judicial immunity has been granted.		unclear	VW	

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	
3	PCC Unavailable	Absence of PCC meaning critical decisions can not be taken	4	1	4	→ 4	
Background							
There is no Deputy PCC to provide seamless cover in the event of, for example, illness to the PCC.							
Potential Consequences							
Decisions and approvals not taken resulting in financial loss, and operational difficulties Significant reputational damage to the OPCC and TVP							
Mitigations in place							
Process which would be followed to appoint deputy (if required) has been presented to Police & Crime Panel							Owner
Schemes of delegation are in place							MB
							GO/MT
Actions underway							
Date Added	Action Description		Action Update		Target Date	Owner	
Nov-22	Create Contingency plans				Mar-23	GO	
Dec-22	Review delegations in context of PCC availability issues		GAG - work is well underway to review delegations through the GAG meeting and also implement regular reviews throughout the financial year		Mar-23	GO/MT	

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	
4	Victims Model	Delivery failure of project to move Victims service to non-consent model	3	2	6	→ 6	
Background							
The decision has been taken to move the Victims service to a non consent model to improve service to victims and align with national standards, with consequent increase in demand. To support this, a new IT system will be implemented, and there will be a review of workforce requirements. There are co-dependencies with 101 service changes.							
Potential Consequences							
Reduction in quality and availability of victim support services Unexpected costs to mitigate inability to meet demand							
Mitigations in place							
Contract has been extended from Mar-23 to Mar-24 to allow for robust recommissioning							Owner
Project plan, risk logs, procurement documentation to support management							HW
Actions underway							
Date Added	Action Description	Action Update	Target Date	Owner			
Nov-22	Set up project board to oversee project	Initial project board meeting is booked for 14th March and members invited	Mar-23	GO/HW			
Nov-22	Recruit temporary project support post	A victims delivery officer has been recruited and is due to start on 27th February	Feb-23	HW			
Feb-23	Data modelling and engagement with victims and partners and providers underway to help shape and co produce the new model.	4 FTF Victim engagement session happening in Feb, with additional online sessions. Co production events booked for late March	Apr-23	HW			

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	
5	Grant Management	Delivery failure of externally funded grants	2	2	4	→ 4	
Background							
The OPCC has been very successful in winning new grants from funders. This puts more pressure on staff and processes for ensuring timely spend of grants, effective use of funds and compliant reporting. While pressure has grown in the last 3 months, the risk has been reviewed in the interim and remains within band 2.							
Potential Consequences							
Reputational damage with key funders Loss of future funding Unplanned cost to mitigate failures							
Mitigations in place							
SMG review of grant opportunities for alignment with PCC strategic priorities and capacity to deliver effectively							Owner
Ability to include overhead support costs is reviewed in new grant applications							MB/GO
Use underspend monies to relieve current pressure by creating flexibility with increased project support							CM/MT
							MT
Actions underway							
Date Added	Action Description		Action Update		Target Date	Owner	
Nov-22	Implement new Software for managing grants (SUMS)		Currently being implemented for Victims Grants		Mar-23	HW	
Nov-22	Review processes for budget monitoring		Being reviewed in conjunction with annual governance review (GAG)		Mar-23	MT	

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	
6	Violence Reduction Unit	Failure to meet Home Office funded requirements for Violence Reduction Partnerships	2	2	4	NEW	
Background							
The VRU will be hosted by the Office of the Police and Crime Commissioner in the future following the current directors retirement. During the transition there is a need to ensure Home Office requirements continue to be achieved whilst mapping out the future for the VRU. Home Office funding will reduce between 2023 -2025 leading to a need to develop a violence reduction partnership approach to embed initiatives as business as usual							
Potential Consequences							
Reputational damage with key funders and stakeholders Loss of future funding during 2023-2025 Fail to deliver interventions that support the outcomes required in violence reduction							
Mitigations in place							Owner
Transition meeting being held to baseline current activities, financial arrangements and core function							GO
Meetings being held with stakeholders to consult on transition plans along with introductions to Home Office funders							GO
Recruitment of new Head of Violence Reduction Unit in progress							GO
Actions underway							
Date Added	Action Description		Action Update			Target Date	Owner
Jan-23	Initial actions for transition plan developed					Mar-23	GO/ CR



**CHIEF CONSTABLE'S MANAGEMENT TEAM (CCMT) AND
JOINT INDEPENDENT AUDIT COMMITTEE (JIAC) REPORT**

Official

**Risk Management & Business Continuity update
1 November 2022 – 31 January 2023**



Risk Management and Business Continuity Introduction

Effective risk management and business continuity management are parts of the foundations of good governance. A sound understanding of risks and their management is essential if Thames Valley Police (TVP) is to achieve its objectives, use resources effectively, and identify and exploit new business opportunities. Such risks include risks to the interruption of business continuity. Consequently, in common with all significant public and private sector bodies, the Force has established frameworks for ensuring that areas of risk and business continuity are identified and managed appropriately across its activities.

TVP's Risk Management approach derives from the principles and guidelines set out in ISO31000:2018 (Risk Management) and the National Decision Model. The key TVP governance documents are: Risk Management Strategy & Framework (October 2021); and Risk Management Policy (July 2021).

TVP's Business Continuity Management approach derives from the principles and guidelines set out in ISO22301:2019 (Security and Resilience – Business Continuity Management) and the National Decision Model. The key TVP governance documents are: Business Continuity Management Strategy & Framework (October 2021); and Business Continuity Management Policy (April 2021).

The Risk Management and Business Continuity central functions within the Strategic Governance Unit (SGU) form part of the Deputy Chief Constable's portfolio.

Ongoing scanning by SGU, including reviews of departmental and operational risk registers, enables the identification of strategic risks that are then assessed and scored with relevant business leads. The product of this process, including recommended actions, is presented to the CCMT Force Risk Management Group (FRMG). The FRMG considers and makes corporate decisions in relation to those risks and recommendations. Strategic risks can be either longer-term, fundamental risks of strategic importance or shorter-term, operational risks that have a very substantial impact or likelihood. In some instances, strategic risks may have crystallised and become issues. Such issues have customarily been included in this report as risks; for this particular report, we have attempted to show issues more distinctly.

This Report further provides the information necessary for the Joint Independent Audit Committee (JIAC) to fulfil its function effectively. JIAC members are also welcome to review both the Force and local risk registers, or specific risk entries, by arrangement with the SGU team, who will arrange access to the live documents at Force headquarters.



Risk Assessment Strategic Context

Since the last reporting period, there have been no material changes in respect of the UK's experience of the COVID-19 pandemic. There has been an increase in both seasonal flu cases and COVID-19 cases – around 5,500 and 9,400 NHS hospital beds were occupied by flu patients and COVID-19 patients respectively at the end of January 2023. TVP remains alert to any material changes in circumstances, but no Government imposed restrictions are envisaged at this time.





The prolonged Russia-Ukraine conflict has continued to have serious global consequences for financial markets, energy and food prices, inflation generally, and security and stability. Fuel supplies continue to be affected, in particular by the Russia-Ukraine conflict (through Russian actions and threats to curtail gas supplies and sanctions imposed on dealings with Russia). The National Grid has warned that under a reasonable worst case scenario, it could force distributors to cut off electricity to households and organisations for specified outage periods (for example, three-hour blocks during the day on certain days of the week in each local area). A situation report was presented to CCMT in December 2022, setting out TVP's work to assess the risk and response capability to any planned electricity outages and noting that we are hooked into the national Programme Yarrow work.





















There has been a period of relative political instability in the UK following Rishi Sunak's appointment as Prime Minister on 25 October 2022. However, the Government continues to be challenged in dealing with: the cost of living crisis and energy costs in particular; inflation and measures to control; public sector demands for higher pay and industrial action that continues to take place as part of this; dealing with unprecedented levels of asylum seekers and illegal immigrants; the fragile state of the NHS and its inability to meet service targets. The Bank of England has continued to raise the base rate as a measure to reduce inflation; while inflation increase are expected to fall, the base rate is likely to raise again temporarily. This is putting pressure on households who have mortgages or other borrowings.

As noted in our previous reports, police forces have been braced for a rise in crime and a breakdown in public order this winter as a likely consequence of the cost of living crisis. Civil unrest has thus far centred on trade union strikes and public protests, but is likely to spread wider. Prolonged economic turmoil and financial instability, at a level not experienced since the 1970s, have the potential to drive increases in particular crime types (such as shoplifting, burglary, vehicle theft, online fraud, and financial exploitation). Police forces should also be alert to possible increases in organised crime, county lines drug gangs, and the exploitation of women and children. Policing demands could be mitigated to some extent through significant Government intervention. Greater financial vulnerability may also affect police officers and staff and some may fall into significant debt or financial difficulties. In addition, the background may exacerbate the difficulties already experienced in respect of recruiting and retaining police officers and staff.

Risk Heat Map

This map identifies the current strategic risks, and maps them in terms of priority based on current risk scores.

Key: No change to risk score  Risk score has increased  Risk score has decreased  New risk 

		Impact			
		1 Minimum	2 Moderate	3 Major	4 Critical
Likelihood	4 Probable		  	 	
	3 Likely		   	  	   
	2 Possible				
	1 Unlikely				



Overview of Strategic Risks and Issues

Following comments made at previous CCMT/JIAC meetings, an attempt has been made to distinguish issues from risks within this report. A **risk** is something may happen (e.g. inability to meet a particular outcome, a regulatory requirement, or a performance standard) whereas an **issue** is something that has already happened. Risks have both an Impact score and a Likelihood score, whereas Issues just have an Impact score; the same Impact scoring basis is applied, for consistency. The tables below shows the direction of travel of each risk/issue score and the current risk/issue management status as considered by risk/issue owners and to be reviewed and agreed by the FRMG.

Issue	Impact Score	Trend	Issue Owner	Date raised
SI 1 – ESMCP (Emergency Services Mobile Communications Programme) formerly SR 81	4	new	ACC Akehurst / ACO Waters	Feb 2023 (original date raised Aug 2019)

Risk	Previous Risk Score (I x L)	Current Risk Score (I x L)	Trend	Risk Owner	Date raised	Current Risk Action
SR 98 - Custody	12 (3x4)	12 (3x4)	↔	D/Supt. Kirby	Feb 2021	TREAT
SR 103 – Disclosure	12 (3x4)	12 (3x4)	↔	ACC Murray	July 2021	TREAT
SR 69 - Funding	12 (4x3)	12 (4x3)	↔	ACO Waters	Jan 2015	TREAT
SR110 - Overwhelming Demand	12 (4x3)	12 (4x3)	↔	DCC Hogg	May 2022	TREAT
SR 111 - Custody premises projects	12 (4x3)	12 (4x3)	↔	DCC Hogg	Sep 2022	TREAT
SR 109 – Neighbourhood Policing Resilience	8 (4x2)	12 (4x3)	↑	ACC De Meyer	May 2022	TREAT
SR 101 – IIOC Referrals	10.8 (2.7x4)	10.8 (2.7x4)	↔	ACC Murray	July 2021	TREAT

SR 105 – ICT Resourcing	12 (3x4)	9 (3x3)	↓	ACO Lattanzio	July 2021	TREAT
SR 74 - Recruitment	9 (3x3)	9 (3x3)	↔	ACO Kirby	Oct 2017	TREAT
SR 108 – Medium-to-Longer Term Uplift Targets	9 (3x3)	9 (3x3)	↔	ACO Kirby	May 2022	TREAT
SR 102 – MOSOVO (previously named PPU demand)	8 (2x4)	8 (2x4)	↔	ACC Murray	July 2021	TREAT
SR 86 - Retention	8 (2x4)	8 (2x4)	↔	ACO Kirby	Oct 2017	TREAT
SR 107 – Contractor Appointment	8 (4x2)	8 (4x2)	↔	ACO Waters/ ACO Kirby	Feb 2022	TREAT
SR 95 - MASH backlog	7.5 (2.5x3)	7.5 (2.5x3)	↔	ACC Murray	Aug 2020	TREAT
SR 97a – Missing	7.5 (2.5x3)	7.5 (2.5x3)	↔	ACC Murray	Nov 2020	TREAT
SR 97b – Exploitation	7.5 (2.5x3)	7.5 (2.5x3)	↔	ACC Murray	Nov 2020	TREAT
SR 85 - CSI Accreditation	6 (3/2)	6 (3x2)	↔	ACC Murray	Feb 2020	TREAT
SR 77 - Released Under Investigation (RUI)	6 (2x3)	6 (2x3)	↔	ACC Murray	Sept 2018	TREAT
SR 106 - Management of information assets in regional policing units	4 (2x2)	4 (2x2)	↔	ACO Lattanzio	Dec 2021	TREAT
SR 112 – Industrial Action		2 (2x1)	new	DCC Hogg/ ACC Akehurst	Feb 2023	TREAT

The former risk SR84 (Abstractions) has been subsumed within risk SR109 (Neighbourhood Policing Resilience) as agreed by CCMT at its most recent meeting. The former risk SR 100 (Court Backlog) has been removed from the Strategic Risk Register, in line with CCMT approval from the previous quarter. CCMT has agreed to the inclusion of a new risk SR 112 (Industrial Action) - *There is a risk thatTVP fails to maintain public order and meet its continuing operational policing obligations adequately during the winter 2022/23 period of industrial action (especially relating to public service organisations); this links to Op Parachute.*

Strategic Risk Summary

This report contains updates for the period 1 November 2022 – 31 January 2023, the nearest month end to the quarterly February CCMT meeting. The report reflects the statistical and narrative information available at the month end. Any more recent matters requiring CCMT input may also be included. All supporting documents (for example, Programme Board risk registers and additional papers) can be made available.

Scoring of a strategic risk or issue is based on the 4x4 matrix (see [Appendix A](#)), and the direction of travel and the risk scores from the last quarter are included to provide an indication of the magnitude and direction of any change. Risks/issues have been scored with input from the nominated risk/issue owners, or risk/issue leads where this responsibility has been delegated, with input from the SGU risk lead.

In previous reports, mention was made of a significant national threat of malicious cyber attacks. TVP would be vulnerable to such attacks. Joint TVP and Hampshire IOW Constabulary work is ongoing under the direction of the Cyber Threat & Response Management Board, which is helping to assess risks and oversee the adequacy of mitigation measures. Further productive work has continued and it is expected that a new Strategic Risk will be proposed in due course once the risk assessment/scoring is clearer.

Areas to note

The table below summarise noteworthy updates provided on the strategic risks and issues covered in this report.

Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
SR 69 - Funding	12 (4x3)	12 (4x3)	ACO Waters	<p>The budget for 2023/24 has now been agreed by the PCC with the maximum permissible council tax uplift of £15. This has placed the force in a good position with funding for 80 officers above our PUP numbers and a number of priority initiatives receiving some investment funding.</p> <p>The most significant financial risk facing the force in the next 12 months is the level and impact of the 2023 pay awards. The MTFP is based on a 2% pay award for the summer of 2023, in line with the Government’s funding and on</p>

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				<p>the basis that the Government will need to fund awards above this level. Reserves can provide for a small increase above the 2% (say another 1% maximum).</p> <p>In 2022, the Home Office did support police forces to fund the gap between the 3.5% budgeted police pay award and the 5% awarded but they only funded this for police officers and not police staff. The staff award was the same cash flat figure as the police £1,900, but as a percentage was actually higher due to the lower average level of pay amongst staff.</p> <p>There is therefore a serious risk that we will not receive sufficient additional funding to fund 2023 pay awards without having to make additional cuts.</p> <p>Other inflationary risks remain, due to the world economic position, but these should be manageable over the next 12 months with provisions made in the budget.</p> <p>The other longer-term significant financial risk is in relation to our ability to deliver our Strategic Estates strategy, which will requiring additional borrowing and hence increased interest payments, alongside our vehicle strategy. We are experiencing significant increases in the cost of vehicles and in particular the transition to an EV fleet. Although the transition from ICE (Internal Combustion Engine) to EV's will take a number of years, we need to start investing in the charging infrastructure now which will be another significant cost.</p>
SR 103 – Disclosure	12 (3x4)	12 (3x4)	ACC Murray	<p>Following the annual review of the AG Guidelines, the Solicitor General has recommended a number of changes, primarily in relation to rebuttable presumptions, third party material and redaction. The redaction annex may change the approach police are required to undertake, reducing the demand on investigators.</p>

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				<p>The employment market is challenging, however, with fewer applicants than posts. This represents a significant risk to the redaction pilot.</p> <p>The joint operational principles have been released and are being disseminated via DI Brown. Comms plan in place, with support from JP and the redaction team. The redaction team is now at almost full capacity with 8 staff and has expanded to cover Buckinghamshire and now Oxfordshire, as demand was less than anticipated. Joint CPS Police agreement around the application of the new redaction standards in their triage process not disadvantaging older cases ref 'over' redaction as per the new guidance. This agreement has now concluded, although as yet we have not observed a significant rise in redaction related triage rejections and delays.</p>
SI 1 – ESMCP (Emergency Services Mobile Communications Programme) formerly SR 81		4	ACC Akehurst/ACO Waters	<p>National Programme has informally paused as a result of ongoing CMA investigation and planned re-procurement of Lot 2. Gold, CCRG and NPCC discussed police position during September 2022. Informed by Regional Police Activities analysis and Senior Management briefings in South Central and South East.</p> <p>OCiP recommendations is that National Finance Reference Group (ACO Linda Waters) influences and reports back as necessary on the overall direction of the costs for ESMCP.</p> <p>The national FBC was expected by end-2022, but is not available yet and no clarity is available as to when it will be published.</p> <p>The regional programme team is reducing in strength and has entered a period of 'silent running' in line with the SRO's recommendations, as approved by DCCs, CCs and PCCs across the region.</p> <p>An updated FBC is expected from the National Programme by end 2022. It is acknowledged by the National Programme that a further FBC will be required post successful re-procurement of Lot 2.</p>

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				Recommend for this risk/issue to be placed on hold until Lot 2 post re-procurement FBC is available.
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Risk Radar

There are no particular additional risks from programmes, projects and local risk registers for noting at this time.

As noted previously, plan to take a fresh look at Future Risks over the coming period (i.e. risks that have a horizon of 3 to 5 years or more). This will consider the state of the UK (as outlined above), external sources (such as the Future of Policing report and the National Risk Register) as well as local sources (such as the P&CC's Police & Crime Plan for 2021-2025, TVP's own business plans, and the recent HMICFRS PEEL Report).



Business Continuity Introduction

Business continuity is about ensuring that, as an organisation, we are able to continue providing important public services in the event of some major disruption to our organisation. Clearly if the Force is unable to maintain its own services, it will not be in a position to best serve the public. The Civil Contingencies Act 2004 provides the statutory framework which places a responsibility on the police service, as “Category 1 Responders”, to have in place effective Business Continuity Management (BCM) processes. Thames Valley Police (TVP) follows the principles within “ISO22301 Societal Security – Preparedness and Continuity Management Systems” which was published in May 2012. Guidance on organisational resilience was published in November 2014 (BS65000:2014) which defines organisational resilience as the ability to anticipate, prepare for, respond and adapt to events – both sudden shocks and gradual change.

Oversight of the management of Business Continuity (BC) is provided by the Strategic Business Continuity Co-ordinating Group. This Group includes senior members from Property Services, ICT, Corporate Communications, HQ Operations, Health and Safety, and the Corporate Governance Officers. Business Continuity Plans are maintained, tested and refreshed in respect of front line services and support functions. These are refreshed in order to reflect changes in personnel, dispositions, and core business processes. This proactive approach is supplemented by organisational learning from exercises and actual incidents.

This Report is provided to the CCMT for consideration and corporate decision making. It further provides the information necessary for the Joint Independent Audit Committee to fulfil their function effectively. Members are welcome to review the details of specific business continuity incidents or exercises by arrangement with the Strategic Governance team.

Force Business Continuity Incidents and Exercises

There have been multiple property-related problems at TVP's Custody sites over the last period – there have been times where Custody capacity has been rated Red. These problems include: failure of heating systems during spells of very cold weather; leaks to water and waste pipes; and an infestation of flies at one site (thought to be related to some of the water/waste problems). The result has been reduced cell capacity (concurrently at several locations where the underlying cause has been cold weather) and adverse impacts on toilet and kitchen facilities. Contractors have been called in to diagnose, rectify and restore heating. As at mid-February (when temperatures have been at normal levels for the time of year), incidents have reduced and Custody capacity has generally been rated Green or Amber.

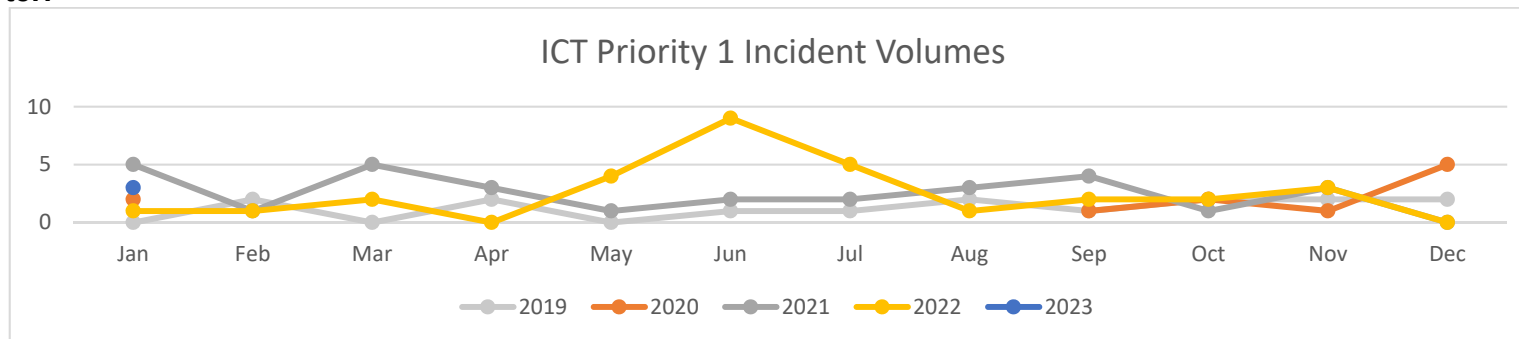
During the last quarter, SGU conducted the following exercises:

- **Tasking and Resilience** - the unit was tested on a cyber-incident scenario, where as a result there was total outage of connectivity. T&R rely heavily on system access, however there were steps and guidance identified that would help the department support the Force during such outage.
- **TVP Digital Forensics Unit (DFU)** - the unit was tested on a cyber-incident scenario, where as a result there was total outage of connectivity. DFU was well prepared to maintain communication across the teams, and regional dependencies established. The group held insightful discussions and debrief was shared with the participants.

ICT Priority Incidents

For the purposes of ICT incident reporting, a Priority 1 (P1) incident is defined as “an ICT event which impacts the whole force, with a fix time required of less than 4 hours.” Whilst not all ICT events impact the whole Force, they are captured in this report because they involve a system which has been identified as critical by the Force.

ICT P1 Incident Volume Trend: Between 1 November 2022 and 31 January 2023, ICT recorded 6 P1 incidents, which is an increase of 1 from the previous quarter.



The following Priority 1 incidents were reported during the last period.

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Date & Time	P1 Incident Summary	Affected Force	Business Impact & Action Taken	Root Cause & Learning	Time to Restore	Resolved
Force-wide						
01/11/2022 06:50:00	TVP users are unable to access CMP & Internet on the LAN	TVP	TVP users who are working on the LAN where unable to access the Contact Management platform, and the Internet/Intranet. Some users also reported that they were unable to access Outlook This affected CMU and they failed back to paper process as operators were unable to access CMP. Users working remotely were able to connect.	High utilisation of processing in the LAN network appliance caused the traffic to build up and stopped transactions until the backlog was cleared.	45 Minutes	Yes
Contact Management						
04/11/2022 19:27:00	TVP and HC performance issues and SQL errors when updating CMP	Both	Users reporting that they are receiving SQL errors while attempting to update logs in CMP and that system performance is slow. This is impacting responsiveness in Contact Management, as well as the ability for operators to use and update their incidents which could cause delays in attendance and the provision of	SQL05 was primary during the incident and there were a number of long running transactions during the time of the CMP slow down, these were caused by four very large user created dashboards consuming sufficient resources to restrict database processing and slow down performance. Changes have been implemented to restrict the size of personal dashboards and best practice guidelines have been re-issued to users by the CMU team.	3 hour 26 minutes	Yes

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			information on individual Incidents.			
13/11/2022 11:56:00	CMP is giving errors when updating logs and generally poor performance for all Contact Management	Both	Users reporting that CMP system performance is slow. This was impacting responsiveness in Contact Management, as well as the ability for operators to use and update their incidents which could cause delays in attendance and the provision of information on individual Incidents.	Investigation discovered a spike in Radio Status updates from HC Officers. There were 1597 HC ICCS radio messages broadcast in a five minute period. Investigated further by CMP Dev, a fault was identified in the RLM CRM logic which always forces an update of CRM. A solution was developed and installed to restrict the volume of status updates	1 hour 44 minutes	Yes
18/01/2023 16:25	CMP Unavailable	Both	CMP failed & all rooms reverted to paper fall back position. BWV DEMS & ServiceNow were also unavailable.	BT Faraday Network Centre went offline due to a power failure causing an outage to 5,000 circuits in southern England, including our internet connections into the ARK Data Centers. The hardware was repaired and services restored.	43 mins	Yes
21/01/2023 22:27	Various Airwave issues across TVP region	TVP	Airwave comms issues were affecting multiple talk groups in both Milton Keynes and Abingdon Control Rooms; only intermittent comms to and from Control Room were being received; this was also affecting other forces in surrounding zones. Control Room used handheld radios	Faulty switch component (MGEG 4) in the Midlands East Airwave hub located in Luton and affecting multiple Forces in the South East. The faulty component was replaced by Airwave engineers.	5 hrs 55 mins	Yes



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			and LPAs were aware and ready to take fall back officer safety measures should radios completely fail.			
25/01/2023 07:10	CMP Unavailable & Outlook slowness (Global M365 apps issue)	HC & TVP	Microsoft Global issues affecting M365 Applications. This is a Microsoft issue which is affecting all their Azure Networking. This affected CMP, Teams, Outlook, Exchange Online, SharePoint Online and OneDrive. There was front end messaging implemented informing of longer wait times for call handling due to the global outage. CM fall back to paper as CMP was slow and new starters could not log in.	Microsoft identified a recent failed change to their datacentre network in Azure which affected all Microsoft Azure clients in Europe. The change was reversed and services restored. Ongoing work to consider how we communicate outages in future in the absence of access to MS applications. We are investigating how we message devices directly, both pc/laptop, and smartphones.	2 hrs 35 mins	Yes

Three of the six Priority 1 incidents recorded in the last quarter relate specifically to third party-provided infrastructure and/or services. JICT is reviewing our supplier’s contractual obligations and working with our key suppliers to uplift service availability and performance.

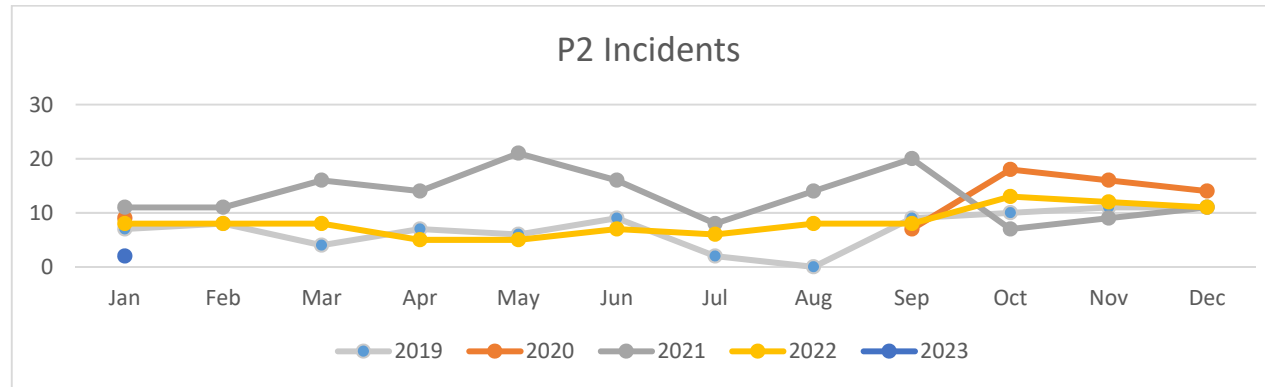
ICT P2 Incident Volume Trend: During the period 1 November 2022– 31 January 2023, ICT recorded 25 P2 incidents.

P2 incidents are reported in order to allow assessment of any underlying trend or issue that might, if not addressed, lead to a business continuity incident. For the purposes of ICT incident reporting, a P2 incident is defined as “an ICT event which impacts on a single department or site, with a fix time required of less than 8 hours.”

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During the last quarter, there was a decrease in Priority 2 incidents from 29 to 25. Of the 25 incidents, 22 were resolved in the service level of eight hours, with an average resolution time of 2 hours 30 minutes. A higher number of network connectivity and performance incidents were experienced in November/December 2022, together with incidents affecting CMP database performance. JICT set up an SMT-chaired, dedicated Red Team, and a number of improvements were developed and implemented during December 2022. In January 2023, there were two Priority 2 incidents.

Business Continuity activities

Strategic Governance took part in Thames Valley Local Resilience Forum (TVLRF) widespread electricity loss BC exercise. The Lemur exercise was to build a shared understanding of the implications for multi-agency partner organisations in responding to a failure of the National Electricity Transmission system, leading to a national power outage (NPO). Strategic Governance took actions following the exercise to best prepare for the presented scenario. In this quarter, we have produced an unplanned widespread electricity outage action plan that is awaiting sign off. Strategic governance also played an active role in Op Parachute, set up as a response to the emerging partner agencies strikes and displaced demand. SGU continues to improve its processes, build Force's cyber resilience and widen its engagement with partners across the Force and outside. The team has also worked to identify next areas of focus across the Force for BC exercises, and dates as well as planning meetings for larger exercises are gradually being booked in.

**CHIEF CONSTABLE'S MANAGEMENT TEAM (CCMT) AND
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1 November 2022 – 31 January 2023****OFFICERS' APPROVAL**

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report. We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.

Chief Constable

Date

Director of Finance

Date

Appendix A – Risk and Issue Scoring Matrix

likelihood score	simple description	guidance
4	Probable	80% to 100% chance this will happen or the matter has already become an issue
3	Likely	50% to 80% chance this will happen
2	Possible	10% to 50% chance this will happen
1	Unlikely	less than 10% chance this will happen

impact score	public impact	reputation	economic	legal	organisational resilience	disruption (based on the Force's ability to manage the risk with current resources)
4	Damage to critical systems, including loss of 999 service.	Failure to meet a number of local and national performance indicators - possibility of intervention or special measures. Picked up in the national media.	Financial impact over £10m	Potential corporate manslaughter charge. HSE brings charges or serves a Prohibition Notice. Home Office intervention. Loss/disclosure of information marked TOP SECRET and/or resulting in sustained reputational damage to the Force. Impact on national security or a serious breach of personal or human rights.	Significant impact on staffing levels which impacts on Force ability to deliver critical public facing services. Loss of technology which impacts on critical public facing services (long-term P1 system failure).	No existing processes in place to manage the risk. Significant levels of immediate investment in resources are required to mitigate the risk.
3	Major impact (1 to 3 days) on non-critical public facing services. Significant/long-term (more than 3 days) impact on central services, which affect public services	Failure to meet a series of critical targets which impacts on a number of performance indicators. Adverse external audit report prompting immediate action. Highlighted in the local media.	Financial impact from £5m to £10m	Temporary HSE intervention or an Improvement Notice issued due to a major incident. Force or PCC prosecution with significant financial cost. Intervention by the PCC. Loss or disclosure of information marked SECRET and/or resulting in serious reputational damage to the Force, threat to life, or threat to operational activity.	Significant impact on staffing levels which impacts on Force ability to deliver internal functions and services. Prevention of access to intelligence placing prosecutions, placing front line officers and staff at risk. ICT issue which impacts across the whole Force.	Existing processes have a limited impact on mitigating the issue, and significant new processes are required to manage similar risks in the future. Long-term planned investment in resources required to manage future risks.
2	Moderate impact (less than 1 day) on non-critical public facing services. Impact on central services across more than one area.	Failure to meet a series of operational targets or a critical target. Adverse internal audit report prompting timed improvement/action plan.	Financial impact from £1m to £5m	HSE involved in investigating a significant incident. Civil litigation receiving adverse publicity and financial cost to the Force or PCC. Loss or disclosure of information marked OFFICIAL-SENSITIVE.	Loss of non-critical internal ICT services across the Force.	Existing processes can mitigate the immediate elements of the issue, but some work is required to change processes for the future. Risk can be managed within existing Force resources and additional spending can be approved within existing budgets.
1	Minor impact on local or departmental services.	Failure to meet individual operational targets. Minor contravention of internal policies.	Financial impact up to £1m	Local incident - local review. No legal or regulatory breaches. Small scale loss or disclosure of information marked OFFICIAL.	Short-term loss of non-critical ICT locally. Short-term impact on local and departmental staffing levels.	Risk can be managed using existing processes. Risk can be managed within existing departmental resources.

The Police and Crime
Commissioner for Thames
Valley Group
Draft Audit Results Report

Year ended 31 March 2022

March 2023



Private and Confidential

3 March 2023

The Office of Police and Crime Commissioner and Chief Constable
Thames Valley Police
Kidlington, OX5 2NX

Dear Matthew and John

2022 Audit Results Report

We are pleased to attach our draft Audit Results Report [v2](#), summarising the status of our audit of the Police and Crime Commissioner for Thames Valley Group (the PCC and CC) for the forthcoming meeting of the Joint Independent Audit Committee (JIAC). We will update JIAC at its meeting scheduled for [17 March 2023](#) on further progress to that date and explain the remaining steps to the issue of our final opinion. [Note that updates to this report since the version presented to the JIAC at the meeting in October are highlighted in blue text for ease of review.](#)

The audit is designed to express an opinion on the 2021/22 financial statements and address current statutory and regulatory requirements. This report contains our findings related to the areas of audit emphasis, our views on the PCC and CC's accounting policies and judgements and material internal control findings. Each year sees further enhancements to the level of audit challenge and the quality of evidence required to achieve the robust professional scepticism that society expects. We thank the management team for supporting this process. We have also included an update on our work on value for money arrangements.

This report is intended solely for the information and use of the JIAC, other members of the PCC and CC, and senior management. It is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discuss the contents of this report with the JIAC at the meeting on [17 March 2023](#).

Yours sincerely

Andrew Brittain
Partner
For and on behalf of Ernst & Young LLP
Encl

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05 Value for Money



06 Other Reporting Issues

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Public Sector Audit Appointments Ltd (PSAA) issued the “Statement of responsibilities of auditors and audited bodies”. It is available from the PSAA website (<https://www.psa.co.uk/audit-quality/statement-of-responsibilities/>). The Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The “Terms of Appointment and further guidance (updated July 2021)” issued by the PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and in legislation, and covers matters of practice and procedure which are of a recurring nature.

This report is made solely to the JIAC and management of the PCC and CC in accordance with the statement of responsibilities. Our work has been undertaken so that we might state to the JIAC, and management of the PCC and CC those matters we are required to state in this report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the JIAC and management of the PCC and CC for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



01 Executive Summary

Executive Summary

Scope update

In our Outline Audit Plan presented at the 18 March 2022 JIAC meeting, we provided you with an overview of our audit scope and approach for the audit of the financial statements. We carried out our audit in accordance with this plan, with the following exceptions:

Changes in materiality: In our Outline Audit Plan, we communicated that our audit procedures would be performed using a materiality of £12.6 million for the PCC Group; £7 million for the PCC Single Entity and £12.2 million for the CC Single Entity. Performance materiality was set at 75 % of overall materiality and thresholds for reporting misstatements at 5% of performance materiality.

We updated our planning materiality assessment using the draft consolidated accounts and have also reconsidered our risk assessment.

Based on our materiality measurement bases, we have updated our overall materiality assessment to £13.6 million for the PCC Group; £7.9 million for the PCC Single Entity; and £13.3 million for the CC Single Entity. Performance materiality, at 75% of overall materiality and thresholds for reporting misstatements at 5% of performance materiality have remained unchanged.

Other Changes

Changes to reporting timescales

As a result of Covid-19, new regulations, the Accounts and Audit (Amendment) Regulations 2022 No 708, have been published and came into force on 22 July 2022. This announced a change to publication date for final, audited accounts from 30 September to 30 November 2022 for all relevant authorities.

Additional audit procedures as a result of Covid-19

Other changes in the entity and regulatory environment as a result of Covid-19 that have not resulted in an additional risk, but result in the following impacts on our audit strategy were as follows:

Information Produced by the Entity (IPE): We identified an increased risk around the completeness, accuracy and appropriateness of information produced by the entity due to the inability of the audit team to verify original documents or re-run reports on-site from the PCC/CC's systems. We undertook the following to address this risk:

- Used the screen sharing function of Microsoft Teams to evidence re-running of reports used to generate the IPE we audited; and
- Agreed IPE to scanned documents or other system screenshots.



Executive Summary

Status of the audit

Our audit work in respect of the PCC and CC opinion is substantially complete.

The following are the main items relating to the completion of our other audit procedures that were outstanding at the date of this report:

- IAS 19 assurances: We have yet to receive the IAS 19 assurances we have requested from the auditor of the Buckinghamshire Pension Fund. The auditor, Grant Thornton, has not yet confirmed when they will be able provide the letter.
- Valuation of property, plant and equipment – [We will be able to complete our testing once we receive the last few items from the capital accountant and the valuers.](#)
- Value for money conclusion – We need to update our documentation to the end of the audit period.
- Going concern disclosure - [We need to perform procedures to assess the cash flow forecast for 12 months from date of signing the financial statements – we have carried out as much work as we can in this area, but we will need to finalise our work once we have a specific date of when the accounts will be signed.](#)
- Subsequent events review – [we need to complete this at the date we sign the audit report.](#)
- Management representation letter – [We have shared a draft version \(see appendix E\) and will finalise at the completion of the audit.](#)
- Final manager and partner review of the file.
- Whole of Government Accounts - We have yet to receive the NAO instructions on this for 2021/22.

Details of each outstanding item, actions required to resolve and responsibility are included in Appendix D.

Given that the audit process is still ongoing, we will continue to challenge the remaining evidence provided and the final disclosures in the Narrative Report and Accounts which could influence our final audit opinion, a current draft of which is included in Section 3.

Executive Summary

Auditor responsibilities under the Code of Audit Practice 2020

Under the Code of Audit Practice 2020, we are still required to consider whether the PCC and CC have put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The 2020 Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the PCC and CC a commentary against specified reporting criteria (see below) on the arrangements the PCC and CC has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

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

Status of the audit – Value for Money (VFM)

We have completed our planned VFM procedures and have no matters to report by exception in the auditor's report (see Section 03). We need to complete our documentation as part of our year end procedures and we will report to the JIAC the final outcome on our consideration as to whether there are any significant weaknesses in the PCC and CC's VFM arrangements. We will then issue the VFM commentary as part of issuing the Auditor's Annual Report.

Executive Summary

Audit differences

We highlight the following misstatements greater than £663k for the CC and £396k for the PCC which have been corrected by management that were identified during the course of our audit:

- PCC and CC Creditors misclassification: PCC creditors were overstated by £6.6 million and CC creditors were understated by £6.6 million.
- PCC and Group Property, Plant and Equipment: £392k overstated assets. Some assets have been duplicated both in the fixed asset register and the financial statements.

The following misstatements greater than £663k for the CC and £396k for the PCC which have not been corrected by management were identified during the course of the audit:

- PCC and Group: The PFI model does not account for contingent rents. The impact of this for 2021/22 is £399k which although not material is above the reporting threshold for misstatements. This has not been amended in the statement of accounts.
- PCC Leases: A British Telecom (BT) lease liability was amended by BT and the amendment of £501k was not reflected in the financial statements.
- PCC Gain of capital proceeds: Capital proceeds of £845k from asset disposals were not included in the correct financial year.
- CC Provisions: Management requested advice from the actuary Gallagher for the insurance provision and then did not update the provision to reflect the adjustment of £4,072k.

In addition, during our testing we identified an error in our representative (random) samples. When we identify these errors, we then extrapolate the error across the representative sample to predict what the potential errors could be.

- PCC and Group Expenditure: In our sample, £106k of income from the prison service had been included in expenditure in error, having the effect of netting off expenditure and whereas it should have been grossed up and treated as income. Since this was included in our representative sample, we extrapolated the error and the estimated error was £532k.

Executive Summary

Audit differences (continued)

There were various misstatements in the disclosure notes, the main ones were:

For the PCC and Group:

- Note 4 Intra Group Adjustments - The signage of line PCC Intra-group adjustments of -£533.302 million for PCC and £533.302 million for CC needed to change to £533.302 million and -£533.32 million respectively.
- Note 10 Officers remuneration - 5 officers expenses were not disclosed in the disclosure note
- Note 12 - Related party transactions – Matthew Barber’s relationship with Oxford Menopause was originally omitted.
- Note 14 Property, Plant and Equipment – In the note disposals has been overstated by £1.508 million and depreciation understated by £1.508 million.
- Note 17 Financial Instruments – PFI current borrowing of £1,617k was omitted from the financial liabilities section

- For the CC Note 17 Debtors – Misclassification between trade receivables and other receivables. Trade receivables figure of £24,181k to be reduced to £18,019k and Other receivable amounts to be increased from £1,522k to £7,712k.

- Expenditure and Funding Analysis - Several amendments were needed for both the PCC and the CC for them to be consistent with the other notes in the financial statements
- Notes to the Cash flow statement for CC and PCC - There was a £11,933k difference in the net cash flow from operating activities.
- For the CC note 10, PCC note 39, Group note 11 - Fees payable to external auditors needed to be updated.

- Some minor adjustments have been identified and actioned including note 14 Property, plant and equipment - Capital commitments, note 29 Leases, note 31 Nature and extent of risk arising from financial instruments, PCC note 47 Pensions and CC note 23 Pensions.
- We also noted that Narrative statements within the PCC and CC accounts presented for audit lacked robust quality review and contained a number of points relating to accuracy for the entity, cross referencing and typographical errors which required updating. We would recommend a more thorough management review of the draft accounts before being presented for audit.

Other reporting issues

We have reviewed the information presented in the Annual Governance Statement for consistency with our knowledge of the PCC & CC. We have no matters to report as a result of this work.

We have not yet performed the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission. The NAO (National Audit Office) are currently reviewing the Data Collection Tool. We have yet to receive reporting instructions from the NAO.

We have no other matters to report.

Executive Summary

Areas of audit focus

In our Outline Audit Plan we identified a number of key areas of focus for our audit of the financial report of the PCC and CC. This report sets out our observations and status in relation to these areas, including our views on areas which might be conservative and areas where there is potential risk and exposure. Our consideration of these matters and others identified during the period is summarised within the "Areas of Audit Focus" section of this report.

Audit findings and conclusions: Significant risk - Misstatements due to fraud or error – Management override

We have not identified any material misstatements arising from fraud in revenue and expenditure recognition and management override.

Audit findings and conclusions: Significant risk - Misstatements due to fraud or error - Inappropriate capitalisation of revenue expenditure

We have not identified any material misstatements arising from fraud from the inappropriate capitalisation of revenue. Journal testing on receipt of the data analytics is still to be completed.

Audit findings and conclusions: Significant risk - Inappropriate revenue recognition of other income - recharges and collaboration

We have not identified any material misstatements arising from fraud in inappropriate revenue recognition of other income - recharges and collaboration. **However, we did identify that the vehicle recharges sent by the Chiltern Transport Consortium, run by the Thames Valley Police, have not been reviewed for a number of years so would recommend for the charges to be reviewed.**

We request that you review these and other matters set out in this report to ensure:

- There are no residual further considerations or matters that could impact these issues
- You concur with the resolution of the issue
- There are no further significant issues you are aware of to be considered before the financial report is finalised.

There are no matters, other than those reported by management or disclosed in this report, which we believe should be brought to the attention of the JIAC or Management.

Control observations

We have adopted a fully substantive approach, and so have not tested the operation of controls. We have, however, updated our understanding of the key processes and the controls which are in place to detect or prevent error. Through this work, we have not identified any significant deficiencies in the design or operation of an internal control that might result in a material misstatement in your financial statements and which is unknown to you.

Independence

We can confirm that we remain independent of the PCC and CC and include an update in Section 9.



02 Areas of Audit Focus

Areas of Audit Focus

Significant risk

Risk of misstatements due to fraud or error – Management override

What is the risk?

The financial statements as a whole are not free of material misstatements whether caused by fraud or error. As identified in ISA (UK and Ireland) 240, management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. We identify and respond to this fraud risk on every audit engagement.

What did we do and what judgements did we focus on?

We:

- ▶ Identified fraud risks during the planning stages.
- ▶ Enquired of management about risks of fraud and the controls put in place to address those risks.
- ▶ Understood the oversight given by those charged with governance of management's processes over fraud.
- ▶ Considered the effectiveness of management's controls designed to address the risk of fraud.
- ▶ Tested journals at year-end to ensure that there were no unexpected or unusual postings.
- ▶ Reviewed accounting estimates for evidence of management bias.
- ▶ Looked for and investigated any unusual transactions.

We used our data analytics capabilities to assist with our work, including journal entry testing. We assessed journal entries for evidence of management bias and evaluated for business rationale. We specifically reviewed any elements where judgement could influence the financial position or performance of the PCC/CC in a more positive or more favourable way.

What are our conclusions?

We have not identified any material weaknesses in controls or evidence of material management override. We have not identified any instances of inappropriate judgements being applied or management bias. We did not identify any other transactions during our audit which appeared unusual or outside the normal course of business.

Areas of Audit Focus

Significant risk

Risk of misstatements due to fraud or error – Inappropriate capitalisation of revenue expenditure

What is the risk?

Under ISA 240 there is a presumed risk that revenue may be misstated due to improper revenue recognition. In the public sector, this requirement is modified by Practice Note 10 issued by the Financial Reporting Council, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We have identified an opportunity and incentive to capitalise expenditure under the accounting framework, to remove it from the general fund. In arriving at this conclusion, we have considered the continuing pressure on the revenue budget and the financial value of its annual capital programme which is many times our materiality level. This could then result in funding of that expenditure, that should properly be defined as revenue, through inappropriate sources such as capital receipts, capital grants, or borrowing.

What judgements are we focused on?

We focus on whether expenditure is properly capitalised in its initial recognition, or whether subsequent expenditure on an asset enhances the asset or extends its useful life.

What are our conclusions?

Our testing of capital additions is has not identified any instances where expenditure had been inappropriately capitalised.

What did we do?

We have:

- ▶ Tested property, plant and equipment (PPE) additions to ensure that the expenditure incurred and capitalised is clearly capital in nature; and
- ▶ Sought to identify and understand the basis for any significant journals transferring expenditure from revenue to capital codes on the general ledger at the end of the year.

We have utilised our data analytics capabilities to assist with our work, including journal entry testing. We assessed journal entries more generally for evidence of management bias and evaluated them for business rationale.



Areas of Audit Focus

Significant risk

Risk of misstatements due to fraud or error – Inappropriate revenue recognition of other income - recharges and collaboration

What is the risk?

ISA (UK and Ireland) 240 states, in paragraph 26, that material misstatements due to fraudulent financial reporting often result from a misstatement of revenues. Therefore, the auditor ordinarily presumes that there are risks of fraud in revenue recognition and considers which types of revenue, revenue transactions or assertions may give rise to such risks. Those assessed risks of material misstatement due to fraud related to revenue recognition are significant risks.

In our judgement the risk of manipulation of these revenue streams lies in other income as this is reliant on the information produced by the TVP which other police authorities accept and send payments to TVP to cover for joint projects.

What judgements are we focused on?

We focus on whether revenue is being appropriately recognised and re-charges set at the correct rates.

If this were to happen it would have the impact of overstating revenue.

What did we do?

We have:

- ▶ Tested other income of recharges and collaboration using a lower level of materiality.

We will utilise our data analytics capabilities to assist with our work, including journal entry testing. We will assess journal entries more generally for evidence of management bias and evaluate for business rationale.

What are our conclusions?

Our testing did not identify any manipulation of recharges.

However, we did identify that the vehicle recharges sent by the Chiltern Transport Consortium, run by the Thames Valley Police has not been reviewed for years so would recommend for the charges to be reviewed.



Audit risks

Other areas of audit focus

We have identified other areas of the audit, that have not been classified as significant risks, but are still important when considering the risks of material misstatement to the financial statements and disclosures.


What is the area of focus?	What did we do?	What are our conclusions?
<p>Valuation of land and buildings</p> <p>At 31 March 2021, the value of PCC and CC's land and buildings was £210 million and represents the largest balance in the accounts. It is subject to valuation changes, impairment reviews and depreciation charges.</p> <p>Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.</p> <p>For 2021/22, the PCC and CC continue to engage an external valuation expert to support the valuation of these assets. As this is one of the largest accounting estimates on the balance sheet, and one dependent on a high degree of subjectivity, we deem the valuation of property, plant and equipment to represent an inherent risk of material misstatement.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Considered the work performed by the PCC/CC's valuer, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work; • Sample tested key asset information used by the valuer in performing their valuation (e.g. floor plans to support valuations based on price per square metre); • Considered the annual cycle of valuations to ensure that assets have been valued within a 5 year rolling programme as required by the Code. We have also considered if there are any specific changes to assets that have occurred and that these have been communicated to the valuer; • Reviewed assets not subject to valuation in 2021/22 to confirm that the remaining asset base is not materially misstated; • Considered changes to useful economic lives as a result of the most recent valuation; • Confirmed accounting entries have been correctly processed in the financial statements; and • We considered using our Real Estate team, but since there had not been any changes in the methodology or assumptions used in the valuations, it was not deemed necessary. 	<p>At the time of writing this report, we have completed most of the work in this area and we are just awaiting the final few responses to our audit queries from the capital accountant and valuers.</p>



Audit risks

Other areas of audit focus (continued)

What is the area of focus?	What did we do?	What are our conclusions?
<p>Pension liability valuation & actuarial assumptions The Local Authority Accounting Code of Practice and IAS19 requires the CC to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by Buckinghamshire Council. The PCC must also do similar in respect of the Police Pension Fund. The PCC and CC's pension fund deficit is a material estimated balance and the Code requires that this liability be disclosed on the PCC and CC's balance sheet.</p> <p>At 31 March 2021, this totalled £5,062 million. The information disclosed is based on the IAS 19 report issued to the PCC and CC by the actuary to Buckinghamshire Council and also the Police Pension Fund.</p> <p>Accounting for these schemes involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Liaised with the auditors of Buckinghamshire Council Pension Fund, for assurances over the information supplied to the actuary in relation to Thames Valley Police. • Assessed the work of the LGPS Pension Fund actuary (Barnett Waddingham) and the Police Pension actuary (GAD) including the assumptions they have used by relying on the work of PWC - Consulting Actuaries commissioned by the National Audit Office (NAO) for all Local Government sector auditors, and considering any relevant reviews by the EY actuarial team; • Evaluated the reasonableness of the Pension Fund actuary's calculations by comparing them to the outputs of our own auditor's actuarial model; and • Reviewed and tested the accounting entries and disclosures made within the PCC and CC's financial statements in relation to IAS19. 	<p>At the time of writing this report, work in this area is incomplete since we have not yet received the IAS 19 letter from Grant Thornton, the auditors of Buckinghamshire Council Pension Fund.</p>



Audit risks

Other areas of audit focus (continued)

What is the area of focus?	What did we do?	What are our conclusions?
<p>Insurance provision The PCC and CC have a provision to meet insurance claims under a self-insurance scheme. The adequacy of this scheme is assessed annually by a firm of actuaries. Accounting for these schemes involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.</p>	<p>We have:</p> <ul style="list-style-type: none"> • Evaluated the reasonableness of the actuary's calculations by reviewing the approach used by your actuary and using our own internal specialists. 	<p>We have completed our work in this area and found that the provision had not been adjusted by £4,072k that the actuary, Gallaghers, had recommended. See section 04 of this report.</p>
<p>Going concern disclosure There is a presumption that the PCC and CC will continue as a going concern for the foreseeable future. However, both the PCC and CC are required to carry out a going concern assessment that is proportionate to the risks they face. In light of the continued impact of Covid-19 on day to day finances, annual budgets, cashflow, the medium term financial strategy, inflation and wider economic pressures, there is a need for the PCC and CC to ensure their going concern assessments are thorough and appropriately comprehensive. The PCC and CC are then required to ensure that their going concern disclosures within the statement of accounts adequately reflects their going concern assessment and in particular highlights any uncertainties identified. The auditing standard in relation to going concern (ISA570) requires a challenge from auditors on the assertions being made by management.</p>	<p>We have met the requirements of the revised auditing standard on going concern (ISA 570) and considered the adequacy of the PCC and CC's going concern assessment and its disclosure in the accounts by:</p> <ul style="list-style-type: none"> • Challenging management's identification of events or conditions impacting going concern. • Testing management's resulting assessment of going concern by evaluating supporting evidence (including consideration of the risk of management bias). • Reviewing the cashflow forecast covering the foreseeable future, to ensure that it has sufficient liquidity to continue to operate as a going concern. • Undertaking a 'stand back' review to consider all of the evidence obtained, whether corroborative or contradictory, when we draw our conclusions on going concern. • Challenging the disclosure made in the accounts in respect of going concern and any material uncertainties. 	<p>Our work on the going concern disclosure will be completed once we have a specific signing date since the cash flow analysis has to be carried out up to at least 12 months from the date of issue of the financial statements.</p>



03 Audit Report



Audit Report

Draft audit report for PCC

Our opinion on the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE POLICE AND CRIME COMMISSIONER FOR THAMES VALLEY

Opinion

We have audited the financial statements of the Police and Crime Commissioner for Thames Valley for the year ended 31 March 2022 under the Local Audit and Accountability Act 2014 (as amended). The financial statements comprise the:

- Police and Crime Commissioner for Thames Valley and Group Movement in Reserves Statement;
- Police and Crime Commissioner for Thames Valley and Group Comprehensive Income and Expenditure Statement;
- Police and Crime Commissioner for Thames Valley and Group Balance Sheet;
- Police and Crime Commissioner for Thames Valley and Group Cash Flow Statement;
- Police and Crime Commissioner for Thames Valley Pension Fund Account Statements; and
- related notes 1 to 48.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Police and Crime Commissioner for Thames Valley and the Group as at 31 March 2022 and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22; and

- have been prepared properly in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Police and Crime Commissioner for Thames Valley and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the Chief Financial Officer with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Police and Crime Commissioner and the Group's ability to continue as a going concern.



Audit Report

Draft audit report for PCC (continued)

Our opinion on the financial statements

Other information

The other information comprises the information included in the statement of accounts, other than the financial statements and our auditor's report thereon. The Chief Financial Officer is responsible for the other information contained within the statement of accounts.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement is misleading or inconsistent with other information forthcoming from the audit or our knowledge of the entity;
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended);

- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended);
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended);
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended);
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended); or
- we are not satisfied that the Police and Crime Commissioner and the Group have made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have nothing to report in these respects

Responsibility of the Chief Finance Officer

As explained more fully in the Statement of Responsibilities for the Accounts set out on page 26, the Chief Finance Officer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, and for being satisfied that they give a true and fair view and for such internal control as the Chief Finance Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Chief Finance Officer is responsible for assessing the Police and Crime Commissioner's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Police and Crime Commissioner and the Group either intend to cease operations, or have no realistic alternative but to do so.



Audit Report

Draft audit report for PCC (continued)

Our opinion on the financial statements

The Police and Crime Commissioner and the Group are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Police and Crime Commissioner and the Group and determined that the most significant are:
 - o Local Government Act 1972,
 - o Local Government Finance Act 1988 (as amended by the Local Government Finance Act 1992) [applicable to authorities with a statutory obligation to maintain a separate collection fund],
 - o Local Government Act 2003,
 - o The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended in 2018 and 2020,
 - o The Local Audit and Accountability Act 2014 (as amended),
 - o The Accounts and Audit Regulations 2015,
 - o The Police Reform and Social Responsibility Act 2011,
 - o Anti-social behaviour, Police and Crime Act 2014,
 - o Police Pensions scheme regulations 1987,
 - o Police Pensions regulations 2006; and
 - o Police Pensions regulations 2015.

In addition, the Police and Crime Commissioner and the Group have to comply with laws and regulations in the areas of anti-bribery and corruption, data protection, employment Legislation, tax Legislation, general power of competence, procurement and health & safety.



Audit Report

Draft audit report for PCC (continued)

Our opinion on the financial statements

- We understood how Police and Crime Commissioner and the Group are complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, head of internal audit, those charged with governance, and obtaining and reading documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our reading of the Police and Crime Commissioner's and the Group's committee minutes, through enquiry of employees to confirm Police and Crime Commissioner and the Group policies, and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.
- We assessed the susceptibility of the Police and Crime Commissioner's and the Group's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance through inappropriate capitalisation of revenue expenditure and management override of controls to be our fraud risks.
- To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Police and Crime Commissioner's and the Group's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.
- To address our fraud risk of management override of controls, we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

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

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in December 2021, as to whether the Police and Crime Commissioner and the Group had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Police and Crime Commissioner and the Group put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Police and Crime Commissioner and the Group had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

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

We are not required to consider, nor have we considered, whether all aspects of the Police and Crime Commissioner's and the Group's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



Audit Report

Draft audit report for PCC (continued)

Our opinion on the financial statements

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to issue our assurance statement in respect of the Police and Crime Commissioner for Thames Valley and the Group/Chief Constable for Thames Valley's Whole of Government Accounts consolidation pack. We are satisfied that this work does not have a material effect on the financial statements or our work on value for money arrangements.

Use of our report

This report is made solely to Police and Crime Commissioner for Thames Valley and the Group, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Police and Crime Commissioner for Thames Valley and the Group, for our audit work, for this report, or for the opinions we have formed.

Andrew Brittain (Key Audit Partner)

Ernst & Young LLP (Local Auditor)

Reading

Date



Audit Report

Draft audit report for CC

Our opinion on the financial statements

INDEPENDENT AUDITOR'S REPORT TO THE CHIEF CONSTABLE OF THAMES VALLEY

Opinion

We have audited the financial statements of the Chief Constable of Thames Valley for the year ended 31 March 2022 under the Local Audit and Accountability Act 2014 (as amended). The financial statements comprise the:

- Chief Constable of Thames Valley Movement in Reserves Statement;
- Chief Constable of Thames Valley Comprehensive Income and Expenditure Statement;
- Chief Constable of Thames Valley Balance Sheet;
- Chief Constable of Thames Valley Cash Flow Statement and the related notes 1 to 24; and
- Chief Constable of Thames Valley Pension Fund Account.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Chief Constable of Thames Valley as at 31 March 2022 and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Chief Constable for Thames Valley in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the Comptroller and Auditor General's AGN01, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the Director of Finance with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Chief Constable's ability to continue as a going concern.



Audit Report

Draft audit report for CC (continued)

Our opinion on the financial statements

Other information

The other information comprises the information included in the statement of accounts, other than the financial statements and our auditor's report thereon. The Director of Finance is responsible for the other information contained within the statement of accounts.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we report by exception

We report if:

- in our opinion the annual governance statement is misleading or inconsistent with other information forthcoming from the audit or our knowledge of the entity;
- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 (as amended);

- we make written recommendations to the audited body under Section 24 of the Local Audit and Accountability Act 2014 (as amended);
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 (as amended);
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 (as amended);
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014 (as amended);
- we are not satisfied that the Chief Constable has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have nothing to report in these respects.

Responsibilities of the Director of Finance

As explained more fully in the Statement of Responsibilities for the Accounts set out on page 22, the Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, and for being satisfied that they give a true and fair view and for such internal control as the Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



Audit Report

Draft audit report for CC (continued)

Our opinion on the financial statements

In preparing the financial statements, the Director of Finance is responsible for assessing the Chief Constable's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Constable either intends to cease operations, or has no realistic alternative but to do so.

The Chief Constable is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate

concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

•We obtained an understanding of the legal and regulatory frameworks that are applicable to the [council/authority] and determined that the most significant are:

- o Local Government Act 1972,
- o Local Government Act 2003,
- o The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended in 2018 and 2020,
- o The Local Audit and Accountability Act 2014 (as amended),
- o The Accounts and Audit Regulations 2015,
- o The Police Reform and Social Responsibility Act 2011,
- o Anti-social behaviour, Police and Crime Act 2014,
- o Police Pensions scheme regulations 1987,
- o Police Pensions regulations 2006; and
- o Police Pensions regulations 2015.

In addition, the Chief Constable has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection, employment Legislation, tax Legislation, general power of competence, procurement and health & safety.



Audit Report

Draft audit report for CC (continued)

Our opinion on the financial statements

- We understood how the Chief Constable is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of management, head of internal audit, those charged with governance and obtaining and reading documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our reading of the Chief Constable's committee minutes, through enquiry of employees to confirm Chief Constable policies, and through the inspection of employee handbooks and other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.
- We assessed the susceptibility of the Chief Constable's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified , inappropriate capitalisation of revenue expenditure, inappropriate revenue recognition of other income - recharges and collaboration, and management override of controls to be our fraud risks.
- To address our fraud risk of inappropriate capitalisation of revenue expenditure we tested the Chief Constable's capitalised expenditure to ensure the capitalisation criteria were properly met and the expenditure was genuine.
- To address our fraud risk of management override of controls, we tested specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.
- To address our fraud risk of inappropriate revenue recognition of other income - recharges and collaboration, we tested other income of recharges and collaboration using a lower level of materiality.

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

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in December 2021, as to whether the Chief Constable had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Chief Constable put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Chief Constable had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Chief Constable of [insert location] has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the Chief Constable's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



Audit Report

Draft audit report for CC (continued)

Our opinion on the financial statements

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to issue our assurance statement in respect of the Police and Crime Commissioner for Thames Valley and the Group/Chief Constable for Thames Valley's Whole of Government Accounts consolidation pack. We are satisfied that this work does not have a material effect on the financial statements or our work on value for money arrangements.

Use of our report

This report is made solely to the Chief Constable of Thames Valley, in accordance with Part 5 of the Local Audit and Accountability Act 2014 (as amended) and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Chief Constable of Thames Valley, for our audit work, for this report, or for the opinions we have formed.

Andrew Brittain (Key Audit Partner)
Ernst & Young LLP (Local Auditor)
Reading
Date



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04 Audit Differences



Audit Differences

In the normal course of any audit, we identify misstatements between amounts we believe should be recorded in the financial statements and the disclosures and amounts actually recorded. These differences are classified as “known” or “judgemental”. Known differences represent items that can be accurately quantified and relate to a definite set of facts or circumstances. Judgemental differences generally involve estimation and relate to facts or circumstances that are uncertain or open to interpretation.

Summary of adjusted differences

We highlight the following misstatements greater than £663k for the CC and £396k for the PCC which have been corrected by management that were identified during the course of our audit:

- PCC and CC Creditors misclassification: PCC creditors were overstated by £6.6 million and CC creditors were understated by £6.6 million.
- PCC and Group Property, Plant and Equipment: £392k overstated assets. Some assets have been duplicated both in the fixed asset register and the financial statements.



Misstatements in disclosures:

- Note 4 Intra Group Adjustments - The signage of line PCC Intra-group adjustments of -£533.302 million for PCC and £533.302 million for CC needed to change to £533.302 million and -£533.3.2 million respectively.
- Note 10 Officers remuneration - 5 officers expenses were not disclosed in the disclosure note
- Note 12 - Related party transactions – Matthew Barber’s relationship with Oxford Menopause was originally omitted.
- Note 14 Property, Plant and Equipment – In the note disposals has been overstated by £1.508 million and depreciation understated by £1.508 million.
- Note 17 Financial Instruments – PFI current borrowing of £1,617k was omitted from the financial liabilities section
- For the CC Note 17 Debtors – Misclassification between trade receivables and other receivables. Trade receivables figure of £24,181k to be reduced to £18,019k and Other receivable amounts to be increased from £1,522k to £7,712k.
- Expenditure and Funding Analysis - Several amendments were needed for both the PCC and the CC for them to be consistent with the other notes in the financial statements
- Notes to the Cash flow statement for CC and PCC - There was a £11,933k difference in the net cash flow from operating activities.
- For the CC note 10, PCC note 39, Group note 11 - Fees payable to external auditors needed to be updated.
- Some minor adjustments have been identified and actioned including note 14 Property, plant and equipment - Capital commitments, note 29 Leases, note 31 Nature and extent of risk arising from financial instruments, PCC note 47 Pensions and CC note 23 Pensions.

Audit Differences

Summary of unadjusted differences

In addition we highlight the following misstatements to the financial statements and/or disclosures which were not corrected by management. We request that these uncorrected misstatements be corrected or a rationale as to why they are not corrected be considered and approved by the Joint Independent Audit Committee and provided within the Letter of Representation:

Uncorrected misstatements 31 March 2022 (£)		Effect on the current period:		Net assets (Decrease)/Increase		
	Other Comprehensive Income Debit/(Credit)	Comprehensive Income and Expenditure Statement Debit/(Credit)	Assets current Debit/ (Credit)	Assets non current Debit/ (Credit)	Liabilities current Debit/ (Credit)	Liabilities non- current Debit/ (Credit)
Errors						
Known differences:						
<ul style="list-style-type: none"> PCC – the PFI model does not account for contingent rents 		398,876 (399,876)				
<ul style="list-style-type: none"> PCC – BT lease liability was amended by BT and the amendment was not reflected in the financial statements 				(501,000)		501,000
<ul style="list-style-type: none"> PCC – Capital proceeds from asset disposals were not included in the correct financial year 		(845,471)	845,471			
<ul style="list-style-type: none"> CC – Provisions adjustment for insurance did not reflect the figures from the actuary (Gallagher) Earmarked reserves £3,381,059 		(691,066)				4,072,126
Judgemental differences:						
<ul style="list-style-type: none"> PCC – Income from the Prison Service was incorrectly classed as expenditure 		(532,542) 532,542				
Cumulative effect of uncorrected misstatements		(1,536,537)	845,471	(501,000)		4,573,126

There are no amounts that we identified that are individually or in aggregate material to the presentation and disclosures of the consolidated financial statements for the year ended 31 March 2022.



05 Value for Money



Value for money

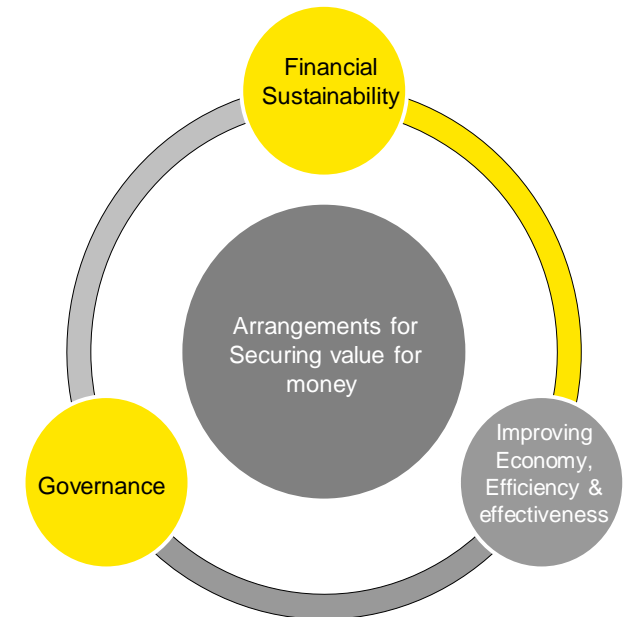
The PCC and CC's responsibilities for value for money (VFM)

The PCC and CC is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with its financial statements, the PCC and CC is required to bring together commentary on its governance framework and how this has operated during the period in a governance statement. In preparing its governance statement, the PCC and CC tailor the content to reflect its own individual circumstances, consistent with the requirements set out in the Cipfa code of practice on local authority accounting. This includes a requirement to provide commentary on its arrangements for securing value for money from their use of resources.

Risk assessment

We have previously reported to the JIAC the outcome of our assessment of the risk of significant weaknesses in the PCC and CC's VFM arrangements - that we had not identified any risks. We need to update our documentation to the end of the audit period.



Status of our VFM work

We need to revisit our risk assessment and we will report to the JIAC the outcome on our consideration as to whether there are any significant weaknesses in the PCC and CC's VFM arrangements. We will then issue the VFM commentary as part of issuing the Auditor's Annual Report.



06 Other reporting issues

Other reporting issues

Other reporting issues

Consistency of other information published with the financial statements, including the Annual Governance Statement

We must give an opinion on the consistency of the financial and non-financial information in the PCC and CC Statement of Accounts 2021/22 with the audited financial statements.

We must also review the Annual Governance Statement for completeness of disclosures, consistency with other information from our work, and whether it complies with relevant guidance.

Financial information in the Statement of Accounts 2021/22 and published with the financial statements is consistent with the audited financial statements.

We have reviewed the Annual Governance Statement and can confirm it is consistent with other information from our audit of the financial statements and we have no other matters to report.

Whole of Government Accounts

Alongside our work on the financial statements, we also review and report to the National Audit Office on your Whole of Government Accounts return. The extent of our review, and the nature of our report, is specified by the National Audit Office.

We are not able to start work in this area until the NAO instructions have been released and will report any matters arising to the JIAC.

Other reporting issues

Other reporting issues

Other powers and duties

We have a duty under the Local Audit and Accountability Act 2014 to consider whether to report on any matter that comes to our attention in the course of the audit, either for the Authority to consider it or to bring it to the attention of the public (i.e. “a report in the public interest”). We did not identify any issues which required us to issue a report in the public interest.

Other matters

As required by ISA (UK&I) 260 and other ISAs specifying communication requirements, we must tell you significant findings from the audit and other matters if they are significant to your oversight of the PCC and CC’s financial reporting process. They include the following:

- Significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures;
- Any significant difficulties encountered during the audit;
- Any significant matters arising from the audit that were discussed with management;
- Written representations we have requested;
- Expected modifications to the audit report;
- Any other matters significant to overseeing the financial reporting process;
- Findings and issues around the opening balance on initial audits (if applicable);
- Related parties;
- External confirmations;
- Going concern;
- Consideration of laws and regulations; and
- Group audits

We have nothing to comment in respect of these.



07

Assessment of Control Environment



Assessment of Control Environment

Financial controls

As part of our audit of the financial statements, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed.

Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you.

We note that Thames Valley Police (TVP) stops depreciating vehicles once they reach their residual values as TVP will recover some value on sale. As such, it is considered not appropriate to fully depreciate these assets and then recognise profit on disposal for the full proceeds. TVP's Capital Policy does not state this in detail nor is this included as part of Accounting Policies in the Statement of Accounts.

Recommendation:

TVP's Capital Policy should be clear on how the depreciation of vehicles should be carried out.

Using our data analytics, we identified several entries with data entries posted from 2002. Our review concluded that as the items were below TE, this would not be a material to the financial statements.

Recommendation:

It would be good practice review these items to ensure they should still be in the general ledger.

During the audit, it was identified that the Chiltern Transport Consortium charges to the other police bodies have not been reviewed for a number of years.

Recommendation:

Although no issues are noted in the amount recorded in the financial statements as we could follow the audit trail, we would recommend that a review is performed by TVP to review the Chiltern Transport Consortium charges.

During the audit, it was noted that the accounts presented for audit contained a number of basic errors which indicated a lack of detailed quality review before issuing as draft..

Recommendation:

Officers should ensure a suitably robust review of the financial statements, including the narrative statement, to ensure they are internally consistent and free from typographical errors.

We have not identified any significant deficiencies in the design or operation of an internal control that might result in a material misstatement in your financial statements of which you are not aware.

We considered whether circumstances arising from Covid-19 resulted in a change to the overall control environment of effectiveness of internal controls, for example due to significant staff absence or limitations as a result of working remotely. We identified no issues which we wish to bring to your attention.



08 Data Analytics



Data Analytics - Journal Entry Testing

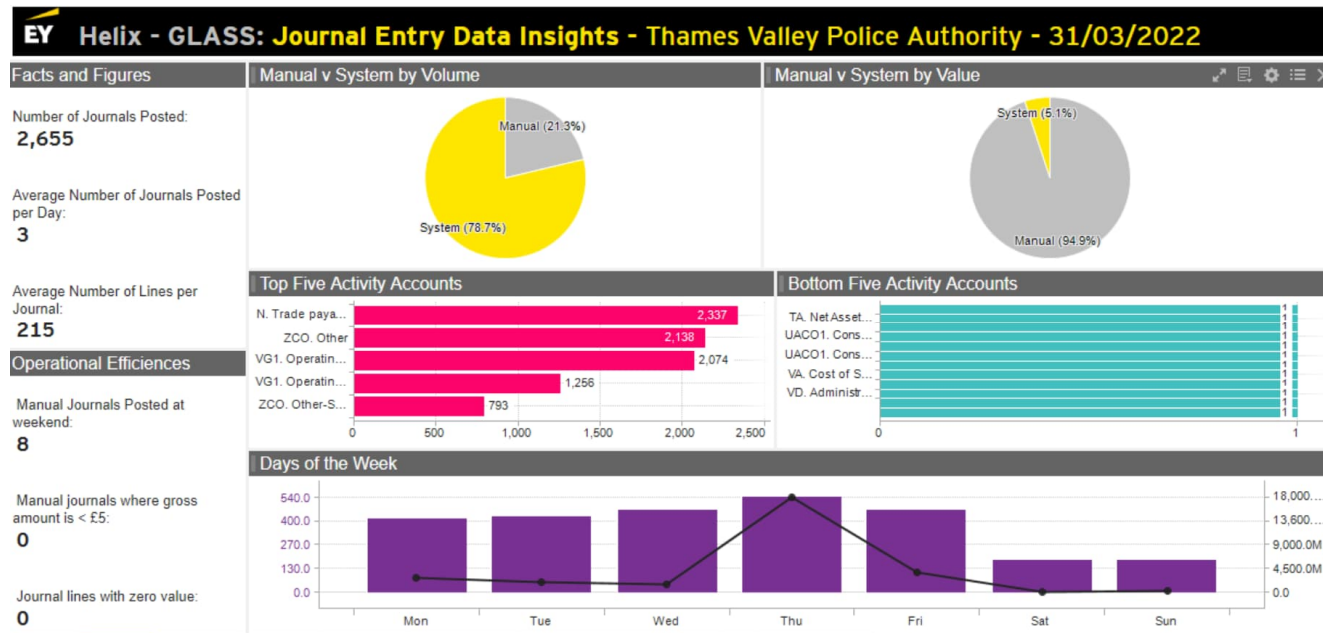
What is the risk?

In line with ISA 240 we are required to test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

What judgements are we focused on?

Using our analysers we are able to take a risk based approach to identify journals with a higher risk of management override, as outlined in our audit planning report.

Journal entry data criteria – PCC/CC’s – 31 March 2022 (last 2 months)



What did we do?

We obtained general ledger journal data for the period and have used our analysers to identify characteristics typically associated with inappropriate journal entries or adjustments, and journals entries that are subject to a higher risk of management override.

We then performed tests on the journals identified to determine if they were appropriate and reasonable.

What are our conclusions?

We isolated a sub set of journals for further investigation and obtained supporting evidence to verify the posting of these transactions and concluded that they were appropriately stated.

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09 Independence

Relationships, services and related threats and safeguards

The FRC Ethical Standard requires that we provide details of all relationships between Ernst & Young (EY) and the PCC/CC, and its members and senior management and its affiliates, including all services provided by us and our network to the PCC/CC, its members and senior management and its affiliates, and other services provided to other known connected parties that we consider may reasonably be thought to bear on the our integrity or objectivity, including those that could compromise independence and the related safeguards that are in place and why they address the threats.

There are no relationships from 1 April 2021 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

Services provided by Ernst & Young

Description	Proposed Fee 2021/22 £	Planned Fee 2021/22 £	Final Fee 2020/21 £
Total Audit Fee – Code work	78,552	78,552	62,633
Additional Fees:			
- Additional work on PPE	TBC	TBC	-
- VFM additional procedures	TBC	TBC	10,346
- Going concern assessment & disclosure	TBC	TBC	3,858
- EY internal consultation on audit report	TBC	TBC	2,364
- Revised auditing standard for estimates	TBC	TBC	4,578
- Accounting for C-19 related grants	-	-	1,703
- Data analytics issues	TBC	-	-
Non-audit work	-	-	-
Total	TBC	TBC	85,482

We set out here a summary of the fees for the year ended 31 March 2022. We confirm that we have not undertaken non-audit work outside the NAO Code. At the June 2020 JIAC meeting, the PCC/CC agreed the proposed additional fee of £32.9k from the scale fee set by PSAA of £46.7k, giving a Code work fee of £78.6k, which applies to both the 20/21 and 21/22. For 20/21 PSAA approved £15.9k. This additional fee did not include any further additional procedures required due to the impact of Covid-19, the new auditing standards on going concern and estimates and the changes in the Code of Audit Practice affecting VfM procedures. We will be discussing with the Chief Financial Officer and Director of Finance any additional audit fee in relation to these matters on completion of the audit. Any increase from the scale fee also requires approval from PSAA.

Other communications

EY Transparency Report 2022

Ernst & Young (EY) has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained.

Details of the key policies and processes in place within EY for maintaining objectivity and independence can be found in our annual Transparency Report which the firm is required to publish by law. The most recent version of this Report is for the year end 30 June 2022:

[EY UK 2022 Transparency Report | EY UK](#)



10 Appendices



 Appendix A




Audit approach update

Our audit procedures are designed to be responsive to our assessed risk of material misstatement at the relevant assertion level. Assertions relevant to the balance sheet include:

- Existence: An asset, liability and equity interest exists at a given date
- Rights and Obligations: An asset, liability and equity interest pertains to the entity at a given date
- Completeness: There are no unrecorded assets, liabilities, and equity interests, transactions or events, or undisclosed items
- Valuation: An asset, liability and equity interest is recorded at an appropriate amount and any resulting valuation or allocation adjustments are appropriately recorded
- Presentation and Disclosure: Assets, liabilities and equity interests are appropriately aggregated or disaggregated, and classified, described and disclosed in accordance with the applicable financial reporting framework. Disclosures are relevant and understandable in the context of the applicable financial reporting framework

Appendix B

Summary of communications





Date 	Nature 	Summary 
March 2022	Report/Meeting	The Outline Audit Planning Report, including confirmation of independence, was issued to the JIAC for meeting on 18 March 2022
April 2022	Planning enquiries	Planning enquiries made of management
April 2022	Management and TCWG letters issued	The PCC, CC and senior officers were all sent formal letters of enquiry in respect of key matters such as fraud, laws and regulations, Going Concern and litigation and claims
June 2022	Letters	Formal responses received from the PCC, CC and senior officers in respect of year end letters issued as at 31 March 2022
June 2022	Meeting	Andrew Brittain, the partner in charge of the engagement, accompanied by the manager of the audit team, Alison Kennett, updated JIAC on the progress of the audit.
June 2022	Meeting	External audit update VFM risk assessment
July 2022	Meeting	Alison Kennett, the manager of the audit, updated JIAC on the progress of the audit.
September 2022	Report	The Draft Audit Results Report, including confirmation of independence, was issued to the JIAC.
7 October 2022	Meeting	Andrew Brittain, the partner in charge of the engagement, accompanied by the manager of the audit team, Alison Kennett, will meet with the JIAC, the PCC and CC and senior members of the management team to discuss the Audit Results Report.

In addition to the above specific meetings and letters the audit team met with the management team multiple times throughout the audit to discuss audit findings.





Appendix C

Required communications with the Joint Internal Audit Committee

There are certain communications that we must provide to the those charged with governance of UK entities. We have detailed these here together with a reference of when and where they were covered:

 Our Reporting to you		
Required communications	 What is reported?	  When and where
Terms of engagement	Confirmation by the PCC and CC of acceptance of terms of engagement as written in the engagement letter signed by both parties.	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Our responsibilities	Reminder of our responsibilities as set out in the engagement letter.	Outline audit planning report presented at the JIAC meeting on 18 March 2022.
Planning and audit approach	Communication of the planned scope and timing of the audit, any limitations and the significant risks identified. When communicating key audit matters this includes the most significant risks of material misstatement (whether or not due to fraud) including those that have the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.	Outline audit planning report presented at the JIAC meeting on 18 March 2022.
Significant findings from the audit	<ul style="list-style-type: none"> • Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures • Significant difficulties, if any, encountered during the audit • Significant matters, if any, arising from the audit that were discussed with management • Written representations that we are seeking • Expected modifications to the audit report • Other matters if any, significant to the oversight of the financial reporting process 	Audit results report presented at the JIAC meeting on 7 October 2022.





 Appendix C

		 Our Reporting to you
Required communications	 What is reported?	  When and where
Public Interest Entities	<p>For the audits of financial statements of public interest entities our written communications to the audit committee include:</p> <ul style="list-style-type: none"> • A declaration of independence • The identity of each key audit partner • The use of non-member firms or external specialists and confirmation of their independence • The nature and frequency of communications • A description of the scope and timing of the audit • Which categories of the balance sheet have been tested substantively or controls based and explanations for significant changes to the prior year, including first year audits • Materiality • Any going concern issues identified • Any significant deficiencies in internal control identified and whether they have been resolved by management • Subject to compliance with regulations, any actual or suspected non-compliance with laws and regulations identified relevant to the audit committee • Subject to compliance with regulations, any suspicions that irregularities, including fraud with regard to the financial statements, may occur or have occurred, and the implications thereof • The valuation methods used and any changes to these including first year audits • The scope of consolidation and exclusion criteria if any and whether in accordance with the reporting framework • The identification of any non-EY component teams used in the group audit • The completeness of documentation and explanations received • Any significant difficulties encountered in the course of the audit • Any significant matters discussed with management • Any other matters considered significant 	<p>Outline audit planning report presented at the JIAC meeting on 18 March 2022. Audit results report presented at the JIAC meeting on 7 October 2022.</p>





 Appendix C

		Our Reporting to you
Required communications	What is reported?	When and where
Going concern	<p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> • Whether the events or conditions constitute a material uncertainty related to going concern • Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements • The appropriateness of related disclosures in the financial statements 	Audit results report presented at the JIAC meeting on 7 October 2022.
Misstatements	<ul style="list-style-type: none"> • Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation • The effect of uncorrected misstatements related to prior periods • A request that any uncorrected misstatement be corrected • Material misstatements corrected by management 	Audit results report presented at the JIAC meeting on 7 October 2022.
Subsequent events	<ul style="list-style-type: none"> • Enquiry of the audit committee where appropriate regarding whether any subsequent events have occurred that might affect the financial statements. 	Audit results report presented at the JIAC meeting on 7 October 2022.
Fraud	<ul style="list-style-type: none"> • Enquiries of the audit committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity • Any fraud that we have identified or information we have obtained that indicates that a fraud may exist • Unless all of those charged with governance are involved in managing the entity, any identified or suspected fraud involving: <ul style="list-style-type: none"> a. Management; b. Employees who have significant roles in internal control; or c. Others where the fraud results in a material misstatement in the financial statements. • The nature, timing and extent of audit procedures necessary to complete the audit when fraud involving management is suspected • Any other matters related to fraud, relevant to PCC, CC & Management responsibility. 	Audit results report presented at the JIAC meeting on 7 October 2022.





 Appendix C

		 Our Reporting to you
Required communications	 What is reported?	  When and where
Related parties	<p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> • Non-disclosure by management • Inappropriate authorisation and approval of transactions • Disagreement over disclosures • Non-compliance with laws and regulations • Difficulty in identifying the party that ultimately controls the entity 	Audit results report presented at the JIAC meeting on 7 October 2022.
Independence	<p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence.</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> • The principal threats • Safeguards adopted and their effectiveness • An overall assessment of threats and safeguards • Information about the general policies and process within the firm to maintain objectivity and independence <p>Communications whenever significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place.</p>	<p>Outline audit planning report presented at the JIAC meeting on 18 March 2022.</p> <p>Audit results report presented at the JIAC meeting on 7 October 2022.</p>

 Appendix C

		 Our Reporting to you
Required communications	 What is reported?	  When and where
External confirmations	<ul style="list-style-type: none"> • Management’s refusal for us to request confirmations • Inability to obtain relevant and reliable audit evidence from other procedures. 	Audit results report presented at the JIAC meeting on 7 October 2022.
Consideration of laws and regulations	<ul style="list-style-type: none"> • Subject to compliance with applicable regulations, matters involving identified or suspected non-compliance with laws and regulations, other than those which are clearly inconsequential and the implications thereof. Instances of suspected non-compliance may also include those that are brought to our attention that are expected to occur imminently or for which there is reason to believe that they may occur • Enquiry of the audit committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the audit committee may be aware of. 	Audit results report presented at the JIAC meeting on 7 October 2022.
Significant deficiencies in internal controls identified during the audit	<ul style="list-style-type: none"> • Significant deficiencies in internal controls identified during the audit. 	Outline audit planning report presented at the JIAC meeting on 18 March 2022. Audit results report presented at the JIAC meeting on 7 October 2022.




 Appendix C

		 Our Reporting to you
Required communications	 What is reported?	  When and where
Group Audits	<ul style="list-style-type: none"> • An overview of the type of work to be performed on the financial information of the components • An overview of the nature of the group audit team's planned involvement in the work to be performed by the component auditors on the financial information of significant components • Instances where the group audit team's evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work • Any limitations on the group audit, for example, where the group engagement team's access to information may have been restricted • Fraud or suspected fraud involving group management, component management, employees who have significant roles in group-wide controls or others where the fraud resulted in a material misstatement of the group financial statements. 	Outline audit planning report presented at the JIAC meeting on 18 March 2022. Audit results report presented at the JIAC meeting on 7 October 2022.
Written representations we are requesting from management and/or those charged with governance	<ul style="list-style-type: none"> • Written representations we are requesting from management and/or those charged with governance 	Audit results report presented at the JIAC meeting on 7 October 2022.
Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	<ul style="list-style-type: none"> • Material inconsistencies or misstatements of fact identified in other information which management has refused to revise 	Audit results report presented at the JIAC meeting on 7 October 2022.
Auditors report	<ul style="list-style-type: none"> • Key audit matters that we will include in our auditor's report • Any circumstances identified that affect the form and content of our auditor's report 	Audit results report presented at the JIAC meeting on 7 October 2022.

Appendix D

Outstanding matters

The following items relating to the completion of our audit procedures are outstanding at the date of the release of this report:

Item 	Actions to resolve 	Responsibility 
Pensions and IAS 19 Review	Response required from Grant Thornton as external auditor of Buckinghamshire Pension Fund	EY, management and Grant Thornton
Valuation of property, plant and equipment (PPE)	EY to complete work on valuations once information is received from capital accountant and valuers	EY and management
Value for money conclusion	EY to update documentation to end of audit period	EY and management
Going concern disclosure	Need to top up work carried out once we know the signing date	EY and management
Subsequent events review	Completion of subsequent events procedures to the date of signing the audit report	EY and management
Management representation letter	Receipt of signed management representation letter	Management and JIAC
Final Manager and Engagement Partner Review	EY to complete final review of audit file upon full completion of all procedures above	EY
Whole of Government Accounts	Completion of work in line with NAO Group Instructions once released.	EY and management

Until all our audit procedures are complete, we cannot confirm the final form of our audit opinion as new issues may emerge or we may not agree on final detailed disclosures in the Annual Report. At this point no issues have emerged that would cause us to modify our opinion. A draft of the current opinion is included in Section 3.

 Appendix E

Draft management representation letter – For PCC and Group*

Management Rep Letter

[To be prepared on the entity's letterhead]

[Date]

Andrew Brittain
Ernst & Young
R+ Building
2 Blagrove St
Reading , RG1 1AZ

This letter of representations is provided in connection with your audit of the consolidated and PCC financial statements (“the PCC and Group”) for the year ended 31 March 2022. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the consolidated and PCC financial statements give a true and fair view of the PCC and Group and financial position of the PCC/CC as of 31 March 2022 and of its financial performance (or operations) and its cash flows for the year then ended in accordance with, for the PCC and Group, CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

We understand that the purpose of your audit of our consolidated and PCC financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing, which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with, for the PCC and Group the Accounts and Audit Regulations 2015 and CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

2. We acknowledge, as members of management of the PCC Group, our responsibility for the fair presentation of the consolidated and PCC financial statements. We believe the consolidated and PCC financial statements referred to above give a true and fair view of the financial position, financial performance (or results of operations) and cash flows of the PCC and Group in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 and are free of material misstatements, including omissions. We have approved the consolidated and PCC financial statements.

3. The significant accounting policies adopted in the preparation of the PCC and Group financial statements are appropriately described in the PCC and Group financial statements.

4. As members of management of the PCC and Group, we believe that the PCC and Group have a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 for the PCC and Group that are free from material misstatement, whether due to fraud or error. We have disclosed to you any significant changes in our processes, controls, policies and procedures that we have made to address the effects of the COVID-19 pandemic and the effects of the conflicts and related sanctions in Ukraine, Russia and/or Belarus on our system of internal controls.

*-a separate letter will be issued in relation to the CC

 Appendix E

Management representation letter (continued)

Management Rep Letter

5. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the consolidated and PCC financial statements taken as a whole. We have not corrected these differences identified and brought to our attention by the auditor because [specify reasons for not correcting misstatement].

6. We confirm the PCC and Group does not have securities (debt or equity) listed on a recognized exchange.

B. Non-compliance with law and regulations, including fraud

1. We acknowledge that we are responsible for determining that the PCC and Group's activities are conducted in accordance with laws and regulations and that we are responsible for identifying and addressing any non-compliance with applicable laws and regulations, including fraud.

2. We acknowledge that we are responsible for the design, implementation and maintenance of internal controls to prevent and detect fraud.

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

4. We have no knowledge of any identified or suspected non-compliance with laws or regulations, including fraud that may have affected the PCC or Group (regardless of the source or form and including without limitation, any allegations by "whistleblowers"), including non-compliance matters:

- involving financial statements;
- related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the consolidated or PCC's financial statements;

- related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the PCC or Group's activities, its ability to continue to operate, or to avoid material penalties;
- involving management, or employees who have significant roles in internal controls, or others; or
- in relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:

- Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

2. All material transactions have been recorded in the accounting records and all material transactions, events and conditions are reflected in the consolidated and PCC financial statements, including those related to the COVID-19 pandemic and including those related to the conflict can related sanction in Ukraine, Russia and/or Belarus.

3. We have made available to you all minutes of the meetings of the PCC and Group, and the following committees: Joint Independent Audit Committee (or summaries of actions of recent meetings for which minutes have not yet been prepared) held through the year to the most recent meeting on the following date: [list date].

 Appendix E

Management representation letter (continued)

Management Rep Letter

4. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the PCC and Group 's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the year ended, as well as related balances due to or from such parties at the year end. These transactions have been appropriately accounted for and disclosed in the consolidated and PCC financial statements.

5. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in accordance with applicable financial reporting framework.

6. We have disclosed to you, and the PCC and Group has complied with, all aspects of contractual agreements that could have a material effect on the consolidated and PCC financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

7. From 15 October 2021 through the date of this letter we have disclosed to you any unauthorized access to our information technology systems that either occurred or to the best of our knowledge is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants) , to the extent that such unauthorized access to our information technology systems is reasonably likely to have a material impact on the PCC and Group financial statements, in each case or in the aggregate, and ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the consolidated and PCC financial statements.

2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.

3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in the consolidated and PCC financial statements all guarantees that we have given to third parties.

E. Going Concern

1. Group general accounting policies, note a. General principles to the consolidated and PCC financial statements discloses all the matters of which we are aware that are relevant to the PCC and Group's ability to continue as a going concern, including significant conditions and events, our plans for future action, and the feasibility of those plans.

F. Subsequent Events

1. There have been no events, including events related to the COVID-19 pandemic, and including events related to the conflict and related sanctions in Ukraine, Russia and/or Belarus, subsequent to year end which require adjustment of or disclosure in the consolidated and PCC financial statements or notes thereto.

 Appendix E

Management representation letter (continued)

Management Rep Letter

G. Group audits

1. There are no significant restrictions on our ability to distribute the retained profits of the Group because of statutory, contractual, exchange control or other restrictions other than those indicated in the Group financial statements.
2. Necessary adjustments have been made to eliminate all material intra-group unrealised profits on transactions amongst the PCC, subsidiary undertakings and associated undertakings.

H. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the Narrative Report and Annual Governance Statement.
2. We confirm that the content contained within the other information is consistent with the financial statements.

I. Climate-related matters

1. We confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation and disclosure of climate-related matters has been considered, including the impact resulting from the commitments made by the PCC and Group, and reflected in the consolidated and PCC financial statements.
2. The key assumptions used in preparing the consolidated and PCC financial statements are, to the extent allowable under the requirements of the applicable financial reporting framework, aligned with the statements we have made in the other information or other public communications made by us (see section H).

J. Reserves

1. We have properly recorded or disclosed in the consolidated and PCC financial statements the useable and unusable reserves.

K. Contingent Liabilities

1. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the consolidated and PCC financial statements or as the basis of recording a contingent loss (other than those disclosed or accrued in the consolidated and PCC financial statements).
2. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance, except for matters of routine, normal, recurring nature, none of which involves any allegations of non-compliance with laws or regulations that should be considered for disclosure in the consolidated and PCC financial statements or as a basis for recording a loss contingency.

L. Use of the Work of a Specialist

1. We agree with the findings of the specialist that we engaged to evaluate the IAS19 actuarial valuations of pension liabilities and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the consolidated and PCC financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

 Appendix E

Management representation letter (continued)

Management Rep Letter

M. Pension Liability and PPE Estimate

1. We confirm that the significant judgments made in making the pension liability and property, plant and equipment estimates have taken into account all relevant information and the effects of the COVID-19 pandemic of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the pension liability and property, plant and equipment estimates.
3. We confirm that the significant assumptions used in making the pension liability and property, plant and equipment estimates appropriately reflect our intent and ability to carry out the specific courses of action on behalf of the entity.
4. We confirm that the disclosures made in the consolidated and PCC financial statements with respect to the accounting estimates, including those describing estimation uncertainty and the effects of the COVID-19 pandemic, are complete and are reasonable in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.
5. We confirm that appropriate specialized skills or expertise has been applied in making the pension liability and property, plant and equipment estimates.
6. We confirm that no adjustments are required to the accounting estimates and disclosures in the consolidated and parent entity financial statements, including due to the COVID-19 pandemic.

N. Retirement benefits

1. On the basis of the process established by us and having made appropriate enquiries, we are satisfied that the actuarial assumptions underlying the scheme liabilities are consistent with our knowledge of the business. All significant retirement benefits and all settlements and curtailments have been identified and properly accounted for.

Yours faithfully,

(Chief Financial Officer)

(Police and Crime Commissioner for Thames Valley)

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ED None

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ey.com

External Audit Lessons Learnt - Update for JIAC March 2023

This report summarises the key issues identified for improvement, and the latest progress on implementing actions for the 2022/23 audit. EY and TVP held a review and planning meeting on 6 Feb 2023.

Area	What Didn't Go Well	Resolution for 22/23 Audit	Owner	Action update
Planning	Background check requirements of EY staff working on the TVP audit is not always clear and it takes too long to get clearance	On going discussion with the Vetting team to review opportunities to make the process less cumbersome and clarify the process to EY	TVP	Process amended to remove need for new EY staff to provide docs in person at a police station. Only one new member of the EY team for 2022/23. Process initiated 6/2/23.
Planning	Wifi was not set up to allow EY internet access whilst on site, causing delays as all EY information and files are accessed via the internet.	Wifi issues are now resolved	Complete	Issue resolved; will test before EY come on site for 2022/23 audit
Planning	It would be helpful to have greater visibility of likely delays to audit timetable	Realistic audit timescales to be confirmed as early as possible during the planning phase	EY	More detailed plans to be developed as the audit progresses. See below.
Planning	TVP were not always aware what EY were focussing on in any particular week of the audit. Therefore found it difficult to manage day to day work and be clear on scope at any particular time.	EY to provide a timetable in advance of the audit detailing when each area is being looked at and when to expect samples; and refine plan to align with TVP availability (eg due to leave/other commitments) TVP can then feedback ensure time to address any queries.	EY	Interim visit - Rachael has shared which staff EY need to speak to. EY to send out requests for meeting availabilities and send out meeting invites by end of March. Outline plan of opinion audit to be shown to TVP w/c 12/6/23.
Comms	There was lack of clarity on who could answer some of the queries which led to EY staff being sent from one member of TVP staff to another, delaying overall progress.	TVP to provide EY with a list of people and what areas they cover. There will also be an audit lead (Rachael Marting, OPCC) so if there is any confusion EY can direct any issues to for prioritisation and resolution.	TVP	EY have sent Rachael the basic audit request listing (CAS) and she has checked and returned with assigned people for each request.
Comms	The EY online Portal has been a welcome improvement to query management. However there were some inconsistencies in portal use, for example deadlines were not used effectively (eg very short deadlines set by default, but not planned for immediate review) and some queries were emailed directly outside the portal.	EY have agreed to improve use of the portal including: * Using the portal for all queries (rather than email) * Setting achievable and meaningful deadlines for all queries * Use the review function in the portal to clarify if queries are complete * Split queries clearly between OPCC and CC	EY	Agreed deadline of 5 working days for sample requests, 2 working days for quicker requests. EY will press the 'accept' button once the response in the portal has been tested. Annotated CAS listing should help to ensure queries are aimed at correct person.
Comms	Delays in obtaining third party evidence for audit queries, noting that expectations were not always clearly aligned between EY/TVP - for example when external backup is required or internal calculations only.	EY to ensure portal requests are clearer in what is needed for particular queries. TVP to brief finance team on audit need for evidence of where figures originated (not just internal spreadsheet workings).	EY/TVP	As mentioned above, Rachael has checked the CAS listing, which is a listing of EY initial requests.
Comms	Weekly catch up meetings were often not useful as spent a lot of time going through outstanding items that were not actually outstanding. Info EY provided in advance was not up to date by the time of the meeting	Agreed that we will use the live data from the EY portal to form the weekly discussions	EY	We will use the live EY portal for weekly meetings. Invites have been sent out for weekly update meetings during the opinion audit.
Data Analytics	The data analytics that was provided to EY for periods 11+ was incorrect. This took a long time for TVP to resolve which had a major impact on the timing of the audit and the ability for EY to carry out their work.	This was resolved in July 22 and therefore will not impact on 22/23 audit. The main data analytics is now being run by OPCC. EY have agreed with TVP the format and that the data includes all the information they need in order to carry out their testing.	TVP	TVP will send the data to the EY analytics team in April (after a reconciliation check has been carried out).
PPE	Due to audit requirements the amount of data needed by EY in order to be able to satisfy themselves that the PPE position is reasonable has significantly increased. This put pressure on TVP resource to respond, and the changing requirements were not clearly understood within TVP	Agreed the following to ease this process: * Splitting some of the capital work up, so not all required at once * Revaluations is the largest piece so EY to start this early on in the audit * TVP to request full valuation information up front from the valuers * Capital samples to be prioritised	EY/TVP	Discussed PPE approach and EY will select the valuation sample early on in the opinion audit.
Pensions	TVP accounts cannot be signed off by EY until they have received a letter from the auditors of the Buckinghamshire Pension Fund to say the audit is complete. Currently there is a delay in the audit on Buckinghamshire Council and therefore the Pension Fund	Outside the control of EY/TVP, but noted that this will be an ongoing issue.	Noted	EY will chase for updates as in prior years.



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Information

Title: Progress on 2022/23 Joint Internal Audit Plan delivery and summary of matters arising from completed audits

Executive Summary:

The report provides details on the progress made in delivering the 2022/23 Joint Internal Audit Plan and on the findings arising from the audits that have been completed.

Recommendation:

The Committee is requested to note the progress and any changes in delivering the 2022/23 Joint Internal Audit Plan and audit service for Thames Valley Police (TVP) and the Office of the Police and Crime Commissioner (OPCC).

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL

1 Introduction and Background

- 1.1 The report provides details on the progress made in delivering the 2022/23 Joint Internal Audit Plan for TVP and the OPCC and any findings arising from the audits that have been completed.

2 Issues for Consideration

Audit Resources

- 2.1 There have been no changes to the Joint Internal Audit Team's resource plan for 2022/23, with the plan being delivered by the Chief Internal Auditor, Principal Auditor and TIAA Ltd (ICT audit provider). The only minor aspect to note is the TIAA Auditor we have used for the last couple of years has left the organisation, so we have needed to get two new auditors vetted and inducted.

2022/23 Audit Plan Status and Changes

- 2.2 The progress made in delivering the 2022/23 Joint Internal Audit Plan, as at the 28 February 2023, is detailed in Appendix A.
- 2.3 There have been no major changes to the 2022/23 Joint Internal Audit Plan since the December JIAC meeting, although a couple of minor audit title updates and day allocation alterations have been made.

2022/23 Completed Audits

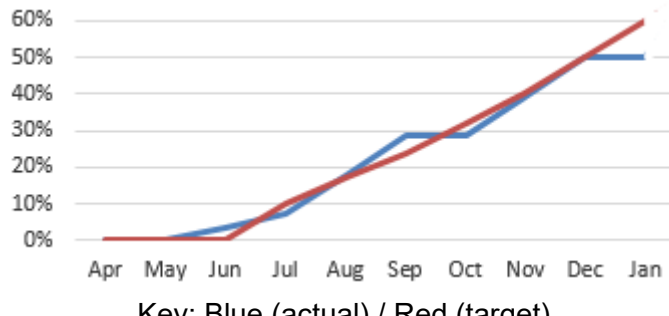
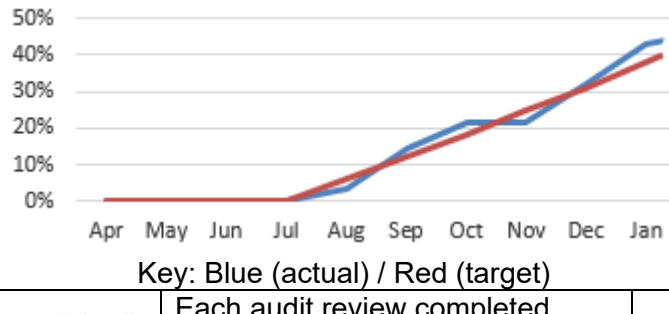
- 2.4 Appendix B contains the details of each completed audit since the previous JIAC meeting on the 16 December 2022. The appendix contains details on the scope, assurance rating and key findings. Since the previous meeting and as at 28 February 2023, the following audits have been completed:

- Contact Management Platform Performance - reasonable assurance.
- Custody Risk Management – reasonable assurance.
- Domestic Abuse – reasonable assurance.
- ICT Software Asset Management - reasonable assurance.
- Missing Persons – limited assurance.
- Treasury Management – reasonable assurance.

- 2.5 Copies of Section 2 (Executive Summary) of the final reports have been circulated to the JIAC members, in advance of the meeting.

2022/23 Performance Indicators

- 2.6 Local performance indicators are used by the section to ensure audits are completed promptly and to an acceptable standard. The table below summarises current performance against each indicator.

Ref.	Performance Indicator	Measurement and Target	Current Status	R/A/G
1	Testing completed.	By July: 10% By November: 40% By February: 70% By May: 100%	50%	↓
 <p>Key: Blue (actual) / Red (target)</p>				
2	Final Report issued.	By July: 0% By November: 25% By February: 45% By May: 100%	43%	↑
 <p>Key: Blue (actual) / Red (target)</p>				
3	Joint Internal Audit Plan delivered.	Each audit review completed, excluding any agreed changes (i.e. removed audits): 100%	Year-end reporting	N/A
4	Annual Internal Audit Quality Questionnaire outcome.	Responses who strongly or tended to agree with the statements: 95%	Year-end reporting	N/A

2.7 The details to support the current performance levels are:

- In terms of testing completion, the graph is showing the plan slightly behind schedule, but on track to be delivered by April 2023.
- In relation to issued final reports, the plan is ahead of schedule and on track to have all reports issued by April 2023.
- The remaining two performance indicators will be reported at year-end.

2.8 The team continue to track performance measures around the timeliness in completing audits. Of the 15 audits where testing is complete, eight were within target, with seven over by an average of 22 days (resolving audit queries). Of the 12 audits where the final report has been issued, 11 were done within the performance indicator with the one outside being by two days. The 12 audits that have been completed have all been within their agreed day allocations.

Fraud

2.9 The 2020/21 National Fraud Initiative (NFI) matches are being resolved and during this process, four Industrial Injuries Disablement Benefit (IIDB) matches have been

identified where there are issues that were not previously known by the Force. Pensioners are responsible for informing the Force of any benefit changes, but on occasions, this does not happen correctly or on a timely basis. In terms of progress to date against the four matches, two are currently going through recovery and two are awaiting final information before a decision can be made on any further action. Although the NFI acts as a safety net to identify any issues, the Force has enhanced its process to include reminders and a rolling review within Occupational Health aimed at ensuring pensioners notify the Force of any necessary changes. Corporate Finance have also introduced a quarterly review with the Force's officer pension administrator of any NFI matches, to ensure prompt action is being taken.

- 2.10 The process to submit the data for the 2022/23 NFI exercise has been completed within the required timeframe. The matches have been received and are currently being reviewed.
- 2.11 The Joint Internal Audit Team have liaised with the Professional Standards Department (PSD) and Corporate Finance and there have not been any instances of fraud that have needed to be notified to the team since the previous JIAC meeting in December. These matters are now discussed at the quarterly Fraud Group, which is attended by PSD, Corporate Finance, Internal Audit and the OPCC.

Governance and Review

- 2.12 Appendix C provides a progress update against the three suggestions made as part of the team's external Public Sector Internal Audit Standards (PSIAS) assessment (conducted by the Chartered Institute of Public Finance and Accountancy in May 2022).

3 Financial comments

- 3.1 The Joint Internal Audit Plan can be delivered within existing budgetary provisions.

4 Legal comments

- 4.1 No known legal issues arise from the contents of this report.

5 Equality comments

- 5.1 No known equality issues arise from the contents of this report.

6 Background papers

- 6.1 Final Internal Audit Strategy and Annual Plan 2022/23.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website as soon as practicable after approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

Is there a Part 2 form? No

Name & Role	Officer
-------------	---------

<p>Head of Unit This report provides the Committee with management information on the progress of delivery of the 2022/23 Joint Internal Audit Plan.</p> <p>This report has been produced in compliance with United Kingdom Public Sector Internal Audit Standards (PSIAS).</p>	<p>Chief Internal Auditor</p>
<p>Legal Advice No known legal issues arise from the contents of this report.</p>	<p>PCC Head of Governance and Compliance</p>
<p>Financial Advice No known financial issues arise from the contents of this report.</p>	<p>PCC Chief Finance Officer</p>
<p>Equalities and Diversity No known equality issues arise from the contents of this report.</p>	<p>Chief Internal Auditor</p>

OFFICER'S APPROVAL

<p>We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.</p>	
<p>We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.</p>	
<p>PCC Chief Finance Officer (OPCC)</p>	<p>Date: 24 February 2023</p>
<p>Director of Finance (TVP)</p>	<p>Date: 2 March 2023</p>

APPENDIX A

2022/23 Joint Internal Audit Plan – Current Status (February 2023)

Organisation	Audit Review	Area	To Start	Scoping	Fieldwork / Ongoing	Exit Meeting	Draft Report	Final Report / Complete	Replaced	
TVP	Contact Management Platform Performance	Force Wide						Reasonable		
	Force Demand Management							Limited		
	Retention Processes			✓						
	Working Smart Implementation	DCC						Reasonable		
	Health & Safety Follow Up				✓					
	Management of Volunteers and Specials									✓
	Force Risk Management				✓					
	ICT / Digital Strategy				✓					
	ICT Software Asset Management	Information						Reasonable		
	ICT Windows Licensing								✓	
	ICT Project Assurance Framework				✓					
	ICT Enterprise / M365 Security Management						✓			
	Sickness Management Arrangements	People					✓			
	Staff Induction Process							✓		
	Key Financial Controls	Finance			✓					
	Commercial Governance Board							Reasonable		
	Operations (TVP Events and Protests)	Operations						Reasonable		
	Custody Risk Management	Crime and Criminal Justice							Reasonable	
	IIOC Referrals							✓		
	Missing Persons								Limited	
Rape						✓				
Domestic Abuse	Local Policing							Reasonable		
Legitimacy Programme									✓	

Organisation	Audit Review	Area	To Start	Scoping	Fieldwork / Ongoing	Exit Meeting	Draft Report	Final Report / Complete	Replaced
	ICR Programme							Reasonable	
	Neighbourhood Policing Programme								✓
	Victim Satisfaction				✓				
	Mental Health							Limited	
	Economic and Cyber Crime	Regional Crime and Counter Terrorism			✓				
OPCC	Treasury Management	Finance						Reasonable	
	Community Safety Fund	Partnerships & Community Safety Finance			✓				
N/A	Sources of Assurance	General			✓				
	Limited Assurance Follow Up	General			✓				
Number of Audits			0	0	11	3	2	12	4
% of Audits			0%	0%	39%	11%	7%	43%	-
N/A	JIAC Days	Other	Yet to be commissioned.						

APPENDIX B

2022/23 Joint Internal Audit Plan - Completed Audits

Below are the audits that have been complete since the previous JIAC meeting. The key to the assurance ratings is:

Substantial	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
Minimal	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

Audit Review	Contact Management Platform Performance		Force CCMT Lead	T/ACO Mike Lattanzio (Chief Information Officer) ACC Catherine Akehurst (Joint Operations)
Scope	Performance / Risk Information and Management	Reasonable	Planned Days	11 days
	Governance and Future Developments	Reasonable		
Overall Assurance			Actual Days	11 days

The priority one actions arising from the audit are as follows:

- During the review, one aspect that was highlighted related to CMP's compliance with the Management of Police Information (MOPI) requirements. Although work has been ongoing for the last 18 months and progress is being made, CMP does not currently fully comply with MOPI in relation to the deletion of data the Forces are not lawfully allowed to retain or have been asked to delete. The Integrated Systems Support Structure have identified a solution and the options are currently the subject of an Annual Planning Process / Medium Term Financial Plan bid, which has been highlighted as a mandatory requirement. If approved, work will commence in April 2023 and should be completed by the end of 2023.
- In July 2022, it was reported that the "Platform had already consumed its five year data allowance within three years and exceeded the 10,000 registered and 800 concurrent users with 17,000 registered and 1,100 concurrent users at peak times". Although there is some monitoring of the platform's data usage and licencing, in the interim, platform capacity management monitoring will be implemented to identify any reliability issues. There is also a longer term plan to re-platform the system to provide more certainty over the platform's sustainability. There was one further

comment in that a piece of work needs to be completed in relation to platform user access, to ensure people have the right level of access, which may mitigate some of the user volume issues.

- The Force wide CMP training for TVP and HC was also reviewed. It was commented that although CMP has been live since early 2020, the training packages have not been updated since then. Therefore, any new officers or staff are being training on out of date training packages.

The priority two actions arising from the audit are as follows:

- The CMP Transition Project (live between April 2021 and October 2022) has been concluded and the project's Workbook is due to be updated, highlighting the aspects that were delivered, as well as those that were not and the residual risks to both Forces going forward.
- Wider branding of the platform is also being considered by the new Integrated Systems Support Structure as part of the wider training, awareness and communications strategy.
- During late summer 2022, a survey and staff engagement exercise were conducted within CMU. The information highlighted some perception issues and the CMU Senior Leadership Team (SLT) are currently working on addressing these and have already aligned an internal communications post to work on any aspects.
- During the audit, the CMU's CMP training approach was reviewed. Testing found that although relatively up to date, there was one aspect relating to a "Mapping Upgrade" that was yet to be addressed, based on the upgrade that was applied in October 2021. The issue is being tracked by the CMP User Group Action Plan, and was raised in July 2022, with a completion date of the end of October 2022.

Audit Review	ICT Software Asset Management		Force CCMT Lead	T/ACO Mike Lattanzio (Chief Information Officer)
Scope	Procedures and Governance	Reasonable	Planned Days	10 days
	Software Asset Records and Licensing	Reasonable		
		Overall Assurance	Actual Days	10 days

There were no priority one actions arising from the audit.

The priority two actions arising from the audit are as follows:

- A Software Asset Management (SAM) policy, containing full software lifecycle management requirements for the Forces, has yet to be formally defined and developed as part of the ongoing SAM Programme.
- Standardised build processes for all types of systems used and managed by the Forces are not consistently applied.
- A specific policy and process for managing licensing and compliance has not yet been developed.
- Standard operating procedures (SOP) for SAM have been sourced from a consultant, but have not yet been developed into Force-specific SOPs.
- Compliance true-ups of larger software agreements, such as Microsoft, are not yet formally required by SAM policy.

The review identified the following good practice areas:

- The Forces have engaged with consultants as part of the ongoing SAM Programme to provide a maturity position on current arrangements and what is required going forward. This has provided a library of template processes for SAM activities.
- While the Forces do not specify its set configurations for systems in a documented policy, it has defined configuration templates within the systems it uses to deploy these templates to laptops, desktops and server systems.
- Deployment of systems is performed via System Centre Configuration Manager. The recently procured and implemented Snow solution provides an inventory of deployed software.
- Mobile phone devices are deployed using a standard configuration through the InTune Mobile Device Management platform.
- The Force maintains a legacy systems tracker which shows where these systems are, what specific risk they pose, what dependencies they have and what current risk mitigations they have in place, as well as ownership details.
- Network infrastructure is managed by third parties. This includes firewalls, which are managed by NTT and routers which are managed by BT. Both rely on the respective third-party to apply a secure configuration by standard, instead of the Forces.
- The Forces use standard configurations for Windows 10 and Windows Server provided by the Police Digital Service which centralises and standardises secure configurations for widely deployed operating systems used by Police Forces nationwide.
- As part of the inflight SAM programme of works, the Force has deployed Snow across the desktop and server estate to effectively automate reporting of what software is deployed where, as each machine running Snow is capable of alerting to changes in software in real-time.
- At the time of audit, Snow had been deployed to 99.5% of Windows PCs and 96% of the Windows server estate, allowing it to report on software deployed to those devices, providing a dashboard software inventory view of software installed across both Forces ICT estate.
- At the time of the review, license data for 35 vendors of software have been entered into Snow as part of the SAM Programme. A recent highlight report stated that compliance reporting has been configured for 30 vendors at current, with more to follow as the programme progresses.
- A true up has recently been completed which stated a cost avoidance has been created by optimising existing Microsoft 365 subscriptions.
- Local administrator privileges are not provided to standard users as part of a deployed endpoint, therefore the majority of software cannot be installed by a standard user.

Audit Review	Custody Risk Management		Force CCMT Lead	ACC Dennis Murray (Crime and Criminal Justice)
Scope	Emerging Custody Risk Analysis Process	Reasonable	Planned Days	12 days
	Management of Custody Risks on the Criminal Justice Risk Register	Limited		
Overall Assurance		Reasonable	Actual Days	12 days

The priority one actions arising from the audit are as follows:

- A set of key risk/issue tracking spreadsheets have been introduced. In particular the Custody Action Tracker spreadsheet brings together actions arising from a number of different sources, but it was noted that there are outstanding actions arising from the Joint Targeted Area Inspection report from 2018 (last update marked March 2021) and the Service Improvement Report from March 2019 (last update marked July 2022). In addition some, but not all, of the custody risks from the Criminal Justice (CJ) Risk Register also feature on the Custody Action Tracker and/or the HMICFRS Areas for Improvement (AFI) spreadsheet. It was noted that the updates were not always consistent between each document and/or the risk register. It had already been identified that some consideration needs to be given to the range of documents in place, with a view to potentially having a key document which is updated and then cross referenced in the other spreadsheets, etc., in order to avoid duplication and differing updates.
- It was commented that consideration will be given to the Custody Risk Analyst becoming more involved in the risk register process as she does not currently have any direct involvement with the process but is a key individual in the management and monitoring of Custody risk.
- Whilst Custody risks are included within the CJ risk register, there are also project risk registers in place, or being introduced, in relation to two forward looking Custody projects. There is no direct link between these registers and the CJ risk register at present, but the Head of CJ confirmed that consideration will be given to how best to ensure these are integrated as appropriate with the CJ risk register going forward.
- Review of a sample of the Custody risks identified issues around ownership of recorded risks, issues being shown as risks, current mitigating actions not being clearly recorded and, in some case, lack of detail on the processes in place to monitor the effectiveness of the existing controls (in particular for risks which appear to have been managed down as much as is considered possible). In addition, some of the updates do not include a year so it is hard to be clear on when the updates were provided, some of the sampled risks had target dates which had passed some time ago (e.g. 2019) and for two of the sampled risks there were no 'future actions required/agreed'. During the audit, in part as a response to the points highlighted above, the Head of CJ commissioned some work to be undertaken to review the CJ risk register. The review will look to update the register ensuring that all items shown are risks rather than issues and that current mitigating / future actions are clearly shown to enable effective ongoing monitoring and management of the risks included.
- At the beginning of the audit, the risk register was a standard item on the monthly CJ SMT agendas. However it was commented that the risk register was not reviewed in detail at each SMT, largely due to the number of other agenda items at the meetings, and it was not being effectively used as a working document. The regularity of the updates on the risk register appeared to corroborate this. Various efforts were made to address this and at the end of the audit, the Head of CJ made the decision that, given the high number of risks on the register, risk register discussions would be undertaken at a separate meeting after the main SMT meeting (with the same attendees). This is to ensure that there can be sufficient focus on the register as it was not always receiving the time/attention it required.

The priority two actions arising from the audit are as follows:

- In the past 12-18 months there have been a number of changes and additions to the risk/issue monitoring processes regarding Custody. These have taken various forms including the introduction of tracking spreadsheets, a new performance management report and additional performance/feedback meetings. However, there are some areas that are still under review or development within the overall control structure. It was commented during the audit, by several individuals, that there are a significant number of meetings that take place regarding the various aspects of Custody. Given this and the period of change that has taken place, it might now be beneficial to consider a review of the overall structure of meetings/processes in place to determine if there are any gaps, cross over or duplication and whether combining of any meetings might provide a more streamlined meeting structure.
- There are five Custody risks rated 12 or above at present on the CJ risk register. Only two of those five have been escalated to the strategic risk register (under one overall resourcing risk). It is understood that consideration is being given to regular central review within the Corporate Governance

Team to identify and consider all risks scoring 12 or above for potential escalation. However, it was identified, at the beginning of the audit that updated versions of the CJ risk register were not being sent through to the Corporate Governance Team. This was resolved during the audit.

- It was also noted that for the risk that had already been escalated to the strategic risk register, there was no update in the June Joint Independent Audit Committee (JIAC)/CCMT papers for this risk.

Audit Review	Missing Persons		Force CCMT Lead	ACC Dennis Murray (Crime and Criminal Justice)
Scope	Guidance and Training	Reasonable	Planned Days	10 days
	Risk Assessments and Reviews	Limited		
	Demand and Performance Monitoring	Limited		
Overall Assurance		Limited	Actual Days	10 days

The priority one actions arising from the audit are as follows:

- During the audit, the overall governance framework for monitoring missing persons demand, risks and issues was reviewed. Testing found that the main forum is the Missing Persons Operational Group, which feeds into the Vulnerability Strategic Group. However, in terms of strategic priorities and visibility, there is nothing noted in the Force Strategic Plan, Force Performance Group do not receive any information and the latest Service Improvement Review was completed in 2020.
- The Force are currently completing a significant amount of work to improve overall demand management. One aspect that could be considered in the future is trialling applying risk appetites to certain “calls for service” which generate a high level of demand.
- The Force has a documented approach to risk assessing a missing person incident. As part of the audit, the process to strategically review the risk gradings was tested. The review found that data on risk gradings, whilst available within the Missing Persons and CSE toolkit, is not analysed or reported to understand the level of demand and whether the gradings are correct or indicate any underlying issues or themes. In reviewing the current data, it was noted that the Force consistently has around 80% of cases as medium risk. It was commented that this is something the Force could review to ensure these are genuinely medium, or whether more incidents should be classified as high or low.
- During the audit, the Force’s Missing Persons toolkit was reviewed. Testing concluded that the toolkit is fairly well used by a range of departments and LPAs. Towards the end of the audit, a new Child Sexual Exploitation (CSE) & Missing Persons Overview Toolkit was released. However, the content, what the toolkit was capturing and the process for utilising the toolkit had not been reviewed recently.

The priority two actions arising from the audit are as follows:

- The processes for accepting and risk assessing missing person incidents is documented within the Missing Persons Operational Guidance. Three main issues were raised in relation to incident acceptance and risk assessment: the Force may accept responsibility for incidents too early, before partners have done all they can; the management of risk and prioritisation of cases, based on LPAs local demand; and there might also be a gap in

risk identification training. In terms of case acceptance and risk assessment, these areas are the focus of a Task and Finish Group which is looking at process, governance and ownership.

- The processes for reviewing missing person incidents are documented within the Missing Persons Operational Guidance. Towards the end of the audit, revised guidance for Sergeant and Inspector reviews was issued aimed at reducing demand, whilst allowing for more dynamic and focussed direction. It was commented that the change in review guidance will be monitored by the Missing Persons Operational Group, once there is sufficient data available in the coming months, to ensure the changes have improved efficiency and effectiveness.
- As part of the review the Force's "Media Guidance" relating to missing persons was tested. Information is available on the Knowzone, but this could not be located in the Missing Persons Operational Guidance. During the audit, the Missing Persons Operational Guidance was updated in relation to "Media Appeals".
- The Force has adopted Missing Persons Operational Guidance, which was last updated in July 2022. Towards the end of the audit, the Force rolled out the new Missing Investigation Support Officer (MISO) role and Missing Investigation Support Team (MIST). In reviewing the latest version of the Operational Guidance, it was noted that the document still has a tile for the previous Missing Person Co-Ordinator role.
- The audit also sought to test the roles, responsibilities and processes for the new MISO and MIST functions. It was commented that the MISO role was detailed within their job description, but the processes were not documented as the work was fluid and dependent on the operational response to a missing person.
- As part of the review, the Force's approach to missing persons training was reviewed. Testing found that the new MISO role will include ongoing training with Local Authority / Safeguarding Boards, a three week Investigative Support Officer (ISO) course, as well as Niche training and "on the job" shadowing and support. However, the role does not currently have a documented training and induction plan.
- During the audit, the Missing Persons Operational Group's Action Plan was reviewed, specifically relating to the scope of the audit. It was observed that there were examples of missing actions, owners, gradings and updates in the Action Plan.

Audit Review	Domestic Abuse	Force CCMT Lead	ACC Dennis Murray (Crime and Criminal Justice)
Scope	Domestic Violence Disclosure Scheme	Reasonable	Planned Days 10 days
	Evidence Led Domestic Abuse Prosecutions	Limited	
Overall Assurance		Reasonable	Actual Days 10 days

Both of the areas covered by the audit were highlighted by management as they had been identified as requiring some improvement and were already under review. Through the audit work it was evident that consideration had already been given to identifying the key issues and, in particular in relation to the DVDS where an action plan had been compiled, some action had commenced to start addressing the issues identified. That work was ongoing at the time the audit work was carried out. In terms of the observations arising from the audit, the actions are as follows:

Domestic Violence Disclosure Scheme

Priority 1 actions:

- Due to pressures on the capacity of the Domestic Abuse Investigation Units (DAIU) to process DVDS applications, promotion of the scheme across the force has been limited recently. However, it has already been acknowledged that awareness and understanding of the scheme, for Officers and Staff outside of DAIU, is paramount to increasing usage of the scheme. This is reflected by inclusion of an action within the DVDS action plan, which also includes actions to increase the use of the Right to Know element of the scheme focusing on identifying appropriate cases at an earlier stage.
- As part of the audit, details of DVDS applications received in 2022 were obtained. High level review showed a total of 89 non-filed occurrences which were over 35 days old (as at 14/09/22). More detailed review of the process followed for a sample of 10 occurrences identified a number of issues with regard to completion of DOM5s and the timely progressing of applications. It has already been identified that there are a number of pressures within DAIU affecting their ability to process applications. As a result of this, a six month pilot is underway whereby a dedicated DVDS Team has been put in place as part of the trial Assessment and Investigation Unit (AIU) within Berkshire. It was not possible during the audit to identify how this trial is to be assessed at the end of six months and who will authorise further roll out if it is deemed a success.
- The DVDS Home Office guidance sets a processing deadline of 35 days for applications, compliance against which is not formally monitored to highlight where it is not being met and why. New templates have been introduced for DVDS processing to enable more detailed performance data to be compiled, although feedback on initial usage of the templates suggests that they are not being used correctly, or at all, in each case yet. Work is underway to include this information on the Service Improvement Portal (SIPo) which should provide the ability to then analyse the data to, for example, look at time taken to process applications and whether processing deadlines are being met. The governance forum that will receive and consider this data is yet to be agreed.

Priority 2 actions:

- There is TVP DVDS Operational Guidance in place. Whilst this has recently been updated, it was stated that the guidance/processes do not entirely reflect the Home Office (HO) DVDS guidance at present and a review of the TVP guidance during the audit identified two areas that needed updating or consideration. Another review of the TVP Op Guidance is planned to reflect the outcome of the HO consultation when this has been received and reviewed to assess what changes are required (date to be confirmed).
- For DAIU staff, there is a one week DA Specialist course which all DAIU staff attend when they join a unit. Whilst it does already include DVDS, it was recently reviewed and it was felt that there was not enough content included on the area. A new schedule has been drawn up and is due to be integrated into the training with go-live anticipated early next year.
- It was commented that, with up to 20 Sergeants and Inspectors across the six DAIU units, and what can be high turnover in these roles, there could be differences of interpretation in terms of what harm/serious harm means and in the level of information approved for disclosure. Whilst the DVDS Op Guidance is designed to encourage as much consistency in process and decision making as possible, there is no DVDS peer review process or meetings between units to share learning, concerns, etc. or to provide an opportunity for benchmarking decision making.
- The oversight structure for DVDS is via the DVDS Operational Oversight Group which monitors the DVDS action plan (although this does not include action dates at present). This feeds into a DA Working Group, above which sits the DA Strategic Board, which monitors progress against the DA and Stalking strategy/delivery plan. However, during the audit it was noted that there are no terms of reference in place for any of the above groups and the DA Working Group has not yet sat.

Evidence Led Domestic Abuse Prosecutions

Priority 1 actions:

- The most recent communications sent out across the Force have focussed on updates to Code 16 and DA operational guidance which have included ELP. Whilst the messaging has looked to increase awareness of ELP at the present time, there does not appear to be a firm plan for further ongoing/periodic comms around ELP.
- Within the initial training for new Police Officers, PCSOs, Custody Sergeants and Contact Management staff there is some content regarding ELP but this is quite limited. In late 2021 there was an online session with a CPS Lawyer regarding ELP, and the plan is for some more sessions to be provided although the dates are not yet confirmed. The recording of the first session is available within the Crime Academy Webinar Library but it might benefit from some promotion to raise awareness of it. ELP Prosecution training is also now planned for Frontline Officers.
- At present, the number of ELPs cannot be determined from Niche as they are not recorded in a way that can be extracted. This means that it is not possible to identify ELP cases to look at numbers/trends and to consider areas for review and improvement. The recent implementation of a monitoring flag within the CPS system has led to them being able to provide data on how many ELPs are being pursued but it acknowledged that this will take time to embed.
- As part of the audit, two sample LPAs were contacted regarding review work they have undertaken in relation to Code 16 filing and ELP. The findings/learning from the work completed by one of the LPAs had been shared with the other LPA Commanders whilst the learning from an operation undertaken to progress ongoing DA investigations had only been presented to the LPA AMT. Also during audit discussions with different individuals across the Force, there were a significant number of (anecdotal) thoughts shared around issues with ELP. It was unclear however if there is currently a forum for all of the learning arising across the Force, anecdotal or otherwise, to be drawn together and shared in order to address issues that have been identified locally / from different perspectives.

Priority 2 actions:

- There is a Moodle training package in place for Inspectors regarding Code 16 review and sign off. According to SSAMI only 51 Inspectors of the 115 audience have completed the training, although it was stated that the majority of Inspectors attended initial webinar training earlier in 2022 and the Moodle package is therefore primarily for new Inspectors and those looking to refresh their knowledge.
- There is no ELP operational group in place at present. Whilst there is a multi-agency DA Prosecution Working Group in place, with part of their stated remit being ELP, there are no terms of reference in place and the focus of the Group is the prosecution stage of proceedings. There is also no LPA representation on the Group to offer their thoughts and feedback on ELP from a frontline/investigative perspective. It was confirmed that the DA Prosecution Working Group feeds into the DA Strategic Board (although there are no terms of reference in place for the Board), which monitors progress against the DA and Stalking strategy/delivery plan.
- There is no action plan for ELP as yet, pending receipt of this report. Some thought has been given to introducing a DA Prosecution Working Group plan to ensure that all the strands of work that are taking place in this regard are pulled together in one place, but this has not yet been compiled.

Both areas (Priority 2 actions)

- DA Matters training was developed and delivered to current Officers and Staff in relevant roles during early 2020, and now forms an element of the Foundation Training schedule for Officers and Contact Management staff. As at 11/10/22, the completion rate on SSAMI for DA Matters stands at 70.45%. In terms of course content, which is written by the College of Policing but can be added to locally, originally there was only a brief mention of DVDS and nothing specific on ELP. Whilst the content has developed somewhat over time, it was commented that the extent of information each individual has received will depend on when and with which trainer they complete(d) the training.
- There is a DA Champions network in place, made up of individuals who have been given extra skills to 'check on service delivery, give feedback and identify great practice'. There is initial training for the DA Champion role, although this only includes a brief mention of the DVDS, periodic training every six months for the group, although this has not included any content on DVDS or ELP to date and a DA Champions email group, although this has not been used for any DVDS or ELP promotion or communications. It was commented during the audit that the role of the DA Champions is not entirely defined at present to set out clear expectations for the role, although this had been completed by the end of the audit process. However, there is work in progress to address this and to make the Champions more of a forefront role in the domestic abuse area.

Audit Review	Treasury Management		OPCC SMG Lead	Martin Thornley, Chief Finance Officer (Deputy Chief Executive)
Scope	Strategy and Procedures	Reasonable	Planned Days	10 days
	Transactions and Reconciliations	Reasonable		
	Management Information and Reporting	Reasonable		
Overall Assurance		Reasonable	Actual Days	10 days

The priority one actions arising from the audit are as follows:

- During the audit, the main treasury management procedure documentation was obtained. Testing of the documentation observed that the procedures need to be updated to reflect current processes.
- During the audit, those individuals who have access to the Natwest Bankline website (the system that processes treasury management payments) were reviewed. The audit found that the previous OPCC Chief Executive and Chief Finance Officers both still have access. A dip check of other users found a further six where access could be inappropriate due to leavers or role changes. There appeared to be a lack of a robust process for ensuring previous users are removed and current users' access right are reviewed on a regular basis. At the end of the audit, the previous OPCC Chief Executive and Chief Finance Officer's access was removed.

The priority two actions arising from the audit are as follows:

- The OPCC collate an annual Treasury Management Strategy Statement, with the latest one being produced for 2022/23. The strategy does not refer to any ESG (Environmental, Social and Governance) responsibilities from an ethical perspective.

- The Chief Finance Officer and Police and Crime Commissioner are involved in treasury management decision making. However, the process and requirements will be reviewed to ensure they are fully effective.
- The list of treasury management approvers noted in the procedure document is out of date and included four people who have left the OPCC or Force over the last couple of years.
- The team's Treasury Management Business Continuity Plan is out of date and would benefit from a review.
- The OPCC have only borrowed three times during 2022/23. Two of these transactions were tested and although found to have been actioned correctly (including the correct approvals being obtained), the initial e-mails discussing the requirement for any borrowings could not be located.
- During the audit, the process for reporting treasury management performance was reviewed. Although reporting to the Joint Independent Audit Committee (JIAC) was as required, there have been no updates presented to the PCC's Performance and Accountability Meeting (PAM) since January 2022, even though a quarter one Treasury Management Update was collated.

APPENDIX C

Public Sector Internal Audit Standards - External Assessment Action Plan

Suggestion	Action	Owner	Deadline
Enhance the statement in the annual report relating to independence to state that there have not been any impairments to the independence and objectivity of the Chief Internal Auditor or to the Joint Internal Audit Service. If there have been any impairments, these should be set out in the statement along with the action that was taken to remedy the situation.	Agreed. The content of the annual report relating to limitations placed on the service will be enhanced, as per the suggestion.	Neil Shovell, Chief Internal Auditor	May 2023
The published audit plan is not cross-referenced to the relevant organisation's priorities that each of the individual audits it is aligned with. Cross-referencing the audit plan would enable the reader to see how the work of the Joint Internal Audit service fits in with the relevant organisation's priorities and governance arrangements.	Agreed. The 2023/24 Joint Internal Audit Plan clarifies the source of each audit and links it to the relevant strategic documentation.	Neil Shovell, Chief Internal Auditor	Complete
Include a disclaimer and limitations of use statement in each audit report. An example of such a statement would be "This report is confidential and has been prepared solely for use by officers named on the distribution list and the Joint Internal Audit Committee to meet their legal and professional obligations. It would therefore not be appropriate for this report or extracts from it to be made available to third parties and it must not be used in response to FOI or data protection enquiries without the written consent of the Chief Internal Auditor. We accept no responsibility to any third party who may receive this report, in whole or in part, for any reliance that they may place on it".	Agreed. The audit report template will be updated to include a disclaimer around wider circulation.	Neil Shovell, Chief Internal Auditor	Complete

Disclaimer: Any matters arising as a result of the audits are only those which have been identified during the course of the work undertaken and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that could be made. It is emphasised that the responsibility for the maintenance of a sound system of management control rests with management and that the work performed by the Joint Internal Audit Team on the internal control system should not be relied upon to identify all system weaknesses that may exist. However, audit procedures are designed so that any material weaknesses in management control have a reasonable chance of discovery. Effective implementation of management actions is important for the maintenance of a reliable management control system.

**JOINT INDEPENDENT AUDIT COMMITTEE****Report for Information****Title: Progress on delivery of agreed actions in Internal Audit reports****Executive Summary:**

The report provides details of the progress made by managers in delivering the agreed actions in internal audit reports.

Recommendation:

The Committee is requested to note the report.

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature**Date**

PART 1 – NON-CONFIDENTIAL

1 Introduction and background

- 1.1 The report provides details of the progress made by managers in delivering the agreed actions in internal audit reports.
- 1.2 This report details progress made to date and target implementation dates for any current overdue actions. Of the 27 actions that are currently overdue:
 - 1 action is due for completion by the end of March 2023;
 - 1 action is due for completion by the end of April 2023;
 - 3 actions are due for completion by the end of May 2023;
 - 4 actions are due for completion by the end of June 2023;
 - 3 actions are due for completion by the end of July 2023;
 - 12 actions are due for completion by the end of September 2023;
 - 2 actions are due for completion by the end of October 2023; and
 - 1 action is due for completion by the end of December 2023.

2 Issues for consideration

- 2.1 Appendix 1 sets out an analysis of the position with regard to the number of overdue actions as at 31st January 2023 in relation to audits conducted during the years 2020/21 to 2022/23. It shows that in total there were 27 overdue actions at 31st January, arising from 14 separate audits. The overdue actions are split by priority. Also shown is the number of overdue actions that had previously been reported, which has risen from 6 to 16 since the last report to this Committee in December 2022.
- 2.2 Appendix 2 shows the changes in the number of overdue actions since the previous report to this Committee in December 2022. The total number of outstanding overdue actions reported has risen from 24 to 27.
- 2.3 Appendix 3 sets out the information provided by managers in respect of those actions that are now overdue. It includes all agreed actions that should have been completed by 31st January 2023. The information is based on responses from managers received up to and including 1st March 2023. If required, a verbal update will be provided to the Committee on any further information received since this report was written.

Priority 1 rated overdue actions

- 2.4 Of the 12 priority 1 overdue actions, none are more than 12 months overdue.
- 2.5 Appendix 1 sets out details of which audits these actions relate to and further details of each of the actions can be found in appendix 3 of this report.

Priority 2 rated overdue actions

- 2.6 Of the priority 2 actions, two actions from the 2020/21 Counter Terrorism audit and one action from the 2020/21 Limited and Minimal Assurance Follow Up audit, relating to Vetting, are more than 12 months overdue.

3. ESMCP Update

- 3.1 The National ESMCP Programme is currently being refreshed. This is likely to impact on the activity required by regional teams for a period of between 12 – 24 months. Due to this, a meeting was held with the regional Police and Crime Commissioners and Chief Constables (i.e. Thames Valley, Hampshire, Surrey and Sussex) where the future of the Regional Project was discussed. On the back of this meeting, it has been agreed to considerably reduce the size of the Regional Programme Team. There will be one (part time) resource who will remain and will be the Single Point of Contact for all ESMCP related matters for all four local forces and into the national programme.
- 3.2 Due to this, the two outstanding 2021/22 ESMCP audit actions relating to the Regional Project Plan and Memorandum of Understanding have been closed down and will no longer be followed up. In terms of JIAC visibility of any future ESMCP risks, this will be managed by the Force's Strategic Risk Register process.

3 Financial comments

- 3.1 No known financial issues arise from the contents of this report.

4 Legal comments

- 4.1 No known legal issues arise from the contents of this report.

5 Equality comments

- 5.1 No known equality issues arise from the contents of this report.

6 Background papers

- 6.1 None.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website as soon as practicable after approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

Is there a Part 2 form? No

Name & Role	Officer
Head of Unit This report provides the Committee with essential management information on the number and status of current overdue actions from internal audit reports.	Chief Internal Auditor
Legal Advice No known legal issues arise from the contents of this report.	PCC Head of Governance and Compliance

Financial Advice No known financial issues arise from the contents of this report.	PCC Chief Finance Officer
Equalities and Diversity No known equality issues arise from the contents of this report.	Chief Internal Auditor

OFFICER'S APPROVAL

We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.

We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.

PCC Chief Finance Officer (OPCC)

Date: 01/03/23

Director of Finance (TVP)

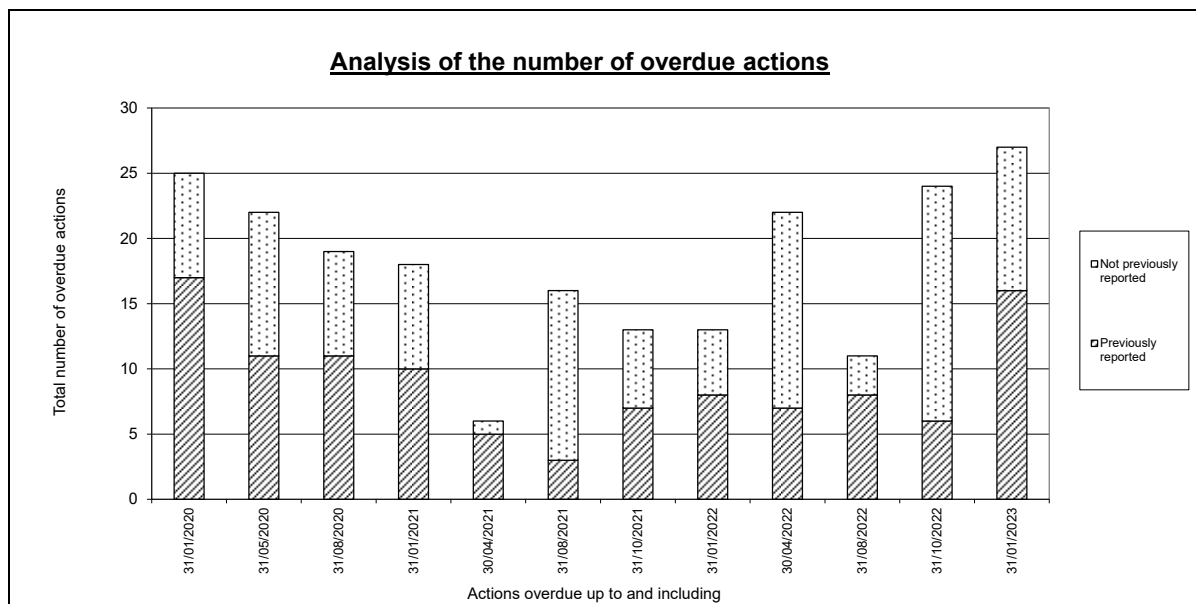
Date: 01/03/23

Appendix 1

ANALYSIS OF OVERDUE ACTIONS AS AT 31ST JANUARY 2023

Audit Subject/Location	Outstanding Overdue	Priority 1	Priority 2	Previously Reported
2020/21				
Contractor Appointment and Monitoring	1	1	-	-
Counter Terrorism	2	-	2	2
Limited and Minimal Assurance Follow Up	1	-	1	1
TOTAL	4	1	3	3
2021/22				
Business Continuity Arrangements	3	2	1	1
Electronic Device Management (Losses)	1	-	1	1
Health and Safety	6	4	2	2
Key Financial Controls	1	-	1	1
Partnership Data Sharing - Probation Service	1	1	-	1
Protective Monitoring (Vigilance Pro)	3	1	2	3
SIR Crime Review Improvements (Themes A)	1	-	1	1
SIR Crime Review Improvements (Themes B)	1	1	-	-
Telematics Information and Reporting	1	-	1	1
TOTAL	18	9	9	11
2022/23				
Mental Health	1	1	-	-
Operations (TVP Events and Protests)	4	1	3	2
TOTAL	5	2	3	2
OVERALL TOTAL	27	12	15	16

Appendix 2



UPDATE ON PROGRESS IN DELIVERING OVERDUE AGREED ACTIONS

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Business Continuity Arrangements		Final report issued on: 11/04/22		CCMT Lead: DCC Jason Hogg		
Total number of agreed actions: 15	Number completed: 9 (60%)	Number not yet due: 3 (20%)		Number overdue: 3 (20%)		
<p><u>BC awareness raising</u></p> <p>Whilst publicity is undertaken to promote the annual Business Continuity Awareness Week, which takes place nationally in May, the level of other BC awareness raising comms is limited. For example, the updated BC Management Strategy and Framework was only shared with the BC SPOCs, although the expectation is that the SPOCs should be communicating this, and other relevant information, to their SMTs as appropriate.</p> <p>Wider organisational engagement is one of the areas of development on the informal BC Project Plan. The intention is that this would involve actions such as wider BC Awareness week comms, more information to BC SPOCs and officer briefings. The aim of the work would be to build on what already exists in terms of BC within the organisation and to ensure that people come to the BC Team for help when incidents occur.</p> <p>Risk: Without awareness raising activities, employees may be unaware of the BC plans and provisions in place and how they are/should be enacted when incidents occur.</p>		<p>There are a number of initiatives being considered to raise organisational awareness of BC:</p> <ul style="list-style-type: none"> - Comms and awareness raising possibilities within the new intranet functionality will be explored. - Officer briefings, linked in with scheduled exercises, will be introduced. - Business skills sessions have been introduced, with individuals from across the organisations being invited to learn about different 'corporate' topics. The intention is for one of the future sessions to be around BC. 	31/12/22	2	<p>With limited resources up to end-January 2023, we have not had a chance to finalise the management action. However, we have raised BC awareness through different platforms including the Deputies quarterly meeting, held discussions with L&D, regularly monitored the DMM and offered BC support when needed – raising awareness of our function. With more resource available in the team, our tentative plan is to produce and implement prepared information for general awareness and to deliver through a BC agenda item on senior leadership meetings and a business skills to which key individuals will be invited to attend.</p>	30/09/23
<p><u>LPA, OCU and Dept. Business Continuity Plan Content and Availability</u></p> <p>As part of the audit, testing was completed to ensure that each Force LPA, OCU or Department had an up to date BC Plan. The testing observed examples of issues with availability of plans, plans not being up to date / in the current format (which was introduced in 2019), plans not marked as signed off by the relevant OCU/Departmental management/SGU Team and plans not including the Covid supplement as an appendix to their plan/not appearing to have integrated any Covid learning. There were also a number of examples where plans had missing information/links, embedded links that did not work, sections marked 'tbc' or indicating things were to be added/being worked on (but where dates were shown these had passed) and risk assessment sections which did not always include mitigating actions. It is acknowledged, however, that the CGO is currently working on ensuring that a full complement of up to date plans exists.</p> <p>It was also noted, during discussions with a sample of BC SPOCs, that when reviews are undertaken the roles included varied from one individual reviewing the plan who then liaises with SMT as necessary</p>		<p>Work to ensure plans are up to date and available will address the issues listed here. Once this work is complete it will then be business as usual in terms of keeping all of the plans up to date.</p>	30/09/22	1	<p>Now that resource is in place, we aim to refresh and exercise all Local Policing Area plans by end of May 2023.</p> <p>Departmental plans have been reviewed centrally and communication opened with BC SPOCs to review and update their plans, which will allow us to organise exercises for this year. The aim shall be to ensure Departmental BC Plans are updated at the same time.</p>	31/12/23

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>to the plan being reviewed as part of the table-top exercises where all SMT members are included. There is no prescribed standard set by the SGU in this regard.</p> <p>Risk: Current Force plans are not available, up to date, approved or do not follow the corporate requirement, which could lead to less effective responses to continuity incidents.</p>					
<p><u>Bi-Lateral Collaboration and Regional Unit Arrangements</u></p> <p>For bi-lateral units there is an agreement between TVP and Hampshire Constabulary (HC) that collaborated functions follow the lead Force's BC approach. Under this approach HC lead on BC for the Joint Operations Unit (JOU). However, there are also non-collaborated elements of the JOU and there are no plans in place at present with regard to these elements of the JOU.</p> <p>There are also regional units in place for which TVP is the Lead Force. Whilst reviewing the availability of plans for these units it was noted that there are only partial plans in place for the South East Regional Organised Crime Unit (SEROUCU), although the CGO is currently working with their representative to cover the remaining units.</p> <p>Risk: Non-collaborated JOU Teams and Regional Units lack an up to date and documented approach to resolving any business continuity incidents, leading to the potential for service and operational impacts.</p>	<p>A SPOC is now in place for SEROCU and work is underway to identify what is in place/needs to be drawn up in terms of BC plans for the different sections within the unit.</p>	31/12/22	1	<p>We have established communication and work to develop BC plans has commenced. We have provided feedback on the initial draft plans received; however, we are waiting on the owners to finalise.</p>	31/05/23
Contractor Appointment and Monitoring		Final report issued on: 22/02/21		CCMT Lead: DCC Jason Hogg / Christine Kirby	
Total number of agreed actions: 1		Number completed: 0 (0%)		Number not yet due: 0 (0%)	
Contractor Appointment and Monitoring Arrangements				Number overdue: 1 (100%)	
<p>As part of the 2020/21 Joint Internal Audit Plan, a review of Contractor Appointment and Monitoring was completed. The outcome was limited assurance and the report noted eight priority 1 audit actions to mitigate the risks reported covering the following high level areas:</p> <ul style="list-style-type: none"> - Contractor Appointment Guidance and Process. - Departmental Liaison. - PeopleSoft Details. - Management Information and Oversight. - Communications. <p>Risk: The Force are not able to confirm (centrally) how many contractors are in place and under what terms. The Force are aware of those who have been engaged through HR, but not those people and services who have been engaged via other departments such as Procurement and Procure and Pay. Due to this, there are wider risks relating to appointment processes, IR35 assessments, value for money implications, contract details, payment processes, vetting, building and system access / security and senior leader awareness / support.</p>	<p>The Force have sought expert knowledge and assistance of a specialist tax company to support them in developing policies and procedures for engaging with contractors. It is clear from these discussions that there is a considerable amount of work to do in identifying the Force's current / legacy contractors, including those who provide a service to the organisation as due diligence is required on the work supply chain, including the work they are delivering, and the issuing of the relevant paperwork. The work of the specialist tax company has already highlighted areas of work that need to be completed.</p>	30/11/22	1	<p>A group was formed earlier in 2022 to set clear direction and a plan for the actions required and to support implementation.</p> <p>Actions completed to date relate to guidance, ownership, overall processes, buildings and system access and general process oversight.</p> <p>Actions in progress and planned relate to senior manager briefings, contractor engagement terms and conditions, value for money / ethical appointment processes, high level governance, local oversight checks, constructing a distinct list of contractors appointed, retrospective review of contracts that go back to 2017, improved engagement with agency companies and enhanced local training.</p>	30/06/23

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Counter Terrorism		Final report issued on: 27/04/21		CCMT Lead: ACC Tim Metcalfe		
Total number of agreed actions: 13		Number completed: 11 (85%)		Number not yet due: 0 (0%)		Number overdue: 2 (15%)
Action 1.1		30/06/21		2	N/A	31/10/23
Action 12.1		31/07/21		2	N/A	31/10/23
Electronic Device Management (Losses)		Final report issued on: 03/12/21		CCMT Lead: DCC Jason Hogg / Mike Lattanzio		
Total number of agreed actions: 12		Number completed: 11 (92%)		Number not yet due: 0 (0%)		Number overdue: 1 (8%)
Governance Groups Terms of Reference		These terms of reference will be updated.		31/03/22	2	Due to increasing demands and a shortage of resources the priority has been on the vetting process itself. Additional staff are in the process of being recruited.
<p>Loss figures are considered by the Information and Physical Security Sub Group, and the Force Security Committee, which both meet on a quarterly basis. Both of these groups have terms of reference in place but these have not been reviewed since 2016 and 2019 respectively and would benefit from a refresh.</p> <p>Risk: Lack of an up to date terms of reference leads to the governance groups not achieving the aims of their meetings and the required level of oversight.</p>						30/09/23
Health and Safety		Final report issued on: 19/04/22		CCMT Lead: DCC Jason Hogg		
Total number of agreed actions: 12		Number completed: 2 (16%)		Number not yet due: 4 (34%)		Number overdue: 6 (50%)
General Risk Assessments		A review of the actual GRAs remains outstanding. The proposed re-structure (subject to formal consultation) seeks to evolve the role descriptions of the HSE professionals within TVP. Regular reviewing and updating of GRAs was stipulated as a requirement in the refreshed job descriptions.		31/10/22	2	The new H&S Assurance Officer started at TVP on 1st February 2023 and is assisting in developing the controls and reporting regarding GRAs.
<p>The H&S Team oversee and review a number of General Risk Assessments (GRAs) for specific Force activities, operations or functions. There are currently 142 active GRAs, which whilst relevant, may benefit from an assessment as to the volume, aligning to any future direction the Force takes in relation to health and safety.</p> <p>During the audit, the approach to updating and monitoring the GRAs was reviewed. Testing observed the following:</p> <ul style="list-style-type: none"> - Each GRA has a set review date, with the review process being an ongoing exercise. Progress with the reviews is presented to the Wellbeing, Health and Safety and Environment Board. - The standard GRA template has a current risk level, but not a residual risk level, after mitigation. However, the JOU and Firearms template does include a residual risk level. It was commented during the review that it would be useful to standardise the approach to ensure that residual risk levels are captured in all instances. - It was also commented during the review that there is a lack of structured reporting and updating on any GRA outcomes or issues to the WHSEB or CCMT. <p>During the review, a sample of five GRAs were tested to ensure they were up to date and had been reviewed. Testing found two that were overdue a review (GRA 5.3: Crime Scene Investigator (CSI) - review due December 2019 and GRA 10.8: Lone Working – review due February 2021).</p>		<p>Additionally, the proposals increase the capacity to undertake internal monitoring of HSE products and services, so more regular dip-checks can be undertaken to ensure those responsible for reviewing GRAs have been doing so.</p> <p>Furthermore, the proposed new governance arrangements, when implemented, will allocate owners to each GRA and metrics will be created to monitor performance around the timeliness of reviews, the general quality of the GRAs and that actions from the GRA reviews are undertaken.</p>				31/07/23

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>The audit also tested a further 12 assessments as none of the GRAs reviewed contained actions in the mitigating Action Plan. It was commented that some GRAs do have actions, but this is normally when a GRA is initially developed, not when it is updated.</p> <p>Risk: The GRA process is ineffective in mitigating health and safety risks for the Force, leading to risks materialising.</p>					
<p><u>Local Health and Safety Committees and Force Guidance</u></p> <p>The audit tested the arrangements for the local H&S Committees. The review found the following:</p> <ul style="list-style-type: none"> - In terms of the meeting terms of reference, a range of responses were received to this with copies being provided dating from 2012, 2015 and 2019. - The H&S manual entry for the Local H&S Committee meetings does not appear to be up to date (i.e. dated 2015 and the Director of Resources being the "HS&E Director/appointed member of CCMT accountable"). - In general, attendance was expected. However, there were comments from some areas about a lack of clarity as to who should attend, which may benefit from some corporate direction. <p>A sample of Control of Substances Hazardous to Health (COSHH) forms were also reviewed and three were noted as being past their review dates (i.e. May 2019, May 2020 and October 2020).</p> <p>Risk: Lack of a consistent and corporately guided approach to local H&S Committee arrangements, leading to ineffective processes for managing local health and safety issues.</p>	<p>The continuation of Local H&S Committees will be reviewed under the new Force HSE Committee, should it be set up following formal consultation.</p> <p>During the People Directorate led review of the HSE delivery model, the validity of those local committees was questioned by many across the Force. Applying RACI to the new risk framework and mitigation activity is likely to lead to HSE being managed by appropriate SMTs as part of business-as-usual, negating the need for local HSE committees.</p>	31/10/22	1	In support of the current H&S Governance Board considerations, the approach taken (terms of reference, existence, and modus operandi of local H&S Committees) is currently under review.	31/07/23
<p><u>Health and Safety Goals and Objectives</u></p> <p>In reviewing the WHSEB papers, an agenda item was presented in March 2021 referring to "Discussion Data – Safety goals data and objectives". The item was raised "in response to a question from the JIAC about how we clearly define our goals and objectives and show more clearly its "Goals", "Data" and "Objectives" in relation to Health and Safety, in particular making clear the links to senior management buy-in and oversight of the above".</p> <p>The WHSEB agreed an action "to see how we can join this with the risk register, looking at risk approach and compliance and how we can pull this all together."</p> <p>At the time of the audit, this action and the work relating to this area was ongoing.</p> <p><u>Legal Register</u></p>	<p>A new risk framework and operational / risk mitigation activity register have been created and a proposal for a new performance framework has been made. Some risks relate to non-compliance so are integral to the new risk-based approach proposed for adoption.</p>	31/12/22	1	Work on this has yet to start, but the topic is expected to be part of the agenda(s) of the planned H&S Governance Board meetings in March / April.	30/09/23

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>During the audit, a copy of the latest CCMT Wellbeing Presentation Dashboard (April 2021) was obtained. In reviewing the content, one of the key "ongoing" aspects noted is:</p> <p>- Implementation of a legal register: what do we have to legally do in terms of health and safety but will include how we go about it, what we do and don't do, etc. - need to consider the cost aspect.</p> <p>A copy of the latest version of the Legal Register was obtained, which identifies Health and Safety Executive risks, Force mitigation, relevant legislation and risk scores.</p> <p>At the time of the audit, it was commented that the register was nearing completion in terms of the information being populated. The next phase of the process was to agree the structures, processes and arrangements to mitigate any agreed risks.</p> <p>Risk: Lack of defined goals and objectives relating to health and safety, leading to any targets not being achieved.</p> <p>Health and safety risks are under or over mitigated, resulting in an ineffective use of resources or exposure to an unacceptable level of risk.</p>					
<p>Management Reporting</p> <p>The audit reviewed the current governance and reporting arrangements for health and safety. As noted above, the Force governance structure reports health and safety matters and information at a variety of levels (i.e. local H&S Committees, WHSEB, Workforce Board and CCMT).</p> <p>However, the information flow was inconsistent and not particularly aligned to an overall strategic objective for health and safety to provide senior management with assurance on the delivery of strategic objectives relating to health and safety.</p> <p>Risk: Management lack visibility on key health and safety aspects, linked to strategic objectives or risks, leading to ineffective assurance or ability to take timely action.</p>	<p>A new risk framework, operational / risk mitigation activity register have been created and a proposal for a new HSE Committee and performance framework has been made. Collectively these will strengthen management information and reporting that will take place.</p>	31/12/22	1	<p>Work is under way to develop a proposed management report / information to meet the needs of the H&S Governance Board and the topic will be picked up on the agenda of the next Board meetings.</p>	30/09/23
<p>Analysis of Reported Incidents</p> <p>In terms of analysis of reported issues to identify themes or key issues, the audit found that there is nothing formal and any potential sharing would happen at the H&S Team meetings. There is also a lack of joined up organisational learning as this would be more ad-hoc on a case by case basis, as noted previously.</p> <p>This is linked to the point around health and safety reporting and although there are high level figures presented on RIDDORS,</p>	<p>Whilst a specific dashboard for the proposed new HSE Committee has yet to be built, metrics such as these will be enhanced and the new HSE Committee will provide a forum where the context and organisational learning can be discussed and captured.</p>	31/12/22	1	<p>The action is being taken forward as part of the H&S Governance Board preparations and implementation.</p> <p>We expect analysis of reported incidents to form part of regular quarterly reports from April 2023 onwards.</p>	31/07/23

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
accidents, assaults, etc., there is little in terms of context or analysis. Risk: The Force does not learn from any key health and safety themes or regular issues, leading to a reoccurrence of issues that could be mitigated.					
<p>Health and Safety Communications</p> <p>During the audit, the Force's approach to health and safety communications was reviewed. Testing found that there is very little corporate communications on health and safety matters (i.e. the use of PER10s, as part of the 7 point plan).</p> <p>Local communications are undertaken for reporting incidents or the outcomes of any local investigations and it was commented that this is generally a more effective method as employees will take notice of messages coming from their local senior management team.</p> <p>Risk: A lack of Force wide awareness on strategic health and safety matters or issues, leading to ineffective local action or non-compliance.</p>	<p>This will be strengthened by more clearly empowering and / or making SMTs across the Force more accountable for HSE within their area of business, thereby potentially removing the confusion as to the respective remits of SMT, Local HSE Committees and specialist teams, such as HSE and Estates.</p> <p>A phased communications approach will be introduced from July 2022. The HSE Committee will decide the next steps from October 2022 onwards.</p>	31/12/22	2	Work on this has yet to start. We now have more capacity in the H&S team to pick up actions such as this.	30/09/23
Key Financial Controls	Final report issued on: 06/04/22			CCMT Lead: Linda Waters	
Total number of agreed actions: 6	Number completed: 5 (83%)	Number not yet due: 0 (0%)		Number overdue: 1 (17%)	
<p>Year End Procedures</p> <p>The audit found that an updated Year End Closedown Timetable has been collated. Additionally, there are Year End Standard Operating Procedures (SOPs) in place for some areas, but others need to be developed.</p> <p>Following the introduction of any new SOPs, the necessary communications and training will take place.</p> <p>Risk: A lack of standard procedures to guide the year end process, leading to inconsistent practices.</p>	Following completion of the 2021/22 Year End process, Standard Operating Procedures for future Year End processes will be compiled.	30/09/22	2	The 21/22 Audit has not yet completed but Corporate Finance are working jointly with the OPCC office to improve the SOPs and coordination of the closedown.	31/03/23
Limited and Minimal Assurance Follow Up	Final report issued on: 11/05/21			CCMT Lead: DCC Jason Hogg	
Total number of agreed actions: 5	Number completed: 4 (80%)	Number not yet due: 0 (0%)		Number overdue: 1 (20%)	
<p>Vetting Standard Operating Procedures</p> <p>An overall review is underway of the policies/standards in place to confirm whether they are still needed. Those that are retained will then be reviewed and updated as necessary.</p> <p>The Vetting intranet pages will also be reviewed and updated where necessary.</p> <p><u>Follow Up Testing</u></p>	The review and update of the team's SOPs will be completed.	30/06/21	2	As a result of the HMIC compliancy work, the existing SOPs need to be re-written and some new ones added. It is anticipated that this work will be completed by Sept 2023.	30/09/23

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>Testing found that some, but not all of the team's Standard Operating Procedures (SOPs) have been reviewed and updated. The work has been captured via the Vetting Team's tasking process for completion by May 2021.</p> <p>Risk: Out of date or incomplete procedures, leading to the team applying incorrect or inconsistent processes.</p>					
Mental Health	Final report issued on: 18/10/22			CCMT Lead: ACC Tim De Meyer	
Total number of agreed actions: 15	Number completed: 2 (13%)	Number not yet due: 12 (80%)		Number overdue: 1 (7%)	
<p><u>Mental Health Classification / Referral</u></p> <p>During the audit, the process for classifying potential mental health calls was reviewed. It was commented that the main challenge for Contact Management staff is the classification of calls / incidents and use of Mental Health qualifiers.</p> <p>The use of "Concern for Safety" classification is inconsistent and therefore does not provide the Force with a true picture of demand. There is no management information produced on how this classification is used and the potential risks / impacts.</p> <p>The use of the classification is addressed at a lower level within Contact Management via dip checks and supervisory feedback. Training is also completed within Contact Management on the use of the mental health classifications, but if this is a bigger issue, it may need a more intense training programme.</p> <p>Risk: Mental health demand is not effectively captured or understood, leading to ineffective Force responses to incidents.</p>	<p>The Gold Group are currently looking into the use and recording of "Concern for Safety".</p> <p>The outcome of the current Mental Health Service Improvement Review is likely to comment on this issue.</p>	31/01/23	1	<p>The "Concern for Safety" toolkit for call handlers has been created and presented to CCMT for agreement.</p> <p>Once approved, the Call Handler training will commence in March as part of Contact Management training to support the use of this.</p> <p>By June, the training should have been completed and we should have had it in as business as usual for at least a month.</p>	30/06/23
Operations (TVP Events and Protests)	Final report issued on: 25/08/22			CCMT Lead: ACC Catherine Akehurst	
Total number of agreed actions: 11	Number completed: 7 (64%)	Number not yet due: 0 (0%)		Number overdue: 4 (36%)	
<p><u>Operational Planning Team Training</u></p> <p>The audit reviewed whether there were procedures in place on how the Operational Planning Team identify and interact with partners.</p> <p>Although there are no procedures in place, which it was commented could be a large task to collate, there is an aim to complete training sessions on how the team interact with the Safety Advisory Groups (SAGs) and increase their professional skills.</p> <p>Risk: The team lack up to date knowledge and skills in relation to partner interactions, leading to the potential for gaps in Force knowledge when responding to events.</p>	<p>A training needs evaluation will be completed to determine what training is required / would be beneficial.</p> <p>This will be compared against other demands to complete training inputs on Safety Advisory Groups (SAGs).</p>	01/12/22	2	<p>Bid for training funds has been submitted to LP&D for SAG training in 23/24 financial year (it was declined in 22/23). A PS has been on the course held in S&S and this training will support involvement and contribution to SAG process supporting ambition to improve training to planners.</p>	01/09/23
<p><u>Knowzone Guidance / Training</u></p> <p>The audit reviewed the current Joint Operations Unit (JOU) Knowzone pages. One observation was made that the content is mainly aimed at JOU staff.</p>	<p>Recognise the need for new Operational Guidance across both Forces for protests.</p> <p>Remove historic response plans</p>	01/10/22	1	<p>A package has been developed to go into Operational Guidance. However, workloads within Policing Strategy have delayed the work being implemented.</p>	01/06/23

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>In terms of training, this takes place for Gold / Silver Commanders, as well as the Operational Planning Team. The JOU also complete training for higher demand LPAs.</p> <p>However, based on the overall testing, there is potentially a gap in general guidance for Bronze Community / Neighbourhood Policing roles. Therefore, it might be beneficial to provide some high level guidance / key points on the JOU Knowzone pages for Bronze Community / Neighbourhood Policing roles.</p> <p>Risk: Without training and guidance for all levels of the operational response, there is the potential risk that front line response lack awareness of the appropriate response for events or protests.</p>	<p>for thematic protest areas and focus on expectations of first responders and control room staff. Also include expectations of roles (i.e. Bronze community).</p>				
<p><u>Operational Response Risk Appetite</u></p> <p>The audit reviewed the Force's risk appetite in terms of operational responses to events or protests. Following a number of discussions and tests, a theme came up in terms of TVP effectively articulating its strategic expectation in responding to lower level events, specifically for LPAs. It was commented that TVP has a fairly low risk appetite, which could potentially be raised to ease demand. It was also commented that there might be a slight disconnect between Force DMM understanding of the LPAs response verses the LPAs actual response.</p> <p>On a related point, the audit sought to obtain any documentation or guidance that defines the operational response to Force wide events as well as LPAs / departmental responses to local events. The review found that there is not one in place and the Public Order / Public Safety Risk Assessment Process (POPSRA) defines what level the event will be allocated to.</p> <p>Risk: The Force lacks an agreed risk appetite and defined response to event or protest demand, leading to an inconsistent / excessive response.</p>	<p>Alongside the new Operational Guidance (as per action 4.1), the team will provide clarity over the role of LPAs with regard to protests.</p>	01/10/22	2	<p>A package has been developed to go into Operational Guidance. However, workloads within Policing Strategy have delayed the work being implemented.</p>	01/06/23
<p><u>Demand Communication</u></p> <p>During the review, a sample number of LPAs were contacted to gauge their views on the overall arrangements. Although testing found that LPAs are being notified of events or protests, there was a general view that the process lacks a true partnership / two-way / joined up approach, based on demand and a proportionate response of the resources needed. It was also commented that there is a lack of a governance forum to enable LPAs to contribute to the overall process.</p> <p>This links into the previous points around a Force risk appetite statement, as well as the ad-hoc / inconsistent approach to feedback from completed events.</p>	<p>As part of the POPSRA review process, there is a need to look at the learning and feedback process / expectations and to factor this into the Operational Guidance.</p>	01/12/22	2	<p>There has been discussion with the Intel leads on a weekly threat/risk/community tension statement which will enhance the communication around demand and threat across the force. HIOWC complete one and there is a force requirement for a community tension statement.</p> <p>Ops are now sharing in FDMM the weekly events to provide visibility of force event demand on daily basis. For review with intel on weekly document. Ops now have a 2 weekly review meeting to capture learning and with potential force changes on structure then potential to embed planners back into</p>	01/04/23

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Risk: Lack of a fully engaged process, leading to local responses not being aligned to corporate expectations.					new structure to enhance this through smaller number of TTCG processes.	
Partnership Data Sharing – Probation Service		Final report issued on: 16/11/21			CCMT Lead: ACC Dennis Murray	
Total number of agreed actions: 4		Number completed: 3 (75%)		Number not yet due: 0 (0%)		Number overdue: 1 (25%)
Data Sharing Governance		The stakeholder group will review the current governance arrangements for partner data sharing. Considerations will include:	30/09/22	1	The stakeholder group has been formed and work has been completed on the general processes, procedures, forms, storage, etc. The remaining actions needed to embed improvements relate to training and awareness, communications, establishment of a central Information Request and Disclosure Team (IRDT), which is due to be considered by CCMT in March 2023, and then any required governance of the new arrangements.	30/09/23
<p>The audit also reviewed the internal and external governance arrangements for managing data sharing with the Probation Service. Testing found the following:</p> <ul style="list-style-type: none"> - There is a lack of joined up approach and liaison / communication between all departments that share data with the Probation Service (FIH, PPU, IOM, MAPPA, LPAs, etc.). - There is a lack of a governance process to raise, discuss and resolve issues with the Probation Service or learn internally from other team's data sharing issues or concerns. - A lack of assurances on how the Probation Service handle, store and restrict access to any data shared. This is only detailed in the agreed ISAs at a very high level. - The other potential issue in sending data is partner vetting levels, their access to data and how they restrict it, as well as TVP's assurance on processes and controls. <p>Risk: Data sharing risks, issues or concerns are not discussed, escalated or resolved, leading to data being inappropriately shared and the risks of challenge or sanctions.</p>		<ul style="list-style-type: none"> - Introducing an effective governance structure with internal departments and partners for overseeing data sharing processes and arrangements. - Ensure effective internal communication and liaison takes place with regard to partner data sharing. - Obtain assurances from partners that data shared is managed, handled and stored in a secure way. - Clarification that partner vetting levels are appropriate, considering the data that is being shared. 				
Protective Monitoring (Vigilance Pro)		Final report issued on: 25/02/22			CCMT Lead: DCC Jason Hogg	
Total number of agreed actions: 4		Number completed: 1 (25%)		Number not yet due: 0 (0%)		Number overdue: 3 (75%)
Action 1.1			30/09/22	1	N/A	30/09/23
Action 1.2			30/09/22	2	N/A	30/09/23
Action 2.2			30/09/22	2	N/A	30/09/23
SIR Crime Review Improvements (Themes A)		Final report issued on: 22/11/21			CCMT Lead: ACC Dennis Murray	
Total number of agreed actions: 8		Number completed: 7 (88%)		Number not yet due: 0 (0%)		Number overdue: 1 (12%)
Domestic Abuse		Discussions will take place with the Service Improvement Unit with a view to agreeing a final position of the SIR recommendations and SIP actions, as well as any further potential work required.	31/03/22	2	Of the original seven recommendations made in the 2020 SIR report:	31/05/23
<p>The SIR report includes a list of recommendations and actions have been developed and included within the SIP, along with Next Steps, Success Measures and Progress. Bi-monthly Domestic Abuse Working Group meetings take place to provide oversight and governance of the SIP, with the latest meeting during July 2021. Updates are yet to be provided to the I & I meeting.</p> <p>The current SIP was reviewed and the only observation was that all of the dates had passed and there were no dates for certain actions. Of the seven SIR recommendations, only one was noted as being completed, although there were updates for all seven. The work in the</p>		<p>Once agreed, a final version of the SIP, and the actions noted, will be collated and signed off as complete.</p>			<ul style="list-style-type: none"> - Two were signed off by the Recommendations Panel and closed in January 2023. - Three will be taken to the Panel in March for consideration of closure. - Two require a further update before they can go to the Panel for consideration of closure. 	

Finding and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>SIP is being completed alongside other actions and developments that the Domestic Abuse Working Group is overseeing.</p> <p>At the end of the audit it was commented that there needed to be a discussion about the outstanding recommendations and how to close down the actions if the Force accepts a certain level of risk with regards to its response to domestic abuse.</p> <p>Risk: Without a completed and signed off SIP Action Plan, there is the potential for the risks and issues identified not being effectively mitigated.</p>					
SIR Crime Review Improvements (Themes B)	Final report issued on: 12/05/22			CCMT Lead: ACC Dennis Murray	
Total number of agreed actions: 4	Number completed: 3 (75%)		Number not yet due: 0 (0%)		Number overdue: 1 (25%)
<p>Missing & Exploitation</p> <p>The SIR report was issued in September 2020 and includes a list of recommendations. However, since the report was issued, there has been little progression with the recommendations. There have been ongoing discussions around the ownership of the work, with this eventually being assigned to the Violence Reduction Unit (VRU).</p> <p>A meeting was held with the DCC in February 2022 which specifically focussed on the Missing & Exploitation SIR, the recommendations and a way forward.</p> <p>Following this meeting, an Exploitation Paper / Report has been produced and has been due at CCMT since February 2022. However, the report is yet to be presented to CCMT as it was removed from the agendas for February, March and April. The report is currently due to be presented to CCMT in May 2022. The outcome of the SIR and its recommendations have been the basis for the report content and response. In reviewing the report, the audit noted that it includes specific references to the five SIR recommendations.</p> <p>During the audit, it was noted that if the report is accepted, then an Action Plan will be collated and will be owned by the VRU (signed off by TVP), who will oversee and monitor its implementation. A governance forum will also be introduced to oversee and monitor the Action Plan.</p> <p>As the CCMT report is yet to be presented / approved and an Action Plan is yet to be developed, the audit was unable to test progress to address the SIR recommendations. Additionally, corporate oversight of progress (i.e. via the Improvement and Innovation (I & I) meeting, CCMT or a follow up SIR) is yet to take place.</p> <p>Risk: Without effective progress to address the SIR recommendations, there is the potential for the risks and issues identified not being effectively mitigated.</p>	<p>The following action will be taken:</p> <ul style="list-style-type: none"> - The Exploitation Paper / Report will be presented to CCMT for consideration / decision. - Depending on the decision, an Action Plan to address the SIR recommendations will be collated and implemented. - Local governance and oversight of the Action Plan will be introduced. - An assurance process for TVP on the Action Plan implementation and effectiveness will also take place. 	31/12/22	1	<p>This work is now moved back into TVP to address. A Gold Group was set up in July 22 to address the issues raised following the SIR recommendations and the subsequent Exploitation Paper produced by the VRU.</p> <p>This is a work in progress, but essentially funding has been agreed to increase the MASH resourcing, in order for all Exploitation referrals to be processed through there. How we deal with exploitation as a force, is being reviewed by Neighbourhood Policing and this work is still in progress. The aim is for the new 'system/processes' to go live in April this year.</p>	31/05/23

Finding and Risk		Agreed action	Original completion date	Priority	Current position	Revised completion date
Telematics Information and Reporting		Final report issued on: 27/05/22		CCMT Lead: DCC Jason Hogg		
Total number of agreed actions: 14	Number completed: 11 (79%)	Number not yet due: 2 (14%)		Number overdue: 1 (7%)		
<p><u>Monitoring and reporting outcomes and trends</u></p> <p>A performance overview spreadsheet is maintained to track responses to TD56 forms, as well as numbers of individuals going through the intervention stages. Several other areas of monitoring are carried out and tracked on the spreadsheet (relating to multiple occurrences) although these are not currently covered by the draft Police Vehicle Telematics Interventions Process and Management Standard Operating Procedure.</p> <p>The performance overview spreadsheet is only accessible to the DRU and the LP Chief Superintendent for monitoring and high level oversight reporting purposes in relation to Police Vehicle Incidents (PVI's). It was commented that at this stage in the rollout, the opportunity for identification of trends in behaviours is limited. These will become more apparent as the monitoring process is rolled out to further LPAs/Departments and trend reporting, and any relevant guidance changes, will therefore be considered as the monitoring expands.</p> <p>There is also an intention for 'performance data on driver risk interventions based on the new telematics system to be made available to drivers, line managers, team supervisors and LPA/OCU SMT'.</p> <p>Risk: If only limited monitoring and reporting in relation to outcomes and trends is undertaken, potential driver behaviour improvements may not be fully realised.</p>		<p>The performance overview spreadsheet will be made accessible to the SDLs, and potentially LPA Commanders/ Dept Heads.</p>	30/09/22	2	<p>Roll out of the telematics monitoring across the remaining LPAs is expected to be completed by March 2023, with a move into the Firearms Department later in 2023.</p> <p>We have introduced close scrutiny on the outstanding TD56s and, once the roll out to the LPAs is complete, we will have a better idea around demand for all LPAs. We will be able to gauge what is happening around breaching on the LPAs and how this is looking around our internal capability and area ability to deal with the demand.</p> <p>We will not therefore be moving to any wider roll out of performance information to supervisors until the current process is fully in place and fully embedded, then this concept of information to supervisors will be explored further.</p>	30/09/23



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Information

Title: Internal Audit Strategy and Joint Internal Audit Plan 2023/24

Executive Summary:

This report details the Internal Audit Strategy and Joint Internal Audit Plan 2023/24, including the methodology for collating the plan and the audit areas included for 2023/24.

Recommendation:

The Committee is requested to note and endorse the Internal Audit Strategy and Joint Internal Audit Plan 2023/24.

Chairman of the Joint Independent Audit Committee

I hereby approve the recommendation above.

Signature

Date

PART 1 – NON-CONFIDENTIAL**1 Introduction and background**

- 1.1 The report details the Internal Audit Strategy and Joint Internal Audit Plan 2023/24, including the methodology for collating the plan and the audit areas included for 2023/24.

2 Issues for consideration

- 2.1 The report attached is the Internal Audit Strategy and Joint Internal Audit Plan 2023/24. The document includes details on the:
- Strategy for delivering the Joint Internal Audit Service for Thames Valley Police (TVP) and the Office of the Police and Crime Commissioner for Thames Valley (OPCC).
 - Methodology applied in collating the plan of audit work.
 - Resources available for delivering the audit service.
 - Details of each area that will be reviewed during the year and the days allocated.
 - Service performance indicators that will be monitored and reported on during the year.

3 Financial comments

- 3.1 The Joint Internal Audit Plan can be delivered within existing resources.

4 Legal comments

- 4.1 No known legal issues arise from the contents of this report.

5 Equality comments

- 5.1 No known equality issues arise from the contents of this report.

6 Background papers

- 6.1 None.

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the website as soon as practicable after approval. Any facts and advice that should not be automatically available on request should not be included in Part 1 but instead on a separate Part 2 form. Deferment of publication is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of this form to be deferred? No

Is there a Part 2 form? No

Name & Role	Officer
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<p>Head of Unit This report provides the Committee with details of the Internal Audit Strategy and Annual Plan 2023/24, including the methodology for collating the Audit Plan and the audit areas included for 2023/24.</p> <p>This report has been produced in compliance with United Kingdom Public Sector Internal Audit Standards (PSIAS).</p>	Chief Internal Auditor
<p>Legal Advice No known legal issues arise from the contents of this report.</p>	PCC Head of Governance and Compliance
<p>Financial Advice The audit plan is fully resourced through the 2023/24 revenue budget.</p>	PCC Chief Finance Officer
<p>Equalities and Diversity No known equality issues arise from the contents of this report.</p>	Chief Internal Auditor

OFFICER'S APPROVAL

<p>We have been consulted about the proposal and confirm that financial and legal advice have been taken into account in the preparation of this report.</p>	
<p>We are satisfied that this is an appropriate request to be submitted to the Joint Independent Audit Committee.</p>	
PCC Chief Finance Officer (OPCC)	Date: 24 February 2023
Director of Finance (TVP)	Date: 1 March 2023



JOINT INTERNAL AUDIT SERVICE

**INTERNAL AUDIT STRATEGY AND
JOINT INTERNAL AUDIT PLAN 2023/24**

1. Internal Audit Strategy

- 1.1 This document sets out the Joint Internal Audit Service's strategy and work plan for 2023/24.
- 1.2 The Police and Crime Commissioner (PCC) and the Chief Constable are required to maintain effective internal audit of their affairs by the Accounts and Audit (England) Regulations 2015. The Financial Management Code of Practice for the Police Forces of England and Wales (2018) recommends a joint Internal Audit function to cover both bodies.
- 1.3 The Joint Internal Audit Service is governed by the framework and guidance set out in the Public Sector Internal Audit Standards (PSIAS). The PSIAS defines Internal Audit as an "independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes".
- 1.4 Standard 1312 of the PSIAS relates to "External Assessments" and that these "must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the organisation". The Joint Internal Audit Team was externally assessed by the Chartered Institute of Public Finance and Accountancy (CIPFA) during May 2022. The opinion of the external assessor for the Joint Internal Audit Team is "It is our opinion that the Joint Internal Audit Service's self-assessment is accurate and therefore we conclude that they FULLY CONFORM to the requirements of the Public Sector Internal Audit Standards and the CIPFA Local Government Application Note". This is the best outcome the team could have achieved.
- 1.5 In accordance with the PSIAS, the Chief Internal Auditor must produce a risk-based Audit Plan, which details the priorities of the Joint Internal Audit Service and is consistent with the organisation's priorities and objectives. In collating the Joint Internal Audit Plan, Internal Audit seek input from their customers to determine the risks and scope of each assignment. However, Internal Audit retain overall control of the process and content of the plan.
- 1.6 The Joint Internal Audit Plan is designed to enable an Annual Internal Audit opinion to be produced, which comments on the adequacy and effectiveness of the governance arrangements and internal controls in place to manage and mitigate risk. The Chief Internal Auditor provides this opinion in an annual report, which is used to inform the PCC's and Chief Constable's separate Annual Governance Statements.
- 1.7 For 2023/24, the Joint Internal Audit Service will be delivered by:
 - Chief Internal Auditor.
 - Principal Auditor.
 - TIAA Ltd (ICT Audit Contractor).
- 1.8 The audit methodology will utilise electronic working papers and reports.
- 1.9 Consistent with previous years, the strategy supports a flexible service that can react to changes in the organisation's risk profile and the customer's needs.
- 1.10 The PSIAS requires all internal audit activities to implement and retain an Internal Audit Charter. The purpose of the Internal Audit Charter is to formally define the internal audit activity's purpose, authority and responsibility. The Joint Internal

Audit Service has adopted an Internal Audit Charter, which is subject to an annual review. The review has been completed with only a few minor wording changes needed. The current version has been attached at Appendix D.

2. Audit Planning Methodology

2.1 The consultation process for developing the Joint Internal Audit Plan included the following:

- Discussions and correspondence with the Force's Chief Constable's Management Team (CCMT) and their direct reports.
- Discussions and correspondence with the PCC's Senior Management Group (SMG).
- Additional meetings and correspondence with the Deputy Chief Constable, Assistant Chief Constables, Assistant Chief Officers, Heads of Department and Senior Managers at TVP and the PCC, OPCC Chief of Staff and Chief Finance Officer.
- For TVP, review of the Strategic Plan, Force Management Statement, Annual Governance Statement, Force Risk Registers, Horizon Scanning documentation and any relevant external assessments.
- Liaison with the Force Governance and Service Improvement Team.
- For the OPCC, review of the Police and Criminal Justice Plan, OPCC Strategic Risk Register, Annual Governance Statement, OPCC Strategic Delivery Plan and any relevant external assessments.
- Review of other sources of information including national and local strategies and policies, organisational changes and collaborative arrangements.

2.2 Having completed the process detailed in paragraph 2.1, the 2023/24 Joint Internal Audit Plan has been collated (attached as Appendix A to this report). The plan lists the identified audit reviews, CCMT / SMG lead, a link to the relevant organisational objective or risk, a high level scope, planned days and audit timing. The detailed scope of each review will be agreed at the beginning of each audit.

2.3 The Joint Internal Audit Plan provides a good level of coverage across both organisations. Details of the areas being covered within TVP are:

- There are three Force wide audits being completed relating to Violence Against Women and Girls Strategy, Force Reputation and Force Review / Efficiency Savings.
- Within the Deputy Chief Constable's portfolio, four audits are being completed which will focus on Contractor Management, Environmental Sustainability Strategy, Management of Volunteers and Specials and Counter Fraud Controls.
- Within Information, four ICT audits are being completed focussing on Digital Project Implementation, Cyber Security Governance and Framework, Back Up and Recovery and Management of Legacy Systems. There is also one Information Management review taking place on Security and Data Protection Compliance (Working Smart).

- Within People, one audit is being completed which will focus on Mandatory Training Completion.
 - Two audits will take place within Finance, one looking at the application of Key Financial Controls and the other on the effectiveness of the Seized Cash processes.
 - Within Crime and Criminal Justice, three reviews are being completed which will focus on Criminal Justice Outcomes (incl. Out of Court Disposals), Stalking and Harassment and the Forensic Improvement Plan.
 - Within Local Policing, three audits are being completed focussing on Rural Crime, Knife Crime and Hate Crime.
 - Within Regional Counter Terrorism and Organised Crime, one audit is being completed on Regional Vehicle Policy and Fleet Usage.
 - There are no planned reviews within Operations for 2023/24.
- 2.4 Within the OPCC, three audits are being completed in the following areas:
- Violence Reduction Unit.
 - Commissioning Processes.
 - Independent Custody Visitors Scheme.
- 2.5 There is one audit that will test the implementation of actions agreed as part of any 2022/23 Limited or Minimal assurance rated audits, as well as one further review which will continue to develop the external Sources of Assurance work, which complements the Annual Internal Audit Report and Chief Internal Auditor's Annual Opinion Statement.
- 2.6 A number of days have also been allocated in the plan to:
- Supervise and oversee individual audit completion.
 - Provide any advice or consultancy to the Force or OPCC.
 - Administer the quarterly management action follow up process.
 - Maintain an overview of any fraud investigations and general fraud liaison with the Professional Standards Department (PSD), as well as administration of the quarterly Fraud Group.
 - Complete the Internal Audit Annual Report and contribute to the Annual Governance Statement process.
 - Review Internal Audit's compliance with the PSIAS.
 - Support the Force and OPCC's contribution to the bi-annual NFI exercise.
 - Finalise any 2022/23 audit reviews.
- 2.7 Additionally, an allocation of 10 days has been agreed for the Joint Independent Audit Committee (JIAC) to utilise, should they request a specific piece of audit work be completed. These days are not currently resourced within the Joint Internal Audit Plan.
- 2.8 In terms of Hampshire Constabulary (HC) led collaborations, the Audit Team for HC and the OPCC have confirmed that they will be completing one Joint Operations Unit audit for 2023/24 on the Use of Drones.

3. Resources

3.1 The Joint Internal Audit Service is resourced as follows:

Officer	Employing Organisation	Available Resources
Chief Internal Auditor	OPCC	261 days
Principal Auditor	OPCC	198 days
ICT Auditors	External Contractor	30 days
TOTAL DAYS		489 days

3.2 Appendix B details an analysis of the overall resources available for 2023/24. The total amount of days available for delivering the service is 489. Following the exclusion of overheads, team administration and corporate work in delivering the service, the total number of days available for assurance activity is 351.

3.3 The available days have been allocated as follows:

TVP (CCMT) / OPCC Area	Total Days	Plan %
TVP - Force Wide	36 days	10%
TVP - Deputy Chief Constable	41 days	12%
TVP - Crime and Criminal Justice	33 days	9%
TVP – Local Policing	33 days	9%
TVP - Operations	0 days	0%
TVP - Regional Counter Terrorism and Organised Crime	10 days	3%
TVP – Finance	23 days	7%
TVP – Information	52 days	15%
TVP - People	10 days	3%
OPCC	32 days	9%
General	15 days	4%
Other	66 days	19%
TOTAL PLANNED DAYS	351 days	100%

4. Risks

4.1 The key risks to the achievement of the 2023/24 Joint Internal Audit Plan are:

- Internal team staff retention and / or health and wellbeing.
- External contractor performance.

5. Performance Monitoring

- 5.1 The Joint Internal Audit Team's 2023/24 Performance Indicators are attached at Appendix C.
- 5.2 Progress in delivering the Joint Internal Audit Plan, as well as an update on the team's overall performance against the noted indicators, will be presented at every meeting of the JIAC.

Chief Internal Auditor

March 2023

APPENDIX A: JOINT INTERNAL AUDIT PLAN 2023/24

Listed below are the audit reviews currently included within the 2023/24 Joint Internal Audit Plan. The specific scope and risks included within each review will be agreed when the audit commences, but in general, will include a review of the governance framework, key internal controls and management of risk.

Force CCMT / OPCC SMG Lead	Audit Review	High Level Scope	Organisational Objective or Risk	Planned Days	Timing
Thames Valley Police					
Force Wide	Violence Against Women and Girls Strategy	The audit will focus on how the Force is delivering against its strategy and objectives.	Force Strategic Plan Force Management Statement Management Suggestion	12 days	Q2
Force Wide	Force Reputation	The review will focus on how the Force manages its overall reputation.	Force Strategic Plan	11 days	Q2
Force Wide	Force Review / Efficiency Savings	The audit will evaluate the outcome of the Force review and any related efficiency savings.	Management Suggestion	13 days	Q3
DCC	Contractor Management	The review will test how the Force manages its contractor workforce, considering the risks raised during the previous audit.	Force Strategic Risk Register	10 days	Q2
DCC	Environmental Sustainability Strategy	The audit will focus on the implementation and delivery of the strategy.	Force Strategic Plan	10 days	Q3
DCC	Management of Volunteers and Specials	The review will test the improvements that are currently being implemented as part of the project.	Force Strategic Risk Register	10 days	Q4
DCC	Counter Fraud Controls	The audit will review the effectiveness of the Force's controls for managing fraud risks.	N/A	11 days	Q3
Crime and Criminal Justice	Criminal Justice Outcomes (incl. Out of Court Disposals)	The review will test the outcomes achieved via the criminal justice system, including the use of Out of Court Disposals.	Police and Criminal Justice Plan Force Strategic Plan Management Suggestion	12 days	Q1
Crime and Criminal Justice	Stalking and Harassment	The audit will review the Force's approach to stalking and harassment demand.	Force Strategic Plan Force Management Statement	11 days	Q3
Crime and Criminal	Forensic Improvement	The review will test progress in implementing the Forensic Improvement	Force Strategic Plan Force Management Statement	10 days	Q3

Force CCMT / OPCC SMG Lead	Audit Review	High Level Scope	Organisational Objective or Risk	Planned Days	Timing
Justice	Plan	Plan and its related improvements.			
Local Policing	Rural Crime	The audit will test the Force's approach to rural crime demand.	Police and Criminal Justice Plan Force Strategic Plan	11 days	Q1
Local Policing	Knife Crime	The review will evaluate the Force's approach to knife crime demand.	Police and Criminal Justice Plan Force Strategic Plan	11 days	Q2
Local Policing	Hate Crime	The audit will test the Force's approach to hate crime demand.	Force Management Statement	11 days	Q1
Regional Counter Terrorism and Organised Crime	Regional Vehicle Policy and Fleet Usage	The review will test the region's approach to their vehicle and fleet usage.	Management Suggestion	10 days	Q1
Finance	Key Financial Controls	The audit will test the key financial controls adopted by the Force.	Force Strategic Plan Force Strategic Risk Register Management Suggestion	13 days	Q3 - 4
Finance	Seized Cash	The review will evaluate key controls for managing seized cash.	Management Suggestion	10 days	Q1
Information	Digital Project Implementation	The audit will test progress in implementing the Force's digital projects.	Force Strategic Plan	12 days	Q3
Information	Cyber Security Governance and Framework	The review will evaluate the controls for managing cyber security for the Force, including the general governance framework.	Force Strategic Plan Management Suggestion	10 days	Q3
Information	Back Up and Recovery	The audit will test the Force's approach to back up and recovery for its ICT systems.	Management Suggestion	10 days	Q4
Information	Management of Legacy Systems	The review will test the approach to managing any legacy systems in use.	Management Suggestion	10 days	Q3
Information	Security and Data Protection Compliance (Working Smart)	The audit will test the management of data protection issues raised as part of the current working smart approach.	Management Suggestion	10 days	Q2
People	Mandatory Training Completion	The review will evaluate the Force's approach to mandatory training, abstraction approach and completion	Force Strategic Plan Management Suggestion	10 days	Q1

Force CCMT / OPCC SMG Lead	Audit Review	High Level Scope	Organisational Objective or Risk	Planned Days	Timing
		rates.			
Office of the Police and Crime Commissioner (Thames Valley)					
OPCC Wide	Violence Reduction Unit	The audit will test the governance and control framework in place for the Violence Reduction Unit.	Police and Criminal Justice Plan Force Strategic Plan Management Suggestion	12 days	Q1
OPCC Wide	Commissioning Processes	The review will evaluate the controls and processes in place for commissioning services within the OPCC.	Management Suggestion	10 days	Q2
Governance and Compliance	Independent Custody Visitors Scheme	The audit will test the key controls in providing the Independent Custody Visitors Scheme.	Management Suggestion	10 days	Q3
General					
N/A	Limited / No Assurance Follow Up	The review will follow up on any actions agreed as part of limited or minimal assurance audits completed during 2022/23.	N/A	10 days	Q3 – 4
N/A	Sources of Assurance	This work captures any external sources of assurance that can be included within the Annual Internal Audit Report.	N/A	5 days	Q1 – 4
TOTAL				285 days	
N/A	Audit Supervision	Days allocated to supervise and review the planned audits.	N/A	24 days	N/A
N/A	Advice and Consultancy	A number of days to provide advice and consultancy work for the Force and OPCC.	N/A	7 days	N/A
N/A	Follow Up	Days to administer the quarterly follow up process for the JIAC.	N/A	11 days	N/A
N/A	Fraud Liaison	Resources to liaise with Corporate Finance and the Professional Standards Department on any relevant fraud matters, as well as administration of the quarterly Fraud Group.	N/A	3 days	N/A
N/A	Annual Report and AGS	A small number of days to collate the Annual Internal Audit Report and Annual Governance Statement details.	N/A	3 days	N/A

Force CCMT / OPCC SMG Lead	Audit Review	High Level Scope	Organisational Objective or Risk	Planned Days	Timing
N/A	PSIAS Assessment	Days to complete the annual internal PSIAS assessment and implement / monitor any actions needed.	N/A	3 days	N/A
N/A	National Fraud Initiative	Resources to support the Force and OPCC's contribution to the bi-annual NFI exercise.	N/A	5 days	N/A
N/A	2022/23 Carry Forward	A number of days to complete the 2022/23 planned audits.	N/A	10 days	N/A
TOTAL				66 days	
GRAND TOTAL				351 days	
N/A	JIAC Resource Allocation	Days allocated for specific use by the JIAC. These days are not resourced within the plan, but will be made available, if required.	N/A	10 days	N/A

APPENDIX B: ANALYSIS OF RESOURCES FOR 2023/24

	OPCC	OPCC	External	
	Chief Internal Auditor	Principal Auditor	ICT Auditor	TOTAL
	Days	Days	Days	Days
GROSS RESOURCES	261	198	30	489
OVERHEADS				
Leave (Annual and Public)	43	29		72
Sick Leave	5	3		8
Training	4	5		9
TOTAL	52	37	0	89
NET RESOURCES	209	161	30	400
TEAM ADMINISTRATION				
Administration	3	2		5
Staff PDR	2	1		3
Team Meetings	4	4		8
TEAM ADMINISTRATION TOTAL	9	7	0	16
AVAILABLE TIME	200	154	30	384
CORPORATE WORK				
Audit Service and Plan Monitoring	10			10
Audit Plan Development	5	2		7
External Audit and External Bodies	1	1		2
Collaboration Governance Board	2			2
Joint Independent Audit Committee	7	5		12
CORPORATE WORK TOTAL	25	8		33
OPCC/TVP AUDIT WORK	175	146	30	351

APPENDIX C: PERFORMANCE INDICATORS 2023/24

Ref.	Performance Indicator	Measure	Target	Frequency of Reporting
1	Testing completed.	By July: By November: By February: By May:	10% 40% 70% 100%	Each JIAC meeting.
2	Final Report issued.	By July: By November: By February: By May:	0% 25% 45% 100%	Each JIAC meeting.
3	Joint Internal Audit Plan delivered.	Each audit review completed, excluding any agreed changes (i.e. removed audits).	100%	Annually to the JIAC. Included within the Annual Internal Audit Report.
4	Annual Internal Audit Quality Questionnaire outcome.	Responses who strongly or tended to agree with the statements.	95%	Annually to the JIAC. Included within the Annual Internal Audit Report.

APPENDIX D



**JOINT INTERNAL AUDIT TEAM
AUDIT CHARTER**

1. Statutory Requirement

- 1.1 The Police and Crime Commissioner (PCC) for Thames Valley and the Chief Constable (Thames Valley Police) are required to maintain an effective internal audit of their affairs by the Accounts and Audit (England) Regulations 2015, which states that a relevant body must “undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control”.
- 1.2 The PCC’s Chief Finance Officer (CFO) and Thames Valley Police’s (TVP) Director of Finance (DoF) have statutory responsibility under Section 151 of the Local Government Act 1972 for ensuring an effective system of internal financial control and proper financial administration of the PCC’s and TVP’s affairs.
- 1.3 The Financial Management Code of Practice for the Police Forces of England and Wales (2018) recommends a Joint Internal Audit Service to cover both the OPCC and TVP.

2. Roles and Responsibilities (including the Joint Internal Audit Team’s position within both organisations)

- 2.1 The PCC and the Chief Constable have adopted a Joint Corporate Governance Framework, which includes the Statement of Corporate Governance, Code of Corporate Governance, Scheme of Corporate Governance and Financial Regulations.
- 2.2 The framework includes the role of the PCC, PCC’s Chief of Staff, PCC’s CFO, Chief Constable and Force DoF. The framework states that the PCC, Chief Constable, CFO and DoF are responsible for the provision of an adequate and effective Internal Audit service and provides detail on how the Joint Internal Audit Service is delivered within Thames Valley.
- 2.3 The Joint Independent Audit Committee (JIAC) is a key component of the PCC’s and Chief Constable’s arrangements for corporate governance. The JIAC have a set of Operating Principles, which include their Statement of Purpose, Committee Composition and Structure, Methods of Working and Specific Responsibilities.
- 2.4 The Joint Internal Audit Service Governance Structure (TVP / OPCC) is documented at Annex 1. The Chief Internal Auditor (CIA) is line managed by the CFO and DoF, but has direct access to the PCC, Chief Constable, and JIAC Chair and members, as appropriate.

3. Definitions (The Board and Senior Management)

- 3.1 For the purposes of this charter, the following definitions shall apply:
 - The Board: the governance group charged with independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of financial reporting. For the OPCC and TVP, this is the JIAC.
 - Senior Management: those charged with responsibility for the leadership and direction of the OPCC and TVP. For the OPCC, this is the Senior Management Group (SMG) and for TVP, this is the Chief Constable’s Management Team (CCMT), with operational oversight of the audit service being provided by the Internal Audit Oversight Group (which is attended by the DoF, CFO and CIA).

4. Standards

- 4.1 The Joint Internal Audit Team is governed by the framework and guidance set out in the Public Sector Internal Audit Standards (PSIAS). The mandatory elements of the PSIAS are the Core

Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the Standards and the Definition of Internal Auditing. The PSIAS defines Internal Audit as an "independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes".

- 4.2 The PSIAS requires the Joint Internal Audit Team to implement and maintain an Audit Charter. The purpose of the Audit Charter is to formally define the service's purpose, authority and responsibility.

5. Purpose, Authority and Responsibility

- 5.1 The mission of the Joint Internal Audit Team is to "add value by providing risk-based and objective assurance and advice on the organisation's risk management, control and governance arrangements for the benefit of both organisation's internal and external customers".

- 5.2 The Joint Internal Audit Team's authority, including their right of access to records and authority to obtain information, is detailed in section 9 of this charter.

- 5.3 The responsibility of the Joint Internal Audit Team is to:

- Provide an internal audit service in accordance with the PSIAS.
- Develop and deliver a risk based Joint Internal Audit Plan.
- Provide an independent and objective annual assurance opinion on how the application of risk management, control and governance arrangements have supported the achievement of the organisation's objectives.

- 5.4 The responsibility of management at the OPCC and TVP is to:

- Ensure that risk management, internal control and governance arrangements are sufficient to manage the risks facing the delivery of the OPCC's and TVP's priorities and objectives.
- Respond to and act upon the Joint Internal Audit Team's reports and advice.
- Identify and implement appropriate management actions to mitigate the risks reported or to recognise and accept risks resulting from not taking action.

6. Independence, Objectivity and Due Professional Care

- 6.1 Internal Auditors must be sufficiently independent of the activities they audit to enable them to provide impartial, unbiased and effective professional judgements and advice. Internal Auditors must maintain an unbiased attitude and be free from interference in determining the scope of activity, performing the work and communicating results.

- 6.2 To achieve the level of independence and objectivity needed, the Joint Internal Audit Team:

- Retains no executive or operational responsibilities.
- Operates in a framework that allows unrestricted access to Senior Management, the Internal Audit Oversight Group and the JIAC.
- Reports functionally to the Internal Audit Oversight Group and JIAC.
- Reports in their own name on individual assignments and to the JIAC.
- Rotates responsibilities for audit assignments within the Joint Internal Audit Team, where possible.

- Completes annual Audit Professional Declaration Records, confirming compliance with rules on independence, conflicts of interest and acceptance of inducements and compliance with their Code of Ethics.
- Ensures the planning process recognises and addresses any potential conflicts of interest.
- Does not undertake an audit for at least two years in an area where they have had previous operational roles.

6.3 If independence or objectivity is affected, the details will be presented to the Internal Audit Oversight Group and the JIAC.

6.4 Internal Auditors have a duty to develop and maintain their professional skills, knowledge and judgement based on appropriate training, ability, integrity, objectivity and respect. Internal Auditors will perform their work with due professional care, competence and diligence.

6.5 Internal Auditors will treat any information they receive as confidential in accordance with the Government Security Classification (GSC) policy. There will be no unauthorised disclosure of information, unless there is a legal or professional requirement to do so. Information gained in the course of internal audit work will not be used for personal gain.

7. Internal Audit Strategy and Joint Internal Audit Plan

7.1 The Joint Internal Audit Team will develop and maintain an Internal Audit Strategy and Joint Internal Audit Plan for delivering the service, which will be designed to complement the PCC's Police and Criminal Justice Plan and TVP's Force Strategic Plan. The CFO and DoF will provide the CIA with the budget and resources necessary to fulfil the OPCC's and TVP's requirements and expectations. The CIA will ensure that the Joint Internal Audit Team has access to an appropriate range of knowledge, skills, qualifications and experience.

7.2 The Annual Internal Audit Strategy and Joint Internal Audit Plan will include:

- Internal Audit Strategy.
- Audit Planning Methodology.
- Resources.
- Performance Monitoring.
- Joint Internal Audit Plan.
- Performance Indicators.

7.3 The strategy and plan will be kept under review to ensure it remains responsive to the changing priorities and risks of the OPCC and TVP. Significant matters that jeopardise the delivery of the plan or require changes to the plan will be identified, addressed and reported to Senior Management, the Internal Audit Oversight Group and JIAC.

8. Scope of Internal Audit Activities

8.1 The Joint Internal Audit Team may review any aspect of the OPCC's or TVP's activities to enable the CIA to produce an Annual Report and Opinion Statement. To support this, the Joint Internal Audit Team undertake a range of risk-based activity to provide assurance on the organisation's governance, risk and control arrangements. The PSIAS includes the following definitions:

- Assurance: An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management and control processes for the organisation.

Examples may include financial, performance, compliance, system security and due diligence engagements.

- Consulting Services: Advisory and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organisation's governance, risk management and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation and training.

8.2 The different types of services provided by the team are listed in Annex 3.

8.3 The approach for each piece of work will depend on the level of assurance required, the significance of the objectives under review to the organisation's success, the risks inherent in the achievement of objectives and the level of confidence required that controls are well designed and operating as intended.

8.4 The Joint Internal Audit Team maintains an Audit Manual, which guides the daily operations of the service. The Audit Manual details the team's processes and procedures in the following areas:

<ul style="list-style-type: none"> • Relationships with Customers. • Audit Planning. • Risk Management. • Fraud and Irregularity. • Consultancy. • Audit Process (i.e. File Structure, Scoping Meeting, Brief, System Notes, Programme, Exit Meeting and File Review). • Follow up of Management Actions. 	<ul style="list-style-type: none"> • Performance Monitoring / Reporting. • Training. • File Retention. • Working with External Audit. • External Clients. • Internal Audit Team. • Data Protection. • Health and Safety.
--	--

9. Right of Access to Records and Authority to Obtain Information

9.1 In carrying out their duties, the Joint Internal Audit Team (subject to the appropriate vetting and security requirements for access and on production of identification) shall have unrestricted right of access to all records, assets, personnel and premises, belonging to the OPCC and TVP. Access extends to partner bodies and external contractors working on behalf of both organisations.

9.2 The Joint Internal Audit Team has authority to obtain such information and explanations as it considers necessary to fulfil its responsibilities. Such access shall be granted when requested and not always subject to prior notice.

10. Chief Internal Auditor's Annual Report and Opinion Statement

10.1 The CIA is responsible for producing an Annual Internal Audit Report, which includes the CIA's Annual Opinion Statement. The annual opinion will conclude on the overall adequacy and effectiveness of the organisations' framework of governance, risk management and control.

10.2 The CIA's Annual Report and Opinion Statement will include the following:

- Responsibilities.
- Joint Internal Audit Plan Coverage.

- Audit Methodology.
- Audit Team.
- Opinion on the Organisation's Framework of Governance, Risk Management and Control, including the CIA's Annual Opinion Statement.
- Internal Audit Performance.
- Resource Allocation and Utilisation.
- Summary of Audit Outcomes.
- Effectiveness of Internal Audit Questionnaire Results.

10.3 This report and opinion is used by Senior Management at the OPCC and TVP to inform their respective Annual Governance Statements.

11. Reporting

11.1 The Joint Internal Audit Service Governance Structure (TVP / OPCC) is at Annex 1 and the Board and Senior Management Reporting Framework is at Annex 2.

12. Quality Assurance

12.1 The team perform an annual self-assessment against the requirements of the PSIAS, which aims to identify any areas for improvement or of non-conformance. The outcome of the self-assessment is reported to the Internal Audit Oversight Group and JIAC, with a Quality Assurance Improvement Programme (QAIP) being collated of areas for improvement. Progress in implementing the actions is also presented to the Internal Audit Oversight Group and JIAC.

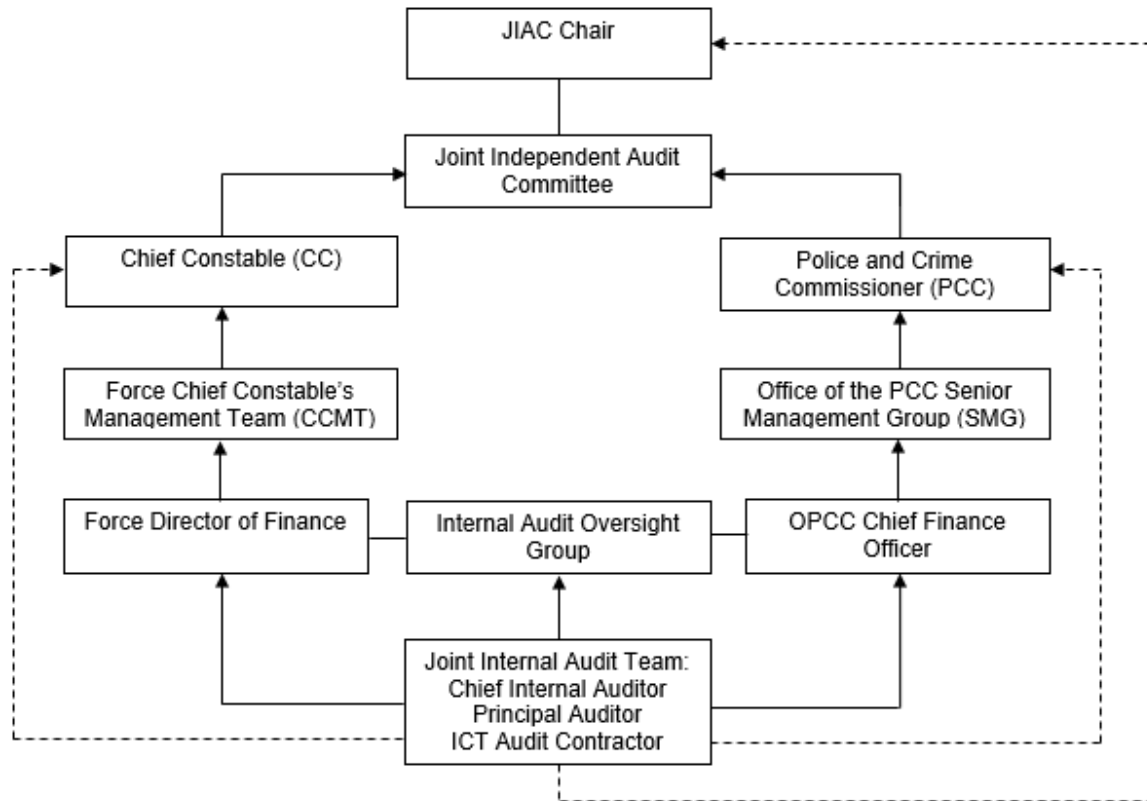
12.2 An external assessment of the Joint Internal Audit Team's compliance with the PSIAS will be completed at least once every five years.

Chief Internal Auditor

Date Produced: February 2023

Date for Review: February 2024

Joint Internal Audit Service Governance Structure (TVP / OPCC)



Board and Senior Management Reporting Framework

		"Board"		"Senior Management"					
		JIAC		Internal Audit Oversight Group		TVP Chief Constable's Management Team		OPCC Senior Management Group	
PSIAS Ref.	PSIAS Requirement	Note and Endorse	Receive Information / Reports	Approve	Receive Information / Reports	Approve	Contribute	Approve	Contribute
1000	Internal Audit Charter (which defines the purpose, authority, responsibility and Mission of Internal Audit as well as the function's position within the organisation and reporting).	✓		✓					
1000	Mandatory elements of the International Professional Practices Framework.		✓		✓				
1100	The Chief Internal Auditor has direct and unrestricted access to members of the JIAC and Internal Audit Oversight Group.	✓		✓					
1100	The organisational independence of the internal audit activity (annually).	✓		✓					
1112	Any additional roles / responsibilities, outside of internal auditing, which has the potential or perceived impairment to independence and objectivity and receive assurance relating to any safeguards put in place to limit impairments to independence and objectivity.	✓		✓					
1130	Any significant additional consulting services not already included in the audit plan, prior to accepting the engagement.	✓		✓					
1312	The form of any external assessments and the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest.	✓		✓					
1312	The outcome of any external assessment.		✓		✓				
1320	The Quality Assurance and Improvement Programme.		✓		✓				
1322	Any non-conformance with the Code of Ethics or the Standards and how this impacts the overall scope or operation of the internal audit activity.	✓		✓					
2010	Annual Internal Audit Strategy and Joint Internal Audit Plan (which takes into consideration the organisation's strategies, key business objectives, associated risks and risk management processes).	✓		✓			✓		✓
2010	Internal audit opinions and management action priority wordings.	✓		✓					
2030	Internal Audit budget and resource plan.	✓		✓					

		"Board"		"Senior Management"					
		JIAC		Internal Audit Oversight Group		TVP Chief Constable's Management Team		OPCC Senior Management Group	
PSIAS Ref.	PSIAS Requirement	Note and Endorse	Receive Information / Reports	Approve	Receive Information / Reports	Approve	Contribute	Approve	Contribute
2030	Resource requirements or impacts, including any significant interim changes.	✓		✓					
2060	Joint Internal Audit Plan Progress and Performance (including the internal audit activity's purpose, authority, responsibility and performance relative to its plan and on its conformance with the <i>Code of Ethics</i> and the <i>Standards</i> . Reporting must also include significant risk and control issues, including fraud risks, governance issues and other matters).		✓		✓		✓		✓
2330	The release of any engagement records to external parties, as appropriate.			✓		✓		✓	
2450	Annual Internal Audit Report, which includes Chief Internal Auditor's Annual Opinion Statement.	✓		✓					
2500	Follow up of overdue and outstanding audit report actions or where management have accepted the risk of not taking action.		✓		✓		✓		✓
2600	Any unacceptable risk exposure that has been accepted by management, based on the Chief Internal Auditor's opinion.		✓		✓	✓		✓	

Joint Internal Audit Team Services

- a) **Risk based audit:** Risks and controls associated with the achievement of defined business objectives are identified and both the design and operation of the controls in place to mitigate key risks are assessed and tested, to ascertain the residual risk to the achievement of management's objectives.
- b) **Developing systems, process or function audit:**
- the plans and designs of systems under development are assessed to identify the potential weaknesses in internal control and risk management.
 - programme / project management controls are assessed to ascertain whether the system is likely to be delivered efficiently, effectively and economically.
- c) **Consultancy / advisory services:** Advice can be provided, either through formal review and reporting or more informally through discussion or briefing, on the framework of internal control, risk management and governance. It is not appropriate for an Internal Auditor to become involved in establishing or implementing controls or to assume any operational responsibilities and any advisory work undertaken must not prejudice the scope, objectivity and quality of future audit work.
- d) **Compliance audit:** A review covering the operation of controls in place to fulfil statutory, good practice or policy compliance obligations.
- e) **Quality assurance review:** The approach of other reviewers / assurance providers are assessed in order to form an opinion on the reliance that can be placed on the findings and conclusions arising from their work.
- f) **Follow up review:** The Joint Internal Audit Team facilitate the organisation's monitoring of implementation of agreed management actions, reporting on progress quarterly to the JIAC. If required, individual follow up assignments will be commissioned to review areas that receive a "limited" or "minimal" assurance rating.
- g) **Fraud and irregularity investigations:** The Joint Internal Audit Team may provide specialist skills and knowledge to assist in fraud or irregularity investigations, or to ascertain the effectiveness of fraud prevention controls and detection processes. At TVP, the responsibility for undertaking fraud investigations sits with the Professional Standards Department.
- h) **Additional assurance:** The availability of objective assurance from other independent internal review functions or external review bodies will be considered to support the Chief Internal Auditor's Annual Report and Opinion Statement.



Joint Independent Audit Committee Handbook for Panel Members 2023





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Introduction

The Joint Independent Audit Committee (JIAC) provides independent assurance to the Police & Crime Commissioner (PCC) and the Chief Constable of Thames Valley Police (TVP) regarding the adequacy of the risk management framework and the associated control environment within TVP and the Office of the PCC (OPCC). It considers the internal and external audit reports of both the PCC and Chief Constable and advise both parties according to good governance principles. It has oversight of general governance matters and provides comment on any new or amended PCC policies and strategies with regard to financial risk and probity.

These operating principles summarises the core functions of the Committee in relation to the OPCC and the Force and describes the protocols in place to enable it to operate independently, robustly and effectively. The Committee reports directly to the PCC and the Chief Constable.

The Committee will usually consist of 3-5 members (total membership may exceed 5 on a temporary basis to facilitate smooth transition). These members should be independent of both the PCC and the Force.

The Chairman will be elected by the Committee on an annual basis.

The Committee will hold four formal meetings a year – in public - although there may be a requirement to hold additional meetings at short notice.

The PCC and Chief Constable will attend or be appropriately represented at formal meetings. Committee meetings will be held at key strategic times of the year to coincide with the budget process and publication of financial management reports and accounts:

1. **March** – to consider the Internal Auditor's Internal Audit Plan and the External Audit Plan;
2. **July** – to consider the End of Year Reports, the Annual Governance Statement, Annual Statement of Accounts and to receive the Audit Results report;
3. **September** – to consider mid-year progress reports; and
4. **December** – to receive the Annual External Audit Letter and agree the Annual Assurance Report of the Committee.



Committee Members

Dr Gordon Woods (Chair)

since March 2016

Gordon Woods is a senior civil servant at the Department of Levelling Up, Housing and Communities, with experience in major change programmes, strategy and policy.

Mike Day (Committee Member)

since March 2016

Mike Day is an internationally experienced Senior Leader, having held roles in the public and private sectors. He is currently CEO of Covesion Ltd which is a leader in the Production of Non Linear Optical devices. Mike also had a spell as an Independent consultant advising leaders on business growth, change and strategy. Mike uses his experience in governance, leadership, strategic development and change management, to support the activities of the JIAC.

Dr Stephen Page (Committee Member)

since October 2020

Stephen is a non-executive director with 17 years risk, growth, governance and strategy experience as a board member in large, complex organisations, both public and private. He has a particular focus on the boardroom issues of the digital age including data stewardship and cyber risk. Stephen has spent 15 years at board level in the intelligence, national security and defence community, including as a nonexecutive director of the National Crime Agency (NCA). His current board roles include BSI Group and the British Army. In his executive career Stephen was the global head of IT/digital strategy and transformation at Accenture and the commercial director of a \$1.4bn Accenture business.

Melissa Strange (Committee Member)

since October 2020

Melissa Strange is CFO (Chief Finance Officer) for an early stage company in the life sciences sector, having previously served as Vice President, Finance within a US and coUK listed biotech. Through her current and prior roles Melissa has overseen internal controls, risk management and governance practices as well as core financial management and strategy.



Recruitment Template

[This will be advertised on the OPCC and TVP websites along with Social Media such as Linked In/Twitter and Facebook]

Vacancy for lay member of the Joint Independent Audit Committee for Thames Valley

The Police and Crime Commissioner (PCC) for Thames Valley and the Chief Constable of Thames Valley Police (TVP) are looking for a citizen with a good understanding and experience of public sector legislation and guidance who is also politically neutral, to sit as independent member of the Joint Independent Audit Committee (JIAC).

Do you want to help scrutinise the way your policing finances operate? Could you offer a strong and independent voice on corporate governance? The Committee will review and scrutinise the affairs of both organisations, looking at issues such as: risk management, internal control, change programmes and corporate governance as well as overseeing audit arrangements and reviewing financial statements.

Four members have already been appointed and we are now looking to appoint a further one. The appointment will be for a four-year period to [] 2027.

Candidates are required to be over the age of 18, and live or work in the Thames Valley area and be able to attend meetings at TVP Headquarters, Kidlington during the working day. The volunteers will be subject to a police vetting check. Serving police officers or police staff are not eligible for this role.

The successful applicant will receive training and a daily allowance including expenses for travelling to TVP Headquarters. The current schedule is based on four to five meetings each year.

The closing date for applications is 5.00pm on [] 2023.

Interviews will be held on [] 2023.

To view the candidate pack, diversity form and to complete an application form, please follow the below links:



Application form

Please complete application form in **black ink** and **BLOCK CAPITALS**

Title

Surname

Forenames

Any other name(s) by which you have been known

(forenames or surnames)

Place of birth (Town, County & Country)

Telephone Numbers:

Home: Mobile: Email:

Address:

Postcode:

How long have you lived at this address?

Have you ever been convicted of an offence or been reported and subsequently given an official written caution, warning or reprimand for any offence? (please tick ✓)

Yes

No

If yes, please give details:

Information provided under this heading will not necessarily disqualify an individual from becoming a member of the Joint Independent Audit Committee. Any information given will remain strictly confidential.

Furthermore, in order to maintain confidence in the process, the PCC will not normally appoint someone with unspent criminal convictions (with the exception of fixed penalties). Each case will be considered on its own merits, however successful applicants will be subject to criminal record and security checks prior to appointment.

Please provide details of two people, not related to you, who have agreed to be contacted by us to provide a reference on your suitability for appointment.

Name:

Address:

Postcode:

Occupation:

Telephone Number:

Email address:

Length of time known candidate:

Personal/Professional (delete as appropriate)

Name:

Address:

Postcode:

Occupation:

Telephone Number:

Email address:

Length of time known candidate:

Personal /Professional

Are you now, or have you been in the last five years, an officer/employee/volunteer of TVP / OPCC or a related organisation (e.g. Police Officer, member of Police Staff, member of an OPCC Independent Custody Visitor Scheme, Misconduct Panel Member, Special Constable, Police Community Support Officer, Detention Officer), or a Justice of the Peace? (please tick ✓)

No

Yes

If yes, please provide details

.....
.....

Is a close family member or friend a current officer/employee/volunteer of TVP / OPCC or a related organisation (e.g. Police Officer, member of Police Staff, member of an OPCC Independent Custody Visitor Scheme, Misconduct Panel Member, Special Constable, Police Community Support Officer, Detention Officer), or a Justice of the Peace? (please tick ✓)

No

Yes

If yes, please provide details

.....

How did you hear about the Joint Independent Audit Committee?

To enable us to monitor the effectiveness of our recruitment schemes, please state whether it was through a publication, website or voluntary agency, or other. Please be specific about the precise source.

Recent paid employment (continue on a separate sheet if necessary) Please note that we will accept a link to your LinkedIn profile or a copy of your CV, which must contain information over the past 10 years.

Please provide details of any relevant voluntary work you have done and relevant experience you may have of working with the local community.

Name of body, interest group or community and address (if applicable)	Dates of your involvement (from / to)	Nature of your involvement including any positions of responsibility

Relevant Skills and Experiences.

Please provide examples to demonstrate the extent to which you possess the following personal skills and qualities:

- (a) Experience in risk management and ability to scrutinise both internal and external governance processes and to provide robust challenge.

(b) Ability to evaluate and analyse internal governance processes and controls including review of the Annual Governance Statement together with internal audit processes and to provide recommendations.

(c) Ability to critically analyse business continuity management, ensuring that objectives are being met efficiently and that appropriate recommendations are made.

(d) Experience in receiving and reviewing reports from the external auditors, together with review and critical analysis of any such reports, and making comments or recommendation as to the effectiveness of those reports.

(e) Ability as part of the committee to satisfy itself on behalf of the PCC and the Chief Constable that adequate and effective policies and practice frameworks are in place to discharge legal duties, in particular in relation to health and safety, equality and diversity and integrity and ethics issues.

(f) Ability to:-

- consider any HMICFRS report that provide assurance on the internal control environment and/or highlight governance issues for the PCC and/or Chief Constable.
- report advice and recommendations in relation to any matters that it considers relevant to governance, risk management and financial management.

Please note that the OPCC is part of the National Fraud Initiative. Please see link to the National Fraud Initiative below.

<https://www.thamesvalley-pcc.gov.uk/about-us/national-fraud-initiative/>

Declaration		
<p>Declaration</p> <p>I agree to the OPCC making the relevant enquiries in connection with my application. I have read the information supplied to me concerning the duties and responsibilities of the Panel and would be prepared, if my application is accepted, to attend training sessions as necessary and complete the appropriate undertaking in respect of confidentiality.</p> <p>I declare that the information I have given in support of my application is, to the best of my knowledge and belief, true and complete. I understand that if it is subsequently discovered that any statement is false or misleading, or that I have withheld relevant information, my application may be disqualified or, if I have already been appointed, my appointment could be terminated.</p>		
Signed	Print name	Date

The UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018 - Please note that the information supplied on this form may be stored by the OPCC and the enquiries made in processing your application may include reference to personal data held on Police computers or manual files. The information provided in this application will be treated in the strictest of confidence.

Please see privacy policy if you would like more information on how your data may be used and processed. <https://www.thamesvalley-pcc.gov.uk/privacy/>

Please return this completed application form to be received by [XXXX] 1700hrs) – via post or e-mail to:

Vicki Waskett, Office of the Police and Crime Commissioner, Police Headquarters, Oxford Road, Kidlington, OX5 2NX email: pcc@thamesvalley.police.uk

If you have any queries, please contact Charlotte Roberts or Vicki Waskett using the above email address or by telephoning 01865 541957. Please refer to the website or click the link below for current operating times. [OPCC opening hours for telephone line.](#)

DRAFT



SHORTLISTING RECORDING SHEET

Post : Joint Independent Audit Committee

Candidate Name:

Competency	5	4	3	2	1	Total
(a)						
(b)						
(c)						
(d)						
(e)						
(f)						
Final score						

Committee Member's Recommendation:

RECOMMENDED FOR APPOINTMENT: Yes/No

Signature..... **Dated**.....



Appointment Letter

Dear []

Your appointment to join the Joint Independent Audit Committee

I write to confirm your appointment to become a member of the Joint Independent Audit Committee (JIAC).

This appointment is for a period of 4 years, commencing on [XXXXX] and will run through to [XXXXXXX]. In the unlikely event that your conduct falls below the standards expected of you, Thames Valley Police (TVP) and the Police and Crime Commissioner (PCC) reserve the right to remove you from the Committee prior to this date.

I attach to this email the following documentation.

1. Terms of reference (Operation principles), which I would be grateful if you could please read carefully and sign your acceptance.
2. A GDPR form which I would be grateful if you could sign and return to me using my direct email address of vicki.waskett@thamesvalley.police.uk.
3. Details of how to claim expenses.

You will be bound by the Official Secrets Act as follows

You understand that you are bound, under the laws of England and Wales, by the Official Secrets Act 1911 (OSA 1911) and the Official Secrets Act 1989 (OSA 1989). You understand that if you disclose any information as protected by these Acts, you will be committing a criminal offence, unless you have lawful authority to do so.

Next meeting

The dates of the next panel meetings are:

XXXXXX

Contact points

JIAC Chair - Dr Gordon Woods – Gordon.woods@levellingup.gov.uk.

Charlotte Roberts is your point of contact for the OPCC; who organises the meetings, prepares the agendas takes the minutes and deals with JIAC expenses.

Charlotte's email address is Charlie.roberts@thamesvalley.police.uk.

In relation to general queries, you can contact Martin Thornley, Chief Finance Officer and Deputy Chief of Staff at the OPCC by emailing Martin.thornley@thamesvalley.police.uk.

It is of vital importance that throughout your appointment you maintain the highest degree of integrity at all times. If you become aware of anything which may present a conflict of interest, I would request that you let me know at your earliest convenience.

Please could you sign your acceptance below and return a duplicate copy of this letter.

All that remains is for me to welcome you onto the Committee on behalf of the Chief Constable and the PCC. I trust that you will find this a challenging yet rewarding role.

Yours sincerely

Vicki Waskett

Vicki Waskett
Head of Governance & Compliance
Office of the Police & Crime Commissioner for Thames Valley
Oxford Road
Kidlington
Oxon OX5 2NZ

I accept and agree to be bound by the terms of this letter and the associated Handbook. I understand that I am NOT an employee but an office holder and that my standard of conduct must not bring the committee into disrepute.

Dated this day of 20

Signature.....



Terms of Reference

Purpose of the Panel

The purpose of the Committee is to provide independent assurance to the PCC and the Chief Constable regarding the adequacy of the risk management framework and the associated control environment within Thames Valley Police and the Office of the PCC. It will consider the internal and external audit reports of both the PCC and Chief Constable and advise both parties according to good governance principles. It has oversight of general governance matters and provides comment on any new or amended PCC policies and strategies with regard to financial risk and probity.

The Agenda, Reports and Minutes of all Committee meetings will be published on the OPCC and Force websites. However, members of the press and public shall be excluded from a meeting whenever it is likely that confidential information will be disclosed. Confidential information is defined as:

- a) Information furnished to the Committee by a Government department upon terms (however expressed) which forbid the disclosure of the information to the public.
- b) Information the disclosure of which to the public is prohibited by or under any enactment or by the order of a Court.

Methods of Working

The Committee will:

- Advise the PCC and Chief Constable on good governance principles.
- Adopt appropriate risk management arrangements.
- Provide robust and constructive challenge.
- Take account of relevant corporate social responsibility factors when challenging and advising the PCC and Chief Constable (such as value for money, diversity, equality and health and safety).
- Be regularly briefed by the Chief Constable and PCC on the full range of activities falling within its specific responsibilities and attend other relevant internal meetings.
- Have direct access to the oversight of professional standards and ethical matters by regularly attending the Professional & Ethical Standards Panel as an observer.
- Attend any training and conference events that will ensure the Committee are kept up to date with the policing landscape and audit requirements.
- Provide an Annual Assurance report to the PCC and Chief Constable.

Panel Member Responsibilities

The Committee has the following specific responsibilities:

Financial Management and Reporting

- Provide assurance to the PCC and Chief Constable regarding the adequacy of the arrangements, capacity and capability available to their respective chief finance officers to ensure the proper administration of the Commissioner's and Force's financial affairs.
- 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 PCC and/or the Chief Constable.
- Consider the external auditor's report to those charged with governance on issues arising from the audit of the financial statements, and to give advice and make such recommendations on the adequacy of the level of assurance and on improvement as it considers appropriate.

Internal Control and Governance Environment

- Consider and endorse the local Code of Corporate Governance.
- Consider and endorse the Annual Governance Statement (AGS).
- Monitor implementation and delivery of the AGS Action Plan.
- Consider the arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- Consider and comment upon the adequacy and effectiveness of the assurance framework, and the specific governance and accountability policies, systems and controls in place, such as the Corporate Governance Framework; anti-fraud and corruption; whistle-blowing, declarations of interest and gifts and hospitality.
- 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.
- To consider the governance and assurance arrangements for significant partnerships or collaborations.

Corporate Risk Management

- Consider and comment upon the strategic risk management processes.
- Receive and consider assurances that organisational risks are being managed effectively and that published goals and objectives will be achieved efficiently and economically, making recommendations as necessary.

Business Continuity Management

- Consider and comment upon business continuity management processes.
- Receive and consider assurances that business continuity is being managed effectively and that published goals and objectives will be achieved efficiently and economically, making recommendations as necessary.

Internal Audit

- Annually review the internal audit charter and resource.
- Receive and consider the adequacy and effectiveness of the arrangements for the provision of the internal audit service.
- Consider and comment on the Internal Audit Strategy and Plan.
- Receive and review internal audit reports and monitor progress of implementing agreed actions.
- To consider the Head of Internal Audit's statement on 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.
- Consider and comment upon the annual report of the Head of Internal Audit.
- Obtain assurance that an annual review of the effectiveness of the internal audit function takes place.

External Audit

- Receive and review reports from the external auditors, including the annual audit letter and audit opinion.
- Review the effectiveness of external audit.
- Consider and comment upon any proposals affecting the provision of the external audit service.
- Consider the level of fees charged.
- At present TVP participates in the national procurement of external audit services through the Public Sector Audit Appointments (PSAA). However, should the PCC and Chief Constable decide that local procurement would be better the Committee would undertake the role of the Independent Audit Panel, as set out in the Local Audit and Accountability Act 2014, including considering and recommending appropriate arrangements for any future appointment of External Auditors.

Health & Safety

- Satisfy itself on behalf of the PCC and the Chief Constable that an adequate and effective policy and practice framework is in place to discharge legal duties in relation to health and safety. In particular, having regard to the safety, health and welfare of police officers and police staff, people in the care and custody of TVP and all members of the public on police premises or property.

Equality and Diversity

- Satisfy itself on behalf of the PCC and Chief Constable that an adequate policy and practice framework is in place to discharge statutory requirements in relation to equalities and diversity.

Inspection and Review

- To consider any HMICFRS report that provides assurance on the internal control environment and/or highlights governance issues for the PCC and/or Chief Constable.

Accountability Arrangements

- On a timely basis report to the PCC and the Chief Constable with its advice and recommendations in relation to any matters that it considers relevant to governance, risk management and financial management.

- Report to the PCC and the Chief Constable 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.
- On an annual basis, review its performance against its operating principles and report the results of this review to the PCC and the Chief Constable.

Term of Appointment and Remuneration

Appointments are normally made for a four year period from a date to be agreed jointly with the Chief Constable and the PCC. Re-appointments may be made for a second term. Members will serve for a maximum of eight years i.e. two terms. Members are office holders and not employees.

The PCC will pay a daily allowance rate of £211.50 for Committee members and £300.00 for the Committee Chair, with the half-day rate of £104.50 for Committee Members and £150.00 for the Committee Chair, to be paid for shorter meetings and an hourly rate (which is an eighth of the daily rate) to be paid for anything shorter than a half day. In addition, travelling and subsistence expenses are reimbursable.

I _____ agree and accept the terms of this appointment as outlined herein as part of the Handbook by which I agree to be bound.

Dated this _____ day of _____ 20_____

Signature.....



Role of the Joint Independent Audit Committee Chair

The Committee on an annual basis elects the Chair by majority vote.

The role of the Chair is to:

- Chair meetings.
- Organise the agenda in liaison with TVP/OPCC.
- Agree with Committee members the briefing for speakers at meetings.
- Share the briefings with TVP/OPCC.
- Critique the first draft of the minutes of meetings and pass to Charlotte Roberts for further critique.
- Chair pre-meetings for Committee members.
- Organise and manage allocation of Committee members to external meetings.
- Liaise with OPCC and TVP on all governance matters.
- Chair recruitment panel when required.



Diversity Form

Surname:	Forenames:	Date of Birth:
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The information provided on this part of the application form will not be seen by the short-listing and interview panels and is optional. We will notify the interview panel should any adjustments need to be made at interview.

The data will only be used to monitor Diversity and Race Equality Scheme requirements.

<p>I consider my ETHNIC ORIGIN to be: (Please 'X' the relevant box)</p> <p>WHITE</p> <p>British <input type="checkbox"/></p> <p>Irish <input type="checkbox"/></p> <p>Any other white background <input type="checkbox"/></p> <p>MIXED</p> <p>White and Black Caribbean <input type="checkbox"/></p> <p>White and Black African <input type="checkbox"/></p> <p>White Asian <input type="checkbox"/></p> <p>Any other mixed <input type="checkbox"/></p> <p>ASIAN OR ASIAN BRITISH</p> <p>Indian <input type="checkbox"/></p> <p>Pakistani <input type="checkbox"/></p> <p>Bangladeshi <input type="checkbox"/></p> <p>Any other Asian background <input type="checkbox"/></p> <p>BLACK OR BRITISH BLACK</p> <p>Caribbean <input type="checkbox"/></p> <p>African <input type="checkbox"/></p> <p>Any other black background <input type="checkbox"/></p> <p>Jewish <input type="checkbox"/></p> <p>Chinese <input type="checkbox"/></p> <p>Sikh <input type="checkbox"/></p>	<p>AGE</p> <p>18-24 <input type="checkbox"/></p> <p>25-35 <input type="checkbox"/></p> <p>36-60 <input type="checkbox"/></p> <p>60 or over <input type="checkbox"/></p> <p>GENDER</p> <p>Male <input type="checkbox"/></p> <p>Female <input type="checkbox"/></p> <p>SEXUAL ORIENTATION</p> <p>Bisexual <input type="checkbox"/></p> <p>Heterosexual <input type="checkbox"/></p> <p>Gay/Lesbian <input type="checkbox"/></p> <p>Prefer not to say <input type="checkbox"/></p> <p>RELIGIOUS BELIEF/FAITH</p> <p>Buddhist <input type="checkbox"/></p> <p>Christian <input type="checkbox"/></p> <p>Hindu <input type="checkbox"/></p> <p>Muslim <input type="checkbox"/></p> <p>Prefer not to say <input type="checkbox"/></p> <p>DISABILITY (Please 'X' the appropriate answer)</p> <p>Do you have a disability: Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Do you believe this disability impacts on your daily life within the terms of The Equality Act 2010?</p>
--	--

OTHER ETHNIC GROUP

Other

.....

Prefer not to say

Yes No

Please indicate if you will need any special help or assistance if you are invited to interview:

.....
.....
.....
.....
.....

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UK General Data Protection Regulation (UK GDPR) Update

Role of the Committee

The Joint Independent Audit Committee helps to ensure that Thames Valley Police and OPCC achieves the highest levels of auditing in delivering a service.

The Committee provides an independent forum that monitors, audits and encourages constructive challenges over the way the Force and the OPCC conduct their work.

Scope of GDPR

The GDPR applies to the processing of personal data that is:

- wholly or partly by automated means; or
- the processing other than by automated means of personal data which forms part of, or is intended to form part of, a filing system.

Personal data only includes information relating to natural persons who:

- can be identified or who are identifiable, directly from the information in question; or
- who can be indirectly identified from that information in combination with other information.

Personal data may also include special categories of personal data or criminal conviction and offences data. These are considered to be more sensitive and you may only process them in more limited circumstances.

Personal data which JIAC would process

This relates to data held in your capacity as members of the JIAC Committee. Any other personal data you may hold in any other capacity (e.g. as a member of IAG) should be held only in compliance with the principles of the GDPR and current data protection legislation, and used only in your JIAC capacity.

JIAC members have access to and possible use of the following personal data:-

1. Names, email addresses and telephone numbers of other Committee members.
2. Details of Police Officers and staff.
3. Personal data included in reports to force's meetings attended and in the confidential part of committee meetings – this data is shared for the purpose of TVP oversight.

If any Committee member holds personal data not included in the above list then please confirm what data is held and the reason for holding the data using the contact details listed below under the 'Security' section.

Lawful basis for processing the information

Under the GDPR, whoever processes personal data must have a lawful reason for doing so. There are six lawful reasons for processing personal data being:-

- necessary for the performance of a contract.
- statutory obligation.
- consent.
- performance of a public task.
- legitimate interest.
- vital interests.

For the purposes of JIAC, the reason for processing personal data would not require consent as it falls within the remit of 'performance of a public task'. This basis *must* be, and is, underpinned in law.

The statutory provision in relation to the PCC

The PCC has a duty to hold the Chief Constable to account as per the Police Reform and Social Responsibility Act 2011, including ensuring that the Chief Constable has adequate and effective systems and procedures in place.

Statutory provision in relation to Thames Valley Police

As per the Police Reform Act 2002, JIAC's role is to create a check and balance that the statutory provisions are being adhered to.

Therefore there is no need for any Committee members to concern themselves with getting consent from any other Committee members in relation to processing their personal data.

However, the following principles need to be borne in mind by JIAC when processing personal data.

Personal data must be processed lawfully, fairly and in a transparent manner in relation to the data subject

- In general, fairness means that you should only handle personal data in ways that people would reasonably expect and not use it in ways that have unjustified adverse effects on them. Therefore any data which is processed during the JIAC meetings is processed purely for the purpose to which it has been obtained.
- Transparent processing is about being clear, open and honest with people from the start about who you are, and how and why you use their personal data.
- The OPCC has updated its privacy notice on the website to ensure that reference is made to JIAC members so that individuals are informed at the outset that any personal data they provide to the OPCC may be processed by JIAC.
- The GDPR means that processing of data must be **transparent** as well as fair and lawful.

The data must be collected for a legitimate purpose

- It must be clear from the outset why you are collecting personal data and what you intend to do with it.
- Comply with your documentation obligations to specify your purposes (obligations fall to OPCC and TVP).
- Comply with your transparency obligations to inform individuals about your purposes (e.g. Privacy Notice of OPCC/TVP).

Held for no longer than is necessary

- You should identify the minimum amount of personal data you need to fulfil your purpose. You should hold that much information, but no more. You need to think about – and be able to justify how long you keep personal data. This will depend on the Committee’s purposes for holding the data.
- Once a meeting has been finalised, all information provided to and held by Committee members which may contain personal data should be deleted as soon as it is no longer needed.
- Taking home any such material would constitute a breach of the GDPR and Operating Principles.

Information must be accurate and kept up to date

- You should take all reasonable steps to ensure that the personal data you hold is not incorrect or misleading (this is also the responsibility of the OPCC and TVP).
- However, if you discover that personal data is incorrect or misleading, you must take reasonable steps to correct or erase it as soon as possible.

Security

- Any notes taken during the meetings should not contain personal data unless it is necessary to do so or it is disproportionate to remove it.
- Minutes of JIAC meetings are public documents and should not contain or disclose personal data.
- Any laptop holding personal data *must* contain password protection and/or the personal data must be encrypted.
- In the event that any written or electronic devices containing personal data are lost or stolen this must be reported to informationgovernanceteam@thamesvalley.police.uk and copied to vicky.waskett@thamesvalley.police.uk and sierra.reid@thamesvalley.police.uk as soon as possible and no later than 72 hours following the incident.

The following action will be taken:-

- The breach will be logged.
- Appropriate enquiries will be made.
- Decision made as to whether to report the breach to the ICO.
- Any appropriate remedial action.

Further responsibilities:-

- JIAC must only act on the instructions of TVP and/or OPCC.
- JIAC must not engage ‘sub processors’ (substitute any other Committee member).
- Each panel member is **accountable** for how they process data.
- Committee members must report to TVP or the OPCC immediately if they are asked to do something which infringes the GDPR or other data protection law.

Dated this [] day of [] 2023.

I can confirm that I have read and will comply with the above.

.....

Signature

.....

Print name



Procedure for Committee Members' Self-Reporting of Potential Conflicts of Interest

Summary

This report sets out procedure for the self-reporting by Committee members of any changes in their personal circumstances that *may* present a potential conflict of interest with their role as a member of the Joint Independent Audit Committee..

Recommendation:

1. For the Committee to adopt the 'Procedure for Reporting Potential Conflicts of Interest' as set out in this report and attached reporting Template.

Chairman of the Joint Independent Audit Committee

I hereby endorse the recommendation above.

Introduction and background

1. Matters for consideration

- 1.1 This reporting procedure is based on the information that Committee members are required to disclose on their application forms when appointed to the Committee.
- 1.2 Committee members were required to declare, as necessary, the following information and provide supporting details:
- a) *“Have you ever been convicted of an offence or been reported and subsequently given an official written caution, warning or reprimand for any offence?”*
 - b) *“Are you, or have you been in the last five years, an officer / employee / volunteer of the Thames Valley Police / OPCC or a related organisation (e.g. Police Officer, member of Police Staff, member of an OPCC, Independent Custody Visitor, Misconduct Panel Member, Special Constable, Police Community Support Officer, Detention Officer), or a Justice of the Peace?”*
 - c) *“Are you related to an officer / employee / volunteer of the Thames Valley Police / OPCC?”*
 - d) *“Please provide details of professional or voluntary work you have done and experience you may have of working within the local community that would in your opinion be relevant to this role”*
- 2.3 It is considered sensible & reasonable that the above information and supporting details, as disclosed by Committee members, should be maintained and updated by Committee Members as and when necessary, and any changes made to the answers to questions (a), (b), (c) and (d), above, be notified to the OPCC (via the Head of Governance and Compliance) on a timely basis. The Head of Governance and Compliance will then arrange for:
- any notifications to be referred to the PCC and Chief Constable;
 - the Member’s changes in circumstances to be considered by the PCC and Chief Constable as soon as practicable; and
 - a response to be provided to the Committee member as to whether or not the PCC and Chief Constable consider the possible conflict to be a real conflict sufficient to prevent the Committee member from undertaking their role effectively.
- 2.4 It is anticipated that this self-reporting procedure will satisfactorily identify and address most, if not all, of the types of potential conflicts & concerns that Committee members may face, and facilitate their timely consideration by the PCC & Chief Constable (or their representatives), without incurring disproportionate bureaucracy for either party.
- 2.5 A Self-Reporting ‘Template’ is attached for the future use of members.

Gillian Ormston

Chief of Staff

Office of the Police and Crime Commissioner



Committee Members' Self-Reporting of Potential Conflicts of Interest Form

Member's Personal Details:

Surname:	
Forename:	
Title:	
Contact Details:	
Email:	
Permanent Address:	

Changes in Personal Circumstances to be Reported:

Please complete in the four boxes below, as necessary, any changes in your personal circumstances or to the supporting details as previously provided to the Office of the Police and Crime Commissioner (OPCC).

Have you ever been convicted of an offence or been reported and subsequently given an official written caution, warning or reprimand for any offence?

Change in circumstances:

Are you, or have you been in the last five years, an officer / employee / volunteer of the TVP / OPCC or a related organisation (e.g. Police Officer, member of Police Staff, member of staff of an OPCC, Independent Custody Visitor, Misconduct Panel Member, Special Constable, Police Community Support Officer, Detention Officer, member of a TVP Independent Advisory Group) or a Justice of the Peace?

Change in circumstances:

Are you related to an officer / employee / volunteer of the TVP / OPCC?

Change in circumstances:

Please provide details of professional or voluntary work you have done and experience you may have of working within the local community that would in your opinion be relevant to this role.

Change in circumstances:

Declaration:

I declare that the information I have provided is, to the best of my knowledge, true and complete. I understand that if it is subsequently discovered that any statement is false or misleading, or that I have withheld relevant information, my appointment as a Committee member of the Joint Independent Audit Committee could be terminated.

Signed:

Date:

Once completed, please return this Form to:

Head of Governance and Compliance
Office of the Police and Crime Commissioner
The Farmhouse, Thames Valley Police HQ South, Oxford Road,
Kidlington, Oxfordshire OX5 2NX
or

Email: vicky.waskett@thamesvalley.police.uk or charlie.roberts@thamesvalley.police.uk.

Any queries, please telephone **01865 845720** or **01865 541948**.

UK General Data Protection Regulation and Data Protection Act 2018

Please note that the information supplied on this form may be held and the enquiries made in processing your disclosure may include reference to personal data held on police computers or manual files. The information provided in this disclosure will be treated in the strictest confidence.



Disclosable Interests: Policing Background

Ex-Officers/police staff are not excluded from applying, however each application will be considered on a case by case basis depending on the number of existing ex-officers/staff already on the Committee. The Committee must be representative of a cross-section of society and as such, must be diverse in order to maintain objectivity and promote innovation and public confidence.

Please note any applicants with existing links to the Force/OPCC (i.e. family members or friends currently employed) must declare this as a potential conflict of interest. This is by no means a bar to appointment, however, it would be considered on a case-by-case basis to ensure fairness and proportionality.

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Expenses

Fees, allowances and expenses

Fees payable will be paid at the rates set out below.

Any fee note or invoice submitted must include (or append) a sufficient breakdown of all time and expenses claimed.

Your claim form must be submitted to Charlotte Roberts at the Office of the Police and Crime Commissioner (OPCC) for Thames Valley via email Charlie.roberts@thamesvalley.police.uk for checking and authorising before submitting to TVP Variations.

Any questions regarding appointment terms or fees should be directed to the Chief of Finance and Deputy Chief of Staff, Martin Thornley at the OPCC for Thames Valley in the first instance.

JIAC Meetings

Fees may be claimed at the following rates:

- Fixed daily sitting rate (for Chair): **£300.00**
- Fixed half day rate (for Chair): **£150.00**
- Fixed daily sitting rate for other Committee Members: **£211.50**
- Fixed half day rate for other Committee Members: **£104.50**

Please note that a claim form for JIAC must be accompanied with a petrol/electric car receipt if claiming petrol/electric cars otherwise, the claim form will not be submitted for payment.

Preparation and additional meetings

A fee may be claimed at the rate of one eighth of the daily rate for each hour necessarily spent in preparatory work or report writing. In relation to each JIAC meeting, Committee members may claim up to one whole day for preparation.

Travelling expenses

Committee members may be paid reasonable travelling expenses between residence and the location of the meeting. If claiming reimbursement of rail fares you must either provide a photocopy of receipt or enter on the claim the rail ticket number and date and place of issue. Travel by car may be claimed at 45p per mile or the HMRC rate if it is higher.

Incidental travelling expenses e.g. bus/tube fares, may also be claimed. Taxi fares may be reimbursed only for journeys for which there is no other suitable method of public transport, or where heavy luggage has to be transported to or from the place of departure or arrival. A photocopy of the receipt for travel by taxi must be provided and full reasons must be given in writing and included on the invoice. Travelling allowances are designed to meet expenses incurred and are in no sense a form of remuneration. Please note that no liability can be accepted in the event of any accident, damage, injury or death.

There is no provision for payment of travelling time to any Committee Members.

VAT

VAT may be claimed by those Committee members registered for the purposes of VAT. In these cases the VAT registration number should be shown.

Other

Other than provided for above, no other fees or expenses may be claimed unless agreed in advance by the OPCC.

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Security

Force security general reminders

Security of Thames Valley Police premises, assets and staff is everyone's responsibility. Committee members are reminded of the following security advice:

- When entering and exiting the premises either on foot or in a car, please ensure you are aware of who is around you and conduct your own counter surveillance.
- No tailgating. This includes on foot and at all vehicle barriers/gates.
- Challenge those not wearing ID. All visitors or those wearing a red lanyard must be accompanied at all times when within secured areas of a site.
- Report breaches. Whether this is on an electronic device (incorrectly directed emails or messages) or if you identify a concern at a Force location, report it and take necessary action at the time.



Conducts and Standards

At all times, all Committee members must maintain the highest standards of conduct and integrity.

You must not:

- bring the Police and Crime Commissioner (PCC) or Thames Valley Police (TVP) into disrepute.
- use your position improperly to advantage yourself, your family or friends.
- disclose confidential information.

As part of this you will be asked to sign an agreement setting out your responsibilities under the UK General Data Protection Regulation (UK GDPR).

Please note that applicants must be over the age of 18 and in order to guarantee the independence of the process, personnel under the direction and control of any Police Force or PCC are not eligible to sit as a Panel member. If your circumstances change whereby you come under the direction and control of a Police Force or PCC, you must notify the OPCC immediately.

Furthermore, in order to maintain confidence in the process, the PCC will not normally appoint someone with unspent criminal convictions (with the exception of fixed penalties). Each case will be considered on its own merits, however any changes to your criminal record must be communicated to the OPCC immediately. You must therefore notify the OPCC immediately if you are reported, or arrested for, or charged with a criminal offence.



Guidance for Presenting Papers to the Joint Independent Audit Committee

For the JIAC meeting there needs to be a speaker for each agenda item and this is arranged through Charlotte Roberts to identify attendees suitable to present at the meetings.

- The Committee members will read your paper in advance. The paper should stand alone without additional talk over – it should be clear what it is about, and what the narrative is. If you are requesting a decision from the Committee, make clear what that decision is.
- If you are responding to a commission from the Committee, do not hesitate to ask the Chair for more information or background about the commission.
- Make sure your paper is written in plain English, and that any acronyms are spelled out to help those of us who are not immersed in the technical language of policing. The paper must also be written in a way that complies with the [Public Sector Bodies \(Websites and Mobile Applications\) \(No. 2\) Accessibility Regulations 2018](#).
- The JIAC's operating principles (see pages 15-18 of the Handbook) sets out what the Committee are responsible for considering. You may find it helpful to refer to them to frame your paper. Not all of the Committee's responsibilities will apply to every paper. The Committee consider a broad range of strategic and, sometimes, operational risks – focusing on protecting the organisation and the public from potential failures of governance – while not to duplicate the work of others (such as the Professional and Ethical Standards Panel or the Police & Crime Panel etc.) or stepping into the shoes of the Police and Crime Commissioner or the Chief Constable.
- So, in very broad terms, when the Committee reads your paper their key interests are:
 - **Governance:** how are decisions made for this topic, within TVP/OPCC? by whom and with what scrutiny? with what data? Are decisions made in one area connected to relevant decisions in other areas?
 - **Risk:** to what extent does this topic expose TVP/PCC to strategic, operational or reputational risk? How are those mitigated? To what extent have “bad” outcomes been anticipated, rehearsed, and addressed? Does this area involve novel, sensitive, potentially controversial or untested ideas which warrant deeper discussion?
 - **Controls/Assurance:** if action “x” is being taken, how does TVP/PCC gain independent assurance that “x” has actually happened? Could “x” be manipulated fraudulently or for individual gain, and what would detect/deter/prevent that?
 - **Accounting:** to the extent that your topic is reflected in the accounts of TVP/OPCC, is it compliant with required standards?

- The Committee are not here to mark homework – their focus is less on the answer TVP/the OPCC has reached or how you tell it, but whether you have reached it through a solid route. So, for example, if you are producing an annual report on a focus area, the Committee will be interested in:
 - What data do you have about the area?
 - Does the data tell you what you need to know, or do you need to collect more or different data?
 - If there is some data which is not fully trusted, how have you handled that?
 - What do you understand from the data – is there a trend?
 - Do TVP/the OPCC need to do something in response to the data? How have you decided what to do?

- When you come to the JIAC meeting the Chair will invite you to introduce your paper briefly. You should not expect to read through your paper. The Committee will have read and discussed the paper in advance. Rather, please give us a few sentences verbally to open discussion e.g. why this paper is coming to the Committee, the key points the Committee are to note and what you want from the discussion.

DRAFT