



Protecting Our Communities



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Date: 14 March 2025

Dear Member

JOINT INDEPENDENT AUDIT COMMITTEE

You are requested to attend the Joint Independent Audit Committee meeting on Friday 21 March 2025 at 13:00-17:00hrs in the CCMT Meeting Room and/or MS Teams for those unable to attend in person.

[Microsoft Teams meeting](#)

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 388 849 738 743

Passcode: d5qHPX

Yours sincerely

Gillian Ormston
Chief Executive Officer

Ben Snuggs
Deputy Chief Constable

To: Members of the Joint Independent Audit Committee

Agenda Item	Timings	Page No.
PRELIMINARIES		
1. Apologies (Dr Stephen Page)	13:00-13:05	-
2. Minutes & Actions Part I of the JIAC Meeting on 20/12/2024 (Dr. Stephen Page)	13:05-13:20	5-14
REGULAR UPDATES		
3. Global Internal Audit Standards (Neil Shovell)	13:20-13:30	15-18



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Agenda Item	Timings	Page No.
4. Progress on Delivery of Agreed Actions in Internal Audit Report (<i>Amy Shearn</i>)	13:30-13:40	19-38
5. Internal Audit Strategy & Joint Internal Audit Plan 2025/26 (Neil Shovell)	13:40 -13:50	39-70
6. 2024/24 Joint Internal Audit Plan Delivery (Neil Shovell).	13:50 -14:00	71-78
7. TVP Risk & Business Continuity update (<i>Ali Nicholls</i>)	14:00-14:10	79-114
8. OPCC Risk Register (<i>Gillian Ormston</i>)	14:10-14:20	115-128
FINAL ACCOUNTS		
9. Auditors Annual Report 2023/24 and Audit Plan 2024/25 (<i>Andrew Brittan</i>)	14:20-14:30	129-194
BREAK 10 MINS		
	14:30-14:40	
10. Accounting Policies (<i>Martin Thornley / Rachael Martinig</i>)	14:40-14:50	195-200
11. Budget and Medium Term Financial Plans (<i>Martin Thornley / Linda Waters</i>)	14:50-15:00	201-204
12. Treasury Management Strategy Statement (<i>Martin Thornley</i>)	15:00-15:10	205-232
SUBSTANTIVE ITEMS		
13. Draft Annual Governance Statement (<i>Claire Widdison / Gillian Ormston / Vicki Waskett</i>)	15:10-15:25	233-386



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Timings **Page No.**

14. AI and Deployment within TVP (<i>Mike Lattanzio</i>)	15:25-15:35	387-388
15. HR policy and process (<i>Nicky Cornelius</i>)	15:35-15:45	389-396
UPDATES & REQUESTED BRIEFINGS		
16. Diversity, Equality and Inclusion Review (Verbal) (<i>Gillian Ormston</i>)	15:45-15:55	-
17. Fire Safety written update (<i>Ali Nicholls / Claire Widdison</i>)	15:55-16:05	to follow
18. Enabling Services Update, inc. Estates (Verbal) (<i>ACC Murray</i>)	16:05-16:15	-
19. Local Government reorganisation and implications for TVP (<i>Gillian Ormston</i>) (Verbal)	16:15-16:25	-
20. Any Other Business OPCC Strategic delivery Plan (<i>Chair, Dr Stephen Page</i>)	16:25-16:45	397-402

Date of next meeting: Friday 13 June 2025 at 13:00– 17:00hrs in the Conference Hall, HQ South and/or MS Teams



MINUTES OF JOINT INDEPENDENT AUDIT COMMITTEE MEETING

HELD ON FRIDAY 20 DECEMBER COMMENCING AT

12:30 HRS AND CONCLUDING AT 16:30 HRS - PART I

Committee Members Present:

S Page, L Raffellini, M Strange, K Taylor, C Westcott

Present:

J Hogg (Chief Constable, TVP)
 B Snuggs (Deputy Chief Constable, TVP)
 O Saunders (Sergeant, Staff Officer to DCC Snuggs, TVP)
 M Thornley (Chief Finance Officer, OPCC)
 D Murray (ACC Legitimacy & Public Value)
 L Waters (Head of Finance, TVP)
 M Lattanzio (Head of ICT, TVP)
 P McFarlane (Quality & Assurance, TVP)
 S South (Head of Business Services, TVP, HC)
 N Cornelius (Director of People, TVP)
 N Langton (Strategic Governance Unit, TVP)
 K Shaw (Business Change working Smart, TVP)
 A Brittain (Associate Partner, EY)
 A Kennett (Manager, EY)
 N Shovell (Chief Internal Auditor, TVP & OPCC)
 A Shearn (Principal Auditor, TVP & OPCC)
 V Waskett (Head of Governance & Compliance, OPCC)
 C Roberts (EA to the PCC and Chief of Staff, OPCC)

Observers: None

Apologies: G Ormston (Chief Executive, OPCC)

PRELIMINARIES

1. Apologies and Introductions

The Chair, Stephen Page (SP) welcomed all to the meeting, noting apologies from Gillian Ormston and introductions were given.

2. Minutes & Actions of the JIAC Meeting held on 20 December 2024 (Part I)

(SP) went through the minutes and actions of the JIAC meeting held on 20 September 2024.

(SP) referred to outstanding action 5 related to some items that the Force might want to put into Part II and to the TORs re Part II Confidential as furnished by a government.

Action: This action to be re-opened and to protect JIAC from holding something back to the public.

JIAC008 – 6 responses had been received from the 8 authorities with 6 positive responses in agreement relating to collaborated functions.

Action: Martin Thornley (MT) to circulate the CTC papers to the Local Authorities who would welcome this.

REGULAR UPDATES

3. Progress on Delivery on 2024/2025 Internal Audit Plan

The Committee and Neil Shovell (NS) discussed the plan during the pre-briefing in particular cancelling audits. The level engagement with audit was working well and there had been a few planned changes but worth a conversation to ensure the balance was right with two proposals audits coming in. Senior Leaders to ensure they are pitching audits at the right level and at the right time.

DCC Ben Snuggs (BS) felt that there had been a lot of recent changes and had been able to have earlier conversations with (NS) and Gillian Ormston (GO). It was about making the best use of (NS) and Amy Shearn's (AS) time. Audit as a function was far more readily understood and the benefit it provided.

There were a lot of audits taking place but there was so much change going on with the organisation it was about finding the critical areas to touch on first. (NS) has a meeting with the OPCC Comms team to see if there was other ways of getting information from the Audit Department out to staff.

The Internal Audit Plan provided details on the progress made in delivering the 2024/25 Joint Internal Audit Plan and on the findings arising from the audits that had been completed. There have been no changes to the Joint Internal Audit Team's resource plan for 2024/25, with the plan being delivered by the Chief Internal Auditor, Principal Auditor and TIAA Ltd (ICT audit provider). For continuity, the same team of TIAA Ltd Auditors were being used for 2024/25.

The following changes had been made to the 2024/25 Joint Internal Audit Plan since the September JIAC meeting. Trust and Confidence (incl. Use of Powers). Despite refining the scope and approach to the audit, the key Force and OPCC contacts had commented that an audit at the present time would not add value for the following reasons:

- A defined strategy would not be in place until January/February;
- The Trust and Confidence Framework was just being developed;
- The Use of Powers Board was in its infancy;
- The outcome of the OPCC's Governance/Scrutiny review was inextricably linked to all of those areas in terms of outcomes, so time was needed for these to embed.

Application Controls Review (CMP) audit had been requested to be cancelled as the project to re-platform CMP was ongoing and not due to complete until May. The audit to be carried forward to 2025/26. A replacement audit had not been proposed due to the volume of remediation work being undertaken by other audits as well as additional business led demand, strategic planning and service improvement work. The Force has identified replacement audits for the reviews.

Work to review the 2022/23 National Fraud Initiative (NFI) matches was ongoing with no unknown

issues being identified.

The work needed to comply with the 2024/25 NFI exercise was ongoing. The necessary Force and OPCC teams were engaged with the process, the required communications had been issued and the necessary data submitted. The data was currently being matched by the Cabinet Office and matches were expected to be released by the end of December 2024.

The graph on page 29 showed the audit team were following up on actions where the organisation had visibility of the actions to proactively deal with these. Mike Lattanzio (ML) had set up a Share-Point directory available for all to ensure actions were completed and there was a monthly meeting set up with the Force to ensure all outstanding actions were dealt with and manage responses. (BS) indicated the Force were aiming to get all outstanding actions completed within 12 months and managing the balance effectively.

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

Amy Shearn (AS) had discussed during the pre-briefing meeting with the Committee the key areas to note.

Appendix 1 set out an analysis of the position with regard to the number of overdue actions as at 31 October 2024 in relation to audits conducted during the years 2021/22 to 2024/25. It showed that in total there were 58 overdue actions at 31 October, arising from 20 separate audits. The overdue actions were split by priority.

Appendix 2 showed the changes in the number of overdue actions since the previous report to the Committee in September 2024. The total number of outstanding overdue actions reported had risen from 38 to 58.

Appendix 3, as per previously agreed parameters set out, the information provided by managers in respect of all priority 1 actions that were overdue and any priority 2 actions which were overdue by nine months or more. It included all agreed actions that should have been completed by 31 October 2024. The information was based on responses from managers received up to and including 4 December 2024. If required, a verbal update could be provided to the Committee on any further information received since this report was written.

5. TVP Risk & Business Continuity update

(ML) referred to the action for IT as to the uncertainty around the funding, bids had gone in and a development plan would need to be put in place. (ML) would not be able to put a holding date in for completing yet. The Committee was worried about a fine from the ICO. (ML) informed the Committee this was a risk that was being tolerated with a plan in place but not to pivot resources. If a member of the public had a concern and puts in a Freedom of Information requested there was a process in place to deal with this.

There was a Digital Strategy in place and an IP Strategy which was being worked on and this was being driven forward. (ML) had a meeting next week with John Faux to view the finalised version of the Strategy and would be provided at the June JIAC meeting.

Chief Constable Jason Hogg (JH) confirmed discussions had been taking place with the OPCC to identify any key gaps and to maximise the technology and to do more for the workforce.

In relation to seized cash, Linda Water (LW) confirmed a lot of work had been carried out which was extremely complex in making sure cash was being seized.

Luca Raffallini (LR) wanted to note that trends on the register showed a lot of activity and work was being done but the risks did not seem to move. (BS) was carrying out a lot of work to identify what

the risks and issues were which meant that some were either at escalation or were static. Ali Nicholls (AN) knew three of these risks which had already decreased.

Kay Taylor (KT) referred to page 68 as to Niche that assaulting staff was recorded on two systems – this was not efficient but was being discussed at Enabling Services Review meetings. The two systems were the Niche system, and PeopleSoft system and it was certainly worth thinking about having one system instead of two.

There would be a balanced budget by April 2025 and 15 months to deliver any gaps – Thames Valley were in a very good position.

The Committee discussed the “white paper” with the government moving at pace. (JH) had flagged this to the chair for the Minister but changes would be coming. 43 forces were too many but no one knew what the right number should be. (JH) would like Thames Valley to be larger rather than split Thames Valley up and it would have an impact on PCCs as they may not have a role. All was very complicated and a moving picture.

6. OPCC Risk Register

The Committee had read through the OPCC Risk Register and had no comments to make.

FINAL ACCOUNTS

7. EY Final Audit Results Report 2023/24 & Authorisation of Delegated Signing Rights

(MT) and (LW) were awaiting confirmation of delegated authority to sign off the Audit Results Report. Andrew Bennett (AB) presented an interim results report in September to the Committee. (AK) summarised a few key points but there were no major changes. The field work had been concluded albeit were awaiting Grant Thornton ISO19 letter of assurance. In the report on page 118 sets out an additional uncorrected adjustment £456K which was the PFI contingent liability which was brought to the Committees attention and was just above the amount EY reported to the Committee. EY also identified £738K which was included in the notes but made no difference to the prime statement and was a misclassification between the Chief Constable and the Police & Crime Commissioner.

The Committee confirmed agreement of the delegation signing rights.

8. Draft Leases Policy (IFRS 16)

(MT) confirmed the Leases Policy will need to be implemented for the 2024/25 accounts due to introduction of new accounting standard. He presented the draft version for the Committee’s review and comments. The final version will come to the next meeting for approval. There would be some tweaks as the team worked through the numbers with thanks going to Rachael Martinig (RM).

Action: Melissa Strange (MS) would liaise with (RM) as to the Leases Policy.

UPDATES & REQUESTED BRIEFINGS

9. Intelligence Backlog and ADR Reporting

ADR reporting was around the sickness reporting into the Home Office. There were questions around the impact of this which would then be escalated to Nicky Cornelius (NC) and then on to the Deputy Chief Constable.

As to Intelligence Reporting, this was the process of intelligence collection looking at trends, hot spots, investigation and delays and these were addressed and reported in Intelligence Reporting.

In relation to the backlog, this was down to the process. TVP had an intelligence team and wanted people to submit this evidence. TVP wanted to be focussed on the threats and community intelligence and those that were also low level.

RPA supporting the backlog management. Additional resources would provide support and were looking at the processes and working practices in a Gold Group. One key point to note was the triage function to identify any threats or safeguarding around children which was dealt with efficiently and effectively within the MASH teams.

10. Enabling Services Review

ACC Dennis Murray (DM) led on the Enabling Services Review which was still taking place. This came about due to the Force Review which needed to be split from the Force Review to take this to a better space for reporting data to the organisation. The Force went out and worked with consultants and out to tender with Deloitte who won the bid. Deloitte looked at the whole of the organisation system which was in a good position and were commissioned to deliver and highlight interests. There were 200 recommendations one of which was for the organisation to focus on People, Finance, Estate, Tasking and Resilience using one system. There had been lots of bespoke meetings with staff and officers in the organisation and had phased what the organisation would look like in years 1 and 2 to make the best of what the organisation already had and to build in knowledge.

The organisation had processes and structure and an understanding how to market this but the organisation did not have the money or appetite to change things overnight. By January 2025, Deloitte to come back with the route to market where the Force would need to decide whether to carry out the recommendations and to iron out the bumps along the way and to look at how much money could be saved. There was an event on 15 January 2025 which would look at Change Alignment and look at how to make the savings post 2026. Timeliness would then be updated in the New Year.

Action: (MS) would like to see an update on the Deloitte Review and (LW) would update the Committee moving forwards to see what falls within the Force Review and what falls within the Deloitte Review would be.

Action: (DM) to supply and update (KT) with relevant information on Enabling Services Review as well as the Force Review as KT had only recently started as a JIAC member the latter part of 2023 but would welcome an insight.

11. HR Processes: Governance of Employment (verbal briefing)

Between meetings JIAC members identified a couple of Employment Tribunals that had not gone well. Nicole Cornelius (NC) had given a general view around controls and HR and since starting the role (NC) had looked to ensure risks were identified and act on the findings from the Tribunals and the process. (NC) reviewed all the Employment Tribunals and now had oversight. There were about 10 Employment Tribunals per year including the ones for regional times and in the last year there had been 9 which were around disability discrimination. Currently there were 13 live ongoing cases due to the backlog. 8 were disability cases, 4 sex discrimination and 1 race discrimination.

(NC) had set up a governance structure which consisted of quarterly meetings, reviewing the status of costs and outcomes of current Tribunals. Reviewing key decisions over a quarterly basis and had received the assurance that lessons learned had been implemented and agree grounds of resistance and approach towards each case.

Meaningful engagement with ACAS would be more people focused rather than legal. (NC) asked Unison and the Police Federation for advice on Tribunals and was reviewing a number of key policies. A number of key policies are being sighted i.e. Flexible working, adjusted duties etc. and engaging with other networks to create a policy which was easier to follow for all. (NC) wanted to

re-design the Grievance Policy and move this far more into a Resolution Policy to resolve rather than blame – all of the reviews would be completed by April 2025.

One matter to bring to the attention of the Committee, was the process of managing reasonable adjustments in the organisation which had not happened correctly in the past around disability. The organisation had additional resources coming in as of January 2025 to clear the backlog. Individuals would be able to go online and fill out a self-help form and access support and adjustments needed. Effectively, with these interventions in place the organisation should see less tribunal cases with staff feeling more engaged.

(MT) confirmed The PCC had put in place an Independent Review with Kerrin Wilson for Race Discrimination and the DEI policies and how these impacted the Force. The Report would be completed by the New Year and this would be brought back to the JIAC meeting in March 2024.

Action: (MT) to include the Independent Review Report as an agenda item at the JIAC March 2024 meeting.

12: Fire Safety update

(AN) summarised to the Committee key points to note on Fire Safety. A full scale gap assessment and assurance visits had been developed and there were a couple of actions outstanding. Training had been set up for January and February 2025 with additional resources. The high risks would be resolved by the end of the financial year. Governance and plans were in place and (BS) would be discussing a particular piece of work with an expert and reporting on this early January and would have a clearer picture by then. All of this had been commissioned through Property Services and would drive progress on this. The high risks sites would be completed by the end of March 2025 and the medium and low would be dealt with thereafter. The organisation was still fortunate enough to have facilities based at HQ South to provide assurance and getting the message out that it is everyone's problem not just facilities. At the start of every meeting there should have a verbal update on whether there was a fire drill scheduled and where the meeting points were especially for external members coming into the building.

DEEP DIVES

13. Value for Money Proposal

The Committee had read the Value for Money Proposal paper. (MS) indicated this was work in progress and had a couple of emails exchanged. (MS) would be spending time in the New Year with (LW) and (MT) and their teams to understand the activity described in the paper in more detail. This paper is not the end output, but it was noted that improving Value for Money is a continuous activity. In response to (MS) asking for clarity on different elements of Value for Money, (DM) confirmed that he leads on Public Value, for example ensuring that officer deployment supports delivery of effective outcomes, whilst (LW) leads on core Value for Money activity.

14. Chiltern Transport Consortium Governance Briefing

TVP hosted the Chiltern Transport Consortium (CTC) and there had been a bid for an analyst and another. The money had come from a successful bid from the PCC to support the (CTC). (CTC) serviced 5000 vehicles as a whole. Part of the challenge was due to issues with BMW with engines exploding etc. TVP only had one main contractor within the policing national framework, which was Volvo. (DM) looked at what the fleet would look like in the future but there were other elements for roads policing unit which was in a state of flux. It was hard to retain technicians within TVP as the role did not pay well so this was being looked into at as technicians would go elsewhere to earn more money.

(BS) and Thomas Williams (TW) had been discussing whether or not there was a need to have technicians. This was a challenging environment but people were constantly wanting to step outside the national framework. Vehicles were on the Home Office List so the Consortium would be looking to expand the fleet rather than decreasing it.

(LW) confirmed the markets were changing rapidly and TVP needed to review this every 1-2 years as to fleet plans to make the right decision. (LW) tried to have discussions with other forces and try to develop their appetite as to how much of this was collaboration or whether other forces would pull out. Additional discussions around what the detailed pros and cons looked like needed to take place.

(LW) referred to third party motor insurance policy where each Force had their own policy but also with the Consortium that covered all insurance aspects as each Force were not allowed to support each other across the risk, hence why each Force had their own insurance and costs.

The Committee were pleased (DM) had a structure in place and that had much more Force intervention now and were aware of challenges.

ANNUAL ASSURANCE REPORT

15. JIAC Annual Assurance Report 2024

(SP) went through the JIAC Annual Assurance Report 2024 noting a few typos in the document. A finalised version would be updated.

The Committee hoped the paper would get read and useful to the Force and OPCC. There were no issues from the OPCC or TVP and this was a useful document to both especially around the PEEL Inspection that there was independent audit and scrutiny.

The Committee had taken on board a few minor corrections and anything learned from today's meeting. (SP) recognised the Enabling Services Review was underway and a wrongly titled report which (SP) would deal with. Fire Safety ought to be included within the JIAC Annual Assurance Report 2024 and (SP) would add in a paragraph and build this into the Report.

(MT)/(CR) to check the list of the Scrutiny (P232) under general arrangements which were as follows:

- Which of these boards do the Committee attend?
- (MT) to look and check and inform (SP) of the wording to include i.e. whether the Committee attended the Transformation Board and Joint Collaboration Governance Board.

16. Any Other Business

- SP reported back on the visits that the Committee had attended over 2024.

Context

As part of our regular programme of site visits to keep in touch with TVP operations, (MS) and (SP) visited Firearms and Stephen made two visits to Roads Policing. A particular topic the Committee were asked to cover was culture within the Firearms Unit, following issues that had arisen in the Met and elsewhere.

Firearms

The Committee were very impressed indeed with the attention paid to public protection, risk mitigation, and safety during training and were also satisfied with controls around firearms storage and issue on the training site.

On the topic of culture, the Committee saw evidence that the risks were very well understood, actions were embedded in both training and operations and there was focus from senior management. The Committee particularly liked the use of armed units alongside colleagues from ICR on day to day policing, which kept officers well-grounded and pleased to hear that behavioural issues (e.g. extreme social media postings) would be grounds for removal of a firearms ticket. The Committee felt that there were still risks inherent in the Protection teams, which by the nature of their work could be isolated from broader TVP culture; but senior management were aware of the issues and were focusing on solutions.

The Committee were told that the underlying establishment was smaller than the modelled requirements. The Committee did not investigate further but would welcome comments from management if this became a significant issue.

RPU

(SP) was very impressed by the sensitivity and thoroughness of officers during a visit. They related well to members of the public, making sound judgements which they could back up by reference to procedures and decision frameworks. (SP) fed back a number of detailed comments from the visit to Ben.

Each of the Committee members has seen in the ICR visits, there were significant issues around the Custody process. It was good to see the results of recent initiatives to improve safety for both police and suspect, which has been a major focus in TVP. However, this had made Custody efficiency problems worse. Valuable, skilled officers were being tied up for hours at a time, which was not good use of publicly funded resources. It can be demoralising for officers who were required to remain in the waiting area outside the Custody building for hours at a time. And for RPU specifically, it can undermine the ability to charge for drink driving offences as the wait for breath tests gave time for alcohol levels to decay significantly. The Committee encouraged TVP to look afresh at Custody efficiency, setting a measurable goal to free a number of hours of skilled officer time through bold end-to-end process re-engineering, deployment of technology, further change to the physical estate, and re-balancing of activities between various resource groups (e.g. jailers, transport vs skilled officers). The Committee suggest that Custody efficiency be programmed as a JIAC topic during 2025.

As seen on previous visits, there were numerous opportunities where technology could create efficiency, including the use of AI to summarise files, redact data, and reduce bureaucracy. The Committee were aware that a range of initiatives were being trialled but encouraged TVP to continue investing in better technology. A number of issues were raised with cars, and with the technology in the cars. The Committee would return to this to look at fleet and at technology and how the two areas interact. The Committee thanked (CR) for her work with JIAC who was now handing this over to Jim Katouzian (JK).

The meeting concluded at 16:30hrs.

Date of next meeting: Friday 21 March 2025 at 1300-17:00hrs to be held in the CCMT Meeting Room, TVP HQ South/MS Teams. Please note that Jim Katouzian will be taking over the preparation of JIAC Agendas and Minutes from Charlotte Roberts after today's meeting. Please could you send across agenda items or queries directly to Jim Katouzian.



ID	Date of Entry	Summary of agreed action	Person responsible for action	Status	Deadline	Date complete - Update on Action
JIAC003 - carried over 2024	20/09/2024	Melissa Strange (MS) to edit her report contained in the Minutes and Actions of 14 June 2024 and update Charlotte Roberts (CR)	Melissa Strange	Open	20/12/2024	Update next meeting 21.03.25
JIAC007 - carried over 2024	20/09/2024	ISOB could provide support with engagement into the community so may be something the OPCC/TVP could ask ISOB to scrutinise the data and how to message out to the communities. (GO) to discuss this with Jason Sinclair (ISOB Chair).	Gillian Ormston	In progress	20/12/2024	There are ongoing conversations within ISOB regarding external communications with communities. An external engagement plan is being developed
JIAC024 - carried over 2024	20/09/2024	TVP led on the retrospective element, which was well governed dealing with audited systems. Hampshire were leading on the 'live' facial recognition but were working closely together. Once the paper had been approved this would be shared with JIAC members by (GO).	Gillian Ormston	In progress	20/12/2024	Update requested from TVP and awaiting a response.
JIAC002	20/12/2024	Draft Leases Policy (IFRS 16) - Melissa Strange (MS) would liaise with (RM) as to the Leases Policy.	Melissa Strange	In progress	21/03/2025	
JIAC003	20/12/2024	Enabling Services Review - (MS) would like to see an update on the Deloitte's Review and (LW) would update the Committee moving forwards to see what falls within the Force Review and what falls within the Deloitte's Review would be.	Linda Waters	In progress	21/03/2025	
JIAC004	20/12/2024	Enabling Services Review. (DM) to supply and update (KT) with relevant information on Enabling Services Review as well as the Force Review as KT had only recently started as a JIAC member the latter part of 2023 but would welcome an insight.	ACC Murray	In progress	21/03/2025	
JIAC024	20/09/2024	TVP led on the retrospective element, which was well governed dealing with audited systems. Hampshire were leading on the 'live' facial recognition but were working closely together. Once the paper had been approved this would be shared with JIAC members by (GO).	Gillian Ormston	In progress	20/12/2024	This is a repeat of the action above where update is provided
JIAC005	20/09/2024	(SP) referred to page 11 agenda item 7 as to what could be included in Part I and Part II papers and to clarify these points. Gillian Ormston (GO) to have a discussion with governance for clarification. (GO) to add a note in the TOR's as to what is included and what is not included but need to ensure the note gives enough satisfaction to the public. Current Text: The agenda, reports and minutes of all Committee meetings will be published on the PCC 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; and b) Information the disclosure of which to the public is prohibited by or under any enactment or by the order of a Court.	Vicki Waskett	Complete	20/12/2024	Revised text: We are committed to openness and transparency. The Committee conducts as much of its business as possible in a public session. The agenda, reports and minutes of all public sessions will be published on the PCC and Force websites. To protect confidentiality, some business is discussed in a private session from which the public and press are excluded. For example, if publication of a report would disclose personal data, or put at risk law enforcement, commercial interests or health and safety, then it would be discussed in private. Private reports and discussions would be expected to include information which would be exempt from publication under the Freedom of Information Act 2000.
JIAC001	20/12/2024	Martin Thornley (MT) to circulate the CTC papers to the Local Authorities who would welcome this.	Martin Thornley	Complete	21/03/2025	Completed 10/02/2025
JIAC005	20/12/2024	HR Processes: Governance of Employment (verbal briefing). (MT) to include the Independent Review Report a	Martin Thornley	Complete	21/03/2025	Completed 10/02/2025

be governed by the updated IPPF, replacing the previous PSIAS. The Domains of the GIAS are:

- Domain I: Purpose of Internal Auditing.
- Domain II: Ethics and Professionalism (1. Demonstrate Integrity; 2. Maintain Objectivity; 3. Demonstrate Competency; 4. Exercise Due Professional Care; and 5. Maintain Confidentiality).
- Domain III: Governing the Internal Audit Function (6. Authorised by the Board; 7. Positioned Independently; and 8. Overseen by the Board).
- Domain IV: Managing the Internal Audit Function (9. Plan Strategically; 10. Manage Resources; 11. Communicate Effectively; and 12. Enhance Quality).
- Domain V: Performing Internal Audit Services (13. Plan Engagements Effectively; 14. Conduct Engagement Work; and 15. Communicate Engagement Results and Monitor Action Plans).

2.2 Together, these elements help internal auditors achieve the principles and fulfil the Purpose of Internal Auditing. Additionally, Topical Requirements are designed to enhance the consistency and quality of internal audit services related to specific audit subjects and to support internal auditors performing engagements in those risk areas. Internal auditors must conform with the relevant requirements when the scope of an engagement includes one of the identified topics. Topical Requirements strengthen the ongoing relevance of internal auditing in addressing the evolving risk landscape across industries and sectors.

2.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) have also produced a Global Internal Audit Standards in the UK Public Sector Application Note. This document provides a framework for the practice of internal audit in the UK public sector when taken together with the GIAS. The note sets out interpretations and requirements which need to be applied to the GIAS requirements, in order that these form a suitable basis for internal audit practice in the UK public sector.

2.4 Attached below are links to the following:

- [Global Internal Audit Standards.](#)
- [Global Internal Audit Standards in the UK Public Sector | CIPFA.](#)

2.5 The Global IIA have produced documentation highlighting the differences between the previous and current IPPF. In summary, the main changes are:

- The value of internal audit is articulated in a purpose statement, combining the mission and definition from the 2017 IPPF.
- Behavioural expectations of internal auditors, including the requirement for professional scepticism, are detailed in Domain II.
- Domain III relates to Governing the Internal Audit Function and there are essential conditions for boards / audit committees and senior management to enable the internal audit function to be effective. Internal audit has always needed the support of the board / audit committee and senior management, and this is explicit within the standards.
- An internal audit mandate is required and must be approved by the board / audit committee.
- Chief audit executives are required to develop and implement a strategy detailing the vision, strategic objectives and related initiatives for the internal audit function.
- Conclusions from internal audit engagements must be communicated to the board / audit committee and senior management. Themes emerging across reviews in relation to governance, risk management and internal control can also be reported.

3. Steps to Ensure Compliance

3.1 The JIAT have taken the following steps to ensure compliance with the GIAS:

- An initial internal self-assessment against the GIAS has been completed. A further meeting is planned for May 2025 to finalise the assessment and collate a Quality Assurance and Improvement Programme (QAIP). The outcome of this process will be reported to the JIAC in June.
- The team's process documentation has been reviewed to ensure compliance (i.e. Audit Charter, Audit Manual, Electronic File Structure, JIAC Report templates, etc.).
- Annual self-assessments will be conducted, with the outcome reported to the JIAC.
- The JIAT was externally assessed by CIPFA during May 2022. The opinion of the external assessor for the JIAT was "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". The JIAT's next external assessment will take place during 2027/28, as per the five year assessment cycle.



JOINT INDEPENDENT AUDIT COMMITTEE



Title: Progress on delivery of agreed actions in Internal Audit reports	
Recommendation: The Committee is requested to note the report.	
Officer's Approval:	
PCC Chief Finance Officer (OPCC)	Date: 11/03/25
Director of Finance (TVP)	Date: 11/03/25

1 Introduction and background

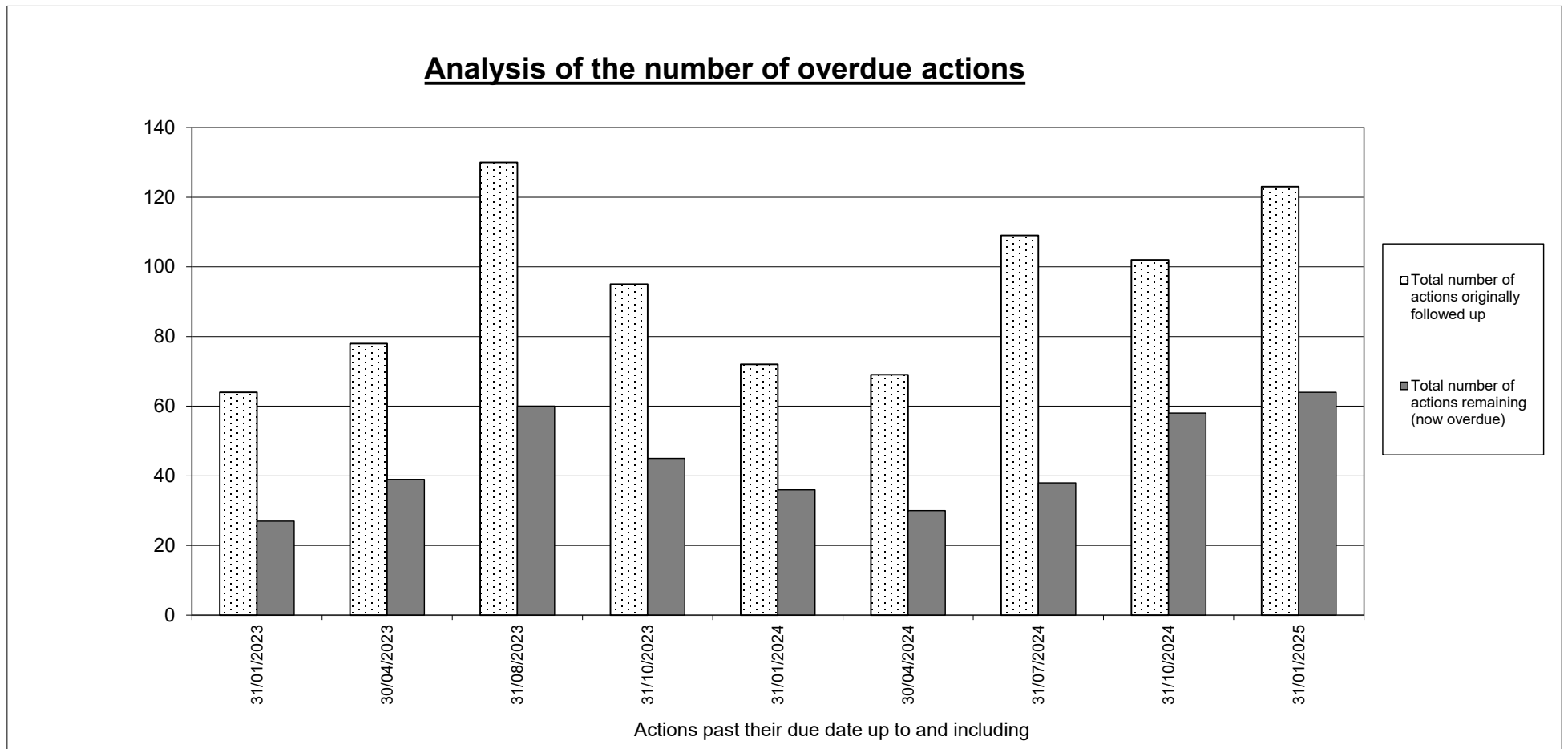
- 1.1 The report provides details of the progress made by managers in delivering the agreed actions in internal audit reports.

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 2025 in relation to audits conducted during the years 2021/22 to 2024/25. It shows that in total there were 64 overdue actions at 31st January, arising from 20 separate audits. The overdue actions are split by priority.
- 2.2 Appendix 2 shows the changes in the number of overdue actions since the previous report to this Committee in December 2024. The total number of outstanding overdue actions reported has risen from 58 to 64.
- 2.3 Appendix 3, as per previously agreed parameters, sets out the information provided by managers in respect of all priority one actions that are overdue and any priority two actions which are overdue by nine months or more. It includes all agreed actions that should have been completed by 31st January 2025. The information is based on responses from managers received up to and including 4th March 2025. If required, a verbal update will be provided to the Committee on any further information received since this report was written.

ANALYSIS OF OVERDUE ACTIONS AS AT 31ST JANUARY 2025

Audit Subject/Location	Overall rating	CCMT/COG Lead	Total actions	Not yet due	Overdue	Overdue as % of original actions	Priority 1	Priority 2
2022/23								
Community Safety Fund	Reasonable	Martin Thornley (OPCC)	17	-	1	6%	1	-
Contact Management Platform Performance	Reasonable	ACO Mike Lattanzio	7	-	1	14%	1	-
Domestic Abuse	Reasonable	T/ACC Olly Wright	23	-	5	22%	4	1
ICT/Digital Strategy	Reasonable	ACO Mike Lattanzio	5	-	2	40%	-	2
ICT Enterprise / M365 Security Management	Reasonable	ACO Mike Lattanzio	6	-	1	17%	-	1
Mental Health	Limited	ACC Christian Bunt	15	-	1	7%	1	-
TOTAL					11	-	7	4
2023/24								
Criminal Justice Outcomes (Out of Court Disposals)	Reasonable	T/ACC Olly Wright	10	2	2	20%	2	-
Counter Fraud Controls	Reasonable	Various	18	6	7	39%	4	3
Digital Project Implementation	Reasonable	ACO Mike Lattanzio	7	3	5	71%	2	3
ICT Cyber Security Governance and Framework	Reasonable	ACO Mike Lattanzio	5	3	1	20%	-	1
Key Financial Controls	Reasonable	ACO Linda Waters	15	-	1	7%	-	1
Regional Vehicle Policy and Fleet Usage	Reasonable	ACC Tim Metcalfe	8	-	2	25%	-	2
Rural Crime	Reasonable	ACC Christian Bunt	14	-	1	7%	-	1
Stalking	Reasonable	T/ACC Olly Wright	18	3	1	6%	-	1
Trust and Confidence	Reasonable	ACC Dennis Murray	9	-	6	67%	3	3
Working Smart - Security and Data Protection Compliance	Reasonable	DCC Ben Snuggs ACO Mike Lattanzio	16	-	2	13%	1	1
TOTAL					28	-	12	16
2024/25								
Accounts Receivable	Limited	ACO Linda Waters	27	10	2	7%	1	1
Assessment and Investigation Unit	Reasonable	ACC Christian Bunt	11	-	5	45%	-	5
Contract Management (Benefits Realisation and Supplier Performance Management)	Reasonable	DCC Ben Snuggs	11	7	4	36%	2	2
		ACO Mike Lattanzio ACO Linda Waters						
Thames Valley Together	Limited	ACO Mike Lattanzio ACC Christian Bunt Jules Bottazzi (OPCC)	33	1	14	42%	6	8
TOTAL					25	-	9	16
OVERALL TOTAL					64	-	28	36



UPDATE ON PROGRESS IN DELIVERING OVERDUE AGREED ACTIONS

(Covers only Priority 1 actions and Priority 2 actions that are more than nine months overdue)

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
Accounts Receivable					
<u>Management information and reporting</u>					
<p>Historically there has been some KPIs/management information produced but this has not been completed for some time.</p> <p>It was confirmed during the audit that this is now being looked at both in terms of reinstating the previous KPI information and also considering what other monitoring information is required by management to effectively oversee the operation of the accounts receivable processes.</p> <p>Risk: Lack of management information leads to ineffective oversight of the levels of debt and where significant individual debts are building up.</p>	<p>The aged debtor report is produced on a monthly basis.</p> <p>On top of this, the intention is to introduce automated dashboard data for the AR process. This would provide an overview to management on how the process is working and key issues which require attention.</p>	31/12/24	1	Part of Finance SMT to build a selection of dashboards.	31/03/25
Community Safety Fund					
<u>OPCC Contract Management and Commissioning Strategies</u>					
<p>There is an OPCC Commissioning Strategy and an OPCC Contract Management Strategy in place, which both include narrative with regard to the Community Safety Fund (CSF) and how it will be operated.</p> <p>Neither document has been updated since February 2021 and, both through review during the audit and via discussion with the Head of Partnerships and Community Safety (HPCS), it was confirmed that the narrative included is no longer up to date.</p> <p>Risk: Out of date strategies lead to staff being unclear on the current approach and requirements in relation to the management of the CSF.</p>	<p>A wider review of the approach to commissioning and contract management is being undertaken. Determining what strategies are needed going forward, and who will compile/update those strategies, will form part of this wider review.</p>	31/07/24	1	<p>Review of the process and production of revised process flows is complete, The restructure also clarifies responsibilities for strategies across the OPCC.</p> <p>Following embedding of the restructure, the need for and contents of separate overarching Commissioning & Contract Management Strategies will be reviewed in the light of process changes – but with a lower priority as the underlying process has been addressed.</p>	30/06/25
Contact Management Platform Performance					
<u>CMP – MOPI Compliance</u>					
<p>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 has been asked to delete.</p> <p>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.</p> <p>Risk: The Forces do not fully comply with legal MOPI requirements, leading</p>	<p>An APP / MTFP bid has been submitted to assist with CMP complying with MOPI requirements. If successful, the approved solutions will be applied to the platform.</p> <p>If the APP / MTFP bid is unsuccessful, the risk exposure to both Forces will be approved and owned by the necessary senior leader governance forum.</p>	30/12/23	1	The project funding for phase 2 has been confirmed but the start date will be dependent on fit with other Force change projects.	31/03/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
to potential sanctions or reputational damage.					
Contract Management (Benefits Realisation and Supplier Performance Management)					
<p><u>Business Case Content and Collation</u></p> <p>During the audit, the involvement and support of the Force's enabling departments in collating Business Case detail was reviewed. Of the nine Business Cases submitted, testing observed the following:</p> <ul style="list-style-type: none"> - One Business Case (Mental Health Coordinator) had no enabling departments listed. - Certain departments were noted as "no impact", but do not appear to have been consulted. There should be a consideration that all departments are contacted and they should confirm, not the Business Case owner, whether there is any impact on their department or wider Force. - Some departments were contacted "via e-mail". - Some departments had named contacts, but no "signature" or "date" confirmed in the Business Case to confirm their response. <p>As part of the review, contacts from the enabling departments were met to discuss their involvement in supporting collation of the individual Business Cases. The following process improvements were raised:</p> <ul style="list-style-type: none"> - Certain Business Cases were submitted to enabling departments 24 hours before the Joint Change Governance Board meeting affecting their ability for fully review and challenge the Business Case content. - Feedback from the Joint Change Governance Board to the enabling departments would be useful in terms of the outcome and next steps (i.e. Business Case approvals, rejections or further work needed). This could be done by sharing the Quarterly Investment Bid Tracker on SharePoint. - The previous APP process included reference numbers for each bid. This does not seem to be applied for the Quarterly Investment Bid Process, but would be useful to track the status of each bid. - One other comment was made to ensure the process joins up where departments have had to make savings / identify reductions (i.e. via the Force Restructure Programme), but then submit growth bids for their department. <p>The audit appreciates the process is new and will take time to embed, but the role of the Joint Change Governance Board is to enforce compliance with the process and address any efficiencies or non-compliance.</p> <p>Risk: Lack of compliance or an effective Business Case process, leading to investments being progressed without the necessary input and endorsement from enabling departments.</p>	<p>As the Quarterly Investment Bid Process is new, any issues arising from the first round of Business Cases will be learned from. These include:</p> <ul style="list-style-type: none"> - Ensuring that enabling departments have sufficient time to review and contribute to the Business Case collation. - Enabling department comments, input and sign off will be clearly documented within the Business Case. - Feedback from the Joint Change Governance Board to the enabling departments, as and when needed, will take place to ensure clarity of decision making, outcome and next steps. - A bid numbering system will be introduced to track bids, whether approved or not, for future reference. <p>As noted in the observation, the process is new and will take time to embed, but the Joint Change Governance Board will oversee and enforce compliance with the process and address any efficiencies or non-compliance.</p>	31/12/24	1	The Quarterly Investment Bid Process is not currently operating as it was previously designed due to the nature of current Force investments. The process is currently under review and will potentially be more of a re-prioritisation process with an option for an investment request.	30/06/25
<p><u>Benefits Tracking</u></p> <p>During the audit, the Quarterly Investment Bid Process benefit identification</p>	In terms of benefit tracking, the main responsibility for this will be with the originating	31/12/24	1	The Quarterly Investment Bid Process is not currently operating as it was previously designed due to the nature of current Force investments.	30/06/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>and realisation arrangements were reviewed. As part of the standard Business Case template, a section on benefits is required to be completed. In reviewing the nine Business Cases presented to the July Joint Change Governance Board, all Business Cases had the benefits section completed, but the content varied with two Business Cases being very light on detail.</p> <p>Additionally, in terms of benefits realisation monitoring, the governance structure, responsibility and accountability was yet to be formally agreed. The expectation is that benefits will be mainly tracked by the owning department as it will be their responsibility to deliver the Business Case outcomes. However, there will need to be a link back to the Joint Change Governance Board for assurance over the delivery of benefits.</p> <p>Risk: Benefits are not tracked and reported, leading to a lack of assurance over benefit realisation.</p>	<p>department.</p> <p>However, there will need to be a central process for gaining assurance on the delivery and realisation of any stated benefits. This central oversight will need to take place via the Joint Change Governance Board, Corporate Finance and where needed, the Force's Transformation / Change governance structure.</p>			<p>The process is currently under review and will potentially be more of a re-prioritisation process with an option for an investment request.</p>	
Counter Fraud Controls					
<u>Review of Mileage and Expense Claims – Corporate Finance</u>					
<p>The audit reviewed the structure of management oversight and review of mileage and expense claims. Testing found the following:</p> <ul style="list-style-type: none"> - The Travel and Vehicle Use Policy (January 2017) states: "4.14 Audit Checks: 4.14.1 Finance Department will undertake random dip checks on a regular basis to ensure fuel and other travel receipts are being retained and mileage claims are in accordance with the policy. Unapproved mileage claims which substantially exceed the maximum daily level will be investigated with the individual concerned and appropriate action taken as required." - The Expenses and Other Ad Hoc Payments Policy (August 2018) states: "4.14 Audit Checks: Finance will undertake audit checks on a monthly basis to ensure the expenses claims comply with the policy and will require explanations and physical copies of the receipts. The audits will also look at the number and frequency of claims to understand the drivers. All anomalies/ non-compliance will be investigated with the individual concerned, referred to senior management as appropriate and will be reported to the Professional Standards department or People services department. If an expense claim is found not to comply with this policy it will be recovered from the recipient." - The Mileage and Expense Claim Knowzone page states: "Expense claim forms are official requests for payment submitted by an individual to the organisation. It is important that they are completed in accordance with Police Regulations, Conditions of Service, the Travel Policy, the Expenses and Ad-Hoc Payment Policy, the Driver Policy and accordance with the Code of Ethics. Failure to follow the correct process could result in payments being delayed or refused and could lead to disciplinary action against the claimant. Regular checks and audits are carried out on expense claim forms." 	<p>A discussion will take place at Corporate Finance Senior Management Team (SMT) with regard to the review, management reporting and oversight of mileage and expense claims.</p> <p>Where enhancements are agreed, these will be introduced as business as usual.</p>	31/12/24	1	<p>We have begun work to create dashboards and identify trends and target individuals that are highlighted. We are looking to see if this work can be accommodated into a role within the Finance Dept. hopefully to have initial checking in place in April.</p>	30/06/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>Testing found that no dip checks are currently completed by Corporate Finance on mileage or expense claims. It was commented that the team previously ran monthly audit reports and selected samples, but capacity and other priorities mean these checks no longer take place.</p> <p>Risk: Claims are not subject to regular dip checking or review, leading to process issues not being identified and resolved.</p>					
<p>Casual Mileage – Task & Finish Group</p> <p>The Force has introduced a Task & Finish Group focussing on travel related savings and process improvements. The group is a sub-group of the Force's Strategic Transport Oversight Group (STOG).</p> <p>In relation to casual mileage, the group is currently focussed on the following aspects:</p> <ul style="list-style-type: none"> - Collating data to understand trends and the scale of any issues. - In general, staff and officers are claiming for mileage incurred, but there probably needs to be a significant Communications Plan / approach ensuring policies are being correctly applied and behaviours are in line with Force values and expectations. - There also needs to be awareness raised of line manager responsibilities and the data that is available within Team View in SSAMI. - There needs to be improved governance in place at a local and strategic level, holding departments and LPAs to account on budget spend with the Force anticipated to overspend for 2023/24 by 45%. - The lack of dip checking also need to be reviewed. If resources allow, this would need to be agreed by all parties involved in the process. - The collation of a PowerBI report could also be considered, detailing all types of related spend (i.e. casual claims, expenses, essential users, fuel cards and hire cars). This will enable local and corporate oversight and challenge to take place. <p>The group is continuing to work on savings and process options for agreement at STOG.</p> <p>Risk: Lack of a structured approach to address corporate issues relating to casual mileage, leading to control improvements and savings not being identified.</p>	<p>The STOG Task & Finish Group have a remit to identify savings and improvements to the casual mileage claim process, as per the points noted by the audit.</p> <p>The group will be working on these during 2024.</p>	31/12/24	1	<p>Casual Mileage yet to be reviewed due to focus on Hire Car reduction. STOG Task & Finish Group to investigate if this is a viable action to continue due to resourcing issues. A PowerBI collated report is in production, report to detail all types of related spend (i.e. casual claims, expenses, essential users, fuel cards and hire cars). This will enable local and corporate oversight and challenge to take place.</p>	30/06/25
<p>Overtime for Police Officers Policy</p> <p>The Force has adopted an Overtime for Police Officers Policy (October 2020) and Police Officer Overtime Guidance and Protocols (January 2021). It was confirmed that although the documents are two or three years old, both were up to date.</p> <p>However, in reviewing the documents, the Overtime for Police Officers Policy states that it is due a review every three years (i.e. October 2023).</p>	<p>The Overtime for Police Officers Policy will be reviewed and updated, if required.</p> <p>If changes are required, the updated policy will be approved and placed on the Knowzone.</p>	31/03/24	2	<p>The Overtime for Police Officers Policy is on track to be reviewed and updated by the end of March.</p>	31/03/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>Risk: Out of date policy or guidance, leading to inconsistent practise being applied.</p>					
<p><u>Fuel Card Communications</u></p> <p>The audit found that there have been some Force wide communications issued, but this may be enhanced based on the work of the STOG Task & Finish Group and the need to promote the Discount Diesel scheme.</p> <p>Risk: A lack of corporate awareness of the fuel card requirements, leading to incorrect processes being applied.</p>	<p>The STOG Task & Finish Group will aim to issue specific communications on any changes or improvements to the fuel card process, specifically around use of the Discount Diesel scheme.</p>	31/12/24	1	<p>A Fuel Card paper is being submitted to CCMT to agree the future direction and approach by the Force. Once approved, the necessary communications will be issued.</p>	30/06/25
<p><u>Fuel Card Reporting and Investigation</u></p> <p>The CTC receive automated e-mails from the All Star system regarding any unusual amounts or payments. These are forward to LPAs / departments for action.</p> <p>The CTC's Fuel Card Procedure document details the following in relation to "Management Information":</p> <p><u>5.1 Management Information</u></p> <ul style="list-style-type: none"> - The CTC will receive computer data compatible with Tranman (the fleet management software) to maintain the individual fleet vehicle fuel consumption records. - The CTC will provide monthly fuel reports for all Departments with fleet and hire vehicles. The fuel reports will include any fuel issues notified to Transport other than transactions and adjustments for fleet vehicles no longer in service. Other ad hoc reports may also be provided as required. - The CTC will provide Finance Dept with a quarterly report of fuel card purchases which will include details of spending on inappropriate fuel types. Finance will contact the relevant Depts for further investigation and follow up as required. <p><u>5.2 Financial Monitoring</u></p> <ul style="list-style-type: none"> - Fuel usage at a Force level will be monitored monthly by the Finance dept. - Fuel usage by LPA/Dept will be monitored by the Finance dept on a quarterly basis and any substantial movements investigated further. - With regards to fleet vehicles (only), the Finance department will review the quarterly report provided by the card supplier to highlight any Super Unleaded and Premium Diesel purchases and notify relevant departments accordingly for further investigation." <p>Discussions during the audit found that the system of management reporting and data investigation, as described above, no longer takes place on a regular basis.</p>	<p>A discussion will take place at Corporate Finance Senior Management Team (SMT) with regard to the review, management reporting and oversight of fuel card usage.</p> <p>Where enhancements are agreed, these will be introduced as business as usual.</p>	31/12/24	1	<p>A dashboard is currently being worked on with regard to fuel card usage and data.</p>	30/06/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<ul style="list-style-type: none"> - CTC: No real oversight of risks and issues as this is the responsibility of each Force within the consortium. Fraud reports are forwarded to each Force, based on specific parameters. Any issues that are fed back are acted upon. - LPAs / departments: Management of fuel cards, but no real checking of individual transactions, unless highlighted in the fraud reports. - Corporate Finance / Accountancy: Processing of invoice payments and monitoring of overall budget spend, but no review of specific transactions. - PSD: Occasional review if a specific issue is reported for investigation. <p>This aspect is potentially something that could be reintroduced, on a risk basis, following the work of the STOG Task & Finish Group.</p> <p>Risk: A lack of management oversight and review of transactions, leading to specific risks or issues not being addressed.</p>					
Criminal Justice Outcomes (Out of Court Disposals)					
<p><u>Force Wide Governance Arrangements</u></p> <p>The audit tested the Force wide governance arrangements that will be applied to monitor OOC risks and issues. At the end of the review, it was commented that these arrangements are yet to be agreed.</p> <p>The review also tested the performance and oversight processes. It was commented that these aspects are due to be worked on from February 2024 and will include the collation of an OOC Performance Framework focussing on compliance, breaches, reoffending and national standards of readiness. Additionally, the data collated by the OOC Centralised Team will also be utilised to provide an overall picture on demand, risks and issues.</p> <p>The aim is for the new governance and performance framework to go live in quarter one or two of 2024/25.</p> <p>Risk: Lack of an effective governance or performance framework, leading to OOC risks and issues not being overseen or addressed.</p>	<p>The Force wide governance arrangements to monitor OOC risks and issues will be agreed and implemented.</p> <p>Additionally, the necessary performance framework and measurements for overseeing OOC aspects will be agreed and implemented.</p>	30/09/24	1	<p>OOCR Case Workers x6 have now been in post for four months, with their probation periods ending in April 2025. As part of their PDR/probationary review process, the Operational Manager has been completing comprehensive reviews of the cases covered to ensure performance oversight with a view to building a framework which encapsulates not only the "outcome" measurement but develops a "how to" guide for this brand new role for future potential expansion/vacancies. This has been difficult to "finalise" while the process is still in its early stages and the staff are not confirmed in permanent post.</p> <p>With regards to the Central Team (Administration), they are still not fully staffed with the Team Leader in a seconded role and therefore this brings with it its own challenges around performance and reviews. However, the intention is to implement a "round table" approach amongst the team to build the same outcome measurement and "how to" guide as the Case Workers. The original completion date given here was therefore too ambitious and have therefore pushed this back to May, rest assured the necessary work is going on in the background and when provisionally agreed performance measurements are in place, this will be brought before Board/stakeholders.</p>	01/05/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p><u>OOCD Partnership Scrutiny Panel</u></p> <p>The audit tested the arrangements for the OOC Partnership Scrutiny Panel. At the end of the audit, it was commented that the meetings are not currently taking place and the panel is on hold, pending the outcome of Office of the Police and Crime Commissioner's (OPCC) governance review. An additional comment was made that once the panel is operational again, there is the potential for the panel to not be chaired by the Force as this could be seen as a conflict of interest.</p> <p>Once the outcome of the OPCC's review is communicated, the future of the OOC Partnership Scrutiny Panel will be agreed.</p> <p>Risk: Lack of an effective scrutiny panel process, leading to ineffective oversight and assurance on the Force's arrangements.</p>	<p>Once the outcome of the OPCC's governance review is known, the future arrangements for the OOC Partnership Scrutiny Panel will be agreed. The option for the panel to not be chaired by the Force will also be considered.</p>	31/12/24	1	<p>It has been agreed that the OOC Partnership Scrutiny Panels can commence. This decision is awaiting final approval.</p> <p>Once agreed, the necessary personnel and meeting documentation will be arranged.</p>	30/06/25
<u>Digital Project Implementation</u>					
<p><u>Digital Operating Model, Resources and Capacity</u></p> <p>The Force's current Operating Model and structure for digital initiatives and projects was adopted in 2022. The model was set up and aligned to the Digital Strategy, but as more projects and initiatives have been approved or are being worked on, the current model would benefit from a review. This review is currently taking place, with an outcome to propose changes to the approach.</p> <p>Additionally, ICT have a resource planning process in place, but this is not fully aligned between Joint ICT, the Joint Information Management Unit, the Integrated System Support (ISS) Team and ICT's Change Delivery Unit. Also, ISS Resources is currently noted as a risk within the Integrated Systems Working Group Risk Log.</p> <p>Once the review of the Operating Model is complete, it was commented that there will be a need to go through all of the projects and initiatives and ensure they are resourced and prioritised.</p> <p>Risk: Lack of an effective Digital Operating Model, leading to initiatives not being resourced or delivered.</p>	<p>The overall Operating Model for digital services and programmes is currently being reviewed.</p> <p>The outcome will be to ensure an effective operational digital structure and resources with the necessary governance and oversight, aligned to current requirements for both Forces.</p>	30/09/24	1	<p>Proposed revised ICT operating Model in draft and in discussion, to follow post approval of ICT Strategy which is to be presented at March CCMT.</p>	31/03/25
<p><u>Digital Strategy Delivery</u></p> <p>During the audit, the processes for delivering, monitoring and reporting on the Joint Digital Strategy content were reviewed.</p> <p>This included reviewing the Joint Digital Strategy, Joint Data & Systems Roadmap and Digital Strategy Delivery presentation content as well as progress to date with a sample number of initiatives / projects. Testing made the following observations:</p>	<p>The Operating Model review will ensure clarity and ownership of the digital portfolio for both Forces. This will be documented across the whole portfolio for technical, digital and information aspects.</p> <p>This will enable the digital portfolio to be tracked and monitored effectively, including</p>	31/12/24	1	<p>The Digital Strategy is currently in the process of being refreshed in time for its commencement in April 2026 when the current strategy expires. This new strategy is exploring themes of transformation, prioritisation, benefits realisation and adoption as core pillars of areas of digital improvement. The digital operating model and how it interacts with ICT, Change and other enabling departments will be designed in line with this strategy. It is anticipated that the initial draft of this strategy will be available by August 2025.</p>	31/08/25

Observation and Risk						Agreed action	Original completion date	Priority	Current position	Revised completion date
Project Initiative /	Joint Digital Strategy	Digital Strategy Delivery Presentation	Joint Data & Systems Roadmap	Due to Complete	Status	<p>clear lines of escalation for ownership and updates.</p> <p>Delivery will be clearly linked back through the Joint Data & Systems Roadmap to the Joint Digital Strategy.</p> <p>Progress and outcomes will be clearly reported, linking to any original business case expectations.</p>				
Data Quality Measurement	✓	✓	✗	2023/24	Ongoing / BAU					
WiFi Uplift	✓	✗	✗	Q1 2023/24	Ongoing					
ESRI Corporate Mapping	✓	✗	✗	Q2 2023/24	Ongoing / BAU					
Digital Interview Recording (DIR)	✓	✗	✗	Q2 2022/23	Ongoing					
Explore RPA Options for RMS Data Cleansing	✗	✓	✓	Q4 2023/24	Early stages					
Victim Portal Used to Improve Information Flows	✗	✓	✓	Q4 2023/24	Ongoing / BAU					
Refresh of CMP Training	✗	✓	✗	Q2 2023/24	Complete					
Performance Relating to Technology Adoption	✗	✓	✓	Q2 2023/24	Early stages					
<p>In summary:</p> <ul style="list-style-type: none"> - The audit found inconsistencies within the Joint Digital Strategy, Joint Data & Systems Roadmap and Digital Strategy Delivery presentation documents and that some initiatives / projects did not appear in all three to show a full trail of developments. - In terms of progress, testing concluded that all initiatives / projects were progressing, but that some were behind schedule or at very early stages of development. - The audit was unable to locate a clear view as to what some of the initiatives / projects were due to deliver (i.e. Performance Relating to Technology Adoption). - The audit was also unable to locate a single view of all digital initiatives / projects in terms of ownership, resources, progress, outcomes and benefits. <p>The audit tested two initiatives / projects (Technology Utilisation MI and Automation Reduces Duplication) that were classed as blue (complete) to establish how any learning & development, communications and benefits had been evaluated. However, both aspects were at the early stages of development and it appears should not have been reported as complete. The audit was also unable to form a view on the post initiative arrangements.</p> <p>Risk: Lack of an effective process to capture, monitor and deliver the content of the Joint Digital Strategy, leading to digital initiatives and projects not being delivered to scope and on time.</p>										

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
Domestic Abuse					
<u>Processing of applications</u>					
<p>As part of the audit, details of DVDS applications received between 01/01/22 and 14/09/22 were extracted from Niche. High level review of these showed that there were a total of 89 non-filed occurrences which were over 35 days old. More detailed review of the process followed for a sample of 10 application occurrences identified the following observations:</p> <ul style="list-style-type: none"> In one case, after initial contact with the applicant the OIC has updated the OEL to indicate they do not believe the person is eligible for disclosure. Outside of a Multi-Agency Safeguarding Hub (MASH) review, no other action is noted in the OEL and the occurrence remains open (initiated on 09/03/22). In three cases there was no DOM5 on the OEL and no documented reason for this. In six cases the review process had not met the 35 day timescale for completion of an application. <p>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 pilot is currently underway whereby a dedicated DVDS Team has been put in place as part of the trial Assessment and Investigation Unit (AIU) within Berkshire. This is due to run for six months, from September, although it was not possible during the audit to identify how this trial is to be assessed at the end of this period and who will authorise further roll out if it is deemed a success.</p> <p>Risk: Where applications are not processed in a timely manner, any potential risk to the applicant is not identified and communicated at the earliest opportunity.</p>	<p>An evaluation will be undertaken of the AIU/DVDS approach in early 2023 so that a decision can be made on whether to move forward with roll out or look for another approach for the future administration of the DVDS.</p> <p>The Operational Guidance will then be updated to reflect any necessary changes to the DVDS process.</p>	30/06/23	1	<p>Robotic Process Automation (RPA) work has been brought forward with funding provided from VAWG budget. Currently in testing. Anticipated product will be ready in March 2025 (pending any issues with testing).</p> <p>Teams rolled out across the force for all to use when completing in person checks.</p> <p>DVDS live in Bucks and MK HRUs. Oxfordshire will undertake training shortly and also adopt process. Seeking to start work in East Berks early to take away pressure on DAIU.</p>	<p>Delivery of robotics 31/03/25</p> <p>Testing of Teams delivery: completed</p> <p>Finalisation of HRU delivery: Summer 2025 (Berkshire go live)</p>
	<p>The processing issues shown have arisen due to ineffective use of Niche and the need for better 'housekeeping' of applications.</p> <p>The steps to address this will depend on the future approach for DVDS (see action 6.1) but will include a process for periodic review of applications over 35 days to ensure appropriate progress is being made and a universal, risk based, approach to filing applications where applicants are not engaging.</p>	30/06/23	1		
<u>Peer review and sharing of learning across the DAIUs</u>					
<p>It was commented that, with up to 20 Sergeants and Inspectors across the 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 or not for disclosure.</p> <p>Whilst the DVDS Operational Guidance is designed to encourage as much consistency in process and decision making as possible, across the six DAIUs 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.</p> <p>Risk: Lack of peer review and sharing of learning potentially leads to inconsistent approaches and less efficient application of the process.</p>	<p>This should be addressed if the decision is made to move to roll out the AIU/DVDS approach following the trial evaluation in early 2023 (see action 6.1), as the number of Sergeants and Inspectors involved will be greatly reduced.</p> <p>However, if following the evaluation a decision is made to take another approach, an appropriate peer review / learning process will be devised and introduced.</p>	30/06/23	2	<p>The training delivery to HRUs is being carried out using people experienced with the scheme to ensure some consistency. The current priority is to ensure we have a process that functions and is capable of delivering the statutory requirements.</p> <p>Analysis of decision making is likely to be a further step once HRUs are fully functional.</p>	<p>Finalisation of HRU delivery: Summer 2025 (Berkshire go live)</p>
<u>Monitoring and analysis of evidence led prosecution numbers</u>					
	<p>The mechanisms and key points for recording ELPs</p>	30/06/23	1	<p>A DA improvement plan has been drafted. This includes work to improve evidence led</p>	<p>Ongoing</p>

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>At present, the number of ELPs cannot be determined from Niche as they are not recorded within Niche 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 e.g. which areas are using ELPs more/less effectively to enable sharing of good practice/ learning.</p> <p>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. This began in October and it is acknowledged that this will take time to embed.</p> <p>Risk: The Force lacks a full understanding of its ELP usage and performance, leading to the potential for issues and improvements not being identified and addressed.</p>	<p>within Niche, or another related record, will be discussed with the relevant teams to identify a way forward that will enable the data to be collated and meaningfully analysed.</p>			<p>prosecution. Part of the work involves the Behavioural Science Unit and Corporate Comms to shape the narrative.</p>	
<p>Identifying barriers to / sharing learning around ELP</p> <p>As part of the audit, two sample LPAs were contacted regarding review work they have undertaken in relation to Code 16 filing and ELP:</p> <ul style="list-style-type: none"> - One LPA undertook review work around Code 16 filings, including the introduction of a Gateway Sergeant process, in early 2022. Although formal records of number of cases reviewed and progressed as ELP have not been maintained, anecdotally it was stated that this has led to an increase in ELPs. The findings/learning from this work have been shared with the other LPA Commanders. - An operation was undertaken within another LPA to progress ongoing DA investigations. This identified issues and learning around ELP which have only been presented to the LPA AMT. <p>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.</p> <p>Risk: Learning is lost which could have potentially been used to improve use and levels of ELP.</p>	<p>In some LPAs there are DA Operational Groups in place. ELP feedback will be sought from these groups, which will then be considered by either the DA Working Group or the DA Strategic Board.</p> <p>This will also be explored further in terms of potentially moving to every LPA holding a DA Operational Group to provide an ongoing feedback mechanism.</p>	30/06/23	1	<p>We are in the early stages of planning a force improvement plan in respect of positive outcomes in domestic abuse which incorporates these issues.</p> <p>A terms of reference has been written and a meeting held with Service Improvement in November 2024. Awaits prioritisation decision for support in Service Improvement.</p>	31/03/25
ICT/Digital Strategy					
<p>ICT Strategy Refresh</p> <p>The current ICT Strategy has been in place since 2020 (developed in 2019) and takes TVP and Hampshire Constabulary (HC) through to 2025.</p> <p>During the audit, it was commented that there are plans to refresh the strategy during 2023 to ensure that it aligns to the current climate and priorities of TVP and HC.</p> <p>Risk: Lack of an up to date ICT Strategy and related Road Map, leading to</p>	<p>The ICT Strategy will be refreshed and updated during 2023 to ensure that it aligns to the current climate and priorities of TVP and HC.</p>	31/12/23	2	<p>Draft plan for 2024-2030 in final stages of approval, due to be presented to CCMT in March</p> <p>In parallel, a more detailed ICT Strategy for the lower level is being worked on.</p>	31/03/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
the potential for initiatives being included that are no longer a priority or key areas not being captured.					
<p><u>ICT Strategy Reporting</u></p> <p>As part of the review, progress in delivering the ICT Strategy, as well as any reporting, oversight and monitoring was reviewed.</p> <p>A copy of the “221105 - 2223 ICT Strategic Review - Delivery Plan (final)” (November 2023) PowerPoint was provided, which is the main document that tracks delivery of the strategy. Within this presentation, there is a Road Map of delivery since 2020, with three slides that detail progress over the last three / four years, as well as Outcome slides, detailing any benefits delivered.</p> <p>Testing of the ICT Strategy and the “221105 - 2223 ICT Strategic Review - Delivery Plan (final)” Road Map and Outcomes found the following:</p> <ul style="list-style-type: none"> - The “Scaling VPN”, “ITIL (Maturity)” and “Enterprise Architecture” initiatives are noted within the ICT Strategy, but there is no information in the ICT Strategy Review PowerPoint presentation (Road Map or Outcomes). - The “Service Now Virtual Agent”, “Single Domain” and “MBCS Cert” initiatives are in the ICT Strategy Review PowerPoint presentation Road Map, but are not noted in the ICT Strategy or the ICT Strategy Review PowerPoint presentation Outcomes. - The “Transform Radio Comms Phase 1” and “ESRI Locator” initiatives are not noted within the ICT Strategy, but are covered in the ICT Strategy Review PowerPoint presentation (Road Map and Outcomes). - “Cloud Adoption Strategy Design / Implementation” initiative is not in the ICT Strategy or early version of the ICT Strategy Review PowerPoint presentation Road Map. <p>It was noted that omissions of any initiatives from the ICT Strategy or early Road Maps were due to initiatives being added after the ICT Strategy had been developed. The Road Map has been updated to show initiatives that have been delivered and those that are still being planned / worked on. It was also commented during the audit that the Road Map will be refreshed and updated for future years, beyond 2024, based on the review of the ICT Strategy.</p> <p>In terms of strategy oversight, it was reported that this takes place at ICT Senior Management Team (SMT), the Deputy Chief Constable’s (DCC) Collaboration Board and the Police and Crime Commissioner’s (PCC) Collaboration Governance Board. Although the audit was able to locate references within presentations to the ICT Strategy’s initiatives and outcomes, the audit could not locate any specific meeting agenda items or reports referring solely to the ICT Strategy.</p> <p>Risk: Lack of a fully transparent oversight and reporting process for ICT</p>	<p>The overall update and refresh of the ICT Strategy is covered as part of action 1.1.</p> <p>Going forward, there will be a more regular review and update of the strategy (i.e. quarterly), with supporting reports and Road Map updates being submitted to the necessary governance forums for oversight and assurance. This will be included in the strategy update.</p>	31/12/23	2	Reporting included as part of the refresh, due to be presented at CCMT in March 2025.	31/03/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
Strategy initiatives and outcomes, leading to the potential that deliverables are not met or lack of senior management assurance on strategy outcomes.					
ICT Enterprise / M365 Security Management					
<p><u>Legacy Operating Systems Use</u></p> <p>Legacy operating systems are still present within the Force's IT estate. This presents a risk that some Force endpoints and servers may be vulnerable to known exploits in the software which cannot be patched due to a lack of vendor support for the legacy software. The audit noted that plans are in place for legacy assets removal.</p> <p>Risk: Legacy software poses a risk as it is no longer supported by the vendor and so will not be patched when security exploits are found.</p>	<p>There are plans in place to remove any legacy operating systems within the next 12 months. Some of these machines are linked to legacy systems, which are being lifecycle managed, meaning when the application is upgraded, the need for these machines will disappear.</p> <p>There are high-level trackers documents that are managing this process.</p>	30/04/24	2	Plans in place, reporting each month on progress. Some of the dates pushed out in line with project delivery dates. The numbers will reduce between now and end dates as part of the delivery plan.	30/09/25
Mental Health					
<p><u>Demand and Performance Reporting</u></p> <p>The Force have adopted a Mental Health Performance Toolkit. During the audit, the content and use of the toolkit was reviewed. Testing identified a number of observations:</p> <ul style="list-style-type: none"> - The toolkit currently picks up three main classifications from Niche: Mental Health (an occurrence that did not require Section 135 or Section 136); Section 135 Mental Health Act – Power of Entry; and Section 136 Mental Health Act – Form. - The toolkit was developed in 2014, and although it has been refreshed in recent years, it may benefit from a further review to ensure that the data being captured and made available is the most relevant and useful to monitor performance and demand. - There is currently no monitoring of toolkit usage. Further testing with Mental Health SPOCs found that the toolkit is not widely used and between January and June 2022, has only been accessed 55 times by 23 individuals, most of whom are not on the LPAs. <p>During the audit, it was commented that the current Mental Health Gold Group have tasked the Service Improvement Unit to review the content and use of the toolkit.</p> <p>Risk: The Force lacks oversight of mental health performance, leading to risks or issues not being addressed.</p>	<p>The Mental Health Delivery Plan 2022/23 includes the following actions relating to performance reporting:</p> <p>1.1.1 Review custody MH toolkit and ensure it is fit for purpose.</p> <p>3.1.1 Consult with LPA / Department SPOC to identify the data they currently use and how it supports the work they do.</p> <p>3.1.2 Liaise with Service Improvement in order to create a MH toolkit fit for purpose to support LPA demand reduction and MH monitoring.</p>	30/04/23 (for a Delivery Plan update)	1	<p>A Power BI solution for mental health occurrence data is being investigated to see whether the Force has capacity to collate one. If this cannot be accommodated, the current processes and data provide the Force with adequate oversight of mental health demand.</p> <p>A Pronto Mental Health app should be in use shortly which will improve our data input quality. That in turn should improve the data quality of the toolkits.</p>	31/03/25
Rural Crime					
<p><u>Rural Crime figures</u></p> <p>Within the Service Improvement Portal, there is a section on rural crime. Figures from this portal are used for reporting to Force Performance Group against the strategic aim and related diagnostic of 'Reduce rural crime levels</p>	<p>Qualifier application is reviewed by the Rural Crime Co-ordinator but this is only new crimes/incidents in the last 48 hours.</p>	29/02/24	2	Not all LPAs have Performance Inspectors and the Local Command Unit will see Performance Inspectors responsible for LCU level performance. The force is introducing standard agenda items for performance meetings, which	31/07/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>by 5%'.</p> <p>As part of discussions with a sample of LPAs, the LPA Commander for one of the 'urban' LPAs commented that whilst they have some rural crimes recorded they are generally incorrect and need reclassifying. It was identified that these crimes were not generally being reviewed locally but when reviewed during the audit by the LPA Service Improvement Team the number shown was reduced from 13 to 3.</p> <p>Risk: Where rural crime figures are not accurate due to incorrect qualifier usage, the Force will lack a full and accurate picture of its rural crime levels.</p>	<p>Consideration will be given to the Rural Crime Co-ordinator, or LPA Performance Inspectors, undertaking a monthly review of the previous month's crimes, which have the qualifier attached, to identify any incorrect qualifier application that may have occurred at a later stage and needs reviewing.</p>			<p>should not be deviated from so we can have consistency in delivery. However this should be added to the responsibilities of the Performance Inspector role. This will be agreed with the LCU Implementation Team as a key responsibility for the Performance Inspectors.</p>	
Thames Valley Together					
<p><u>TVT Strategic Priorities</u></p> <p>The audit sought to confirm how TVT gain assurances on delivery of its aims and objectives and whether there is any external reporting on TVT's performance and outcomes. It was confirmed that this is an area that needs development, now that TVT has a defined strategy with future aims and objectives (i.e. the 2024/25 TVT Strategy). TVT do not currently produce progress reports on their work / products or an annual report showing deliverables, although they do provide updates to the VPP Strategy Board, as well as other governance forums, as requested.</p> <p>As part of the audit, a copy of Thames Valley Together's 2024/25 Together Prioritisation document was obtained. The document defines the products and work that TVT will deliver and how this will be prioritised. The document is in draft form and was formally shared with partners at the TVT Annual General Meeting (AGM) on the 13 May 2024. The document was agreed at the meeting, so was due to be updated to reflect it being the final version. This will then be shared with partners, along with the other materials from the AGM.</p> <p>Risk: Lack of agreed strategic documentation or progress reporting in delivering strategic priorities, leading to a lack of assurance over TVT deliverables and output.</p>	<p>The frequency and format of any future reporting will be agreed and overseen by the Joint Senior Responsible Officers (SROs).</p>	31/10/24	1	<p>A new Terms of Reference will be drawn up for this board.</p>	31/03/25
<p><u>Communications Approach</u></p> <p>As part of the audit, the TVT's communications approach was reviewed. A few observations were made with regard to this area:</p> <ul style="list-style-type: none"> - TVP lack a CCMT senior leader to drive buy in and support for the work completed by TVT, which is mirrored across the partner organisations within Thames Valley. - TVT has no formal Communications Strategy. - TVT do not have a Communications Officer / resource. They have previously had access to the Violence Prevention Partnership's (VPP) communication resource. However, this was an informal arrangement that is no longer in place. 	<p>Ownership of the Communications Plan will be agreed, whether this will be developed by TVP Communications Team or the existing VPP Communications resource.</p>	31/10/24	1	<p>Funding for project support approved. This action will be revisited once post has been filled.</p>	30/06/25
	<p>Work with the identified resource to create a formal Communications Strategy for TVT, to include partnership and external engagement and communications.</p>	31/12/24	1	<p>No resource was provided. Needs to be addressed by the incoming SRO and any new programme resources, revised date given.</p>	30/06/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>- Consideration is being given to collating a regular TVT Newsletter. A draft template is being collated for future use.</p> <p>As there may be a general lack of understanding as to what TVT is, awareness and communications within the Thames Valley area could be improved to assist in greater engagement from partners.</p> <p>Risk: A lack of senior leadership ownership and support, as well as ineffective TVT communications, leading to a lack of partner awareness or buy in of the work completed by TVT and its added value.</p>					
<p><u>Current Budget / Funding Position</u></p> <p>As part of the audit, the current funding model and budget position for TVT was reviewed. The review found that the 2024/25 TVT budget has been generally collated and is made up from a variety of sources (i.e. various grant funding, Thames Valley Police (TVP) contributions, Hampshire and Isle of Wight Constabulary (HIOWC) contributions, additional Home Office funding, etc.). However, the audit was unable to identify any formal sign off of the final agreed budget allocation and the serious violence duty funding amount (considered to be around £30,000) was yet to be confirmed.</p> <p>Additionally, the budget is monitored locally, but the system to monitor this is difficult due to the number of different sources that fund TVT.</p> <p>Risk: Current budget allocations are not agreed or effectively monitored, leading to overspends or ineffective use of allocated funds.</p>	<p>Formalise the existing Joint SRO meeting to ensure it has formal minutes, a Risks, Assumptions, Issues, and Dependencies (RAID Log) (as per action 16.1) and a Decision Log.</p> <p>Once this year's budget has been signed off, the process for monitoring the budget will be reviewed to ensure it is capturing all the necessary data.</p> <p>Regular budget reports will also be produced and presented to the Joint SROs and relevant governance forum for visibility and oversight.</p>	<p>31/10/24</p> <p>30/11/24</p>	<p>1</p> <p>1</p>	<p>Funding for project support approved. This action will be revisited once post has been filled.</p> <p>This year's budget has been managed by the Data and Targeting Lead and Finance. There have been challenges around finance and understanding what money the project has. The new SRO will need to make arrangements for managing funding for next year. Revised date given.</p>	<p>30/06/25</p> <p>31/03/25</p>
<p><u>TVT Programme Board</u></p> <p>As part of the audit, a copy of the TVT Governance Structure was obtained. This identified that the work of TVT is governed by the monthly TVT Programme Board, with a dotted line into the VPP Strategy Board. However, there was a lack of clarity over the role and responsibility of the VPP Strategy Board in relation to TVT.</p> <p>Additionally, testing of the TVT Programme Board observed the following:</p> <ul style="list-style-type: none"> - The board contains a mixture of roles, some operational and some strategic. Meeting attendance is also an issue, on occasions. Overall, this has the potential to affect the discussions, engagement and effectiveness of the meeting and subsequent TVT outcomes. - There could be an option to rebrand the board as an operational meeting, then creating a more strategic meeting above the board within the governance structure. <p>Risk: TVT governance arrangements are ineffective, leading to TVT</p>	<p>Reform the existing TVT Programme Board to ensure it has a clear focus on governance and is relevant to those organisations SPOCs who attend.</p>	<p>31/10/24</p>	<p>1</p>	<p>The new SRO will chair a programme board, which will report upwards via the CCMT Sponsor to the Joint DCCs collaboration board.</p> <p>A new Terms of Reference will be drawn up for this board.</p>	<p>31/03/25</p>

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
outcomes not being achieved.					
Trust and Confidence					
<p><u>Strategy and Direction</u></p> <p>The audit reviewed the overall approach to Trust and Confidence work within the Force. Testing found that the work is split into two aspects:</p> <ul style="list-style-type: none"> - Business as usual arrangements, which focus on the five defined Pillars. - A programme to deliver Violence Against Women and Girls (VAWG) outcomes and the Race Action Plan. <p>Although there are Force aims, objectives and priorities within the 2023/24 Strategic Plan as well as a "Building Public Trust and Confidence" objective included within the TVP 2025 document, the Force does not have an overall strategy for Trust and Confidence which defines objectives, outcomes and success measures.</p> <p>Towards the end of the audit, it was commented that the Pillars were having a "reset" in terms of focus and the aim is to produce a forward looking plan of work for 2024/25, linking to any 2024/25 Force strategic objectives and any other strategic documentation and surveys.</p> <p>Risk: Work lacks overall strategic focus, leading to clear outcomes and deliverables not being defined or agreed.</p>	<p>The development of a Trust and Confidence Strategy will be prioritised and presented to the Trust and Confidence Strategic Board for approval.</p> <p>Once developed, the strategy will also be presented to CCMT.</p>	31/10/24	1	The strategy is currently in final draft format and awaiting sign off, prior to being shared with CCMT.	31/03/25
<p><u>Trust and Confidence Pillars</u></p> <p>The business as usual Trust and Confidence work has defined five Pillars where improvements will be focussed: Use of Powers; Community Mapping; Hate Crime; Retention; and Progression and Disability. The review tested the strategy, work streams and outcomes for each area, as well as progress to date.</p> <p>Progress is overseen by the Trust and Confidence Strategic Board and a PowerPoint presentation is collated for each meeting pulling in work from around the Force. In terms of each Pillar, the audit found that the work is split into two main categories:</p> <ul style="list-style-type: none"> - Use of Powers / Community Mapping / Hate Crime Pillars are overseen directly by the Trust and Confidence Strategic Board. However, due to the lack of an overall strategy, these lacked strategic direction and focus, although this was being addressed at the end of the audit. Governance boards were being put in place and were expected to be operational from quarter one 2024/25. - Retention / Progression and Disability Pillars are overseen by the Trust and Confidence Strategic Board, but this work is subject to separate governance, outside the board structure. The Force have a Gold / Silver structure for Retention, but slightly less governance in relation to Progression and Disability. 	<p>Linked to action 1.1 and the development of a Trust and Confidence Strategy, a structured project management approach will be applied to the Trust and Confidence work going forward, supported by improved governance and assurance.</p>	31/10/24	1	Once the strategy has sign off and the projects in line with the 5 year/10 year strategies have been shared with us, Pillars will be determined.	31/03/25

Observation and Risk	Agreed action	Original completion date	Priority	Current position	Revised completion date
<p>In relation to all areas, it was commented that there is a need to map interdependencies with any other work being completed within the Force that may impact on these areas.</p> <p>Risk: The Pillars lack overall direction, defined outcomes and governance, leading to a lack of clarity or improvements not being achieved.</p>					
<p>Performance Framework</p> <p>The Trust and Confidence Strategic Board maintain oversight of progress with the five Pillars, as well as the related VAWG / Race Action Plan work. A high level overview of Trust and Confidence is also reported to Force Performance Group and the PCC's PAM.</p> <p>Due to the lack of an overall strategy, the performance framework and governance that will manage and monitor improvements to the Force's Trust and Confidence approach via the five Pillars was yet to be agreed.</p> <p>It was commented that the performance framework will need to address governance and accountability aspects, which will likely feed into the Trust and Confidence Strategic Board and Force Performance Group.</p> <p>Risk: Related trust and confidence performance aspects are not defined or monitored, leading to timely changes or improvements not being made.</p>	<p>Linked to actions 1.1, 6.1 and 7.1 a structured project management approach will be applied to the Trust and Confidence work going forward supported by improved governance and assurance.</p> <p>A formal performance framework will also be considered / developed, supported by the Force's current performance structure (i.e. Force Performance Group, Service Improvement Toolkits, etc.).</p>	31/10/24	1	Linked with sign off of the strategy.	31/05/25
Working Smart – Security and Data Protection Compliance					
<p>Working outside of TVP premises/home address</p> <p>It was stated during the audit that there is no appetite for use of public Wi-Fi (e.g. in a café or on a train) due to there being a small window of vulnerability. To this end, individuals should instead hot spot from TVP mobile phones for working outside of home.</p> <p>However, whilst it was commented that guidance around use of public Wi-Fi was issued as part of Covid comms, it was not possible to locate this in current guidance.</p> <p>Risk: Lack of guidance around use of public Wi-Fi, may lead to individuals using inappropriate Wi-Fi connections.</p>	<p>It is stated within guidance that for working at home, individuals must have a Wi-Fi connection.</p> <p>However, the approach for use of Wi-Fi connections in other locations / hot spotting to phones will be confirmed. Guidance will be reviewed to ensure this is clearly set out and this will also be included as part of the comms plan.</p>	31/07/24	1	<p>As the Force have now asked many officers/staff to return their phones, hot spotting is no longer an option for most.</p> <p>The approach is therefore being reviewed by the Head of ICT (in terms of the Wi-Fi protocol being part of the ICT Security Policy) and the People Directorate (in terms of it being referenced within the WS Policy which needs to be reviewed and updated). The relevant information will also be sign posted on the WS SharePoint page.</p>	TBC

**JOINT INDEPENDENT AUDIT COMMITTEE**

Title: Internal Audit Strategy and Joint Internal Audit Plan 2025/26

Recommendation: The Committee is requested to endorse the report.

Officer's Approval:

PCC Chief Finance Officer (OPCC)

Date: 3 March 2025

Director of Finance (TVP)

Date: 5 March 2025



JOINT INTERNAL AUDIT TEAM

**INTERNAL AUDIT STRATEGY AND
JOINT INTERNAL AUDIT PLAN 2025/26**

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1. Internal Audit Strategy

Authority, Role and Responsibilities

- 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. The Office of the Police and Crime Commissioner for Thames Valley's (OPCC) 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.
- 1.2 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. This service is delivered by the JIAT.
- 1.3 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. The framework includes the role of the PCC, PCC's Chief Executive, 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 details on how the service is delivered within Thames Valley.

Global Internal Audit Standards

- 1.4 From April 2025, the JIAT is governed by the International Professional Practices Framework, Fundamentals and Domains detailed within the Global Internal Audit Standards (GIAS). The new GIAS replace the previous Public Sector Internal Audit Standards (PSIAS). The Domains of the GIAS are:
 - Domain I: Purpose of Internal Auditing.
 - Domain II: Ethics and Professionalism (1. Demonstrate Integrity; 2. Maintain Objectivity; 3. Demonstrate Competency; 4. Exercise Due Professional Care; and 5. Maintain Confidentiality).
 - Domain III: Governing the Internal Audit Function (6. Authorised by the Board; 7. Positioned Independently; and 8. Overseen by the Board).
 - Domain IV: Managing the Internal Audit Function (9. Plan Strategically; 10. Manage Resources; 11. Communicate Effectively; and 12. Enhance Quality).
 - Domain V: Performing Internal Audit Services (13. Plan Engagements Effectively; 14. Conduct Engagement Work; and 15. Communicate Engagement Results and Monitor Action Plans).
- 1.5 Together, these elements help internal auditors achieve the principles and fulfil the Purpose of Internal Auditing. The Chartered Institute of Public Finance and Accountancy (CIPFA) have also produced a Global Internal Audit Standards in the UK Public Sector Application Note. This document provides a framework for the practice of internal audit in the UK public sector when taken together with the GIAS. The note sets out interpretations and requirements which need to be applied to the GIAS requirements, in order that these form a suitable basis for internal audit practice in the UK public sector.

Internal Audit Definition

- 1.6 The GIAS defines internal audit as “an independent, objective assurance and advisory service 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”.

Audit Charter

- 1.7 Standard 6.2 of the GIAS requires the Chief Internal Auditor to implement and maintain an Audit Charter that specifies, as a minimum, the JIAT’s:
- Internal Audit Mandate.
 - Commitment to adhering to the GIAS.
 - The board’s responsibilities and expectations regarding management’s support of the internal audit function.
 - Organisational position and reporting relationships.
 - Purpose of Internal Auditing.
 - Scope and types of services to be provided.
- 1.8 The JIAT has previously adopted an Internal Audit Charter, which is subject to an annual review. The review has been completed and due to the new GIAS requirements and content, a new Audit Charter has been collated, which is attached at Appendix D.

JIAT Vision

- 1.9 The mission of the JIAT is:

In a future shaped by technological innovation and collective efforts to address global challenges, the JIAT aims to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.

- 1.10 To achieve this mission, over the next three years the JIAT’s strategic objectives are to:
- Innovate and adapt to safeguard and enhance stakeholder value and the organisation’s ability to serve the public interest.
 - Assess new technology options to help the function add more value.
 - Expand the team’s skills and expertise in emerging risk areas.
 - Cultivate leadership and stakeholder support while seeking methods to increase recognition and clarify the role of the team.
 - Assess the balance between assurance and advisory services in providing greater insight for both organisations.
 - Preserve the independent and objective nature of the service.

External Quality Assessments

- 1.11 Standard 8.4 of the GIAS relates to External Quality Assessments, specifically which the Chief Internal Auditor “must develop a plan for an external quality assessment and discuss the plan with the board. The external assessment must be performed at least once every five years by a qualified, independent assessor or assessment team. The requirement for an external quality assessment may also be met through a self-assessment with independent validation”.
- 1.12 The JIAT was externally assessed by CIPFA during May 2022. The opinion of the external assessor for the JIAT was “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. The JIAT’s next assessment will be due during 2027/28.

Communication

- 1.13 Standard 11.3 of the GIAS relates to Communicating Results, specifically that the Chief Internal Auditor “must communicate the results of internal audit services to the board and senior management periodically and for each engagement as appropriate. The chief audit executive must understand the expectations of the board and senior management regarding the nature and timing of communications”. CIPFA’s Global Internal Audit Standards in the UK Public Sector Application Note clarifies this requirement as “10B. Overall conclusions and annual reporting GIAS; 11.3 (Communicating Results) references the possibility that a chief audit executive may be required to make a conclusion at the level of the organisation about the effectiveness of governance, risk management and/or control. In the UK public sector, a chief audit executive must prepare such an overall conclusion at least annually in support of wider governance reporting, mindful of any specific sector obligations or processes. This overall conclusion must encompass governance, risk management and control”.

2. Joint Internal Audit Plan

Requirement and Approach

- 2.1 Standard 9.4 of the GIAS relates to Internal Audit Plan Requirements, specifically that the Chief Internal Auditor “must create an internal audit plan that supports the achievement of the organisation’s objectives”. In collating the Joint Internal Audit Plan, the JIAT seek input from their customers to determine the risks and scope of each assignment. However, the JIAT retain overall control of the process and content of the plan.
- 2.2 The Joint Internal Audit Plan is designed to enable the Chief Internal Auditor’s Annual Report and Conclusion Statement 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 conclusion is used to inform the PCC’s and Chief Constable’s separate Annual Governance Statements.
- 2.3 For 2025/26, the Joint Internal Audit Plan will be delivered by:
- Chief Internal Auditor.
 - Principal Auditor.

- TIAA Ltd (ICT Audit Contractor).

2.4 The audit methodology will utilise electronic working papers and reports.

Audit Planning Process

2.5 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 OPCC's Senior Officer Group (SOG).
- 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 OPCC's Chief Executive 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's Governance and Service Improvement Team.
- For the OPCC, review of the Police and Crime Plan, OPCC Strategic Risk Register, Annual Governance Statement and any relevant external assessments.
- Review of other sources of information including national and local strategies and policies, organisational changes and collaborative arrangements.
- Input from TIAA's (ICT Audit Contractor) Global Universe Audit Risk Determination (GUARD) methodology in relation to current ICT risks.

2.6 Having completed the process above, the 2025/26 Joint Internal Audit Plan has been collated (attached as Appendix A to this report). The plan lists the identified audit reviews, CCMT / COG 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.

2.7 The Joint Internal Audit Plan provides a good level of coverage across both organisations. Details of the areas being covered within TVP are:

- Deputy Chief Constable's portfolio: Four audits are being completed which will focus on Corporate Communications Approach; Organisational Leadership Management; Fire Safety Arrangements and Estates Maintenance.
- Legitimacy and Public Value: Two audits are being completed which will test the Enabling Services Programme Implementation; and Trust and Confidence.
- Crime and Criminal Justice: Two reviews are being completed which will focus on the Evidence Management Units and Repeat Offender Management.
- Local Policing: Four audits are being completed focussing on Anti-Social Behaviour; Domestic Abuse Investigation Units; Local Community Engagement; and Vehicle Crime.

- Operations: One audit is being completed in relation to Armouries Management.
 - Regional Counter Terrorism and Organised Crime: One audit is being completed on TVP's Financial Investigations.
 - Finance: Three audits are being completed looking at Key Financial Controls; Payroll Change of Circumstances; and Procurement and Discreet Cards.
 - Digital and Information: Four audits are being completed focussing on Freedom of Information; Cyber Security (Operating Model); End User Device Management; and Joiners, Leavers and Movers Process.
 - People: Two audits are being completed which will focus on the Police Constable Entry Programme Training Delivery; and Recuperative and Adjusted Duties.
- 2.8 Within the OPCC, two audits are being completed in the following areas:
- OPCC Performance Management Framework.
 - Victims Hub / Model.
- 2.9 There is one audit that will test the implementation of actions agreed as part of any 2024/25 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 Chief Internal Auditor's Annual Report and Conclusion Statement.
- 2.10 A number of days have also been allocated in the plan to:
- Supervise and oversee individual audit completion.
 - Provide any advisory services 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 GIAS.
 - Support the Force and OPCC's contribution to the bi-annual NFI exercise.
 - Finalise any 2024/25 audit reviews.
- 2.11 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.
- 2.12 In terms of Hampshire and Isle of Wight Constabulary (HIOWC) led collaborations, the Audit Team for HIOWC and the OPCC have confirmed that there are no collaborated audits currently planned for 2025/26.
- 2.13 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.

- 2.14 For visibility, the following areas were considered for inclusion within the Joint Internal Audit Plan, but due to other priorities and resource limitations, they have not been included:

Org.	CCMT / SMG Level	Audit Title
TVP	DCC	Capital Project Management
	DCC	Change Programme Management
	DCC	Health and Safety (Post Covid Working)
	DCC	Victims Satisfaction / Code Compliance
	Legitimacy and Public Value	Chiltern Transport Consortium
	Legitimacy and Public Value	RACE Action Plan
	Legitimacy and Public Value	Violence Against Women and Girls Outcomes
	Crime and Criminal Justice	Custody Inspection Improvements
	Crime and Criminal Justice	Investigation Statutory Time Limits
	Crime and Criminal Justice	Child Sexual Exploitation
	Crime and Criminal Justice	Missing Persons Process (Children)
	Local Policing	AIU Victim Contact
	Operations	CMU Call Answering Times
	Operations	Incident Response Times (Grade 1)
	South East Regional lead for Counter Terrorism and Organised Crime	Covert Assets
	Digital and Information	Data Protection Impact Assessments
	Digital and Information	AI Usage and Approach
	Digital and Information	Application Controls Review
	Digital and Information	ICT Financial Management
	Digital and Information	ITIL / Change Management
	People	Disability Compliance
	People	People Services Policy and Guidance

Org.	CCMT / SMG Level	Audit Title
		Management
OPCC	OPCC	OPCC HR Management
	OPCC	Spend to Save Fund
	OPCC	OPCC Risk Management

3. Resources and Coverage

3.1 The JIAT 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 2025/26. 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 348.

3.3 The available days have been allocated as follows:

TVP (CCMT) / OPCC Area	Total Days	Plan %
TVP - Deputy Chief Constable	43 days	12%
TVP - Legitimacy and Public Value	23 days	7%
TVP – Crime and Criminal Justice	22 days	7%
TVP – Local Policing	44 days	13%
TVP – Operations	11 days	3%
TVP - Regional Counter Terrorism and Organised Crime	11 days	3%
TVP – Finance	34 days	10%
TVP – Digital and Information	40 days	11%
TVP - People	22 days	6%
OPCC	21 days	6%

TVP (CCMT) / OPCC Area	Total Days	Plan %
General (Limited / Minimal Assurance Follow Up / Sources of Assurance)	14 days	4%
Other (Supervision, Advisory Services, Follow Up, Fraud Liaison, Annual Report, GIAS Assessment, NFI and 2024/25 Carry Forward)	63 days	18%
TOTAL PLANNED DAYS	348 days	100%

4. Service Risks

4.1 The key risks to the achievement of the 2025/26 Joint Internal Audit Plan are:

Risk	Mitigation
JIAT members may leave or be off work for a prolonged period, potentially resulting in the Joint Internal Audit Plan not being fully resourced and delivered.	<ul style="list-style-type: none"> - Regular staff 1-2-1's. - Rotation of work and assignments. - JIAT developments and enhancements. - Additional back up resources agreed in principle with the external ICT contractor.
TVP and / or the OPCC may lack engagement or capacity to support the audit process, potentially leading to the agreed Joint Internal Audit Plan not being delivered by year end.	<ul style="list-style-type: none"> - Regular JIAT communications and engagements. - Assignment arrangements so they consider the needs of both organisations.
External ICT contractor performance may not be to the expected levels, potentially leading to the agreed ICT audits not being delivered.	<ul style="list-style-type: none"> - Regular 1-2-1's with the Liaison Manager. - Internal oversight of audit progress and quality.

5. Performance Framework

5.1 The Joint Internal Audit Team's 2025/26 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 2025

APPENDIX A: JOINT INTERNAL AUDIT PLAN 2025/26

Listed below are the audit reviews currently included within the 2025/26 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. The rationale for each review has been identified as follows:

1. Police and Crime Plan	4. Force Management Statement	7. External Inspection / National Measures
2. OPCC Strategic Risk Register	5. Force Strategic Risk Register	8. Management Suggestion
3. Force Strategic Plan	6. Local Risk Register	9. 2024/25 Carry Forward Audit

Force CCMT / OPCC COG Lead	Audit Review	High Level Scope	Rationale									Planned Days	Timing	
			1	2	3	4	5	6	7	8	9			
Thames Valley Police														
DCC	Corporate Communications Approach	Corporate Communications process, demand, resilience and service delivery.				✓	✓				✓		11 days	Q3
	Organisational Leadership Management	Approach to equipping Force leaders with the skills to provide effective leadership.			✓					✓	✓		11 days	Q2
	Fire Safety Arrangements	Management of fire safety risks and issues.									✓		10 days	Q2
	Estates Maintenance	Delivery of the Force's day to day Forward Maintenance Register and management of estates.									✓		11 days	Q3
Legitimacy and Public Value	Enabling Services Programme Implementation	Progress in implementing the programme and any service improvements.									✓	✓	12 days	Q4
	Trust and Confidence	The Force's approach to enhancing internal and external trust and confidence.	✓		✓					✓	✓	✓	11 days	Q3
Crime and Criminal Justice	Evidence Management Unit	The Force's Evidence Management Unit strategy and service delivery.									✓		11 days	Q2
	Repeat Offender Management	The management and risk mitigation of repeat offenders.			✓		✓		✓				11 days	Q2
Local Policing	Anti-Social Behaviour	The Force's policy, process and performance in relation to anti-social behaviour demand.	✓		✓						✓		11 days	Q1
	Domestic Abuse Investigation Unit	Effectiveness of the local Domestic Abuse Investigation Units.	✓		✓				✓	✓	✓		11 days	Q1

Force CCMT / OPCC COG Lead	Audit Review	High Level Scope	Rationale									Planned Days	Timing	
			1	2	3	4	5	6	7	8	9			
	Local Community Engagement	The Force's approach to ensuring effective local community engagement.	✓		✓	✓				✓	✓		11 days	Q2
	Vehicle Crime	The Force's policy, process and performance in relation to vehicle crime demand.	✓										11 days	Q1
Operations	Armouries Management	The management of risk in relation to TVP's armouries following the HMICFRS inspection.								✓	✓		11 days	Q2
Regional Counter Terrorism and Organised Crime	TVP Financial Investigations	The Force's policy, process and performance in relation to TVP's financial investigations.	✓		✓					✓	✓		11 days	Q3
Finance	Key Financial Controls	A review of the Force's key financial controls.			✓	✓	✓				✓		13 days	Q3
	Payroll Change of Circumstances	The process for administering flexi-working (changes to hours and shifts) and the acting process.									✓		11 days	Q1
	Procurement and Discreet Cards	The process, management and oversight of the Force's procurement and discreet cards.									✓		10 days	Q2
Digital and Information	Freedom of Information	The process, management and oversight of the Force's Freedom of Information arrangements.				✓					✓		10 days	Q4
	Cyber Security (Operating Model)	The current operating model to manage cyber security risks.									✓		10 days	Q3
	End User Device Management	The Force's policy and process for managing end user devices.									✓		10 days	Q2
	Joiners, Leavers and Movers Process	The end to end joiners, leavers and movers process in relation to access management.									✓		10 days	Q4
People	Police Constable Entry Programme Training Delivery	Effectiveness and oversight of the Police Constable Entry Programme.			✓						✓		11 days	Q1
	Recuperative and Adjusted Duties	The Force's policy and process for managing recuperative and adjusted			✓						✓		11 days	Q4

Force CCMT / OPCC COG Lead	Audit Review	High Level Scope	Rationale									Planned Days	Timing	
			1	2	3	4	5	6	7	8	9			
		duties.												
Office of the Police and Crime Commissioner (Thames Valley)														
OPCC Wide	OPCC Performance Management Framework	Application and oversight of the OPCC's performance management framework.		✓									10 days	Q4
Service Delivery	Victims Hub / Model	The Victims Hub's policy, process and performance.	✓	✓						✓			11 days	Q4
General														
N/A	Limited / Minimal Assurance Follow Up	The review will follow up on any actions agreed as part of limited or minimal assurance audits completed during 2024/25.	N/A									10 days	Q3 – 4	
	Sources of Assurance	This work captures any external sources of assurance that can be included within the Annual Internal Audit Report.	N/A									4 days	Q1 – 4	
												TOTAL	285 days	
Other														
N/A	Audit Supervision	Days allocated to supervise and review the planned audits.	N/A									22 days	N/A	
	Advisory Services	A number of days to provide advisory services for the Force and OPCC.	N/A									6 days	N/A	
	Follow Up	Days to administer the quarterly follow up process for the JIAC.	N/A									11 days	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	
	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	
	GIAS Assessment	Days to complete the annual internal GIAS assessment and implement / monitor any actions needed.	N/A									3 days	N/A	
	National Fraud	Resources to support the Force and	N/A									5 days	N/A	

Force CCMT / OPCC COG Lead	Audit Review	High Level Scope	Rationale									Planned Days	Timing
			1	2	3	4	5	6	7	8	9		
	Initiative	OPCC's contribution to the bi-annual NFI exercise.											
	2024/25 Carry Forward	A number of days to complete the 2024/25 planned audits.	N/A									10 days	N/A
TOTAL											63 days		
GRAND TOTAL											348 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 2025/26

	OPCC / TVP	OPCC / TVP	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	7	8		15
TOTAL	55	40	0	95
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	197	151	30	378
CORPORATE WORK				
Audit Service and Plan Monitoring	10			10
Audit Plan Development	5	2		7
Collaboration Governance Board	2			2
Joint Independent Audit Committee	6	5		11
CORPORATE WORK TOTAL	23	7		30
OPCC/TVP AUDIT WORK	174	144	30	348

APPENDIX C: PERFORMANCE INDICATORS 2025/26

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 agree or tended to agree with the statements (excluding "unable to comment" answers).	95%	Annually to the JIAC. Included within the Annual Internal Audit Report.
5	Conform with the Global Internal Audit Standards.	Complete an annual self-assessment and ensure conformance with the standards, with any non-conformance being endorsed by the necessary governance forum.	100%	Annually to the JIAC. Included within the Annual Internal Audit Report.

APPENDIX D



**JOINT INTERNAL AUDIT TEAM
AUDIT CHARTER**

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1. Audit Charter Background

- 1.1 Standard 6.2 of the Global Internal Audit Standards (GIAS) requires the Chief Internal Auditor (CIA) to implement and maintain an Audit Charter. The Audit Charter that specifies, as a minimum, the Joint Internal Audit Team's (JIAT):
- Internal Audit Mandate.
 - Commitment to adhering to the GIAS.
 - The board's responsibilities and expectations regarding management's support of the internal audit function.
 - Organisational position and reporting relationships.
 - Purpose of Internal Auditing.
 - Scope and types of services to be provided.

2. Internal Audit Mandate (Authority, Role and Responsibilities)

- 2.1 Standard 6.1 requires the CIA to implement and maintain an Internal Audit Mandate which defines the JIAT's authority, role, and responsibilities, which may be granted by the board and / or laws and regulations.
- 2.2 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. This 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".
- 2.3 The Office of the Police and Crime Commissioner for Thames Valley's (OPCC) 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.
- 2.4 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.
- 2.5 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. The framework includes the role of the PCC, PCC's Chief Executive, 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 details on how the service is delivered within Thames Valley.
- 2.6 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.
- 2.7 The joint internal audit service Governance Structure (TVP / OPCC) is documented at Annex 1. The 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. Commitment to Adhering to the Global Internal Audit Standards

- 3.1 The JIAT is governed by the International Professional Practices Framework, Fundamentals and Domains detailed within the GIAS. The Domains of the GIAS are:
- Domain I: Purpose of Internal Auditing.
 - Domain II: Ethics and Professionalism (1. Demonstrate Integrity; 2. Maintain Objectivity; 3. Demonstrate Competency; 4. Exercise Due Professional Care; and 5. Maintain Confidentiality).
 - Domain III: Governing the Internal Audit Function (6. Authorised by the Board; 7. Positioned Independently; and 8. Overseen by the Board).
 - Domain IV: Managing the Internal Audit Function (9. Plan Strategically; 10. Manage Resources; 11. Communicate Effectively; and 12. Enhance Quality).
 - Domain V: Performing Internal Audit Services (13. Plan Engagements Effectively; 14. Conduct Engagement Work; and 15. Communicate Engagement Results and Monitor Action Plans).
- 3.2 Together, these elements help internal auditors achieve the principles and fulfil the Purpose of Internal Auditing.
- 3.3 Additionally, Topical Requirements are designed to enhance the consistency and quality of internal audit services related to specific audit subjects and to support internal auditors performing engagements in those risk areas. Internal auditors must conform with the relevant requirements when the scope of an engagement includes one of the identified topics. Topical Requirements strengthen the ongoing relevance of internal auditing in addressing the evolving risk landscape across industries and sectors.
- 3.4 The Chartered Institute of Public Finance and Accountancy (CIPFA) have also produced a Global Internal Audit Standards in the UK Public Sector Application Note. This document provides a framework for the practice of internal audit in the UK public sector when taken together with the GIAS. The note sets out interpretations and requirements which need to be applied to the GIAS requirements, in order that these form a suitable basis for internal audit practice in the UK public sector.

4. Definitions

- 4.1 For the purposes of this charter, the following definitions and expectations shall apply:
- Internal Auditing: an independent, objective assurance and advisory service 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.
 - Board: the highest-level body charged with governance, such as: board of directors; audit committee; board of governors or trustees; a group of elected officials or political appointees; or another body that has authority over the relevant governance functions. In an organisation that has more than one governing body, "board" refers to the body / bodies authorised to provide the internal audit function with the appropriate authority, role and responsibilities. If none of the above exist, "board" should be read as referring to the group or person that acts as the organisation's highest-level governing body. Examples include the head of the organisation and senior management. For the OPCC and TVP, this is the JIAC.

- Senior Management: the highest level of executive management of an organisation that is ultimately accountable to the board for executing the organisation's strategic decisions, typically a group of persons that includes the chief executive officer or head of the organisation. For the OPCC, this is the Chief Officer Group (COG), and for TVP, this is the Chief Constable's Management Team (CCMT). Operational oversight of the audit service is provided by the Internal Audit Oversight Group (which is attended by the DoF, CFO and CIA).

5. Purpose of Internal Auditing

- 5.1 Internal auditing strengthens the organisation's ability to create, protect, and sustain value by providing the board and management with independent, risk-based, and objective assurance, advice, insight, and foresight. Internal auditing enhances the organisation's:
- Successful achievement of its objectives.
 - Governance, risk management and control processes.
 - Decision-making and oversight.
 - Reputation and credibility with its stakeholders.
 - Ability to serve the public interest.
- 5.2 Internal auditing is most effective when:
- It is performed by competent professionals in conformance with the GIAS, which are set in the public interest.
 - The internal audit function is independently positioned with direct accountability to the board.
 - Internal auditors are free from undue influence and committed to making objective assessments.
- 5.3 The responsibility of the JIAT is to:
- Provide an internal audit service in accordance with the GIAS.
 - Develop and deliver a risk based Joint Internal Audit Plan.
 - Provide an independent and objective annual assurance conclusion on how the application of risk management, control and governance arrangements have supported the achievement of both 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 JIAT'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.
- 5.5 To fulfil the Internal Audit Mandate, in carrying out their duties, the JIAT (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. The JIAT 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.

6. Ethics and Professionalism (Integrity, Objectivity, Competency, Due Professional Care and Confidentiality)

- 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. Key personal attributes to achieving this are:
- Competency: the JIAT's knowledge, skills and abilities.
 - Independence: the freedom from conditions that may impair the ability of the JIAT to carry out internal audit responsibilities in an unbiased manner.
 - Integrity: the behaviour characterised by adherence to moral and ethical principles, including demonstrating honesty and the professional courage to act based on relevant facts.
 - Objectivity: an unbiased mental attitude that allows internal auditors to make professional judgments, fulfil their responsibilities, and achieve the Purpose of Internal Auditing without compromise.
 - Professional scepticism: questioning and critically assessing the reliability of information.
- 6.2 The need for ethical behaviour is especially relevant in the UK public sector where those delivering public services are both servants of the public and stewards of public resources. The government has set out Seven Principles of Public Life (also known as the 'Nolan Principles') that apply to all public servants (including contractors working in the public service).
- 6.3 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.
- 6.4 The JIAT will implement safeguards to their objectivity and independence, including processes for addressing potential impairments and the frequency with which those safeguards are re-evaluated to ensure they are achieving the desired result. To achieve the level of integrity and objectivity needed, the JIAT:
- 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 JIAT, 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, reporting any issues to the Internal Audit Oversight Group.
 - 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.

- Complies with the organisation's business interest and Personal Development Review (PDR) processes.
- 6.5 The JIAT 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.
- 6.6 The JIAT will also be aware of both organisation's policies and procedures for routine publication of certain information and where there are statutory obligations to share or publish information.
- 6.7 If independence or objectivity is affected, the details will be presented to the Internal Audit Oversight Group and the JIAC. Situations that may introduce impairments to independence include:
- Management attempting to limit the scope of the JIAT's services that were previously approved by the board and documented in the Audit Charter.
 - The budget for the JIAT being reduced to a level that leaves the function unable to fulfil its responsibilities as outlined in the Audit Charter.

7. Governing the Internal Audit Function (Authorisation, Organisational Position, Reporting and Oversight)

- 7.1 In terms of the joint internal audit service's organisational position and reporting relationships, specifically in relation to governance, authorisation, independence and oversight, see the following sections of the Audit Charter:
- Section 2 details the Internal Audit Mandate (authority, role and responsibilities) in relation to laws and regulations and reporting relationships.
 - Section 9 details the effective communication of the joint internal audit service.
 - Section 13 details performing internal audit services in relation to engagement reporting.
 - Section 14 details Audit Charter review and approval arrangements.
 - Annex1 details the joint internal audit service Governance Structure (TVP / OPCC).
 - Annex 2 details the Board and Senior Management Reporting Framework.

8. Managing the Internal Audit Function (Planning and Resources)

- 8.1 The CIA is the leadership role responsible for effectively managing all aspects of the JIAT and ensuring the quality performance of internal audit services in accordance with the GIAS. Relevant Internal Audit Standard Setters (RIASS) for the UK public sector maintain an expectation that the CIA holds an appropriate professional qualification, alongside relevant experience. Both organisations must be looking for a CMIIA or a CCAB qualification, or an equivalent professional qualification, which includes training on the practice of internal audit and suitable internal audit experience. The JIAT is a professional individual or group responsible for providing an organisation with assurance and advisory services.
- 8.2 The CIA establishes the methodologies (policies, processes and procedures) to guide the internal audit function and enhance its effectiveness. The Internal Audit Strategy and Joint Internal Audit Plan is developed by the CIA and identifies the engagements and other internal audit services anticipated to be provided during a given period. The strategy and plan complements the PCC's Police and Crime Plan and TVP's Force Strategic Plan and includes:

- Internal Audit Strategy.
 - Joint Internal Audit Plan.
 - Resources and Coverage.
 - Service Risks.
 - Performance Framework.
- 8.3 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 structure and approach to resourcing the JIAT will align with the Audit Charter and support the achievement of the Internal Audit Strategy and implementation of the Joint Internal Audit Plan. The CIA will ensure that the JIAT has access to an appropriate range of knowledge, skills, qualifications and experience to deliver the service. This may include commissioning additional audit resources from external audit providers.
- 8.4 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.
- 8.5 Where practically possible, the CIA will co-ordinate and work with other assurance providers, gaining insight into the scope and timing of their work.
- 8.6 The CIA's expenses are claimed via the Force's expenses system and approved by the CFO, where required. Any gifts or hospitality received will be declared via the OPCC's internal process. As the CIA is line managed by the CFO and DoF, their performance is reviewed via the annual PDR process.
- 8.7 The CIA currently retains no executive or operational responsibilities. Should this change, the responsibilities, nature of work and established safeguards will be documented in the Audit Charter. If those areas of responsibility are subject to internal auditing, alternative processes to obtain assurance will be established, such as contracting with an objective, competent external assurance provider that reports independently to the board. Should the CIA take on any long term non-audit roles, these will be documented within the Audit Charter, along with board approval and the corresponding safeguards to independence, including the expected duration of the roles, responsibilities and safeguards and how the effectiveness of the safeguards will be evaluated periodically.

9. Effective Communication

- 9.1 The JIAT's stakeholders are a party with a direct or indirect interest in an organisation's activities and outcomes. Stakeholders include the board, management, employees, customers, vendors, regulatory agencies, financial institutions, external auditors, the public and others.
- 9.2 Effective communication requires building relationships, establishing trust, and enabling stakeholders to benefit from the results of internal audit services. The CIA is responsible for helping the internal audit function establish ongoing communication with stakeholders to build trust and foster relationships. Additionally, the CIA oversees the JIAT's formal communications with the board and senior management to ensure quality and provide insights based on the results of internal audit services.
- 9.3 Examples of the JIAT's effective communications are:
- The JIAT's Knowzone content.

- Presentations to TVP and OPCC senior management meetings and other governance forums on the role of the JIAT.
- Joint Internal Audit Plan consultation process.
- Audit assignment communications: Draft and Final Audit Brief; Exit Meeting Note; Draft and Final Reports; and informal communications during the review. The standard circulation list is included within the Audit Process – Email Text document.
- Ongoing plan progress updates to TVP and OPCC senior management meetings and other governance forums.
- Internal Audit Oversight Group updates on service delivery.
- JIAC reporting: Internal Audit Strategy and Joint Internal Audit Plan; Progress in Audit Plan Delivery; CIA Annual Internal Audit Report; and Progress in the Delivery of Audit Actions.
- Updates to the Joint Collaboration Governance Board, as required.
- Joint Internal Audit Plan progress and outcomes reported to any Forces for collaborated functions.

10. Quality Assurance and Improvement

- 10.1 A Quality Assurance and Improvement Programme (QAIP) is established by the CIA to evaluate and ensure that the JIAT conforms to the GIAS, achieves performance objectives and pursues continuous improvement. The program includes internal and external assessments.
- 10.2 The team perform an annual self-assessment against the requirements of the GIAS, 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. Progress in implementing the actions within the QAIP is also presented to the Internal Audit Oversight Group and JIAC.
- 10.3 An external assessment of the JIAT's compliance with the GIAS will be completed at least once every five years. The independent assessor or assessment team, their qualifications and experience, the assessment scope, approach and outcome, along with progress in implementing any improvements, will be reported to, discussed and agreed with the Internal Audit Oversight Group and JIAC.

11. Performing Internal Audit Services

- 11.1 The JIAT may review any aspect of the OPCC's or TVP's activities to enable the CIA to produce an Annual Report and Conclusion Statement. An engagement is a specific internal audit assignment or project that includes multiple tasks or activities designed to accomplish a specific set of related objectives. The activity under review is the subject of an internal audit engagement. Examples include an area, entity, operation, function, process or system. To support this, the JIAT undertake a range of risk-based activities to provide assurance on both organisation's governance, risk and control arrangements. The GIAS includes the following definitions:

- **Advisory services:** a service through which internal auditors provide advice to an organisation's stakeholders without providing assurance or taking on management responsibilities. The nature and scope of advisory services are subject to agreement with relevant stakeholders. Examples include advising on the design and implementation of new policies, processes, systems and products; providing forensic services; providing training and facilitating discussions about risks and controls.

- Assurance services: a service through which internal auditors perform objective assessments to provide assurance. Examples of assurance services include compliance, financial, operational / performance and technology engagements.

11.2 Other types of services provided by the JIAT include:

- Follow up review: the JIAT facilitate both 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.
- Additional assurance: the availability of objective assurance from other independent internal review functions or external review bodies will be considered to support the CIA's Annual Report and Conclusion Statement.
- Fraud and irregularity investigations: the JIAT 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.

11.3 The JIAT maintains an Audit Manual, which documents the methodologies (policies, processes and procedures) to guide and direct internal auditors within the function. The Audit Manual details the team's processes and procedures in the following areas:

1. Audit Charter	12. Follow up of Management Actions
2. Internal Audit Service and Responsibilities	13. Performance and Improvement
3. Joint Internal Audit Team	14. Training and Development
4. Relationships with Customers	15. File Retention
5. Audit Planning	16. Data Protection
6. Risk Management	17. Collaboration Arrangements
7. Assurance Services	18. Additional Sources of Assurance
8. Advisory Services	19. Working with External Audit and other External Review Bodies
9. Fraud and Irregularity	20. Health and Safety
10. Audit Process	21. Audit Manual Review
11. Reporting	

11.4 The general process applied by the JIAT in completing an assignment includes:

- Working papers: the documentation of the internal audit work done when planning and performing engagements. The documentation provides the supporting information for engagement observations and conclusions. The documentation is defined within the team's Standard Electronic File.
- Engagement planning: the process during which internal auditors gather information, assess and prioritise risks relevant to the activity under review, establish engagement objectives and scope, identify evaluation criteria and create a work program for an engagement. The team's Audit Planning Document manages this process.
- Engagement objectives: the statements that articulate the purpose of an engagement and describe the specific goals to be achieved. The team's Audit Brief defines the engagement objectives.

- Risk and control matrix: a tool that facilitates the performance of internal auditing. It typically links business objectives, risks, control processes and key information to support the internal audit process. The team's Audit Testing Programme manages this process.
 - Engagement work program: a document that identifies the tasks to be performed to achieve the engagement objectives, the methodology and tools necessary and the internal auditors assigned to perform the tasks. The work program is based on information obtained during engagement planning. The team's Audit Testing Programme manages this process.
 - Observation: in an engagement, the determination that a gap exists between the evaluation criteria and the condition of the activity under review. These are recorded within the Audit Testing Programme and reported via the Exit Meeting Note.
 - Engagement results: the observations and conclusion of an engagement, including an agreed action plan. These are recorded within the Exit Meeting Note, Draft Audit Report and Final Audit Report.
 - Engagement supervisor: an internal auditor responsible for supervising an internal audit engagement, which may include GDPR and assisting internal auditors as well as reviewing and approving the engagement work program, working papers, final communication and performance. This role is fulfilled by both the CIA and Principal Auditor.
 - Results of internal audit services: outcomes, such as engagement conclusions, themes (such as effective practices or root causes) and conclusions at the level of the business unit or organisation. These are recorded within the Draft Audit Report and Final Audit Report.
 - Engagement conclusion: an internal auditors' professional judgment about engagement observations when viewed collectively. The engagement conclusion will indicate satisfactory or unsatisfactory performance. These are recorded within the Draft Audit Report and Final Audit Report.
 - Assurance: a statement intended to increase the level of stakeholders' confidence about an organisation's governance, risk management and control processes over an issue, condition, subject matter or activity under review when compared to established criteria. These are recorded within the Draft Audit Report and Final Audit Report.
- 11.5 Internal auditors in the UK public sector must be aware of the importance of securing value for money and the definitions which define that term in their part of the UK public sector. Internal auditors must also be aware of the importance of value for money, alongside other key considerations, when determining appropriate evaluation criteria.
- 11.6 In relation to any disagreements with management on the outcome of any engagement, these will initially be discussed with the line management structure within TVP or the OPCC. If unresolved, these will be escalated to the DoF for TVP and the CFO for the OPCC, then via the joint internal audit service Governance Structure (TVP / OPCC) at Annex 1.
- 11.7 The JIAT also manage the audit action follow up process. This involves quarterly requests for updates on progress to complete audit actions, with any overdue and outstanding actions reported to the JAIC for visibility.

12. Chief Internal Auditor's Annual Report and Conclusion Statement

- 12.1 The CIA is responsible for producing an Annual Internal Audit Report, which includes the CIA's Annual Conclusion Statement. The annual conclusion will summarise the overall adequacy and effectiveness of both organisations' framework of governance, risk management and control.
- 12.2 The CIA's Annual Report and Conclusion Statement will include the following:

- Responsibilities.
- Joint Internal Audit Plan Coverage.
- Audit Methodology.
- Audit Team.
- Conclusion on the Organisation's Framework of Governance, Risk Management and Control, including the CIA's Annual Conclusion Statement.
- Internal Audit Performance.
- Resource Allocation and Utilisation.
- Summary of Audit Outcomes.
- Effectiveness of Internal Audit Questionnaire Results.

12.3 This report and conclusion is used by senior management at the OPCC and TVP to inform their respective Annual Governance Statements.

13. Performance Dashboard

13.1 The Annual Internal Audit Strategy includes details of the JIAT's Performance Framework, which includes annual performance measurements and objectives. The measurements are designed to track the operation of the JIAT in fulfilling the principles of the GIAS, Audit Charter and Internal Audit Strategy.

13.2 Performance measurements are monitored via the JIAT's Performance Dashboard and reported to the Internal Audit Oversight Group and JIAC.

14. Audit Charter Review and Approval

14.1 The Audit Charter will be subject to an annual review by the CIA. In conducting the review, the CIA will:

- Discuss the proposed charter with the board and senior management to confirm that it accurately reflects their understanding and expectations of the internal audit function.
- Discuss with the board and senior management the Internal Audit Mandate and other key considerations in the Audit Charter, focusing on helping the board and senior management to understand: authority; roles; responsibilities; scope; and internal audit services.
- Raise circumstances that may justify a follow-up discussion with the board and senior management on the internal audit mandate or other aspects of the Audit Charter.
- Highlight changes to the Audit Charter with the board and senior management.
- Present a final draft of the Audit Charter to the board to be discussed and endorsed.

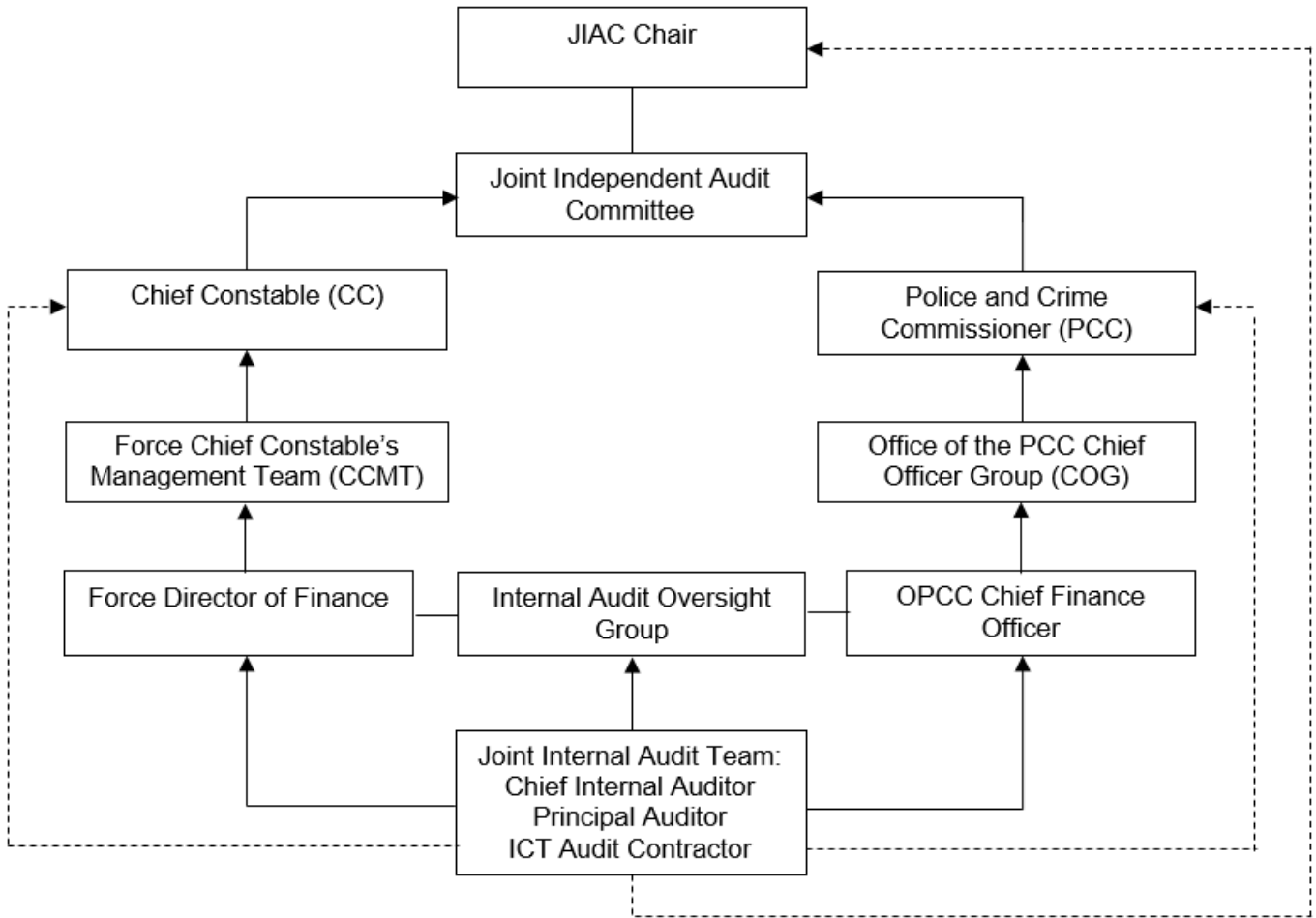
14.2 The JIAC will:

- Review the Audit Charter with the CIA to consider changes affecting both organisations.
- Discuss with the CIA and senior management other topics that could be included in the Audit Charter to enable an effective internal audit function.
- Endorse the Audit Charter, which includes the internal audit mandate and the scope and types of internal audit services.

- 14.3 Senior management will communicate with the board and CIA about management's expectations of what should be considered for inclusion in the Audit Charter.
- 14.4 The CIA and board agree on the frequency with which to review and reaffirm whether the Audit Charter's provisions continue to enable the JIAT to accomplish its objectives. Best practice is to review the Audit Charter periodically, reference it when questions about the Internal Audit Mandate arise and update it as needed.

JIAT Audit Charter Owner	Chief Internal Auditor
Date Produced	February 2025
Date for Review	February 2026

Joint Internal Audit Service Governance Structure (TVP / OPCC)



Board and Senior Management Reporting Framework

Action	Board		Senior Management					
	JAC		Internal Audit Oversight Group		TVP Chief Constable's Management Team		OPCC Chief Officer Group	
	Note and Endorse	Receive Information / Reports	Approve	Receive Information / Reports	Approve	Contribute	Approve	Contribute
The CIA has direct and unrestricted access to members of the JAC and Internal Audit Oversight Group	✓	✓	✓	✓				
Audit Charter	✓		✓			✓		✓
International Professional Practices Framework		✓		✓				
The organisational independence of the JIAT (annually)	✓		✓					
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	✓		✓					
The Quality Assurance and Improvement Programme		✓		✓				
Any non-conformance with the GIAS and how this impacts the overall scope or operation of the internal audit activity	✓		✓					
Internal Audit Strategy and Joint Internal Audit Plan	✓		✓			✓		✓
Internal Audit budget and resource plan	✓		✓					
Resource impacts, including any significant changes	✓		✓					
Internal audit conclusions and management action priority wordings	✓		✓					
Joint Internal Audit Plan Progress and Performance		✓		✓		✓		✓
Any significant additional advisory services not already included in the audit plan	✓		✓					
Follow up of overdue and outstanding audit report actions or where management have accepted the risk of not taking action		✓		✓		✓		✓
Annual Internal Audit Report and Chief Internal Auditor's Annual Conclusion Statement	✓		✓					
Any unacceptable risk exposure that has been accepted by management		✓		✓	✓		✓	
The release of any engagement records to external parties			✓		✓		✓	
The form of any external assessments and the qualifications and independence of the external assessor or assessment team, including any potential conflict of interest	✓		✓					
The outcome of any external assessment		✓		✓				



JOINT INDEPENDENT AUDIT COMMITTEE



Title: 2024/25 Joint Internal Audit Plan Delivery

Recommendation: The Committee is requested to note the report.

Officer's Approval:

PCC Chief Finance Officer (OPCC)

Date: 3 March 2025

Director of Finance (TVP)

Date: 5 March 2025

1. Introduction and Background

- 1.1 The report provides details on the progress made in delivering the 2024/25 Joint Internal Audit Plan for TVP and the OPCC and any findings arising from the audits that have been completed.

2. Audit Resources

- 2.1 There have been no changes to the Joint Internal Audit Team's resource plan for 2024/25, with the plan being delivered by the Chief Internal Auditor, Principal Auditor and TIAA Ltd (ICT audit provider). For continuity, the same team of TIAA Ltd Auditors are being used for 2024/25.

3. 2024/25 Audit Plan Status and Changes

- 3.1 The progress made in delivering the 2024/25 Joint Internal Audit Plan is detailed in Appendix A. This includes the status of each review, the high level scope (where agreed) and the assurance outcome (where reported). Since the December meeting, the following audits have been completed:

Substantial / Reasonable Assurance

- Child Abuse Investigation Unit (Reasonable Assurance): The CAIUs primarily investigate offences committed by parents, carers and those in a position of trust against those under 18. The audit focussed on any External Review Improvements and Current and Future Demand Management processes. Both aspects received a reasonable assurance rating.
- Force Restructure Programme (Reasonable Assurance): The programme is transforming TVP by redistributing resources and delivering efficiencies, allowing the Force to continue to provide value for public money and protect its communities, now and into the future, as well as contributing to the Force's overall £20m savings target for 2025. The audit reviewed the Programme Progress and Delivery of Savings and the Programme Governance and

Assurance arrangements. Both aspects received a reasonable assurance rating.

- Mobile Phone Procurement (Reasonable Assurance): The Force has recently managed a process to procure and roll out new mobile phones, replacing previously leased phones. The audit reviewed the Mobile Phone Process Mitigations and Wider Process Learning and Improvements from the process. Both aspects received a reasonable assurance rating.
- NHP Guarantee Readiness (Substantial Assurance): The audit scope was the Force's approach to meeting the five pillars of the Neighbourhood Policing Guarantee (i.e. Police back on the beat; Community led; A new neighbourhood policing career pathway; A crackdown on anti-social behaviour: and Safer town centres). The audit reviewed the Readiness with the Guarantee, which received a reasonable assurance rating, and the Assurance and Monitoring and Governance and Oversight arrangements, which both received a substantial assurance rating.

Limited / Minimal Assurance

- OPCC Statutory Responsibilities (Limited Assurance): The OPCC has to comply with certain statutory duties. The audit reviewed the Identification of Statutory Responsibilities, Roles and Processes for Meeting Statutory Responsibilities and Oversight of Compliance. All aspects received a limited assurance rating.

3.2 Copies of the Final Audit Report (Executive Summary) for all completed audits have been circulated to the JIAC members, in advance of the meeting.

3.3 The following changes have been made to the 2024/25 Joint Internal Audit Plan since the December JIAC meeting:

Replace

Audit	Rationale	Resource
Trust and Confidence (incl. Use of Powers)	<p>Despite refining the scope and approach to the audit, the key Force and OPCC contacts have commented that an audit at the present time would not add value for the following reasons:</p> <ul style="list-style-type: none"> - A defined strategy will not be in place until January / February. - The Trust and Confidence Framework is just being developed. - The Use of Powers Board is in its infancy. - The outcome of the OPCC's governance / scrutiny review is inextricably linked to all of these areas in terms of outcomes, so time is needed for these to embed. <p>An audit mid-2025 would be more appropriate.</p>	13 days
Application Controls Review (CMP)	<p>The Application Controls Review (CMP) audit has been requested to be cancelled as the project to re-platform CMP is ongoing and not due to complete until May.</p> <p>A replacement audit has not been proposed due to the volume of remediation work being undertaken</p>	10 days

	by other audits as well as additional business led demand, strategic planning and service improvement work.	
	Resource	23 days

Include

Audit	Rationale	Resource
NHP Guarantee Readiness	The audit will review the Force's readiness for meeting the NHP guarantee, as well as the assurance, monitoring and governance arrangements in place.	10 days
N/A	<p>A further audit of the Evidence Management Units was proposed. However, in scoping the audit, it was requested the review take place after the summer due to current capacity within the unit.</p> <p>As the current audit plan year is coming to an end, it has been agreed with the Internal Audit Oversight Group that the days will be spent as follows:</p> <ul style="list-style-type: none"> - Four days have been allocated to scoping the three audits that did not take place. - Four days have been allocated to ongoing audits to ensure testing can be completed by year end. - Five days have been allocated to complete the initial internal self-assessment against the Global Internal Audit Standards. 	13 days
	Resource	23 days

3.4 The changes above have been discussed and agreed with the relevant Force CCMT / OPCC SMT Lead, as well as the Internal Audit Oversight Group.

4. 2024/25 Performance Indicators

4.1 Local performance indicators are used by the team to ensure audits are completed promptly and to an acceptable standard. See Appendix B for the team's current Performance Dashboard 2024/25.

5. Fraud

5.1 The data matches for the 2024/25 NFI have been received. Force teams are currently reviewing the matches, with no initial concerns being noted.

5.2 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. As noted previously, these matters are discussed at the quarterly Fraud Group, which is attended by PSD, Corporate Finance, Internal Audit and the OPCC.

APPENDIX A

2024/25 Joint Internal Audit Plan

Org.	Force CCMT / OPCC SMT Lead	Audit Review	Status	Scope	Assurance	Overall Assurance	Days
TVP	DCC	External Review / HMICFRS Recommendation Closure	Testing	Process for Tracking and Signing Off Recommendations and Agreed Actions	TBC	TBC	12
		Force Strategic Plan Performance and Monitoring	Testing	Strategic Plan Delivery Framework	TBC	TBC	13
				Strategic Plan Oversight	TBC		
		Custody 2030 Programme Delivery	Draft Report	Programme Scope, Resources and Timeframe	TBC	TBC	11
				Governance, Risks and Deliverables	TBC		
		Environmental Sustainability Strategy	Draft Report	Strategy Collation and Approval	TBC	TBC	14
				Strategy Implementation	TBC		
				Strategy Oversight and Governance	TBC		
		Complaints Process	Complete	Complaints Process	Reasonable	Reasonable	10
				Investigation Risk Assessment and Prioritisation	Reasonable		
	Performance Monitoring and Governance			Reasonable			
	Legitimacy and Public Value	Force Restructure Programme	Complete	Programme Progress and Delivery of Savings	Reasonable	Reasonable	12
				Programme Governance and Assurance	Reasonable		
		CTC Review Outcome Actions	Replaced	N/A	N/A	N/A	0
		Trust and Confidence (incl. Use of Powers)	Replaced	N/A	N/A	N/A	2
		Use of Powers (Stop & Search / S.163 Stops)	Replaced	N/A	N/A	N/A	0
		RACE Action Plan	Exit Meeting	Locally Relevant Activity	TBC	TBC	12
				Oversight of the TVP Race Action Plan	TBC		
	Enabling Services Programme	Replaced	N/A	N/A	N/A	1	
	Crime and Criminal Justice	MASH - Adult Protection Demand	Exit Meeting	Adult Protection Guidance, Training and Process	TBC	TBC	12
Governance (Demand, Performance and Partnership Working)				TBC			
Child Abuse Investigation Unit		Complete	External Review Improvements	Reasonable	Reasonable	11	
Current and Future Demand Management	Reasonable						

Org.	Force CCMT / OPCC SMT Lead	Audit Review	Status	Scope	Assurance	Overall Assurance	Days
		Domestic Abuse Investigation Unit	Replaced	N/A	N/A	N/A	0
		Rape and Sexual Offences	Testing	Implementation of the National Operating Model RASO Governance and Oversight	TBC TBC	TBC	13
		EMU Freezer Usage	Replaced	N/A	N/A	N/A	1
	Local Policing	Assessment and Investigation Unit	Complete	Process Risk Assessment and Compliance	Reasonable	Reasonable	12
Demand Tracking and Progress				Reasonable			
Cross Departmental Working				Substantial			
Governance and Oversight				Reasonable			
	NHP Guarantee Readiness	Complete	Complete	Readiness with the Guarantee	Reasonable	Substantial	10
Assurance and Monitoring				Substantial			
Governance and Oversight				Substantial			
	Operations	Contact Management Unit Performance	Complete	Contact Management Strategy / Delivery Plan Implementation (incl. HMICFRS AFIs)	Reasonable	Reasonable	12
Departmental Operations and Demand Management				Substantial			
Performance, Risk and Issue Management				Reasonable			
	Regional Counter Terrorism and Organised Crime	CT and ROCU Governance and Risk Management	Complete	Risk Management Arrangements	Reasonable	Reasonable	11
Governance Arrangements				Reasonable			
	Finance	Key Financial Controls	Testing	Journal Processing	TBC	TBC	15
Discreet Credit Cards and Purchase Cards				TBC			
Charging for Police Services				TBC			
Accounts Receivable		Complete	Complete	Accounts Receivable Procedures	Reasonable	Limited	12
				Refunds, Credit Notes and Write Offs	Limited		
				Management Oversight	Limited		
Contract Management (Benefits Realisation and Supplier Performance Management)	Complete	Complete	Contract Benefit Management	Reasonable	Reasonable	11	
			Supplier Performance Management	Limited			
Digital and Information		Application Controls Review (CMP)	Replaced	N/A	N/A	N/A	0

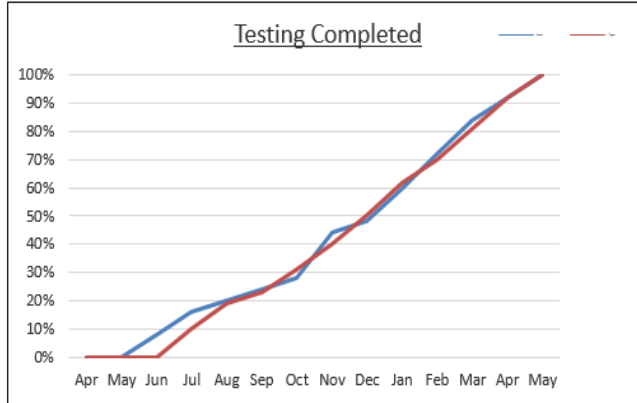
Org.	Force CCMT / OPCC SMT Lead	Audit Review	Status	Scope	Assurance	Overall Assurance	Days
		Disaster Recovery	Testing	Resources, Skills and Documentation	TBC	TBC	10
				Recovery Processes and Arrangements	TBC		
				System and Technology Resilience	TBC		
		Third Party Contract Management	Draft Report	Governance and Procedures	TBC	TBC	10
				Monitoring and Oversight	TBC		
				IT Security Risk Management	TBC		
	Mobile Phone Procurement	Complete	Mobile Phone Process Mitigations	Reasonable	Reasonable	7	
			Wider Process Learning and Improvements	Reasonable			
	People	People Directorate Action Follow Up	Draft Report	Follow up of Actions from 2022/23 and 2023/24 Audit Reports	TBC	TBC	11
	OPCC	OPCC	Thames Valley Together	Complete	Awareness, Communications and Engagement	Limited	Limited
Funding, Future Developments and Added Value					Limited		
Governance, Structure and Oversight					Limited		
OPCC Performance Management Framework			Replaced	N/A	N/A	N/A	0
OPCC Statutory Responsibilities			Complete	Identification of Statutory Responsibilities	Limited	Limited	12
	Roles and Processes for Meeting Statutory Responsibilities	Limited					
	Oversight of Compliance	Limited					
N/A	General	Limited / Minimal Assurance Follow Up	Testing	Follow up of Actions from 2023/24 Limited Assurance Audit Reports	N/A	N/A	8
		Sources of Assurance	Testing	Additional Sources of Assurance	N/A	N/A	4
		GIAS Self-Assessment	Complete	Internal self-assessment against the Global Internal Audit Standards.	N/A	N/A	5
TOTAL							285

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.

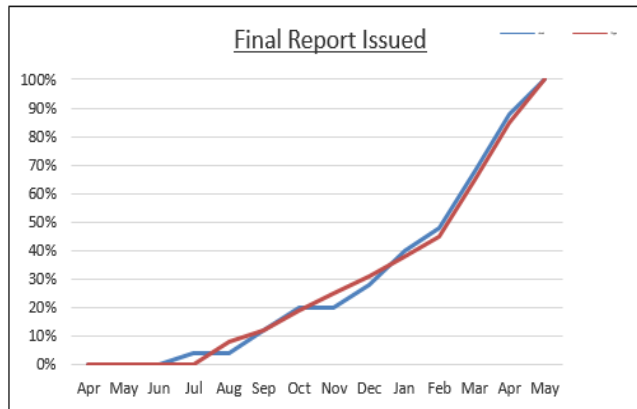
APPENDIX B

Joint Internal Audit Service: Performance Dashboard 2024/25

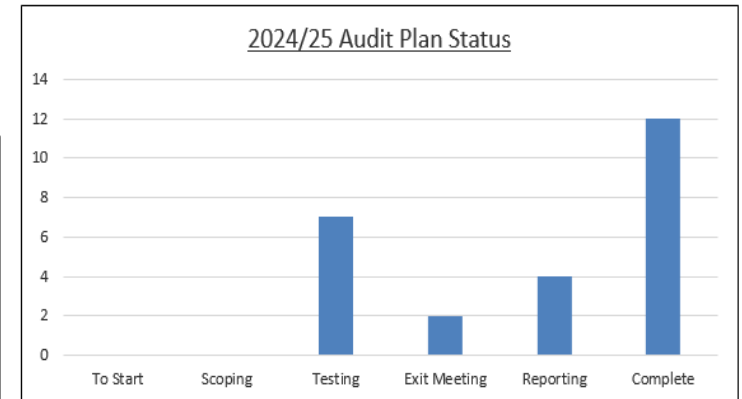
Ref.	1	Audits	Testing Completed			
PI	Testing Completed	25	Actual No.	Actual %	Target %	
Target	By July: 10%	Apr	0	0%	0%	
	By November: 40%	May	0	0%	0%	
	By February: 70%	Jun	2	8%	0%	
	By May: 100%	Jul	4	16%	10%	
Comments		Aug	5	20%	19%	
	In completing testing, the plan is on track to be delivered by April 2025. Of the twelve audits where testing is complete, seven were within target (i.e. 4 x the day allocation). The five that were outside target were over by an average of 30 days.		Sep	6	24%	23%
			Oct	7	28%	31%
			Nov	11	44%	40%
			Dec	12	48%	50%
			Jan	15	60%	62%
			Feb	18	72%	70%
			Mar	21	84%	81%
			Apr	23	92%	92%
			May	25	100%	100%



Ref.	2	Audits	Final Report Issued			
PI	Final Report Issued	25	Actual No.	Actual %	Target %	
Target	By July: 0%	Apr	0	0%	0%	
	By November: 25%	May	0	0%	0%	
	By February: 45%	Jun	0	0%	0%	
	By May: 100%	Jul	1	4%	0%	
Comments		Aug	1	4%	8%	
	In issuing reports, the plan is on target to have all reports issued by April 2025. Of the seven audits where the final report has been issued, six were within target (i.e. 40 days from exit meeting). The one that was not was over by four days.		Sep	3	12%	12%
			Oct	5	20%	19%
			Nov	5	20%	25%
			Dec	7	28%	31%
			Jan	10	40%	38%
			Feb	12	48%	45%
			Mar	17	68%	65%
			Apr	22	88%	85%
			May	25	100%	100%



Ref.	3	Audit Status	No.	%
PI	Joint Internal Audit Plan Delivered	To Start	0	0%
Target	Each audit review completed, excluding any agreed changes (i.e. removed audits): 100%	Scoping	0	0%
		Testing	7	28%
		Exit Meeting	2	8%
		Reporting	4	16%
		Complete	12	48%
Comments		TOTAL	25	100%
The current status of each audit is noted above, with the plan on track to be delivered by April 2025.				



Ref.	4
PI	Annual Internal Audit Quality Questionnaire Outcome
Target	Responses who agree or tended to agree with the statements (excluding "unable to comment" answers): 95%
Comments	The Annual Internal Audit Quality Questionnaire will be issued in May 2025 with the results included in the Annual Report.

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.



Introduction

This report is produced by the Strategic Governance Unit (SGU) and aims to inform the CCMT of matters of importance with regard to Risk Management, Health & Safety, and Business Continuity. This report further provides the information necessary for the Joint Independent Audit Committee (JIAC) to fulfil its oversight function effectively. CCMT and JIAC members are welcome to review both the Force and local risk registers, or specific risk entries, by arrangement with the SGU team, who will provide suitable access to the relevant documents.

Risk Management, Health & Safety, 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 (July 2023); and Risk Management Policy (July 2023).

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 (July 2023); and Business Continuity Management Policy (July 2023).

The effective identification and management of health and safety related risks is vital to everyone working for TVP. In addition, there are relevant legal and regulatory obligations that the Force must comply with. The central Health & Safety function serves to help identify and assess risks, advise and support the business in implementing risk mitigations and dealing with issues that may arise from time to time, and performing assurance activities to check for compliance. Oversight of Health & Safety performance, risk management, and the Health & Safety function is exercised through the Health & Safety Governance Board.

The Risk Management, Health & Safety, and Business Continuity central functions within SGU form part of the Deputy Chief Constable's portfolio.



Ongoing scanning by SGU, including Horizon Scanning and 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. For noting, the Risk, Improvement, and Learning group (chaired by the Deputy Chief Constable) also provides an opportunity for senior management to review significant risks and issues and how they are being managed.

Risk Assessment Strategic Context

On 19 November 2024, in her first major speech at the annual conference hosted by the National Police Chiefs' Council and Association of Police & Crime Commissioners, the Home Secretary set out her plans to deliver major policing reforms, including:

- a new Police Performance Unit to track national data on local performance and drive up standards
- a Neighbourhood Policing Guarantee to get policing back to basics and rebuild trust between local forces and the communities they serve
- a new National Centre of Policing to harness new technology and forensics, making sure policing is better equipped to meet the changing nature of crime

The Home Secretary also announced more than half a billion pounds of additional central government funding for policing next year to support the government's Safer Streets Mission, including an increase in the core grant for police forces, and extra resources for neighbourhood policing, the NCA and counter-terrorism.

At the time of writing, we await further details of these initiatives and the Government's evolving thinking on both the overall structure and governance of policing in the UK and HM Treasury work with the Home Office through Phase 2 of the Spending Review to drive police efficiencies and improve overall police productivity in England.

Child sexual exploitation (CSE) continues to be a major area of focus nationally, and reforms are under consideration and development. TVP is undertaking reviews into historic investigations and responding to enquiries initiated by the Home Office as well as providing monthly updates in relation to the Casey Review recommendations.



Donald Trump was inaugurated as US President on 20 January 2025. His early decisions, policies, and approach have given rise to significant discontinuities from the previous administration and are heightening global economic and political uncertainties. His stated aims to bring the Ukraine and Gaza conflicts to an end in sort order are laudable outcomes but his approach and interventions are not bringing others with him to date. In addition, his position regarding NATO and willingness to provide military support to European defence is posing a challenge to EU and UK leaders. Time will tell whether alignment and cooperation can be achieved at a practical level to avoid major political and trade tensions between the US, Europe/the EU, Russia, and China. The Prime Minister is currently taking a leading position in engagement with the US President to foster good political and trade relations and outcomes.

The general strategic context is much the same as reported previously in a number of respects – sustained global tensions and conflicts and the major economies gradually recovering from their recent difficulties.

The Russia-Ukraine conflict has continued much as before and is very unlikely to end in the defeat of either party – hence Donald Trump’s conclusion that a negotiated compromise solution is the way forward. Following a disastrous meeting between President Trump and President Zelensky in Washington on 28 February 2025, uncertainty over next steps and a solution to the conflict has increased significantly. There is heightened pressure on European nations (including the UK) to increase defence spending and support for Ukraine, at a time when their public spending budgets are already under substantial pressure. In addition, there are questions as to future US support, funding, and membership of NATO.

The Middle East situation overall has not moved much since our last update. There is a current ceasefire, albeit a fragile one, in the Israel-Palestine conflict in Gaza, allowing a phased exchange of hostages and prisoners but Phase 2 and the longer-term solution are some way from determination.




On 6 February 2025, the Monetary Policy Committee decided to reduce the Bank Rate by 0.25 percentage points, to 4.5%. The latest UK inflation rate data, released on 19 February 2025, showed that CPI inflation had been 3.9% for the 12 months to January - ending the previous downward trend and an indication of potential challenges in 2025 and beyond.




















From a UK economic perspective, the relatively stable outlook, compared to the past 4 years, reported previously is potentially at risk having regard to key indicators and the global uncertainties mentioned above. Forecasters are now considering the extent to which the UK is at risk of so-called stagflation. Stagflation is an environment with slow/no economic growth, high inflation, and high unemployment and was last seen in the UK in the 1970s. The Government’s strategy has been to foster economic growth to generate taxation revenue to fund its spending plans, so we could see budgetary and affordability challenges over the medium-term. Scenarios should continue to be explored in respect of public funding for policing, inflation, and the cost of living.



Risk Heat Map

This map identifies the current strategic risks, and maps them in terms of priority based on current risk scores.

Key to risk trend: No change to risk score  Risk score has increased  Risk score has decreased 

		Impact			
		1 Minimum	2 Moderate	3 Major	4 Critical
Likelihood	4 Probable (80% +)			 113  124  86	
	3 Likely (50% to 80%)		 116  122	 97a  123  127  69  130  111	
	2 Possible (10% to 50%)		 119  97b  114  107	 121  125  118	
	1 Unlikely (less than 10%)	 115			



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 that 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 has been 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	Current Issue Action
SI 10 – Justice Gateway	3.5	↔	T/ACC Wright	September 2024	MANAGE
SI 1 – ESMCP (Emergency Services Mobile Communications Programme)	3	↓	ACC France	Feb 2023 (original Strategic Risk Aug 2019)	FOLLOW NATIONAL PROGRAMME
SI 2 – Disclosure	3	↔	T/ACC Wright	April 2023 (original Strategic Risk July 2021)	MANAGE
SI 5 – Court adjournments	3	↔	T/ACC Wright	November 2023	MANAGE
SI 3 – Transport	3	↔	ACC Murray	September 2023	MANAGE
SI 8 – Over-recording of crime	3	↔	DCC Snuggs	September 2024	MANAGE
SI 7 – Student officer attrition	3	↔	ACO Cornelius	September 2024	MANAGE
SI 4 – Unestablished posts	2	↔	ACC Murray	September 2023	MANAGE



Risk	Previous Risk Score (I x L)	Current Risk Score (I x L)		Risk Owner	Date raised	Current Risk Action
SR 86 – Attrition	14 (3.5x4)	14 (3.5x4)	↔	ACO Cornelius	Oct 2017	TREAT
SR 113 – Adequacy of Police Support Carrier Fleet	12 (3x4)	12 (3x4)	↔	ACC France	May 2023	TREAT
SR 111 - Custody premises projects	12 (4x3)	12 (4x3)	↔	DCC Snuggs	Sep 2022	TREAT
SR 124 – Geographical Information System functionality	12 (3x4)	12 (3x4)	↔	ACO Lattanzio	May 2024	TREAT
SR 130 – CSAM increase in referrals		12 (4x3)		T/ACC Wright	Feb 2025	TREAT
SR 97a – Missing	9 (3x3)	9 (3x3)	↔	T/ACC Wright	Nov 2020	TREAT
SR 69 - Funding	9 (3x3)	9 (3x3)	↔	ACO Waters	Jan 2015	TREAT
SR 123 – Psychological Sickness	9 (3x3)	9 (3x3)	↔	ACO Cornelius	May 2024	TREAT
SR 127 – Intelligence queues	9 (3x3)	9 (3x3)	↔	T/ACC Wright	Sep 2024	TREAT
SR 125 – Disability Compliance	8 (4x2)	8 (4x2)	↔	ACO Cornelius	May 2024	TREAT
SR 118 – Forensic Accreditation	8 (4x2)	8 (4x2)	↔	T/ACC Wright	Sept 2023	TREAT
SR 121 – Switching Off of the PSTN	6 (2x3)	6 (3x2)	↔	ACO Lattanzio	Nov 2023	TREAT
SR 116 - IPCO	6 (2x3)	6 (2x3)	↔	ACO Lattanzio	Sept 2023	TREAT
SR 122 – Organisational policies	6 (2 x 3)	6 (2x3)	↔	DCC Snuggs	Feb 2024	TREAT



Risk	Previous Risk Score (I x L)	Current Risk Score (I x L)	Trend	Risk Owner	Date raised	Current Risk Action
SR 107 – Contractor tax compliance	4 (2x2)	4 (2x2)	↔	ACO Waters/ ACO Cornelius	Feb 2022	TREAT
SR 119 – Business Objects	4 (2x2)	4 (2x2)	↔	DCC Snuggs	Sept 2023	TOLERATE
SR 97b – Exploitation	4 (2x2)	4 (2x2)	↔	T/ACC Wright	Nov 2020	TREAT
SR 114 – Data Loss	4 (2x2)	4 (2x2)	↔	ACO Lattanzio	May 2023	REASSESS
SR 115 – Data Integrity	1 (1x1)	1 (1x)	↔	ACO Lattanzio	May 2023	TOLERATE

Strategic Risk Summary

This report contains updates for the period 1 October 2024 – 31 January 2025, the nearest month-end to the quarterly March CCMT meeting for which most of the underlying data is available. The report reflects the statistical and narrative information available at the December 2024 (Business Continuity) or January 2025 month-end or later for the Strategic Risks and Issues. Additional, more recent, matters requiring CCMT input have been included. Supporting documents and information can be made available.

Mike Lattanzio has initiated a reassessment of data loss, data integrity, and information management risks, particularly in light of the progress made into cyber threat mitigation over the past few years. Alternatives to risks SR 114 (Data loss) and SR 115 (Data integrity) will in due course be proposed. For noting, Hampshire IOW Constabulary (HIOWC) is also following this move, so we have a consistent perspective across both Forces, who are served by a joint ICT and Information Management command.

Scoring of a TVP Strategic Risk or Issue is based on the 4x4 matrix (see Appendix), and the direction of travel and the risk scores from the last reporting period 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.



The CCMT has approved the inclusion of a new Strategic Risk as follows:

- SR 130 (CSAM) – the risk that TVP will be unable to deal on a timely and effective basis with an expected substantial increase of OCAIT [Online Child Abuse Investigation Team] referrals from the NCA. A summary is included in the risk updates later in this report.

The CCMT has also approved the closure of the following risks and issues from the Force registers, and they do not appear in this report:

- SI 6 (Contact Management resources)
- SI 9 (ADR sickness reporting)
- SR 74 (Recruitment)
- SR 98 (Custody)
- SR 110 (Overwhelming demand)
- SR 126 (Corporate Communications resilience)
- SR 129 (RASO intelligence capacity)

Areas to note for risks and issues

The table below provides summary updates provided on strategic risks and issues covered in this report. Detailed descriptions for all risks and issues are provided in a separate associated document.

Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
SR 69 - Funding	9 (3 x 3)	9 (3 x 3)	ACO Waters	As at 14 February 2025, this risk was being reassessed to consider the new budget for 2025/2026 and the significant uncertainties that exist for the period thereafter. It is hoped to have an update for the JIAC meeting on 21 March 2025.



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
SR97a - Missing	<p style="text-align: center;">9 (3 x 3)</p>	<p style="text-align: center;">9 (3 x 3)</p>	T/ACC Wright	<p>Phase 1 of the end-to-end review has been successfully completed, and Phase 2 is now underway. The current phase 2 includes a detailed evaluation of identified process improvements, with a focus on embedding sustainable change across all relevant teams. Further strategic insights will be gathered to refine investigative approaches and enhance operational efficiency.</p> <p>The Missing Action Plan remains integral to the end-to-end review and is actively supported by the Business Change team to ensure structured implementation. Upon the successful completion of Phase 2 in Summer 2025, the Action Plan will transition into a comprehensive Missing Improvement Plan. This will ensure Thames Valley Police remains aligned with evolving national priorities and legislative requirements, driving long-term resilience and effectiveness in our approach to missing persons investigations.</p> <p>The integration of Missing and MIST into the Vulnerability Strategic Group (VSG) has been successfully completed. This alignment enhances governance structures, strengthens accountability, and ensures that missing persons investigations remain a strategic priority within the force's broader vulnerability framework.</p> <p>The implementation of process improvements within CM and ICR teams formed a key component of Phase 1. These changes have now been embedded, with ongoing data capture via the TVP Missing Toolkit to assess their impact. In addition, a force-wide feedback survey has been conducted</p>



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				to evaluate the effectiveness of these enhancements and inform the next phase of development.
SR 97b – Exploitation	4 (2 x 2)	4 (2 x 2)	T/ACC Wright	Various actions have been taken to addressing this risk and continuing and further improvements are now essentially business-as-usual. The actions include: an Operational/Workshop Meeting for GBCSE which will be transferred into the ACC Pursue board; a changed governance structure for the CP Board and VSG. A JTAI (HMIC) inspection is under way. Following this inspection and a full reassessment of the situation and risk, a decision will be made as to whether or not this risk needs to continue to be recorded and monitored at Force level.
SR 107 – Contractor tax compliance	4 (2 x 2)	4 (2 x 2)	ACO Waters/ ACO Cornelius	HMRC have requested additional data around off payroll workers, the People and Finance Directorates are working on this with a deadline to prepare and submit a return at the end of January 2025. This risk remains open until HMRC have confirmed that there are no additional monies owed other than those already identified.
SR 111 – Custody premises projects	12 (4 x 3)	12 (4 x 3)	DCC Snuggs	The department does not propose any changes to the risk assessment at this time and confirms the scoring to remain appropriate.
SR 113 – Adequacy of Police Support Carrier Fleet	12 (3 x 4)	12 (3 x 4)	ACC France	No significant change since the previous report. A quarterly bid has been submitted for approval. Any investment is likely to be staged over the next few years, but the risk remains and is likely to increase due to the Op Navette demand for Tier 4 mobilisation last year likely to be repeated this year, therefore increasing the need to use PSU carriers to support national demand.



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
SR 116 - IPCO	<p style="text-align: center;">6 (2 x 3)</p>	<p style="text-align: center;">6 (2 x 3)</p>	ACO Lattanzio	<p>Good progress has been made on the IPCO Remediation project (jointly with Hampshire IOW Constabulary), which has primary focus on upgrading systems to enable record deletion functionality and procedural work to deletion records that are held non-compliantly beyond their retention period. Challenges remain, including uncertainty as to the extent of functionality expected from a major supplier. We have held the risk scoring on that basis.</p> <p>Oversight and governance are provided by a small group chaired by ACO Mike Lattanzio as SRO Governance – this has been meeting monthly. IPCO inspections were conducted in 2024 and we anticipate further inspections in 2025.</p> <p>It should be noted that a “Dear Chief Constable” letter was issued on 14 January 2025 by the IPCO Commissioner (Sir Brian Levenson) emphasising the compliance gaps that exist across all UK Forces (not just systems...but also training & awareness, lack of data protection engagement, information security, governance, etc.), the importance of remedial action, and “records & product management” IPCO inspections that will be undertaken during 2025/2026 in addition to the annual programmes of IPCO inspections.</p> <p>There could well be grounds for proposing a new broader IPCO compliance risk, to address the expectations set in the “Dear Chief Constable” letter. Consideration will be given to this in due course.</p>
SR 118 – Forensic Accreditation	<p style="text-align: center;">8 (4 x 2)</p>	<p style="text-align: center;">8 (4 x 2)</p>	T/ACC Wright	<p>Laboratory UKAS surveillance assessment has been completed with no noted concerns. A CSI assessment was to follow. The absence of noted issues helps with the on-going confidence externally when it comes to</p>



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				<p>compliance. We are also expecting Version 2 of the Forensic Science Regulator's Code of Practice to be published in March 2025, with effective compliance required by October 2025. Changes to the current version are not expected to be substantial.</p> <p>SARC accreditation will be required. That sits with our (joint TVP and NHS) sub-contractor Mountain Healthcare. Because we're bringing two new SARCs into the fold, we won't be compliant by October 2025. However, nationally no SARC has accreditation yet, so the risk of sanctions from non-compliance is not huge and the new facilities will help in the journey to compliance.</p>
SR 119 – Business Objects	4 (2 x 2)	4 (2 x 2)	DCC Snuggs	<p>Business Objects is an application that delivers Force Reporting, utilising many data sources including RMS. Over 300 scheduled TVP reports using Business Objects are produced regularly. Business Objects is old and there is a risk that applications reliant upon this will fail.</p> <p>A decision has been reached jointly between JICT and Business stakeholders to decommission Business Objects over the next 12-18 months and be replaced with appropriate solution(s).</p> <p>The position at this time is to tolerate the risk which longer term plans are considered and risk assessments made by ICT. ICT are actively looking at scoping the requirements based on the uses and demands of the app and looking for a suitable replacement for Business Objects.</p>
SR 122 – Organisational policies	6 (2 x 3)	6 (2 x 3)	DCC Snuggs	<p>The risk scoring has not changed, but there has been steady progress with policy updates and reviews across the organisation</p>



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				EIA training is planned to be delivered in February and March 2025, which aims to support an increase the number and quality of EIAs linked with policy documentation.
SR 123 – Psychological Sickness	9 (3 x 3)	9 (3 x 3)	ACO Cornelius	People Directorate is reviewing TVP's understanding of, and strategy towards tackling psychological sickness amongst our workforce as part of ongoing wider work. The risk is evolving and needs to consider multiple strands to articulate and evidence the risk the force faces at this strategic level.
SR 124 – Geographical Information System functionality	12 (3 x 4)	12 (3 x 4)	ACO Lattanzio	Technical resources are now in place. No replacement system has been identified yet. An upgrade of the Gazeteer system is in progress with a target completion by end-June 2026.
SR 125 – Disability compliance	8 (4 x 2)	8 (4 x 2)	ACO Cornelius	Positive progress continues to be made on the mitigating actions as follows: <ul style="list-style-type: none"> a. New RAMP co-ordinator started in Jan. They will initially focus on reviewing the email inbox backlog, prioritising workload for RAMP advisors and dealing with low-complexity matters in the queue. b. Introduced a new web/SharePoint form for RAMP referrals, moving away from email inbox. This standardises requests and means we can triage from the meta data on the forms much faster than trawling through emails. c. Build to automate the triage after form submission ongoing. No ETA yet, but is progressing. d. Invitation to quote to supply WPN services is now out with suppliers. Likely go-live with a supplier mid Feb. Aiming to outsource c40 cases from the WPN queue.



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				e. Against the c3500 outstanding DSE assessments across the force, since the launch of the new DSE process in August (now mandatory and on essential outstanding learning), 2200 DSE learning packages have been completed, with 1600 DSE assessments completed. So ~2/3rds of the way there on outstanding training and about 50% on assessments.
SR 127 – Intelligence queues	9 (3 x 3)	9 (3 x 3)	T/ACC Wright	Queues have been improving since mitigation has been in place within the following Intelligence teams: Readers and FIH. Papers have been completed by the department leads for these teams.
SR 130 - CSAM		12 (4 x 3)	T/ACC Wright	<p><i>There is a risk that ...</i>over the next few months, TVP will be unable to deal on a timely and effective basis with an expected substantial increase of OCAIT referrals from the NCA.</p> <p>The context to this is that NCA's Child Sexual Exploitation Referral Bureau is responsible for sending OCAIT referrals through to all forces, but currently has a backlog of 32,000 cases that are yet to be referred. As such, the NCA plans to significantly increase its output over the coming period/ year in order to clear this backlog, in addition to the steadily increasing volume of referrals. This will have a demand impact on forces who are then required to research and develop the intelligence leading, in most cases, to operational activity (authorities, warrants, arrests, investigation, digital forensics etc.). On average, TVP receives 3.4% of the NCA's referrals. The number of referrals has been steadily increasing over the last few years by approximately 20% per year and is currently, on average, around 2,491 per month, nationally (109 per month for TVP, on average). Between November 2024 and March 2025 it is expected that the referral will increase by 45%.</p>



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				<p>The surge in demand to the Digital Forensic teams will have a significant impact on an already over-stretched team. Owing to all outsourcing having been stopped in August 24, the demand in to DFU has reached new peaks which have led to the recent extension of our SLA to manage the demand and expectations of OIC's. Currently the DFU have a queue of 188 cases awaiting extraction and a further 128 cases awaiting viewing, allocation and reporting. So a total of 316 cases in progress. Furthermore there are 300 digital cases currently in the Lab Submissions queue. Not all of these would be submitted to DFU as some will go to the DF Hubs to be triaged and when outsourcing recommences some will be outsourced, but this still represents a significant demand. The digital outsourcing budget for next year has already been fixed to previous years spend based on our assessment of demand in pre Christmas and therefore this will already remain exceptionally challenging for us to mitigate existing work load with the volume of cases currently in the DFU and Lab Submissions queue.</p> <p>The proposed uplift of NCA referrals will have a significant impact on both Lab Submissions and DFU with an anticipate approximation of 20 additional cases per month. (Info from OCAIT DI on likely cases with exhibits) If these additional cases were to be outsourced with an average cost of up to @ £3K per case, we are looking at a potential increased spend of @£60k per month (£720k per year) just to service the uplift of numbers. Our overall budget for Digital outsourcing for the entire year is £780k so the uplift of cases accounts for almost all of the entire existing outsourced budget. We urgently need to re-commence outsourcing to mitigate the length of time that some cases have been in the DFU queue already so this uplift of NCA referrals will impact our ability to do that causing delays in cases being progressed and</p>



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				increasing the amount of cases that then become urgent, putting more pressure on an already stretched team.
SI 1 - ESMCP	4	3	ACC France	There has been significant progress nationally in relation to central governance and supplier contracts over recent months, and the score has been reduced since the last report. There is no increased risk to the organisation. In terms of assurance, no significant change - an Outline Business Case was submitted and approved across the four forces in our region that will enable increased focus (especially on coverage assurance) from April 2025. From the 1 April 2025, in line with the Chief's Council decision, there will be a gradual lifting of the current 'pause'. Details of a draft Integrated Programme Plan are expected to be published by the Home Office in May 2025 which will inform subsequent activity within our region.
SI 5 – Court adjournments	3	3	T/ACC Wright	<p>At the most recent DA and RASO Governance Board (14th Feb 2025) it was discussed to extend the cope of this issue to incorporate the wider concern about court adjournments across the Force and Crime & Criminal Justice.</p> <p>A case management system has been developed and will extend to partner organisations in due course, subject to adequate funding. There is currently a case backlog of around 6 to 8 weeks in the criminal justice system. What is a normal standard of 28 days has been temporarily set to 60 days, to guide prioritisation and momentum. SOLOs are supporting people in view of increased stress and sickness levels. Witness Care Officers are handling 80 to 90 cases each at any one time – the situation is being monitored monthly. The Government has announced the formation of specialist Rape courts, but this will take time to implement. It should be noted that the Local Criminal Justice Board has processed 18% more cases so far in 2024 than in 2023 (2023 was 17% more than 2022). It is possible that court</p>



Risk/Issue	Previous risk/issue score	Current risk/issue score	Risk Owner / Lead	Latest Status Update
				caseloads may have peaked now, but more convictions with custodial sentences will mean further pressure on prison places – part of the substantial overall criminal justice challenges.
SI 7 – Student officer attrition	3	3	ACO Cornelius	This issue is confirmed, but no specific updates to report.
SI 8 – Over-recording of crime	3	3	DCC Snuggs	There has been a temporary uplift of the ACR team to aid with responding to task requests coming into the Force Crime Register Unit.
SI 10 – Justice Gateway	3.5	3.5	T/ACC Wright	The issue is considered at Crime & CJ command and department risk review meetings. It has been confirmed to maintain this as a strategic issue and agreed to maintain the impact score.

Risk Radar

As noting in the contextual overview to this report, society and TVP face substantial uncertainties over the medium-to-long term. As suggested in the previous report, a plausible worst-case scenario from a risk management perspective for TVP over the next 5 years (say – being the lifetime of the next Government) could be: TVP is charged with a new Uplift net increase target of 500 officers by end-2026; funding from central Government and council precepts is flat/no higher than inflation; there is substantial civil unrest and public disorder; we have to devote 20% or more custody cells for use by HM Prisons due to their capacity limits; more and more convicted persons are given shorter/no custodial sentences and in consequences, repeat offences increase substantially (the vicious circle); we are forced by prioritisation decisions to cut budgets on enabling functions (e.g. ICT, People, Finance, GH&SI) and accept higher risks...and in consequence things such as robustness in defence against cyber threats may decrease. We will continue to develop our understanding of the new Government's policies and plans to inform our future risk outlook and scenarios.

The current view of future risks has been shared and aligned with the Strategy team who are preparing the latest FMS statement for TVP.



Risk Management Function

The Corporate Governance team continues to participate in the South East & Eastern Region Police Risk Group (SEERPRG) as well as in the National Risk Management Forum (NRMF), where Risk Management professionals share experiences and discuss general areas of common interest.




The Corporate Governance team has continued to work on improvements in TVP's risk management approach and will bring its proposals to CCMT for review and approval in the coming period.








Health & Safety - Overview of Key Health & Safety Risks and Issues

Health & Safety 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 

		Impact			
		1 Minimum	2 Moderate	3 Major	4 Critical
Likelihood	4 Probable				
	3 Likely			 Fatigue Driving	 Fire Safety
	2 Possible			 First Aid  Lone Working	 Lithium Batteries
	1 Unlikely				



Overview of Strategic Risks and Issues

Over the last 12 months we have made significant progress with bringing H&S risks and issues management in line with the force’s risk management framework. Although there is a slightly different adoption route, fundamentally the management of H&S risks and issues now aligns and compliments the management of other risks and issues across the force.

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. These are reviewed and agreed by the FRMG during the Risk Improvement Learning (RIL) meetings chaired by DCC Snuggs.

Issue	Impact Score	Trend	Issue Owner	Date raised
High Number of Assault Injuries	3	↔	ACC C. Bunt	May 2023
High Number of Training Injuries	2	↔	ACO N. Cornelius	May 2023
Risk Assessments Ownership	3	NEW	DCC B. Snuggs	Feb 2025

Risk	Previous Risk Score (I x L)	Current Risk Score (I x L)	Trend	Risk Owner	Date raised	Current Risk Action
Fire Safety	12	(4 x 3) 12	↑	DCC B. Snuggs	Dec 2023	TREAT
Lithium Batteries	8	(4 x 2) 8	↔	DCC B. Snuggs	Dec 2023	TREAT
First Aid & AEDs	6	(3 x 2) 6	↔	DCC B. Snuggs	Feb 2024	TREAT
Lone Working	6	(3 x 2) 6	↔	DCC B. Snuggs	Apr 2024	TREAT
Fatigue Whilst Driving	0	(3 x 3) 9	↑	ACC D. Murray	Oct 2024	TREAT



Key Health & Safety Issues:

The four key issues are 1) High Number of Assault Injuries, 2) High Number of Training Injuries, 3) Display Screen Equipment (DSE) non-compliance, and 4) Risk Assessments Ownership.

3) High-Number of Assault Injuries

- This issue was first raised in May 2023 and reviewed in May 2024 as part of the end-of-year Health & Safety performance analysis.
- The category “Assaults” (Violence Against Police Officers and Staff) is the current leading cause of injuries for the Force. The number of Assaults has been an upward trend which not only supports the rating of this issue but also indicates a growing risk to Police Officers and Staff from violence at work.
- To support the mitigation of this issue, the Health & Safety Team are consistently gathering and analysing assault data to identify key trends and themes in order to develop a better understanding of the issue. The data is presented and discussed at the Health & Safety Governance Board on a quarterly basis. Efforts are being made to link in with the Officer and Staff Safety Group and Local HSE Committee Meetings to enhance communication, implement preventative and mitigating actions, and to share organisational learning to support continual improvement.
- An associated issue has further been raised in relation to the under-reporting of assaults. Last year (2023-2024), only about 35.5% of the Assaults reported through NICHE were reported through the Health & Safety Incident Reporting system (Peoplesoft). This issue not only affects the Force’s ability to identify trends, implement preventative and mitigating action, and learn lessons but also represents a deviation from the 7-Point Plan (Step 5 states “The assaulted Officer/Staff or Volunteer must complete a Safety Incident Report with their Supervisor”).
- To address this issue, as well as to address previous JIAC Internal Audit Findings in relation to the lack of assurance on the compliance with the 7-Point Plan, the Health & Safety Team is implementing a new process in 2025-2026 where a gap analysis is conducted on a monthly basis to identify under-reporting trends and to simultaneously conduct 7-Point Plan checks for all assaults. The outcomes of the gap analysis and checks will be discussed at the Officer & Staff Safety Group and at the Health & Safety Governance Board.

4) High-Number of Training injuries:

- This issue was first raised in May 2023 and reviewed in May 2024 as part of the end-of-year Health & Safety performance analysis.



- The category “Training” is the current second leading cause of injuries for the Force.
- In November 2024, TVP have rolled out the new Public and Personal Safety Training (PPST) in line with the College of Policing National Curriculum and Approved Professional Practice.
- To date, there has been a total of recorded 81 injuries during PPST. The “Take Down” (30%), the “Restraint” (21%), and the “Ground Restraint” (14%) have been identified as the tactics with the highest incidence of injuries. When focusing on the role, most (57%) of injuries occur when Trainees are the “Subject” (as opposed to the “Officer”). “Shoulders” (16%), “Knees” (13%), “Ribs” (13%), and “Back” (10%) are the areas of the body most affected. Although the percentage of injuries is seemingly low, the significance/consequence of the injuries are the most worrying with 8 Training-Related incidents being RIDDOR Reportable. Where possible, learnings from the incidents and potential mitigating actions are considered and implemented within the parameters imposed by the College of Policing.
- All incidents and injuries associated with the new Public and Personal Safety Training (PPST) are being regularly monitored, reviewed, and analysed by the Health & Safety Team and Learning & Development Team to identify key emerging trends in the types of injuries suffered but also to identify in which specific scenarios and tactics injuries are most common to enable the Force to learn lessons and – where possible – implement control measures to prevent reoccurrence. Opportunities for improvement have been identified during the last H&S Governance Board in relation to the quality of the data emerging from the H&S/L&D Meetings and also in relation to the impact of the Force’s “acceptance” of PPST injuries. All recommendations are being reviewed and any improvements will be implemented in 2025-2026.

5) Risk Assessment Ownership

- This issue was raised in February 2025.
- Over the past year, as the Health & Safety performance framework evolved to include Risk Assessment compliance, concerns around Risk Assessment ownership have emerged. The Health & Safety Team has been struggling to identify those responsible for the review of Risk Assessments (Risk Assessment “Owners”) leading to a drop in compliance (currently at 85%).
- Risk Assessments are critical to enable the Force to systematically identify, evaluate, and manage potential Force Health & Safety hazards and threats. The consequences of the Force failing to conduct and review suitable and sufficient Risk Assessments include:
 - The Force overlooking and underestimating significant risks leading to potential harm to People, financial losses, and reputation damage; and
 - The Force being open to enforcement action from the HSE. Risk Assessments (and their regular review) are a legal requirement under [The Management of Health and Safety at Work Regulations 1999](#) and can lead to HSE notices and prosecutions.



- The main potential causes are:
 - Risk Assessments completed by single “authors” and not linked to specific job roles or responsibilities. This leaves a gap when people either move internally (to other departments/roles) or leave the organisation.
 - Lack of awareness from Management and Leadership in Health & Safety Roles & Responsibilities, including the requirement to manage Health & Safety within their areas of control (which includes ensuring Risk Assessments are undertaken for the roles/tasks/activities within their areas of control).
 - Lack of competence to undertake “suitable and sufficient” Risk Assessments, including lack of formal and/or informal training on how to conduct “suitable and sufficient” Risk Assessments.
- Current and future actions to address this issue include:
 - This issue – including those Risk Assessments identified without “Owners” – has been raised at the RIL (Risk, Improvement, and Learning) Meeting and “Owners” for the Risk Assessments have been proposed.
 - The Health & Safety Team is reviewing all Risk Assessment (due end of March) to identify all Risk Assessments without “Owners”
 - Health & Safety Management Training has been created by H&S in conjunction with L&D. The training is expected to be trialled in 2025/2026.
 - Health & Safety Roles & Responsibilities are currently being reviewed and will be brought to the H&S Governance Board for consultation in April 2025. Comms to go out once H&S Roles & Responsibilities are agreed at the H&S Governance Board.

Key Health & Safety Risks:

1) Fire Safety

- In August 2024, the Fire Safety Risk has been raised from 8 (4 x 2) to 12 (4 x 3).
- The main reason for this increase was a lack of confidence in the effectiveness of the Force’s Fire Safety arrangements as well as in the Force’s ability to comply with all applicable Fire Safety Regulations, including *The Regulatory Reform (Fire Safety) Order 2005 (FSO)*. This lack of confidence has been brought by the investigation of two recent incidents where the fire alarm was activated and a subsequent evacuation ensued. The investigation of the incidents have highlighted weaknesses in the following areas:



- **Documented Fire Safety Arrangements:** There is a lack of documented information on the Force's Fire Safety Arrangements which is a breach of Paragraph 11(2) of [The Regulatory Reform \(Fire Safety\) Order 2005](#) and the Section 2(3) of [The Health and Safety at Work etc. Act 1974](#).
 - **Fire Wardens:** The provision of Fire Wardens across the Force has been affected after the implementation of the Working Smart Programme (as a consequence of COVID-19) which has seen a rise in Hybrid Working arrangements across the Force. This has resulted in a lack of Fire Warden cover across the Force, particularly in buildings with predominantly Office Staff is present, which significantly impacts the ability to safely evacuate all People in the event of a fire and subsequently increases the risk to People.
 - **Local Emergency Plans:** The local Emergency Plans are not suitable and sufficient and require improvement and collaborative working between Property Services and Health & Safety to ensure all necessary elements (inc. Building and People) are considered. The Emergency Plans should contain all relevant information necessary to support an emergency response and evacuation and are crucial in identifying key roles and in determining the action(s) to follow in the event of a fire. The lack of effective Emergency Plans increases the risk to People and property and may significantly impact the Force's operational capacity and service provision as well as the Force's reputation.
 - **Fire Safety Action Communication:** Communication on what to do in the event of a fire and during a fire alarm activation must be improved. Employers are legally required under Paragraph 19 of [The Regulatory Reform \(Fire Safety\) Order 2005](#) to provide information, instruction and training to employees about fire precautions in the workplace. Currently, the
- Since November 2024, the following has been implemented to address this risk:
 - A Fire Marshal Procedure Trial has started in HQ South (Buildings A, B & D) to address the lack of Fire Wardens coverage in buildings mostly affected by the introduction of Hybrid Working.
 - A Fire Safety Improvement Plan has been created and is being rolled out across the Force. The Improvement Plan's main focus is to review the provision of Fire Wardens across the Force (and, where required, implement a Fire Marshal Procedure to ensure cover) and to review and improve the Emergency Procedures – as well as their communication – across the Force. To date, all “High-Risk” Areas have been engaged (inc. Custody Suites (Crime and Criminal Justice), Imbert Court (Sulhamstead), the Labs (Forensics), the Workshops (CTC), and Firing Ranges (JOU)) and engagement has started on “Medium-Risk” Areas (Milton Keynes).
 - Health & Safety Compliance Leads and Health & Safety SPOCs have been nominated across the Force to support the Fire Safety Improvement Plan. Training for the Compliance Leads and the SPOCs has been conducted in January/February 2025. Further training for the H&S SPOCs is booked for March 2025.



- A Fire Safety working Group – with representation from Health & Safety/Governance & Service Improvement and from Facilities/Maintenance – has been established in January 2025 to monitor progress on the actions from the Fire Safety Gap Assessment and Internal Audit, as well as new actions (inc. issues, risks, blockers and threats) arising from the implementation of the Fire Safety Improvement Plan.
- A “Fire Safety Gold Group” – chaired by DCC Ben Snuggs and with representation from Governance & Service Improvement and Property Services) – has been established in November 2024 to drive action and accountability.

2) Lithium Batteries (eVehicles)

- As electric vehicles (including electric cars, electric scooters, and electric bikes) become more widespread, the increase in the amount of Lithium Batteries used, stored, and charged within Thames Valley Police premises will also exponentially increase. This poses new fire and explosion threats to the Force’s buildings.
- New research revealed that in 2023, the UK Fire Services reported a 46% increase in fires linked to Lithium-Ion Batteries. The London Fire Brigade (LFB) have issued a warning on the dangers posed by lithium-ion batteries stating *”It’s incredibly concerning that we are continuing to see a rise in incidents involving e-bikes. When these batteries and chargers fail, they do so with ferocity and because the fires develop so rapidly the situation can quickly become incredibly serious.”*
- Although the frequency of fires from lithium-ion batteries is low, the consequences of the fire can be significant. A fire involving a lithium-ion battery differs from other fires due to the speed with which it grows in intensity (due to a rapid uncontrolled release of heat energy) which can result in powerful fires and explosions. This risk, together with the lack of consistent Forcewide controls, poses an immediate threat to human life and property.
- There is currently an active issue concerning a large quantity of damaged (swollen) Body Worn Video batteries received by ICT. The issue was raised at the Health & Safety Governance Board Meeting on the 26th July 2024. A swollen lithium battery may indicate that the battery is in the early stages of “Thermal Runaway”. The final stages of “Thermal Runaway” include a potential intense fire or explosion. Mitigating actions have been put in place, including the release of safety guidance to all Officers and the use of external “Bomb Bins” to place any swollen batteries whilst they await collection to minimise the risk to People and property. ICT is currently developing a database to identify where the damaged units are to ensure they are at the respective central collection sites.



- To address the risk posed by the Lithium Batteries, a Lithium Batteries Steering Group – chaired by the Head of Strategic Governance and with representation from several Departments/Teams across the Force – has been implemented in February 2025. The group is reviewing the Force’s scope in relation to Lithium Batteries and aims to provide a Force position (and associated guidance) in relation to the procurement, use, transport, storage, and disposal of Lithium Batteries (and equipment containing Lithium Batteries).
- Property Services and the Health & Safety Team are working together to strengthen and improve the current Fire Safety Arrangements (see above) to mitigate the associated Fire and Explosion risk.

3) First Aid

- This risk was raised in February 2024 as a result of a First-Aid Incident at HQ South. The incident led to an internal investigation and Health & Safety internal audit on the Force’s First-Aid arrangements. The investigation and internal audit have highlighted weaknesses in the following areas:
 - **The Provision of First-Aiders:** The provision of First-Aiders across the Force has been affected after the implementation of the Working Smart Programme (as a consequence of COVID-19) which has seen a rise in Hybrid Working arrangements across the Force. This has resulted in a lack of first-aid cover across the Force, particularly in buildings with predominantly Office Staff is present, which may lead to the Force failing to provide potentially life-saving first-aid assistance to people in the event of an emergency.
 - **Lack of Information/Communication on First-Aid Arrangements:** There is also a general lack of awareness of first-aid arrangements across the Force, including the locations of the first-aid kits and AEDs and the identities of the Appointed First-Aiders. This is mainly due to a general lack of communication about the first-aid arrangements in place and may lead to the inability to summon immediate help in the event of an emergency.
 - **Lack of Monitoring of First-Aid Provisions:** The Force is failing to effectively manage First-Aid equipment, including first-aid kits and Automated External Defibrillators (AED). Currently, there are 9 AEDs out of date and the Health & safety Team regularly receives feedback that the first-aid kits are not adequately stocked. On the 9th September, there will be amendments to [The Medical Certificate of Cause of Death Regulations 2024](#) which will require every death in England and Wales to be reviewed by a Medical Examiner or a Coroner, without exception. Last year, a Coroner’s Inquest Report was made public which highlighted the increased scrutiny in relation to AED “Guardians” who are deemed responsible for the AED and in turn accountable for any failing in its governance and maintenance



if the AED fails to work when deployed (for example for lack of battery or for missing parts). This increases the urgency with which the Force must act to prevent “unsafe practices” that may lead to fatalities.

- **Undefined First-aid Related Roles, Responsibilities, and Accountabilities:** Currently, First-aid Related Roles, Responsibilities, and Accountabilities are not defined and communicated to all relevant people which exacerbates the lack of monitoring of first-aid provisions (as above) and places the Force at a greater risk.
- To address these weaknesses, a proposal has been put forward to the Health & Safety Governance Board to improve the current first-aid arrangements. A staged implementation plan has been drafted and has started, alongside the Fire Safety Improvement Plan. The trial will focus on the availability and management of First -Aiders and First-Aid Equipment (inc. AEDs) Progress will be reviewed quarterly at the Health & Safety Governance Board Meetings.

4) Lone Working

- This risk was raised in April 2024 as a result of an incident that raised concerns about Lone Working arrangements in place.
- The incident led to a Health & Safety internal audit on the Force’s Lone Working arrangements. The internal audit has highlighted weaknesses in the following areas:
 - **Outdated & Insufficient Procedures:** The available documented procedures are outdated (pre-2020 and failing to consider the Force’s current Hybrid Working arrangements) and insufficient (lacking specific guidance for Lone Worker incident escalation and emergencies and Lone Worker monitoring and check-ins). This exposes the Force’s Lone Workers to an increased risk of violence and aggression (inc. Assaults) and may lead to Lone Workers suffering more severe outcomes in the event of an emergency due to the lack of immediate support and assistance.
 - **Lack of Communication/Engagement:** There is a lack of communication (inc. training and awareness) of the Force’s Lone Working arrangements leading to Lone Working risks not being adequately identified, assessed, and addressed which may expose Lone Workers to unnecessary (and potentially unknown) levels of risk.
 - **Poor Incident Investigation:** The few Lone Working incidents reported in the previous years had poor or no investigations which is a deviation from the Force’s Health & Safety Manual and it prevents the Force from learning from past incidents and from implementing preventative and/or mitigating actions to prevent reoccurrence.



- **Overreliance on General Risk Assessments:** There was a lack of evidence of local suitable and sufficient hazard identification and risk assessments for Lone Working Activities and/or Lone Workers within local Teams/Departments. Although the Lone Working General Risk Assessment offers support and guidance to the Force, it also seemed to promote an over-reliance on the General Risk Assessment to identify hazards and to assess and control the risks associated with Lone Working. This could lead to local activities/processes, emerging local risks, local changes to workplace conditions and environment, and specific Team or individuals' circumstances (inc. Vulnerable People) not being considered when assessing Lone Working/Lone Workers risks.
- To address these weaknesses, a proposed Lone Working Arrangement Improvement Action Plan has been presented at the Health & Safety Governance Board Meeting. Progress on the action plan will be reviewed at the Health & Safety Governance Board Meetings.

5) Fatigue Whilst Driving

- This risk was raised at the Health & Safety Board Meeting in July 2024.
- Fatigue-related driving incidents (inc. collisions) keep increasing across the Force, which may lead to potential serious injuries and fatalities. There is also the risk that the Force is not complying with their duty of care to “*ensure, so far as is reasonably practicable, the health and safety of all employees while at work*” as per the Health and Safety at Work etc. Act 1974.
- Since 2022, there have been 6 Fatigue-Related Accidents whilst driving and 25 Near Misses. This year alone (2024) there has been 2 Fatigue-Related Accidents and 6 Near Misses.
- The risk is cause and exacerbated by the need to drive for long periods (especially between 2am and 6am and between 2pm and 4pm), long working hours coupled with irregular work patterns and high work demands, and journeys home after long shifts (especially night shifts).
- Current mitigations include the Thames Valley Police Driver Training, the [Driving Standards & Risk Management Policy](#), the [Driving Standards & Risk Management Procedure](#), and the [Driving General Risk Assessment](#) in place.
- Future mitigations include a review of Driving Arrangements through a Health & Safety Internal Audit to identify compliance gaps, areas for attention, and improvement opportunities. Peter Jardine is also exploring potential options to mitigate this risk.



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.

It is proposed that oversight of the management of Business Continuity (BC) should be strengthened by a Strategic Business Continuity Co-ordinating Group. This Group will include senior members from Property Services, ICT, Corporate Communications, HQ Operations, Health and Safety, and the Corporate Governance Officers. The group previously functioned to oversee and own the implementation of the Forces Business Continuity Management (BCM) programme but events such as the pandemic, a high turnover of staff and the resulting lack of capacity within departments, has meant that this group has not formally operated in its stated guise for some time. Oversight and assurance has since been fulfilled through more siloed means with key stakeholders. SGU has more recently been looking at restarting this group and considering the most appropriate format for this to take place, with a view to reviewing and updating the Terms of Reference. 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

In the reporting period for this report, Strategic Governance have undertaken three business continuity exercises to test the plans of FIU (looking at a major weather event), Intelligence and PP&S departments (both which looked at a ransomware attack on TVP ICT systems. These exercises also

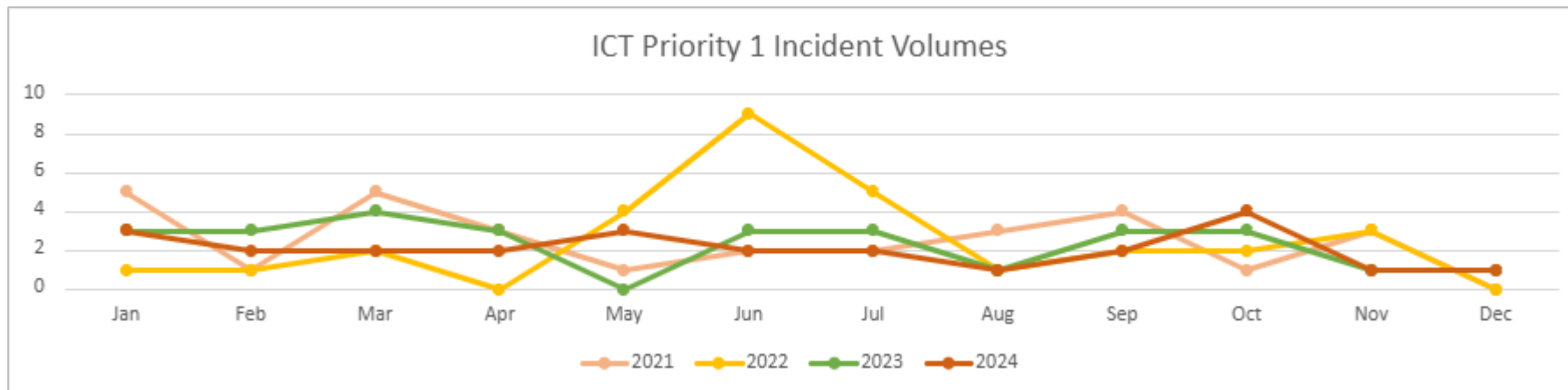


encouraged participants to consider data loss and the impact of a cyber-attack on our partners). These exercises were successful and triggered a number of actions from the discussions. Debrief documents are available.

There were no major continuity incidents of note over the reporting period.

ICT Priority Incidents

ICT P1 Incident Volume Trend: Data for this report is collected from the period 1st October 2024 to 31st December 2024. Between this time period, ICT recorded 6 P1 incidents.



The following Priority 1 incidents were reported during the last period:



Date & Time	P1 Incident Summary	Affected Force	Business Impact & Action Taken	Root Cause & Learning	Time to Restore	Resolved
Force-wide						
01/10/2024 19:01	A nationwide incident affected access to PNC services	Both	Business service continuity was in place as mitigation in the relevant departments. This was extended to cover the additional outage time.	This was caused by planned works by supplier in Hendon, North London, overrunning allocated time	30 minutes	Yes
03/10/2024 11:30	Loss of access to RMS and PSN web hosted services including RMS/CARM/PNC	Both	Affected users accessing the services via mobile devices. Access via network connected devices remained available	Root cause was an unplanned effect from a third party managed change	31 minutes	Yes
Contact Management						
02/10/2024 17:08	CMP outage affected the availability of the CMP application	Both	CMCs reverted to service continuity, avoiding any public facing impact. Of note is that one of the fallback processes failed, resulting in five Grade 1 incidents which were not correctly processed during the cross over between fallback and returning to CMP. Criticality of all reviewed and one critical incident declared.	The root cause was identified as a SQL database cluster failed to unlock allocation of priority order following a patching update, consequence conflict on restore needed to be manually corrected. Monthly patching of CMP has changed from a third day process to a second day process as a result to improve resilience	4hrs 39 minutes	Yes



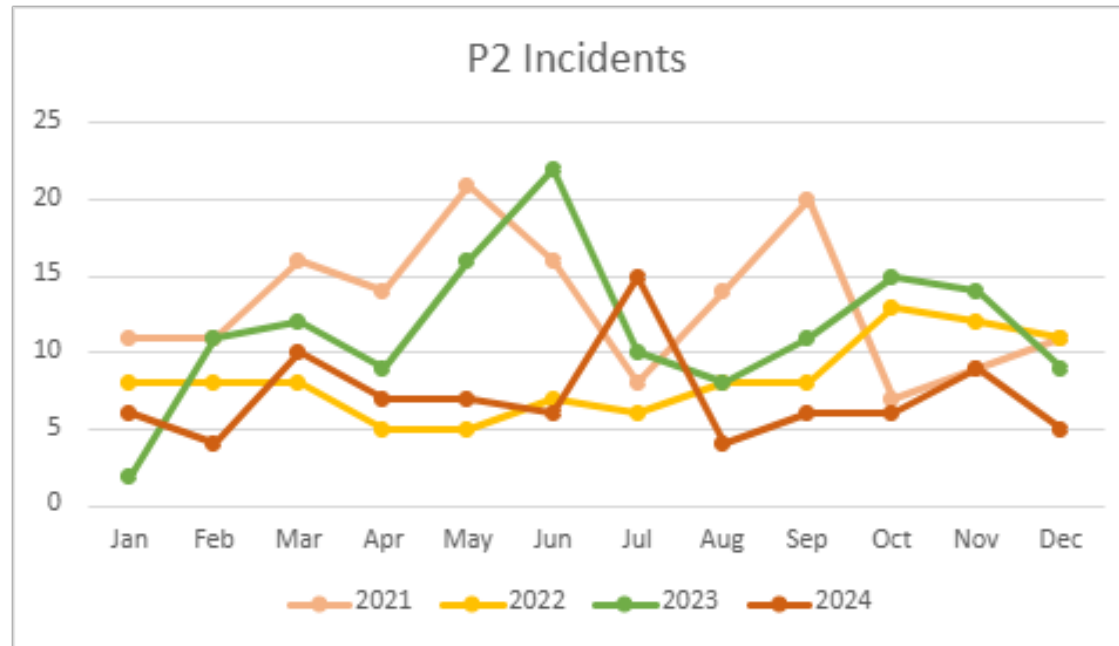
Date & Time	P1 Incident Summary	Affected Force	Business Impact & Action Taken	Root Cause & Learning	Time to Restore	Resolved
03/10/2024 07:48	CMP outage affected the availability of the CMP application	Both	CMCs reverted to service continuity, avoiding any public facing impact.	SQL database cluster lost access to disk resources due to process error. Error fixed by restarting the services. CMP came back online and all the control rooms were able to log on without issue	12 minutes	Yes
November 2024 (various)	Four instances of CMP database indexing affecting availability of resources which caused the application to freeze	Both	CMCs reverted to service continuity, avoiding any public facing impact.	Root cause was identified as scheduled database maintenance tasks caused file indexing to restart and consume significant system resources at unplanned times. Scheduled tasks and parameters were reset, with no further occurrences	30 minutes	Yes
07/12/2024 06:30	Loss of network, including phones, to Kidlington CMC. All machines except three were down and all applications that required network connectivity were unavailable.		Service continuity invoked – calls were diverted to other centres and agents moved to either Milton Keynes or Abingdon control rooms.	Root cause identified as network fibre connectivity to HQN suffering physical damaged due to a rodent. The connection was replaced with armoured fibre and an additional separate diverse link has been added. The resilience of this link has been tested and ICT content with outcome	8 hours 20 minutes	Yes

Three of the six Priority 1 incidents recorded relate to third party services. JICT have specific vendor performance groups in place for telephony and related third party services to monitor and improve performance.



ICT P2 Incident Volume Trend: During the period 1 October 2024 – 31 December 2024, ICT recorded 20 P2 incidents.

P2 incidents are reported 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.”



Overall Priority 2 incidents reduced vs previous period. All were resolved within service levels.

Business Continuity activities



Strategic Governance Unit (SGU) continue to work with departments to update business continuity plans and remain focused on supporting SPOCs to undertake this properly. A current focus is on supporting LCUs to build their plans following restructure, and then to test these plans via a formal table top exercise.

We continue to engage internally with stakeholders, with regional and national BC counterparts, our colleagues in Hampshire IOW Constabulary and those within the Thames Valley Local Resilience Forum to share learning and to improve the Business Continuity strategy and approach within TVP.

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 report to be submitted to the Joint Independent Audit Committee.

Chief Constable:

Date:

Director of Finance:

Date:



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.

Report to the Joint Independent Audit Committee

Report Title: An update on Risk Management within the OPCC

Date: 7th March 2025

Author and contact: April Smith and Victoria Rose, Heads of Strategic Planning (Joint)

Purpose of the report: To update the committee on work that has taken place to refresh the approach to risk management within the OPCC

Recommendations: For information only

Following the recent OPCC restructure, overall responsibility for risk management sits with the newly created post Head of Strategic Planning (Joint), supported by a Strategy and Risk Manager. While the OPCC has an established Strategic Risk Register and is proactive in managing risks, in line with its organisational commitment to continuous improvement it has been identified that there is scope to refresh and refine the current approach to risk management aligning with the Management of Risk (MoR) methodology.

Defining strategic and operational risk

To ensure a consistent and aligned approach to risk across the OPCC a standardised template has been adopted for both the Strategic and Operational Risk Registers. The following definitions for strategic and operational risk have been agreed, with training and guidance to be provided to staff as required.

- The Strategic Risk Register will be managed by the Strategic Planning Team and by definition, will contain identified strategic risks with the potential to impact the organisational goals of the OPCC. This can include locally identified strategic risks, in addition to nationally relevant strategic risks with the potential to impact the Thames Valley, identified through horizon scanning activity and triaged by the Chief Officer Group;
- The Operational Risk Register will be managed by the Service Delivery Team and by definition, will contain identified operational risks with the potential to impact the delivery of projects run by the department;

Where the Service Delivery Team identify risks that meet set criteria (reputational risk, significant financial risk, significant impact to OPCC resource, strategic impact to OPCC delivery across projects, risk relating to legislative change/risk with legal ramifications), these will be escalated for inclusion within the Strategic Risk Register.

Engagement with OPCC Internal Audit

There has been engagement with the OPCC Internal Audit Team to better understand the risk management practices taking place within TVP, with a view to leverage and align where appropriate. Through these discussions, it recommended that the difference between risks and issues is clearly defined, with the following definitions agreed:

- Risk – event that has not happened yet, but may happen. Mitigation actions are planned;
- Issue – event that has already happened and immediate action is required;

In addition, overarching accountability is defined within TVP's Risk Registers. It has therefore been agreed that within the OPCC Strategic Risk Register, accountability will be assigned to the appropriate COG/SLT member, while responsibility for individual actions associated with a risk will remain with the relevant assignees.

Reporting on risk management

Organisational risk will be monitored on a monthly basis through contract management meetings led by the Service Delivery Team, with monthly reporting to the OPCC Senior Leadership Team using a RAG rated Performance Dashboard and updates provided on mitigations for red risks.

An update on the Strategic Risk Register will be provided on a quarterly basis to both the OPCC Senior Leadership Team and the Joint Independent Audit Committee. In addition, there will be a communications plan in place to enable any relevant risks to be communicated to the wider OPCC where required.

Updates to the Strategic Risk Register

A refreshed version of the Strategic Risk Register has been circulated to Joint Independent Audit Committee members alongside this paper with the following updates to note:

- To ensure a clear focus on strategic risk, three previously closed risks have been moved to a 'Closed Risk Log'¹ and two identified risks have been moved to the Operational Risk Log²;
- The addition of newly emerging strategic risks – Local Government Devolution and Policing Reform;
- The addition of a column for overarching accountability for each risk;
- The addition of a column for risk treatment options – 1) Avoidance; 2) Reduction; 3) Transfer; 4) Acceptance; 5) Sharing;

Further horizon scanning work will be undertaken ahead of the next Joint Independent Audit Committee meeting on 13 June 2025 to ensure that the Strategic Risk Register fully reflects the current strategic risk landscape, in addition to the creation of a separate Issues Log and 'Closed Risks' Log. Once completed, these documents will all be located on SharePoint for accessibility and transparency across the OPCC.

¹ LQCs, Grants and New Strategic Plan

² Victims and VRU

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	2	8	→ 8
2	PCC Unavailable	Absence of PCC meaning critical decisions cannot be taken	4	1	4	→ 4
3	Commissioning services & monitoring performance	Not effectively spending public funds	2	2	4	→ 4
4	Riot Compensation	The PCC has to pay compensation and there is no guarantee of HO support	4	1	4	New
5	Devolution	Devolution proposals across England could reshape policing governance in Thames Valley, impacting the PCC's role and oversight.	3	3	9	New
6	Police Reform	The Crime and Policing Bill 2025 introduces ASB, offender management, and police accountability reforms, with uncertain impact on PCC oversight.	3	3	9	New
7	Victim & Perpetrator Programmes	MOJ funding for victim and perpetrator programmes does not continue beyond 2025/2026 leaving a gap in service provision.	3	2	6	New

Risk Heat Map		Impact			
		1 Minimum	2 Moderate	3 Major	4 Critical
Likelihood	4 Probable				
	3 Likely			← 5 → ← 6 →	
	2 Possible		← 3 →	← 7 →	← 1 →
	1 Unlikely				← 2 → ← 4 →

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
1	Collaboration	Interforce collaborations become ineffective in delivering PCC outcomes	4	2	8	→ 8	Sharing	GO

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

Mitigation	Owner
Quarterly Regional PCC/CC Meetings & Scrutiny Review - Provides oversight and accountability	MB/ GO/ VW
Section 22 Agreements & Major Projects Protocol - Ensures legal and governance frameworks.	GO/ VW
Governance & Assurance Review completed - Recommendations published, with oversight in place	GO/ VW
JOU & IT oversight validated - June 2024 review confirmed stability, with planned IT/governance refinements	GO
Ongoing Collaboration Review - Continuous assessment of risk, governance, and efficiency	MB/ GO

Actions underway

Date Added	Action Description	Action Update	Target Date	Owner
May-23	Section 22 Agreements Review - Ensuring statutory responsibilities remain current	Ongoing review of agreements, ensuring they align with legal and operational needs.	Ongoing	GO/ VW
Nov-23	Hampshire Collaboration Review - CM delivery effectiveness review	Liaising with Hampshire PCC/CEO to assess findings. Joint discussion planned for June 2024	Complete	GO
Feb-24	JOU & IT Governance Review - Strategic review of joint working and funding	IT and governance needs review underway. Joint discussions planned for October 2024	Dec-24	GO

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
2	PCC Unavailable	Absence of PCC meaning critical decisions cannot be taken	4	1	4	→ 4	Sharing	GO / MT
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								
								Owner
Process which would be followed to appoint deputy (if required) has been presented to Police & Crime Panel								MB
Schemes of delegation are in place and were reviewed comprehensively in 22/23, with ongoing review through the year								GO/MT/VW
Actions underway								
Date Added	Action Description		Action Update			Target Date	Owner	
Nov-22	Create Contingency plans					Mar-23	GO	
May-23	Regular GAG review dates throughout the year to be booked into diaries		Additional meetings are in the diaries to take place throughout the year to continue to monitor progress.			Ongoing	VW	
Aug-24	Review GAG now new OPCC Directors in place to spread the risk around schemes of delegation		13/8/24 - MT to arrange a meeting with VW and the new directors to agree new schemes of delegation				MT	

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
3	Commissioning services & monitoring performance	Not effectively spending public funds	2	2	4	→ 4	Reduction (Mitigation)	HW

Background

The OPCC has been very successful in winning new grants from funders, and increasing use of the Crime Prevention Fund. This puts more pressure on staff and processes for ensuring timely spend of grants, effective use of funds and compliant reporting. A recent internal audit into the community safety fund provided limited and reasonable assurances in relation to commissioning and monitoring.

Potential Consequences

- Reputational damage with key funders and stakeholders
- Loss of future funding during 2023-2025
- Commissioned services fail to deliver due to lack of robust monitoring
- Benefits from commissioned services not delivered

Mitigations in place

Mitigation	Owner
SMG review of grant opportunities for alignment with PCC strategic priorities and capacity to deliver effectively	MB/GO
Quarterly budget monitoring in place for 2023/24 & grant monitoring approach improved from 2024/25	MT/RM
Community Safety Fund internal audit complete and actions being managed through internal audit process	GO/MT/HW
Office Restructure and review of commissioning processes has been completed	MT/CW
New software (SUMS) in place to monitor Victims Grants	HW

Actions underway

Date Added	Action Description	Action Update	Target Date	Owner
Aug-24	Deliver benefits of OPCC Restructure	Office restructure is complete, with final roles being filled, and new processes being embedded across new teams	Jun-25	JB/HW

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
4	Riot Compensation	The PCC has to pay compensation and there is no guarantee of HO support	4	1	4	New	Acceptance (Retention)	MT
Background								
Under the Riot Compensation Act 2016 the PCC has to pay compensation and there is no guarantee of Home Office support								
Potential Consequences								
Cost of compensation (up to £1m per successful claimant) may need to be funded from General Reserve, reducing financial resilience in the future.								
Mitigations in place								
							Owner	
Accept Risk							MT	
Reserves allow mitigation of short term impacts							MT	
APCC guidance available to support process, and advice from OPCCs with experience from riots in summer 2024							MT	
Actions underway								
Date Added	Action Description		Action Update			Target Date	Owner	

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
5	Devolution	Devolution proposals across England could reshape policing governance in Thames Valley, impacting the PCC's role and oversight.	3	3	9	New	Reduction (Mitigation)	MB / GO
Background								
The Government's English Devolution White Paper encourages greater regional control, with some areas seeing policing powers merged under mayoral-led governance. While Thames Valley has no confirmed deal, Oxfordshire, Berkshire, and Buckinghamshire councils are engaging in discussions, raising uncertainty over future police governance.								
Potential Consequences								
Changes to policing oversight and PCC accountability. Funding realignments impacting crime prevention and partnerships. Governance fragmentation, affecting strategic policing priorities. Delays in implementing Policing Reform due to oversight uncertainty.								
Mitigations in place								Owner
Active engagement with local authorities and national bodies.								
Scenario modelling to assess governance and accountability options.								
Regular monitoring of devolution developments impacting policing.								
Actions underway								
Date Added	Action Description		Action Update		Target Date	Owner		
Feb-25	Continued discussions with the Home Office and APCC on the role of PCCs in devolution plans.				Mar-26	GO		
Feb-25	Discussions with Thames Valley Police and stakeholders on future governance risks.				Mar-26	GO		

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
6	Police Reform	The Crime and Policing Bill 2025 introduces ASB, offender management, and police accountability reforms, with uncertain impact on PCC oversight.	3	3	9	New	Reduction (Mitigation)	GO
Background								
The Bill expands police powers for ASB, enhances offender supervision, and introduces new reporting obligations for PCCs. Its impact depends on funding allocations and governance stability, particularly if devolution changes oversight structures in Thames Valley.								
Potential Consequences								
Additional operational and resource demands on Thames Valley Police. Delays or conflicts in implementation if devolution changes policing governance. Public and political pressure to demonstrate compliance with new requirements.								
Mitigations in place								
							Owner	
Aligning the Police and Crime Plan with the Bill's priorities.								
Engagement with the APCC/Home Office to track legislative developments								
Strategic planning to address governance-related uncertainties								
Actions underway								
Date Added	Action Description		Action Update			Target Date	Owner	
Feb-25	Reviewing internal plans/policies to prepare for new legal requirements.					Mar-26	GO	
Feb-25	Assessing resource impacts and training needs for new powers.					Mar-26	GO	
Feb-25	Monitoring devolution developments to ensure continued compliance with policing reforms (links to Ref.10)					Mar-26	GO	

Ref	Title	Description	Impact	Likelihood	Score (I x L)	Trend/Prev	Risk Appetite	Strategic Owner
7	Victim & Perpetrator Programmes	MOJ funding for victim and perpetrator programmes does not continue beyond 2025/2026 leaving a gap in service provision	3	2	6	New	Reduction (Mitigation)	HW
Background								
Currently there are a number of funding streams from both the Ministry of Justice (MoJ) and Home Office that have only been confirmed until the end of March 2026 and/or settlement amounts have only been provided until then. This includes both victims funding, in particular specialist domestic abuse and sexual violence funding, and funding for domestic abuse and stalking perpetrator programmes								
Potential Consequences								
If the funding is reduced or does not continue this would result in significant reduction in services available to victims and DA perpetrators in the Thames Valley. As well as impacting the wellbeing of victims this could also have a knock on impact to criminal justice agencies, including the police, where currently specialist services help support victims through the criminal justice system.								
Mitigations in place								
Engagement with both MoJ and Home Office to ensure impact of funding uncertainty is understood and to highlight benefits of support provision							Owner	
Continuous review of current service provision to ensure that any future funding is utilised where it will have the most impact								
Engagement with the APCC and other PCCs to track development								
Actions underway								
Date Added	Action Description		Action Update			Target Date	Owner	

Appendix 1 - Scoring Guidance

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.

Appendix 1 - High level timeline of risk management review

Phase	Category	Activity	Scheduled Finish Date	Status
Initiation	Project Definition	✓ Problem and Opportunity statement defined	February	Completed
Planning	Project Planning	✓ High level timeline defined ✓ Draft proposal and guiding principles defined ✓ Draft definitions of Strategic/Operational risks	February	Completed
Execution	Stakeholder Engagement	✓ SLT Briefing and feedback	February	Completed
Execution	Stakeholder Engagement	✓ Engage IA to understand risk environment in Service Delivery	March	Completed
Execution	Auditing	✓ Audit and clean-up of current risk log	March	Completed
Execution	Stakeholder Engagement	✓ Provide summary of changes to JIAC	21 March	Planned
Execution	Training	✓ OPCC Strategy and Risk Manager Risk Management Training completed	March	Planned
Execution	Auditing	✓ Identify further risks for inclusion in Strategic Risk Register	April	In progress
Execution	Reporting	✓ Embed monthly review of Operational Risk Dashboard at SLT ✓ Set up logs for closed risks and issues	May	Planned
Execution	Reporting	✓ Embed quarterly review of Strategic Risk Register for JIAC and SLT	June	Planned
Monitor	Monitor	✓ Monitor new process and iterate as appropriate	Ongoing	Planned
BAU	Control	✓ Embed new process	Ongoing	Planned

Appendix 2 - Risk Appetite Guidance

Key Considerations When Applying Risk Appetite:

- * **Impact-Likelihood Score is a starting point** – but consider the **wider context** of the risk.
- * **Existing controls & mitigations** - should be reviewed before setting the category.
- * **Risk Appetite may change over time** – review regularly and adjust if circumstances shift.
- * **Decisions should be justifiable** – document reasoning in the risk register for consistency.

Risk Appetite Categories & How to Apply Them (*drop down options appear for each risk*)

<p>1. Avoidance – Eliminate the risk completely</p> <p>Used when the risk is too high to tolerate, and the best course of action is to stop or not engage in the activity that creates it.</p> <p>When to use: If the impact is critical (4-5) and likelihood is high (4-5), making the risk unacceptable.</p>
<p>2. Reduction (Mitigation) – Reduce the likelihood or impact</p> <p>Used when the risk can be actively managed by implementing controls or preventative measures.</p> <p>When to use: If the risk score is moderate-high (6-14) but can be managed with proper actions.</p>
<p>3. Transfer – Shift the responsibility elsewhere</p> <p>Used when the risk can be transferred to a third party (e.g., insurance, outsourcing, external contracts).</p> <p>When to use: If the risk can't be eliminated or reduced but can be covered by another entity.</p>
<p>4. Acceptance (Retention) – Acknowledge the risk and monitor it</p> <p>Used when the risk is within tolerance levels, and no further mitigation is necessary.</p> <p>When to use: If the score is low (≤ 5) or further mitigation is too costly/unnecessary.</p>
<p>5. Sharing – Distribute the risk across multiple parties</p> <p>Used when the risk is best managed collaboratively through partnerships, or shared agreements.</p> <p>When to use: If a risk affects multiple stakeholders and can be shared between organisations.</p>

The Police and Crime Commissioner and Chief Constable for Thames Valley Police Auditor's Annual Report

Year ended 31 March 2024

12 March 2025

12 March 2025



The Office of Police and Crime Commissioner and Chief Constable
Thames Valley Police
Kidlington,
OX5 2NX

Dear Matthew and Jason,

2023/24 Auditor's Annual Report

We are pleased to attach our Auditor's Annual Report, including the commentary on the Value for Money (VFM) arrangements for the Police and Crime Commissioner (PCC) and Chief Constable (CC) for Thames Valley Police. This report and commentary explains the work we have undertaken during the year and highlights any significant weaknesses identified along with recommendations for improvement. The commentary covers our findings for audit year 2023/24.

This report is intended to draw to the attention of the PCC and CC any relevant issues arising from our work. It is not intended for, and should not be used for, any other purpose.

We welcome the opportunity to discuss the contents of this report with you at the Joint Independent Audit Committee (JIAC) meeting on 21 March 2025.

Yours faithfully

Andrew Brittain

Partner

For and on behalf of Ernst and Young LLP

Encl

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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 ([Statement of responsibilities of auditors and audited bodies \(from 2023/24 audits\) - PSAA](#)). 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 JIAC and management of the PCC and CC those matters we are required to state to them 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 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

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Purpose

The purpose of the Auditor's Annual Report is to bring together all of the auditor's work over the year and the value for money commentary, including confirmation of the opinion given on the financial statements; and, by exception, reference to any reporting by the auditor using their powers under the Local Audit and Accountability Act 2014. In doing so, we comply with the requirements of the 2024 Code of Audit Practice (the Code) published in November 2024 and the supporting guidance of the National Audit Office (NAO) published within their Auditor Guidance Note 3 (AGN 03). This commentary aims to draw to the attention of the Police and Crime Commissioner and Chief Constable (PCC and CC) and the wider public relevant issues from our work including recommendations arising in the current year and follow-up of recommendations issued previously, along with the auditor's view as to whether they have been implemented satisfactorily.

The 2024 Code paragraph 4.10 has suspended the requirement to issue an Auditor's Annual Report by 30 November. It states that auditors may exercise judgement to determine when to issue their Annual Report including their commentary on arrangements to secure value for money.

Responsibilities of the appointed auditor

We have undertaken our 2023/24 audit work in accordance with the Audit Plan we issued on 26 February 2024. We have complied with the NAO's 2024 Code of Audit Practice, other guidance issued by the NAO and International Standards on Auditing (UK).

As auditors we are responsible for:

Expressing an opinion on:

- the 2023/24 financial statements;
- conclusions relation to going concern; and
- the consistency of other information published with the financial statements, including the narrative statement.

Reporting by exception:

- if the Annual Governance Statement does not comply with relevant guidance or is not consistent with our understanding of the PCC and CC;
- any significant matters or written recommendations that are in the public interest; and
- if we identify a significant weakness in the PCC and CC's arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Responsibilities of the PCC and CC

The PCC and CC is responsible for preparing and publishing its financial statements, narrative statement and annual governance statement. It is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Executive Summary (continued)

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2023/24 Conclusions

Financial statements	<p>Unqualified – the financial statements give a true and fair view of the financial position of Police and Crime Commissioner for Thames Valley and the Group as at 31 March 2024 and of its expenditure and income for the year then ended.</p> <p>We therefore issued an unqualified 2023/24 audit opinion on 21 February 2025.</p>
Going concern	<p>We have concluded that the Director of Finance’s and the Chief Finance Officers’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.</p>
Consistency of the other information published with the financial statements	<p>Financial information in the narrative statement and published with the financial statements was consistent with the audited accounts.</p>
Value for money (VFM)	<p>We had no matters to report by exception on the PCC and CC’s VFM arrangements. We have included our VFM commentary in Section 03.</p>
Consistency of the annual governance statement	<p>We are satisfied that the Annual Governance Statement was consistent with our understanding of the PCC and CC.</p>
Public interest report and other auditor powers	<p>We had no reason to use our auditor powers.</p>
Whole of Government Accounts	<p>We have performed the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission.</p> <p>We have not yet concluded the procedures required by the National Audit Office (NAO) on the Whole of Government Accounts submission, as the NAO have not yet confirmed whether any questions will be raised on individual returns. We cannot issue our Audit Certificate until these procedures are complete.</p> <p>We had no issues to report from the work we have completed.</p>
Certificate	<p>We will issue our certificate once we have concluded our Whole of Government Accounts procedures.</p> <p>We cannot currently conclude on WGA work until the NAO confirms if they would like any additional procedures performed.</p>

Executive Summary (continued)

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Value for Money

Scope

Auditors are required to be satisfied that the PCC and CC for Thames Valley Police have made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We do not issue a 'conclusion' or 'opinion', but where significant weaknesses are identified we will report by exception in the auditor's opinion on the financial statements. In addition, auditors provide an annual commentary on arrangements published as part of the Auditor's Annual Report.

In undertaking our procedures to understand the body's arrangements against the specified reporting criteria, we identify whether there are risks of significant weakness which require us to complete additional risk-based procedures. AGN 03 sets out considerations for auditors in completing and documenting their work and includes consideration of:

- our cumulative audit knowledge and experience as your auditor;
- reports from internal audit which may provide an indication of arrangements that are not operating effectively;
- our review of PCC and CC committee reports;
- meetings with the Director of Finance and Chief Finance Officer;
- information from external sources; and
- evaluation of associated documentation through our regular engagement with PCC and CC management and the finance team.

Executive Summary (continued)

Value for Money (continued)

Reporting

Our commentary for 2023/24 is set in Section 03. The commentary on these pages summarises our understanding of the arrangements at the PCC and CC based on our evaluation of the evidence obtained in relation to the three reporting criteria (see table below) throughout 2023/24.

Appendix A includes the detailed arrangements and processes underpinning the reporting criteria.

In accordance with the NAO's 2024 Code, we are required to report a commentary against the three specified reporting criteria. The table below sets out the three reporting criteria, whether we identified a risk of significant weakness as part of our planning procedures and whether we have concluded that there is a significant weakness in the body's arrangements.

Reporting Criteria	Risks of significant weaknesses in arrangements identified?	Actual significant weaknesses in arrangements identified?
Financial sustainability: How the PCC and CC plan and manage resources to ensure they can continue to deliver services	No significant risks identified	No significant weakness identified
Governance: How the PCC and CC ensure they makes informed decisions and properly manage risks	No significant risks identified	No significant weakness identified
Improving economy, efficiency and effectiveness: How the PCC and CC use information about costs and performance to improve the way they manage and deliver services	No significant risks identified	No significant weakness identified



Executive Summary (continued)

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Independence

The FRC Ethical Standard requires that we provide details of all relationships between Ernst and Young (EY) and the PCC and CC, and its members and senior management and its affiliates, including all services provided by us and our network to the PCC and 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 2023 to the date of this report, which we consider may reasonably be thought to bear on our independence and objectivity.

EY Transparency Report 2024

Ernst and 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 2024:

[EY UK 2024 Transparency Report | EY - UK](#)



02 Audit of the financial statements

Audit of the financial statements

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Key findings

The Statement of Accounts is an important tool for the PCC and CC to show how they have used public money and how they can demonstrate financial management and financial health.

On 21 February 2025, we issued an unqualified audit opinion on the financial statements.

We reported our audit scope, risks identified and detailed findings to the JIAC meeting in our Audit Results Report on 20 December 2024. We outline below the key issues identified as part of our audit in relation to the significant risk areas. The findings for each of the accounts areas are set out in the Audit Results Report. We reported one internal control recommendation in the control environment in the Audit Results Report.

Significant risk	Conclusion
Misstatements due to fraud or error – Management override of controls	We have not identified any material weaknesses in the recognition of expenditure. We have not identified any instances of inappropriate judgements or estimates being applied. Our work did not identify any other transactions during our audit which appeared unusual or outside the PCC and CC’s normal course of business.
Misstatements due to fraud or error – Inappropriate revenue recognition of other income - recharges and collaboration	We have not identified any manipulation of recharges.
Misstatements due to fraud or error – inappropriate capitalisation of revenue expenditure	Our work did not identify any material weaknesses in controls or evidence of material management override concerning the capitalisation of revenue expenditure. Our work did not identify any instances of inappropriate judgements being applied.
Misstatements due to fraud or error – Incorrect accounting in financial statements within Property, Plant and Equipment (PPE)	We have completed our work on PPE and did not find any material mis-statements or incorrect accounting in the financial statements within PPE.



03 Value for Money Commentary

Value for Money Commentary

Financial Sustainability: How the PCC and CC plans and manages resources to ensure they can continue to deliver services

No significant weakness identified

The PCC and CC's budgeting process starts with the approved annual budget for the current financial year. Inflation is added to each line using appropriate pay and prices indices. Growth bids, which are necessary to meet increased demand, legal obligations or new priorities are co-ordinated by the finance department and prioritised by Chief Constables Management Team (CCMT) before being presented to the Police and Crime Commissioner (PCC).

CCMT review the content of the proposed budget on a number of occasions before recommending the agreed Medium Term Financial Plan (MTFP) to the PCC. Cash savings are identified through the Productivity Strategy. The Productivity Strategy is driven by the Deputy Chief Constable and sets a challenging, but achievable target to identify savings through the Efficiency and Effectiveness Programme. The Productivity Strategy has identified £20 million of cash savings between 2023/24 to 2026/27.

The PCC determines the level of council tax increase in accordance with Government guidelines, which was £15 per band D property for 2023/24.

The policy is to maintain general balances around a guideline level of 3% of annual net revenue expenditure budget, with an absolute minimum level of 2.5%. General balances are used as a last resort to manage and fund demand-led spending pressures. Earmarked reserves are created to fund specific initiatives or meet areas of anticipated future spending (including beyond the four years of the MTFP). Appropriations are made to and from the reserves as required. The utilisation of reserves in 2023/24 was planned as £10m, per the financial statements the general fund reduced by £4.4m. The MTFP shows that reserves are being kept within the recommended levels of between 2.5-3.0% of net revenue expenditure.

The draft budget and MTFP is presented to the PCC in November and the final budget is presented to the PCC in January, following receipt of the provisional police grant settlement. The PCC presents his budget and council tax proposals to the Police and Crime Panel in late January. The planned 2023/24 revenues estimate was £524m and the capital budget £51m. Per the financial statements, the net cost of services was £522m and the capital additions were £32m.

Conclusion: Based on the work performed, the PCC and CC had proper arrangements in place in 2023/24 to enable them to plan and manage resources to ensure that they can continue to deliver services.

Value for Money Commentary (continued)

Governance: How the PCC and CC ensures they make informed decisions and properly manage risks

No significant weakness identified

The PCC and CC's arrangements for ensuring they make informed decisions and properly manage risks have broadly remained consistent with the prior year as set out in Appendix A.

We have seen through our attendance at JIAC meetings and our review of the minutes that key decisions are backed by the appropriate supporting evidence. In addition, relevant officers attend the Committee to present their papers and answer any questions the Committee may have. We observed in the JIAC meetings members asking challenging questions to officers to ensure they are fully informed before decisions are made.

During 2023/24, Internal Audit have issued two reports with substantial assurance, seventeen with reasonable assurance and four with limited assurance. We have not identified any weaknesses in relation to the governance of the PCC and CC through review of these reports. Internal Audit have made a total of two hundred and seventy six recommendations during the year, of which twenty eight were overdue at the year end. The number of outstanding actions arising from their recommendations for 2023/24 is high due to the majority not being due for completion at the year end. JIAC monitors the Internal Audit recommendations and ensures they are followed up on a timely basis.

The PCC and CC have continued to maintain their risk registers. The risk register is regularly reviewed by the JIAC, which challenges the risks included and gains assurance that the right risks and mitigations are included. There are a number of 'red' risks within the risk register for 2023/24, which we considered as part of our value for money risk assessment. These are risks that we would expect to see for the PCC and CC and are not an indication of a weakness in their governance arrangements.

The Annual Governance Statement explains how the PCC and CC for Thames Valley have complied with their published corporate governance framework for the year ended 31 March 2024, including plans for the financial year 2024/25. The statement goes through the governance framework and how it has been complied with. There were no significant actual or potential governance issues identified in respect of 2023/2024 activities. The Governance Advisory Group was satisfied to the best of its knowledge that no material breaches of the governance arrangements occurred in 2023/24 and there were no significant weaknesses in the internal control and governance environment.

Conclusion: Based on the work performed, the PCC and CC had proper arrangements in place in 2023/24 to make informed decisions and properly manage risks.

Value for Money Commentary (continued)

Improving economy, efficiency and effectiveness: How the PCC and CC use information about costs and performance to improve the way they manage and deliver services

No significant weakness identified

The PCC and CC uses the Home Office value for money data to compare themselves to other similar forces to identify where there may be areas for improvement. The Performance Group is chaired by the CC and meets quarterly, identifying areas that need further investigation.

Further to this, Internal Auditor also provide operational recommendations and control reviews. The outcome of these and any recommendations are tracked at JIAC meetings. This is used in conjunction with financial and performance information to identify areas for improvement.

In relationship to partnership working, the PCC and CC deliver a number of services in collaboration with Hampshire (ICT, Information Management, Joint Operations) and these are overseen at operational level by the Deputy Chief Constable (DCC) Board. The DCC Board comprises the two Deputy Chief Constables in Thames Valley and Hampshire. Formal scrutiny by PCCs and Chief Constables is undertaken at the Bilateral governance board.

The South East Collaboration Board meets quarterly to scrutinise those services delivered at regional level (Regional Organised Crime Unit - ROCU, Counter Terrorism Policing South East - CTPSE). The South East Collaboration Board comprises the PCCs and CCs from Thames Valley, Hampshire, Surrey, Sussex and Kent with appropriate support from other senior officers as required.

Thames Valley Police also lead the Chiltern Transport Consortium (CTC) which provides a fleet management service for a number of regional and national police organisations. The CTC board meets twice yearly, with operational activity monitored by fleet managers and operational users.

At all governance boards relevant heads of service are held to account for delivery by both the PCC and CC. Each group will receive performance data, information on risks and issues with recommendations for change improvement, appropriate to the collaboration.

Conclusion: Based on the work performed, the PCC and CC had proper arrangements in place in 2023/24 to enable them to use information about costs and performance to improve the way they manage and deliver services.



04

Appendices

Appendix A - Summary of arrangements

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Financial Sustainability

We set out below the arrangements for the financial sustainability criteria covering the year 2023/24.

Reporting criteria considerations

Arrangements in place

How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them

All financial pressures, commitments and liabilities are taken into account in the Medium Term Financial Plan (MTFP) and annual budget. Budgeting is an incremental process which starts with the approved annual budget for the current financial year. Inflation is added to each line using appropriate pay and prices indices. Growth bids, which are necessary to meet increased demand, legal obligations or new priorities are co-ordinated by the finance department and prioritised by the Chief Constable's Management Team (CCMT) before being presented to the PCC. CCMT review the content of the proposed budget on a number of occasions before recommending the agreed MTFP to the PCC. Risks and assumptions are initially identified by the Director of Finance with scrutiny from the Chief Finance Officer, CCMT and the PCC and are clearly stated in the MTFP which is updated annually and approved by the PCC and the Police and Crime Panel.

How the body plans to bridge its funding gaps and identifies achievable savings

The Force has a robust Productivity Strategy that has identified £20m of cash savings between 23/24 to 26/27. The Productivity Strategy is driven by the Deputy Chief Constable and has set a challenging but achievable target to identify, through the Efficiency and effectiveness Programme.

How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities

The Annual Financial Strategy provides high level information on how services will be funded. This is a joint exercise between the Director of Finance (DOF) and the Chief Finance Officer (CFO) Typically, the CFO produces the initial draft which the DOF reviews and updates as appropriate. This brings together their joint knowledge of the Police service and various external and internal factors. The Annual Financial Strategy sets out how Thames Valley Police (the PCC and the Authority) will structure and manage its finances to support the delivery of the aims and objectives of the service, as set out in the Police and Criminal Plan, and to ensure sound financial management and good stewardship of public money.

Matthew Barber published his Police and Criminal Justice Plan for 21-25. The next iteration of the MTFP and annual budget will explain how these objectives will continue to be funded.

Appendix A - Summary of arrangements

Financial Sustainability (continued)

We set out below the arrangements for the financial sustainability criteria covering the year 2023/24.

Reporting criteria considerations

Arrangements in place

How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system

The drafting and preparation stage of the budget is co-ordinated through the Chief Constable's Management Team. When working in partnership with other forces, joint plans and budgets are developed and dovetailed into the force planning process. In January, the draft budget is presented to the PCC alongside all relevant plans and strategies. There are currently significant multi-year programmes of capital investment. The six major projects that are reflected on the 2023/24 Statement of Accounts are as below:

- Maidenhead Court - demolition works complete, currently at planning stage for new build custody suite;
- Gowell Farm - construction of new Forensic Investigation Unit underway, multi-year build with completion estimated April 2026;
- Atlantic House - new contractor appointed and works back underway, expect to complete in February 2025;
- New build site on behalf of regional force - works at planning stage only but accounts include acquisition of site (prior year) and initial costs under Assets under Construction;
- Western Hub fit out works - new contractor appointed and works expected to complete September 2024;
- Lattice House - now complete and the building recognised and valued as a live asset. Works to repair roof supports is a maintenance job, not impacting on asset viability.

The PEEL report was published in December 2023. TVP used this as the basis of their ongoing improvements on the following; workforce issues, more crime reported and policing more complex with digital crime.

How the body identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans

The MTFP and budget report includes a section on risks and uncertainties, including sensitivity analysis for key assumptions. The key assumptions are the key factors that impact on the budget e.g. pay and price rises, grant and precept increases. These are agreed at the start of the planning process based on staff knowledge acquired from their involvement in national groups and the general financial performance of the economy. They also produce and publish a separate, but linked, report on reserves balances and provisions which links with expenditure commitments in the MTFP and the Medium Term Capital Plan (MTCP). The level of reserves was challenged at the March 2024 JIAC meeting, where officers explained how reserves would be managed.

Appendix A - Summary of arrangements

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Governance

We set out below the arrangements for the governance criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud	The PCC and CC have a joint Internal Audit team that has a comprehensive risk based annual audit plan. The Chief Internal Auditor provides regular updates to JIAC and his annual audit opinion is incorporated within the Annual Governance Statement (AGS). The PCC and CC has an anti-fraud, bribery and corruption policy that is monitored by the Professional Standards Department who provide regular updates to both JIAC and the Professional and Ethical Standards Panel. The CC also has a Strategic Risk register for the force which is reviewed by CCMT bi-monthly and an OPCC risk register which is reviewed by the PCC, both reports are reviewed by JIAC.
How the body approaches and carries out its annual budget setting process	Budgeting is an incremental process which starts with the approved annual budget for the current financial year. Inflation is added to each line using appropriate pay and prices indices. Growth bids, which are necessary to meet increased demand, legal obligations or new priorities are co-ordinated by the Finance department and prioritised by CCMT before being presented to the PCC. CCMT review the content of the proposed budget on a number of occasions before recommending the agreed MTFP to the PCC. Cash savings are identified through the Productivity Strategy process referred to above. The PCC determines the level of council tax increase in accordance with Government guidelines. The draft budget and MTFP is presented to the PCC in November. The final budget is presented to the PCC in January, following receipt of the provisional police grant settlement. The PCC presents his budget and council tax proposals to the Police and Crime Panel in late January.
How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed	CCMT is provided with a monthly monitoring report which highlights emerging risks and issues. These are acted upon as necessary and taken into account the outcome of the bi-monthly performance groups. Formal budget monitoring reports are presented to the PCC at either his public Performance and Accountability meetings and/or his monthly Liaison meetings with the Chief Constable. These financial monitoring reports are considered alongside regular monitoring reports on the strategic delivery plan ensuring that finance and non-financial information are considered alongside each other. The OPCC works closely with Force Finance Dept. to ensure that all statutory financial returns are completed and submitted on a timely basis.

Appendix A - Summary of arrangements

Governance (continued)

We set out below the arrangements for the governance criteria covering the year 2023/24.

Reporting criteria considerations

How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee

How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests)

Arrangements in place

The PCC has published his decision-making policy. Budget monitoring reports are presented to both CCMT and the PCC's public Performance and Accountability meetings (or the PCC's monthly Liaison meeting with the Chief Constable).

All agenda items in the minutes are published on the PCC's website. Decisions taken at CCMT are documented in the minutes. Formal PCC decision reports (e.g. contacts and tenders) are published on the PCC's website.

The Professional Standards Department monitors compliance with relevant professional standards, with appropriate oversight from the Professional and ethical Standards Panel and this covers both officers and members.

Appendix A - Summary of arrangements

Improving economy, efficiency and effectiveness

We set out below the arrangements for improving economy, efficiency and effectiveness criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How financial and performance information has been used to assess performance to identify areas for improvement	<p>As part of the Efficiency and Effectiveness review, the Home Office VFM data was used to identify those services which were out of line in comparison to other forces and Most Similar Forces (MSFs) data, and hence an indication that there might be room for improvement and hence further investigation.</p> <p>The PCC and CC manages and monitors performance at various levels within the organisation. At the highest level CCMT reviews performance and considers recommendations for improvements. This will include the outcome of local and national HMIC reports as well as information from Performance Group and the DCC audits as well as internal reviews</p>
How the body evaluates the services it provides to assess performance and identify areas for improvement	<p>Performance Group is held quarterly and is chaired by the CC. This compares performance across the force with national and our Most Similar Group (MSG) data on various performance indicators. In addition, Service Improvement Reviews are carried out by the DCC, this framework covers Local Police Areas (LPA's) and Departments.</p>
How the body ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve	<p>The PCC and CC delivers a number of services in collaboration with Hampshire (ICT, Information Management, Joint Operations) and these are overseen at operational level by the DCC board, Formal scrutiny by PCCs and Chief Constables is undertaken at the Bilateral governance board.</p> <p>The SE collaboration Board meets quarterly to scrutinise those services delivered at regional level (ROCU, CTPSE). The Authority leads the Chiltern Transport Consortium which provides a fleet management service for a number of regional and national police organisations. The CTC board meets twice yearly, with operational activity monitored by fleet managers and operational users. The PCC engages with local authorities to delivery his community safety priorities and works with other partners through the LCJB to reduce crime and reoffending.</p> <p>At all governance boards, relevant heads of service (e.g. ROCU) are held to account for delivery by both the PCC and CC. Each group will receive performance data, information on risks and issues with recommendations for change improvement, appropriate to the collaboration.</p>

Appendix A - Summary of arrangements

Improving economy, efficiency and effectiveness (continued)

We set out below the arrangements for improving economy, efficiency and effectiveness criteria covering the year 2023/24.

Reporting criteria considerations	Arrangements in place
How the body ensures that commissioning and procuring services is done in accordance with relevant legislation, professional standards and internal policies, and how the body assesses whether it is realising the expected benefits	<p>The Commercial Governance Board, chaired by the Director of Finance and attended by the PCC's CFO, reviews all upcoming contracts and tenders and approves the Procurement Launch Document which sets out the most appropriate route to market for each individual procurement.</p> <p>Following the receipt of tenders, contracts are approved by the Director of Finance and Chief Finance Officer (depending on value), with those contracts over £1 million also requiring approval from the PCC. VFM is embedded in all procurement document and all procurement staff are fully au fait with the need to demonstrate VFM through tenders and contracts. Robust contract management is used to ensure that expected benefits are realised through service delivery.</p>

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ED None

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The Police and Crime
Commissioner and Chief
Constable for Thames Valley
Police
Outline Audit Planning Report
Year ending 31 March 2025
12 March 2025



The Office of Police and Crime Commissioner and Chief Constable
Thames Valley Police
Kidlington, OX5 2NX

12 March 2025

Dear Matthew and Jason

Outline Audit Planning Report

Attached is the Outline Audit Planning Report for the upcoming meeting of the Joint Independent Audit Committee (JIAC). This report aims to provide the JIAC of Police and Crime Commissioner (PCC) and Chief Constable (CC) for Thames Valley Police with a basis to review the proposed audit approach and scope for the 2024/25 audit. This is in accordance with the requirements of the Local Audit and Accountability Act 2014, the National Audit Office's 2024 Code of Audit Practice, the Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA) Ltd, auditing standards, and other professional requirements. This report summarises our evaluation of the key issues driving the development of an effective audit. We have aligned our audit approach and scope accordingly. The report also addresses the broader impact of Government proposals aimed at establishing a sustainable local audit system.

As the PCC and CC's body charged with governance, the JIAC plays a crucial role in ensuring assurance over both the quality of the draft financial statements prepared by management and the PCC and CC's wider arrangements to support a timely and efficient audit. Failure to achieve this will affect the level of resources required to fulfil our responsibilities. We will assess and report on the adequacy of the PCC and CC's external financial reporting arrangements, as well as the effectiveness of the JIAC in fulfilling its role within those arrangements as part of our Value for Money assessment. We will also consider invoking other statutory reporting powers to highlight any weaknesses in these arrangements if deemed necessary. We direct JIAC members and officers to the Public Sector Audit Appointment Limited's Statement of Responsibilities (paragraphs 26-28) for expectations on preparing financial statements (see Appendix A).

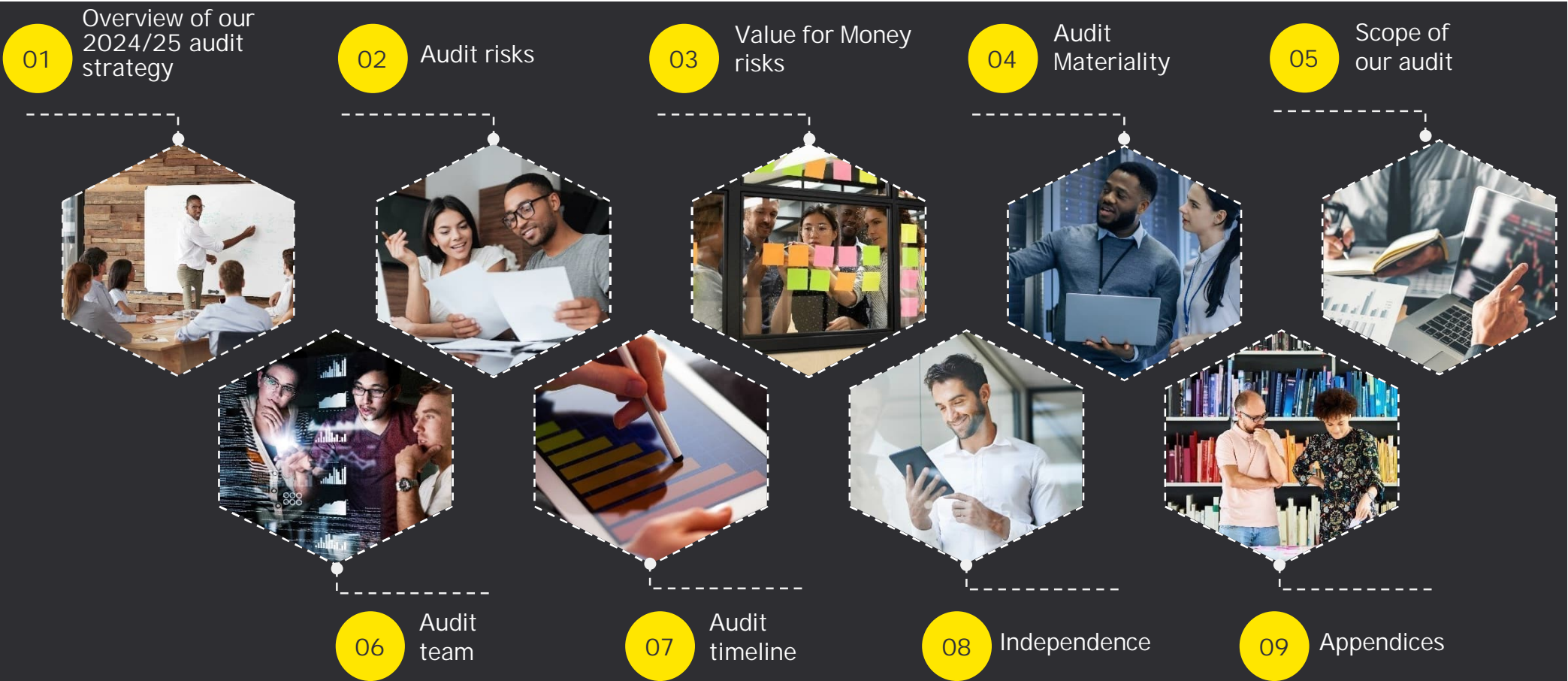
This report is intended solely for the information and use of the JIAC and management, and is not intended to be, and should not be used, by anyone other than these specified parties.

We welcome the opportunity to discuss this report with you on 31 March 2025 as well as understand whether there are other matters which you consider may influence our audit.

Yours faithfully

Andrew Brittain
Partner
For and on behalf of Ernst & Young LLP
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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/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>). 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 (<https://www.psa.co.uk/managing-audit-quality/terms-of-appointment/terms-of-appointment-and-further-guidance-1-july-2021/>) sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice 2024 (the NAO 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 Thames Valley Police. Our work has been undertaken so that we might state to the JIAC and management of Thames Valley Police those matters we are required to state to them 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 Thames Valley Police for this report or for the opinions we have formed. It should not be provided to any third-party without our prior written consent.



BOARDROOM

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Context

Timely, high-quality financial reporting and audit of local bodies play a crucial role in our democratic system. It aids in effective decision-making by local bodies and ensures transparency and accountability to local taxpayers. There is a consensus that the delay in publishing audited financial statements by local bodies has reached an unacceptable level, and it is acknowledged that cooperation among all stakeholders in the sector is necessary to address this issue. The reasons for the backlog are well-documented and include:

- Insufficient capacity within the local authority financial accounting profession.
- Increased complexity of reporting requirements within the sector.
- Insufficient capacity within audit firms with public sector experience.
- Heightened regulatory pressure on auditors, leading to an expanded scope and extent of audit procedures performed.

The Ministry for Housing, Communities and Local Government (MHCLG) has collaborated with the Financial Reporting II (FRC) and other system partners to develop and implement measures to address the backlog. SI 2024/907, along with the NAO Code and the Local Authority Reset and Recovery Implementation Guidance, have been created to ensure auditor compliance with International Standards on Auditing (UK) (ISAs (UK)). In February 2025, responsibilities for leadership of the local audit system transferred from the FRC back to MHCLG. This change follows the December 2024 launch of the Government's strategy for reforming the local audit system in England, which includes plans to establish a Local Audit Office.

Responsibilities of management and those charged with governance

The PCC and CC's Section 151 Officers are responsible for preparing the financial statements in accordance with proper practices and confirming they give a true and fair view at the 31 March 2025. To complete the audit in a timely and efficient manner, it is essential that the financial statements are supported by high-quality working papers and audit evidence, and that PCC and CC resources are available to support the audit process within agreed deadlines. The JIAC has an essential role in ensuring that it has assurance over both the quality of the financial statements and the PCC and CC's wider arrangements to support the delivery of a timely and efficient audit. Where this conditions are not met, we will:

- Consider and report on the adequacy of the PCC and CC's external financial reporting arrangements as part of our assessment of Value for Money arrangements.
- Consider the use of other statutory reporting powers to draw attention to weaknesses in PCC and CC's financial reporting arrangements, where deemed necessary.
- Assess the impact on available audit resource and where additional resources are deployed, seek a fee variation from PSAA. We have set out the factors that will lead to a fee variation at Appendix B, together with, at Appendix A, paragraphs 26-28 of PSAA's Statement of Responsibilities which clearly set out what is expected of audited bodies in preparing their financial statements.

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The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the JIAC with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Audit risks and areas of focus

Risk/area of focus	Risk identified	Change from PY	Details
Misstatement due to fraud or error – management override of controls	Fraud risk	No change in risk or focus	There is a risk that the financial statements as a whole are not free from material misstatement whether caused by fraud or error. We perform mandatory procedures regardless of specifically identified fraud risks.
Risk of fraud in revenue and expenditure recognition, through inappropriate capitalisation of revenue expenditure	Fraud Risk	No change in risk or focus	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 assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.
Inappropriate revenue recognition of other Income - recharges and collaboration	Fraud Risk	No change in risk or focus	ISA (UK and Ireland) 240 states, in paragraph 26, that material misstatements due to fraudulent financial reporting often result from a misstatement of revenues. In our judgement the risk of manipulation of revenue streams lies in other income as this is reliant on the information produced by the PCC and CC which other Police Authorities accept and send payments to PCC and CC to cover joint projects.

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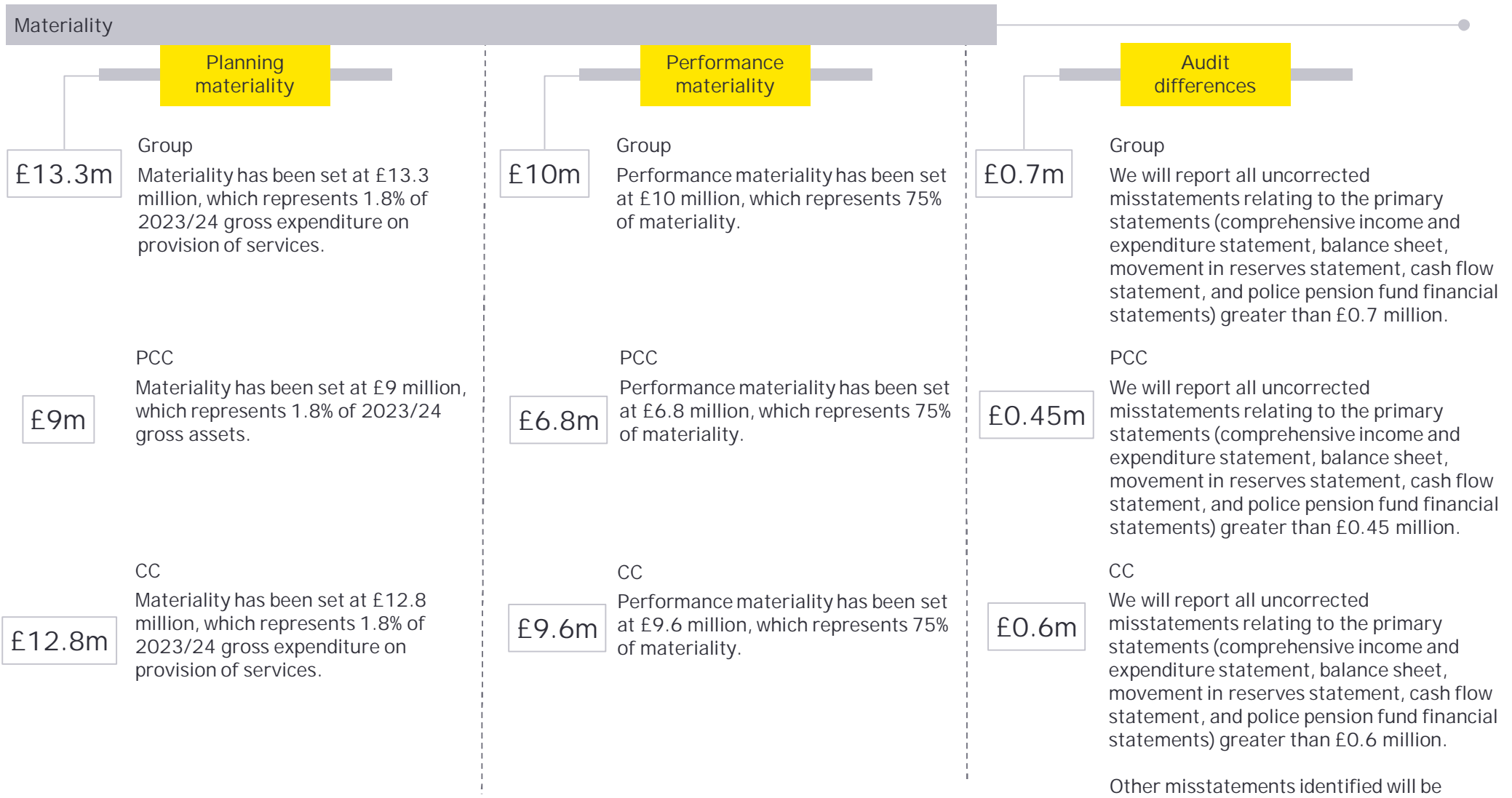
The following 'dashboard' summarises the significant accounting and auditing matters outlined in this report. It seeks to provide the JIAC with an overview of our initial risk identification for the upcoming audit and any changes in risks identified in the current year.

Audit risks and areas of focus (continued)

Risk/area of focus	Risk identified	Change from PY	Details
Implementation of IFRS 16	Significant risk	New risk	<p>IFRS 16 Leases is applicable in local government for periods beginning 1 April 2024. Where the PCC and CC are the lessee, these will now be recognised on the Balance Sheet as a 'right of use' asset and a lease liability reflecting the obligation to make lease payments.</p> <p>In addition, the PCC and CC will need to transition to IFRS 16 for its PFI scheme from 1 April 2024 and will need to include full disclosure in the 2024/25 financial statements.</p> <p>Successful transition will depend on the PCC and CC having captured additional information about leases, both new and existing, especially regarding future minimum lease payments. The PCC and CC will also have had to develop systems for capturing cost information that are fit for purpose, can respond to changes in lease terms and the presence of any variable (e.g. RPI-based) lease terms where forecasts need to be updated annually based on prevailing indices.</p>
Valuation of land and buildings	Inherent risk	No change in risk or focus	<p>The fair value of land and buildings represents a significant balance in the PCC's accounts and is subject to valuation changes, impairment reviews and depreciation charges. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet. The valuation of land and buildings remains an inherent audit risk.</p>
Pension liability valuation	Inherent risk	No change in risk or focus	<p>The Local Authority Accounting Code of Practice and IAS19 require the PCC and CC to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme.</p> <p>Accounting for this scheme 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>


We will continue to keep the JIAC updated on our assessment of any changes to audit risk.

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We will keep the JIAC updated on any changes to materiality levels as the audit progresses.

Other misstatements identified will be communicated to the extent that they merit the attention of the JIAC.



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Audit scope

This Audit Planning Report covers the work that we plan to perform to provide you with:

- our audit opinion on whether the financial statements give a true and fair view of the financial position as at 31 March 2025 and of the income and expenditure for the year then ended; and
- our commentary on your arrangements to secure value for money in your use of resources for the relevant period. We include further details on the value for money arrangements in Section 3.

We also review and report to the National Audit Office (NAO), to the extent and in the form required by them, on the PCC and CC's Whole of Government Accounts return.

Our audit will also include the required mandatory procedures in accordance with applicable laws and auditing standards.

When planning the audit we consider several key inputs:

- strategic, operational and financial risks relevant to the financial statements;
- developments in financial reporting and auditing standards;
- the quality of systems and processes;
- changes in the business and regulatory environment; and
- management's views on all the above.

By considering these inputs, our audit is focused on the areas that matter, and our feedback is more likely to be relevant.

Considering the above, our professional duties require us to independently assess audit risks and take appropriate actions. The Terms of Appointment with the PSAA permit fee adjustments based on 'the auditor's assessment of risk and the work needed to meet their professional responsibilities'. Therefore, we outline these risks in this audit planning report and will discuss any impact on the proposed scale fee with management.

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Audit scope (continued)

Effects of climate-related matters on financial statements

Public interest in climate change is growing. We recognize that climate-related risks may span a long timeframe, and while these risks exist, their impact on the current financial statements may not be immediately significant. However, it remains essential to understand these risks to conduct a proper evaluation. Additionally, comprehending climate-related risks may be pertinent in the context of qualitative disclosures in the notes to the financial statements and in assessing value-for-money arrangements.

We inquire about climate-related risks during every audit as part of our understanding of the entity and its environment. As we continually re-evaluate our risk assessments throughout the audit, we consider the information obtained to help us assess the level of inherent risk.

Audit scope and approach

We plan to adopt a substantive audit approach.

Value for Money

We are required to consider whether the PCC and CC have made 'proper arrangements' to secure economy, efficiency and effectiveness on their use of resources.

The value for money planning and related risk assessment aims to collect enough evidence to document our evaluation of the PCC and CC's arrangements, allowing us to prepare a commentary based on three reporting criteria. This process includes identifying and reporting any significant weaknesses in those arrangements and making suitable recommendations.

We will provide a commentary on the PCC and CC's arrangements against three reporting criteria:

- Financial sustainability - How the PCC and CC plan and manage resources to ensure they can continue to deliver services.
- Governance - How the PCC and CC ensure that they make informed decisions and properly manage risks.
- Improving economy, efficiency and effectiveness - How the PCC and CC use information about costs and performance to improve the way they manage and deliver services.

Commentary on value for money arrangements will be included in the 2024/25 Auditor's Annual Report. This will need to be issued by 30 November 2025 to comply with the revised requirements of the NAO Code.

Timeline

An audit timetable has been agreed with management. In Section 07 we include a provisional timeline for the audit. It is essential that all parties collaborate to ensure compliance with this timeline.



02 Audit risks

Our response to significant risks - Misstatements due to fraud or error

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We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

Misstatement due to fraud or error – management override of controls*

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) 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 will we do?

- Identifying fraud risks during the planning stages.
- Inquiry of management about risks of fraud and the controls put in place to address those risks.
- Understanding the oversight given by those charged with governance of management's processes over fraud.
- Discussing with those charged with governance the risks of fraud in the entity, including those risks that are specific to the entity's business sector (those that may arise from economic industry and operating conditions).
- Considering whether there are any fraud risk factors associated with related party relationships and transactions and if so, whether they give rise to a risk of material misstatement due to fraud.
- Consideration of the effectiveness of management's controls designed to address the risk of fraud.
- Determining an appropriate strategy to address those identified risks of fraud.
- Performing mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements.
- Undertake procedures to identify significant unusual transactions.
- Consider whether management bias was present in the key accounting estimates and judgments in the financial statements.

Having evaluated this risk, we have considered whether we need to perform other audit procedures not referred to above. We concluded that those procedures included under 'Inappropriate capitalisation of revenue expenditure' and 'Inappropriate revenue recognition of other income – recharges and collaboration' are required.

Our response to significant risks - Inappropriate capitalisation of revenue expenditure

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We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

Inappropriate capitalisation of revenue expenditure*

Financial statement impact

We have assessed that the risk of misreporting revenue outturn in the financial statements is most likely to be achieved through:

- Revenue expenditure being inappropriately recognised as capital expenditure at the point it is posted to the general ledger.
- Expenditure being classified as revenue expenditure financed as capital under statute (REFCUS) when it is inappropriate to do so.
- Expenditure being inappropriately transferred by journal from revenue to capital codes on the general ledger at the end of the year.

If this were to happen it would have the impact of understating revenue expenditure and overstating Property, Plant and Equipment (PPE) additions and/or REFCUS in the financial statements.

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 assessed the risk is most likely to occur through the inappropriate capitalisation of revenue expenditure.

What will we do?

- Test Property, Plant and Equipment (PPE) additions to ensure that the expenditure incurred and capitalised is clearly capital in nature.
- Assess whether the capitalised spend clearly enhances or extends the useful life of asset rather than simply repairing or maintaining the asset on which it is incurred.
- Consider whether any development or other related costs that have been capitalised are reasonable to capitalise i.e. the costs incurred are directly attributable to bringing the asset into operational use.
- Test REFCUS, if material, to ensure that it is appropriate for the revenue expenditure incurred to be financed from ringfenced capital resources. Based on our work at the planning stage of the audit we do not expect there to be material REFCUS in the year.
- Seek 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.

Our response to significant risks - Inappropriate revenue recognition of other income – recharges and collaboration

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We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

Inappropriate revenue recognition of other income – recharges and collaboration *

Financial statement impact

We have assessed that the risk of misreporting revenue outturn in the financial statements is most likely to be achieved through:

- Revenue expenditure being inappropriately recognised.

If this were to happen it would have the impact of overstating revenue in the financial statements.

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 PCC and CC, which states that auditors should also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

We have assessed the risk is most likely to occur through the inappropriate revenue recognition of other income, in particular recharges and collaboration.

Police bodies have a statutory duty to balance their annual budget and are operating in a financially challenged environment with reducing levels of government funding and increasing demand for services. Any deficit outturn against the budget is not a desirable outcome for the PCC and CC and management, and therefore this desire to achieve budget increases the risk that the financial statements may be materially misstated.

In our judgement the risk of manipulation of these revenue streams lies in other income as this is reliant on the information produced by PCC and CC which other Police authorities accept and send payments to PCC and CC to cover for joint projects.

What will we do?

- Test other income of recharges and collaboration, using a reduced testing thresholds.

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.

Our response to significant risks – Implementation of IFRS 16

We have set out the significant risks (including fraud risks denoted by*) identified for the current year audit along with the rationale and expected audit approach. The risks identified below may change to reflect any significant findings or subsequent issues we identify during the audit.

Implementation of IFRS 16

Financial statements impact

- Assets being used by the PCC and CC under operating leases are likely to be capitalised along with an associated lease liability.
- Lease liabilities and right of use assets will be subject to more frequent remeasurement.
- Other amendments have been made to the CIPFA Code to expand the definition of donated assets to include right-of-use assets and on accounting for leases provided at below market rate, including peppercorn and nil consideration.

What is the risk?

IFRS 16 Leases is applicable in local government for periods beginning 1 April 2024. It has been adopted, interpreted and adapted in the 2024/25 CIPFA Code of Practice on Local Authority Accounting which sets out the financial reporting framework for the PCC and CC's 2024/25 accounts.

IFRS 16 eliminates the operating/finance lease distinction for leases and imposes a single model geared towards the recognition of all but low-value or short-term leases. Where the PCC and CC are the lessee, these will now be recognised on the Balance Sheet as a 'right of use' asset and lease liability reflecting the obligation to make lease payments.

Successful transition will depend on the PCC and CC having captured additional information about leases, both new and existing, especially regarding future minimum lease payments. The PCC and CC will also have had to develop systems for capturing cost information that are fit for purpose, can respond to changes in lease terms and the presence of any variable (e.g. RPI-based) lease terms where forecasts will need to be updated annually based on prevailing indices.

What will we do?

We will:

- Gain an understanding of the processes and controls developed by the PCC and CC relevant to the implementation of IFRS 16. We will pay particular attention to the PCC and CC's arrangements to ensure lease and lease-type arrangements considered are complete.
- Review the discount rate that is used to calculate the right of use asset and assess its reasonableness.
- Review management policies, including whether or not to use a portfolio approach, low value threshold, and asset classes where management is adopting as the practical expedient to non-lease components.
- Gain assurance over the right of use assets, included in the 2024/25 financial statements
- Gain assurance over the PFI liability included in the 2024/25 financial statements.
- Sample test leases to ensure that transition arrangements have been correctly applied.
- Consider the accounting for leases provided at below market rate, including peppercorn and nil consideration, and the need to make adjustments to cost in the valuation of right of use assets at the balance sheet date.

Other areas of audit focus – Valuation of land and buildings

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 and therefore may be key audit matters we will include in our audit report.

What is the risk/area of focus, and the key judgements and estimates?

Valuation of land and buildings (inherent risk)

Per the statement of accounts, as at 31 March 2024, the value of the PCC's land and buildings was £206 million and represents the largest balance in the accounts. It is subject to valuation changes, impairment reviews and depreciation charges.

Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.

The PCC continues 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 land and buildings to represent an inherent risk of material misstatement.

Our response: Key areas of challenge and professional judgement

We will:

- Consider the work performed by the PCC's valuers, including the adequacy of the scope of the work performed, their professional capabilities and the results of their work;
- Challenge the accuracy of the inputs and the assumptions used by the PCC's valuer by reference to external evidence;
- Sample test key asset information used by the valuers in performing their valuation (e.g. floor plans to support valuations based on price per square metre);
- Consider the annual cycle of valuations to ensure that assets have been valued within a 5 year rolling programme as required by the Code for PPE and annually for investment properties. We will consider if there are any specific changes to assets that have occurred and that these have been communicated to the valuer;
- Review assets not subject to valuation in 2024/25 to confirm that the remaining asset base is not materially misstated;
- Consider changes to useful economic lives as a result of the most recent valuation;
- Test accounting entries have been correctly processed in the financial statements.

What else will we do?

We will consider any other relevant information available at the time we undertake our work after production of the PCC's draft financial statements.

We will use this to inform our assessment of the accuracy of estimated information included in the financial statements and whether any adjustments are required.

Other areas of audit focus – Pension liability valuation

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 and therefore may be key audit matters we will include in our audit report.

What is the risk/area of focus, and the key judgements and estimates?

Pension liability valuation

The Local Authority Accounting Code of Practice and IAS19 require the PCC and CC to make extensive disclosures within its financial statements regarding its membership of the Local Government Pension Scheme administered by the Buckinghamshire Council. The CC must also do likewise 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. At 31 March 2024 this totalled £3.5 million.

The information disclosed is based on the IAS 19 report issued to the PCC and CC by the actuary to Buckinghamshire Council and the Police Pension Fund.

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.

Our response: Key areas of challenge and professional judgement

We will:

- Liaise with the auditors of Buckinghamshire Pension Fund, to obtain assurances over the information supplied to the actuary in relation to the PCC and CC
- Assess the work of the pension fund actuary (Barnet Waddingham) and the Police Pension Fund (GAD) including the assumptions they have used by relying on the work of PWC - Consulting Actuaries commissioned by the National Audit Office for all local government sector auditors, and considering any relevant reviews by the EY actuarial team
- Evaluate the reasonableness of the Pension Fund actuary's calculations by comparing them to the outputs of our own auditor's specialist's model; and
- Review and test the accounting entries and disclosures made within the PCC and CC's financial statements in relation to IAS19.

What else will we do?

We will consider outturn information available at the time we undertake our work after production of the PCC and CC's draft financial statements, for example the year-end actual valuation of pension fund assets.

We will use this to inform our assessment of the accuracy of estimated information included in the financial statements and whether any adjustments are required.



03 Value for Money risks

Value for Money

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PCC and CC's responsibilities for value for money

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.

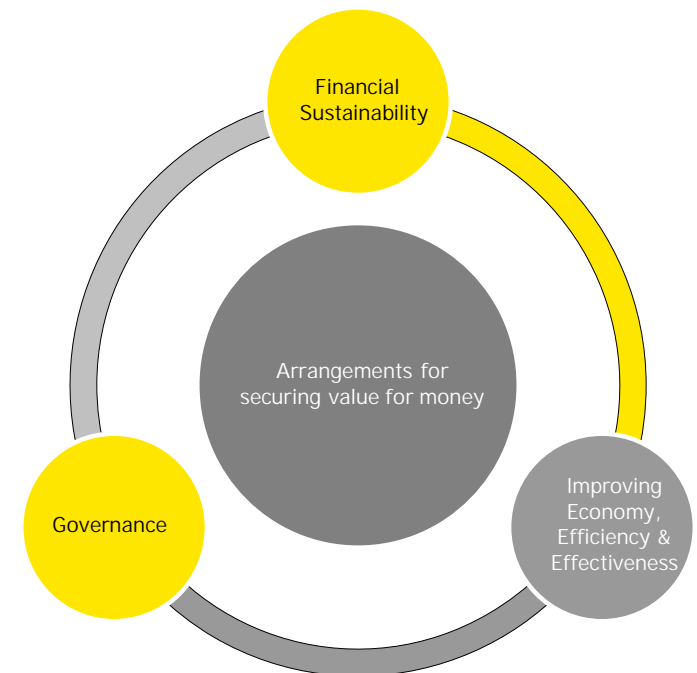
As part of the material published with the financial statements, the PCC and CC is required to bring together commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the PCC and CC tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes a requirement to provide commentary on arrangements for securing value for money from the use of resources.

Auditor Responsibilities

Under the NAO Code we are required to consider whether the PCC and CC has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. The 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 plan and manage their resources to ensure they can continue to deliver services.
- Governance - How the PCC and CC ensure they make informed decisions and properly manage risks.
- Improving economy, efficiency and effectiveness - How the PCC and CC use information about costs and performance to improve the way they manage and deliver services.



Planning and identifying risks of significant weakness in VFM arrangements

The NAO's guidance notes require us to conduct a risk assessment that collects sufficient evidence to document our evaluation of the PCC and CC's arrangements, allowing us to draft a commentary under the three reporting criteria. This involves identifying and reporting on any significant weaknesses in those arrangements and making appropriate recommendations. In considering the PCC and CC's arrangements, we consider:

- the governance statement;
- evidence of arrangements during the reporting period;
- evidence obtained from our audit of the financial statements;
- the work of inspectorates and other bodies; and
- any other evidence that we deem as necessary to facilitate the performance of our statutory duties.

We then evaluate whether there is evidence indicating significant weaknesses in arrangements. According to the NAO's guidance, determining what constitutes a significant weakness and the extent of additional audit work required to address the risk is based on professional judgment. The NAO indicates that a weakness can be considered significant if it:

- exposes, or could reasonably be expected to expose, the PCC and CC to significant financial loss or risk;
- leads to, or could reasonably be expected to lead to, significant impact on the quality or effectiveness of service or on the PCC and CC's reputation or unlawful actions;
- identifies a failure to take action to address a previously identified significant weakness, such as failure to implement or achieve planned progress on action / improvement plans.

Responding to identified risks of significant weakness

When planning work identifies a risk of significant weakness, the NAO's guidance requires us to consider the additional evidence needed to verify whether there is a significant weakness in arrangements. This involves conducting further procedures as necessary. We are required to report our planned procedures to the JIAC.



Value for Money

Reporting on VFM

If we determine that the PCC and CC have not made proper arrangements for securing economy, efficiency, and effectiveness in their use of resources, the NAO Code mandates that we reference this by exception in the audit report on the financial statements.

Additionally, we are required to provide a commentary on the value for money arrangements in the Auditor's Annual Report. The NAO Code specifies that this commentary should be clear, readily understandable, and highlight any issues we wish to draw to the PCC and CC's or the wider public's attention. This may include matters that are not considered significant weaknesses in arrangements but should still be brought to the PCC and CC's awareness. It will also cover details of any recommendations from the audit and the follow-up of previously issued recommendations, along with our assessment of their satisfactory implementation. Our 2024/25 Auditor's Annual Report requires to be issued by 30 November 2025 to comply with the revised requirements of the NAO Code.

Status of our 2024/25 VFM planning

We have yet to complete our detailed value for money planning. However, one area of focus will be on the PCC and CC's financial sustainability arrangements. We will update the next JIAC meeting on the outcome of our value for money planning and our planned response to any additional identified risks of significant weaknesses in arrangements.

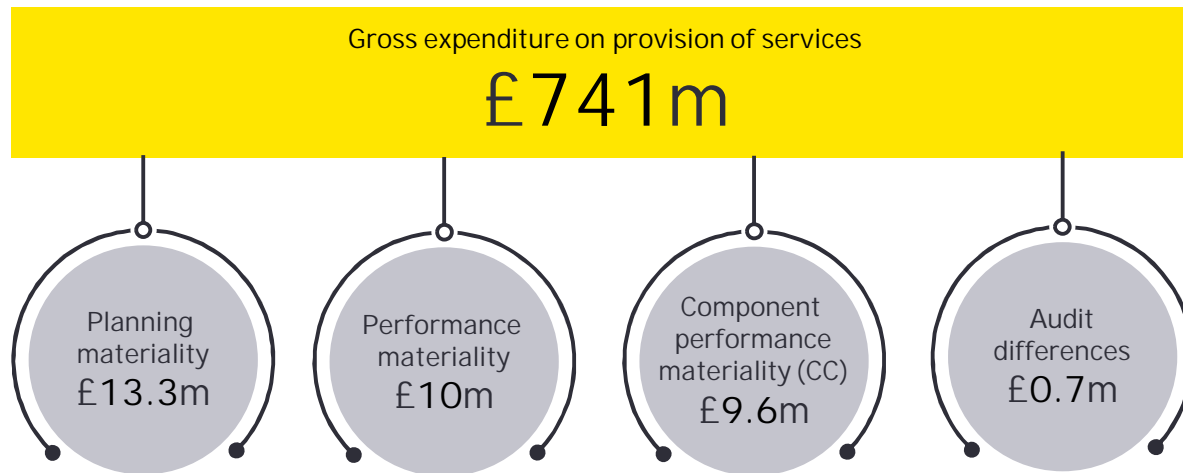


04 Audit materiality

Materiality

Group, PCC and CC materiality

For planning purposes, Group materiality for 2023/24 has been set at £13.6 million, and CC Single Entity has been set at £13.4 million, based on the 2022/23 accounts. This represents 1.8% of the PCC Group and CC Single Entity's prior year gross expenditure on provision of services. We have set materiality for the PCC Single Entity at 1.8% of gross assets at £8.7 million. Materiality will be reassessed throughout the audit process. The basis for calculation is not a change from the prior year given the PCC and CC meet the Local Audit & Accountability Act 2014 criteria for a major local audit based on its size.



We will keep the JIAC updated on any changes to materiality levels as the audit progresses.

We request that the JIAC confirm its understanding of, and agreement to, these materiality and reporting levels.

Key definitions

Planning materiality – the amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements.

Performance materiality – the amount we use to determine the extent of our audit procedures. We have set performance materiality at £10m which represents 75% of group materiality. We have used the same basis for assessment as the prior year.

Component performance materiality range – we determine component performance materiality as a percentage of Group performance materiality based on risk and relative size to the Group.

Audit difference threshold – we propose that misstatements identified below this threshold are deemed clearly trivial. The same threshold for misstatements is used for component reporting. We will report to you all uncorrected misstatements over this amount relating to the income statement and balance sheet that have an effect on income or that relate to other comprehensive income.

Other uncorrected misstatements, such as reclassifications and misstatements in the cashflow statement or disclosures and corrected misstatements will be communicated to the extent that they merit the attention of the JIAC, or are important from a qualitative perspective.



05 Scope of our audit

Audit process and strategy

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Objective and Scope of our Audit scoping

In accordance with the NAO Code, our primary objectives are to conduct work that supports the delivery of our audit report to the PCC and CC. Additionally, we aim to ensure that the PCC and CC has established proper arrangements for securing economy, efficiency, and effectiveness in its use of resources, as mandated by relevant legislation and the requirements of the NAO Code.

We issue an audit report that covers:

1. Financial statement audit

Our opinion on the financial statements:

- whether the financial statements give a true and fair view of the financial position of the Group and its expenditure and income for the period in question; and
- whether the financial statements have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

Our opinion on other matters:

- whether other information published together with the audited financial statements is consistent with the financial statements.

Other procedures required by the Code:

- Examine and report on the consistency of the Whole of Government Accounts schedules or returns with the body's audited financial statements for the relevant reporting period in line with the instructions issued by the National Audit Office.

2. Arrangements for securing economy, efficiency and effectiveness (value for money)

We are required to consider whether the PCC and CC has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources and report a commentary on those arrangements.

Audit process and strategy

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Audit Process Overview

Our audit involves:

- Identifying and understanding the key processes and internal controls; and
- Substantive tests of detail of transactions and amounts.
- Reliance on the work of other auditors where appropriate;
- Reliance on the work of experts in relation to areas, such as pensions and property valuations.

Our initial assessment of the key processes across the PCC and CC has not identified any processes where we will seek to test key controls, either manual or IT. Our audit strategy will, as in previous years, follow a fully substantive approach. This will involve testing the figures within the financial statements rather than looking to place reliance on the controls within the financial systems. We assess this as the most efficient way of carrying out our work and obtaining the level of audit assurance required to conclude that the financial statements are not materially misstated.

Analytics

We will use a data driven approach to enable us to capture whole populations of your financial data, in particular journal entries. These tools:

- Help identify specific exceptions and anomalies which can then be subject to more traditional substantive audit tests; and
- Give greater likelihood of identifying errors than random sampling techniques.

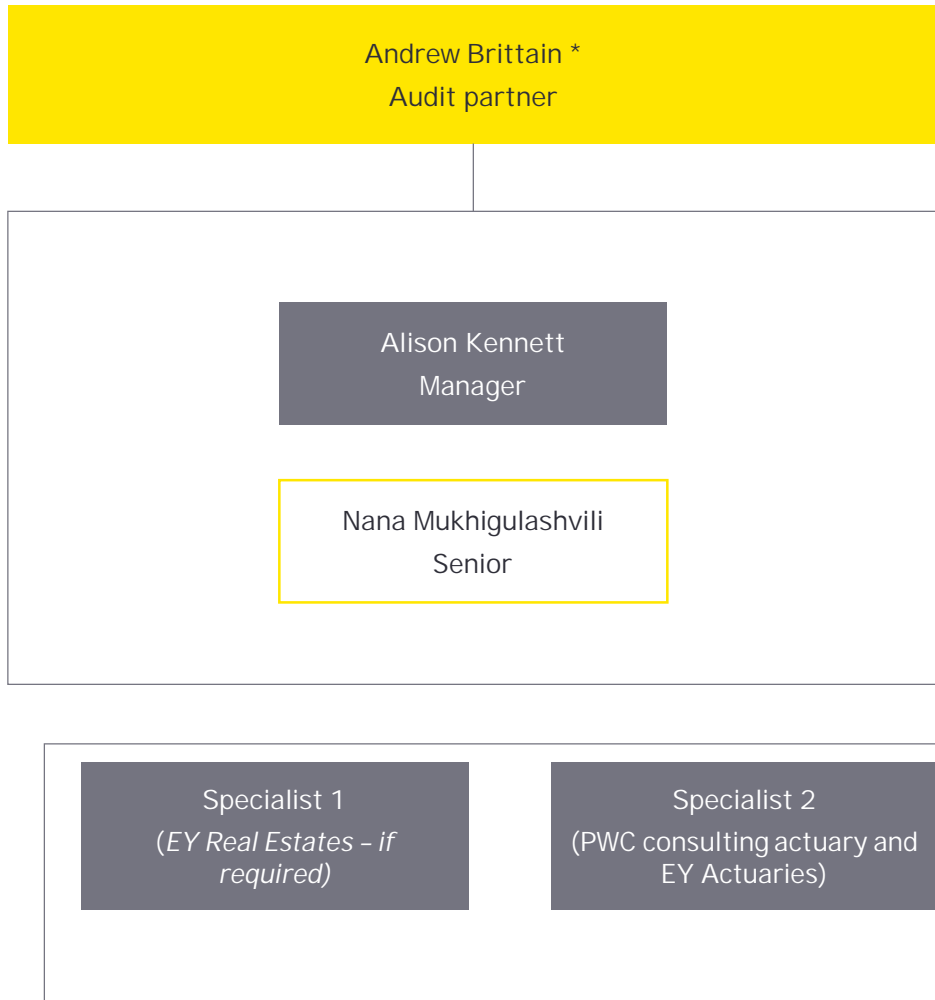
Internal Audit

We will review Internal Audit plans and the results of their work. We will reflect the findings from these reports, together with reports from any other work completed in the year, in our detailed audit plan, where they raise issues that could have an impact on the financial statements.



06 Audit team

Audit team



* Key Audit Partner

Use of specialists

Our approach to the involvement of specialists, and the use of their work

When auditing key judgements, we are often required to use the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. The areas where we may choose to engage EY specialists to provide input for the current year audit are:

Area	Specialists
Valuation of land and buildings	EY valuations team (if required)
Pensions disclosure	EY Actuaries

In accordance with Auditing Standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the PCC and CC's business and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- ▶ Analyse source data and make inquiries as to the procedures used by the specialist to establish whether the source data is relevant and reliable
- ▶ Assess the reasonableness of the assumptions and methods used
- ▶ Consider the appropriateness of the timing of when the specialist carried out the work
- ▶ Assess whether the substance of the specialist's findings are properly reflected in the financial statements



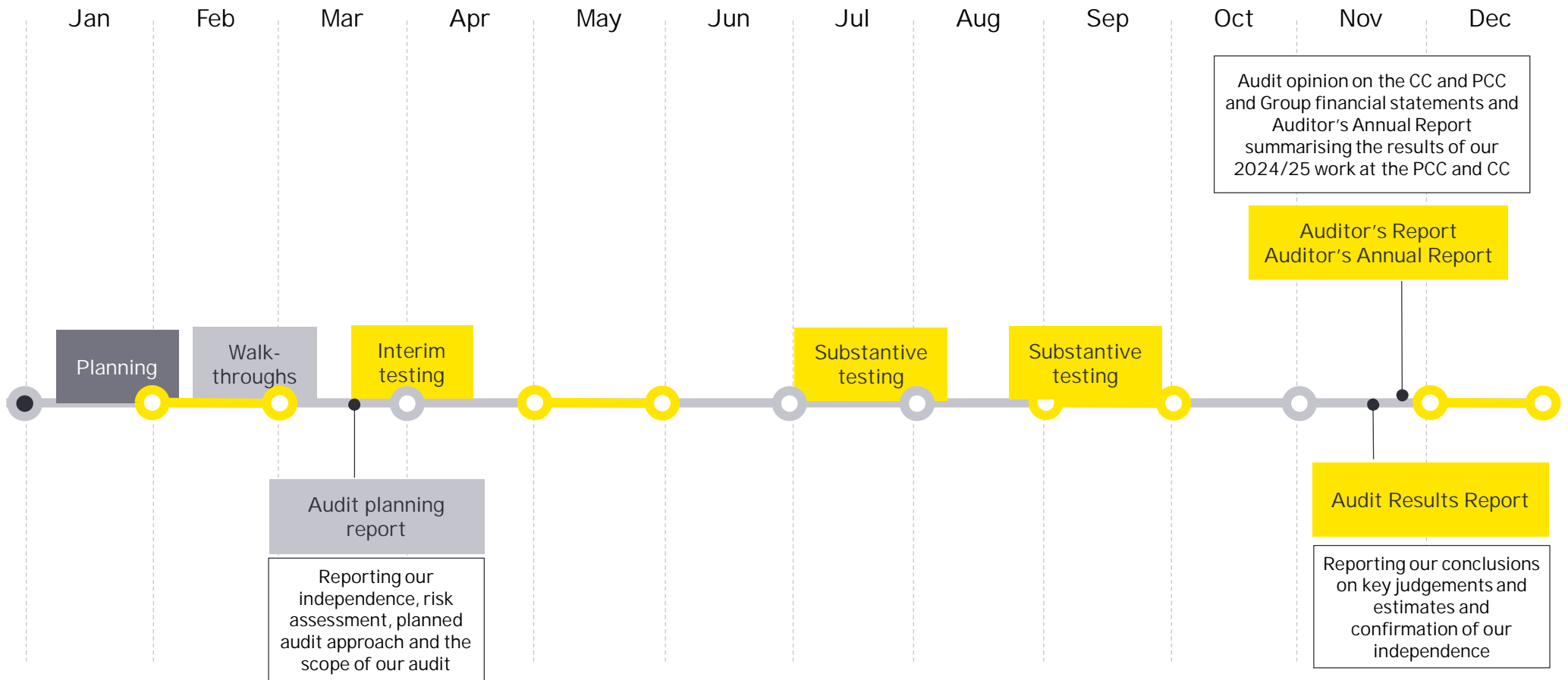
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Audit timeline

Timetable of communication and deliverables

Timeline

Below is a timetable showing the key stages of the audit and the deliverables we have agreed to provide to you through the 2024/25 audit cycle. From time to time matters may arise that require immediate communication with the JIAC and we will discuss them with the JIAC Chair as appropriate.





08 Independence

Relationships, services and related threats and safeguards

We highlight the following significant facts and matters that may be reasonably considered to bear upon our objectivity and independence, including the principal threats, if any. We have adopted the safeguards noted below to mitigate these threats along with the reasons why they are considered to be effective. However we will only perform non-audit services if the service has been pre-approved in accordance with your policy.

Overall Assessment

Overall, we consider that the safeguards that have been adopted appropriately mitigate the principal threats identified and we therefore confirm that EY is independent and the objectivity and independence of Andrew Brittain, your audit engagement partner and the audit engagement team have not been compromised.

Self interest threats

A self interest threat arises when EY has financial or other interests in the PCC and CC. Examples include where we receive significant fees in respect of non-audit services; where we need to recover long outstanding fees; or where we enter into a business relationship with you. At the time of writing, there are no long outstanding fees.

We believe that it is appropriate for us to undertake those permitted non-audit/additional services set out in Section 5.40 of the FRC Ethical Standard 2019 (FRC ES), and we will comply with the policies that you have approved.

When the ratio of non-audit fees to audit fees exceeds 1:1, we are required to discuss this with our Ethics Partner, as set out by the FRC ES, and if necessary agree additional safeguards or not accept the non-audit engagement. We will also discuss this with you.

A self interest threat may also arise if members of our audit engagement team have objectives or are rewarded in relation to sales of non-audit services to you. We confirm that no member of our audit engagement team, including those from other service lines, has objectives or is rewarded in relation to sales to you, in compliance with Ethical Standard part 4. There are no other self interest threats at the date of this report.

Self review threats

Self review threats arise when the results of a non-audit service performed by EY or others within the EY network are reflected in the amounts included or disclosed in the financial statements.

There are no self review threats at the date of this report.

Management threats

Partners and employees of EY are prohibited from taking decisions on behalf of management of the PCC and CC. Management threats may also arise during the provision of a non-audit service in relation to which management is required to make judgements or decision based on that work.

There are no management threats at the date of this report.

Other threats

Other threats, such as advocacy, familiarity or intimidation, may arise.

There are no other threats at the date of this report.



Other communications

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EY Transparency Report 2024

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 period ended 30 June 2024 and can be found here: [EY UK 2024 Transparency Report](#).



09 Appendices

Appendix A – PSAA Statement of Responsibilities

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As set out on the next page our fee is based on the assumption that the PCC and CC complies with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular the PCC and CC should have regard to paragraphs 26-28 of the Statement of Responsibilities which clearly set out what is expected of audited bodies in preparing their financial statements. We set out these paragraphs in full below:

Preparation of the statement of accounts

26. Audited bodies are expected to follow Good Industry Practice and applicable recommendations and guidance from CIPFA and, as applicable, other relevant organisations as to proper accounting procedures and controls, including in the preparation and review of working papers and financial statements.

27. In preparing their statement of accounts, audited bodies are expected to:

- prepare realistic plans that include clear targets and achievable timetables for the production of the financial statements;*
- ensure that finance staff have access to appropriate resources to enable compliance with the requirements of the applicable financial framework, including having access to the current copy of the CIPFA/LASAAC Code, applicable disclosure checklists, and any other relevant CIPFA Codes.*
- assign responsibilities clearly to staff with the appropriate expertise and experience;*
- provide necessary resources to enable delivery of the plan;*
- maintain adequate documentation in support of the financial statements and, at the start of the audit, providing a complete set of working papers that provide an adequate explanation of the entries in those financial statements including the appropriateness of the accounting policies used and the judgements and estimates made by management;*
- ensure that senior management monitors, supervises and reviews work to meet agreed standards and deadlines;*
- ensure that a senior individual at top management level personally reviews and approves the financial statements before presentation to the auditor; and*
- during the course of the audit provide responses to auditor queries on a timely basis.*

28. If draft financial statements and supporting working papers of appropriate quality are not available at the agreed start date of the audit, the auditor may be unable to meet the planned audit timetable and the start date of the audit will be delayed.

Appendix B – Fees

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The duty to prescribe fees is a statutory function delegated to Public Sector Audit Appointments Ltd (PSAA) by the Secretary of State for Housing, Communities and Local Government.

This is defined as the fee required by auditors to meet statutory responsibilities under the Local Audit and Accountability Act 2014 in accordance with the requirements of the Code of Audit Practice and supporting guidance published by the National Audit Office, the financial reporting requirements set out in the Code of Practice on Local Authority Accounting published by CIPFA/LASAAC, and the professional standards applicable to auditors' work.

The agreed fee presented is based on the following assumptions:

- officers meeting the agreed timetable of deliverables;
- our financial statement opinion and value for money conclusion being unqualified;
- appropriate quality of documentation is provided by the PCC and CC;
- an effective control environment; and
- compliance with PSAA's Statement of Responsibilities of auditors and audited bodies. See <https://www.psa.co.uk/managing-audit-quality/statement-of-responsibilities-of-auditors-and-audited-bodies/statement-of-responsibilities-of-auditors-and-audited-bodies-from-2023-24-audits/>. In particular the PCC and CC should have regard to paragraphs 26 - 28 of the Statement of Responsibilities which clearly sets out what is expected of audited bodies in preparing their financial statements. These are set out in full on the previous page.

If any of the above assumptions prove to be unfounded, we will seek a variation to the agreed fee. This will be discussed with the PCC and CC in advance.

	Current Year (2024/25)	Scale fee (2024/25)	Prior Year (2023/24)
	£	£	£
Total Fee – Code Work	Note 2	183,270	Note 1
Total fees	TBC	183,270	TBC

All fees exclude VAT

(1) As set out in the joint statement on update to proposals to clear the backlog and embed timely audit issued by DLUHC, PSAA will use its fee variation process to determine the final fee the PCC and CC have to pay for the 2023/24 audit. The 2023/24 Code work includes a fee variation of £43,894 regarding additional work on IFRS 16, ISA 315, accounts preparation issues, PPE valuation, the pension valuation and use of our internal experts. This is still to be determined by the PSAA.

(2) The revision to ISA (UK) 315 will impact on our scope and approach and require us to enhance the audit risk assessment process, better focus responses to identified risks and evaluate the impact of IT on key processes supporting the production of the financial statements. We expect to charge addition fee for this. The scale fee also may be impacted by a range of other factors which will result in additional work, which include but are not limited to:

- Consideration of correspondence from the public and formal objections.
- New accounting standards, for example full adoption or additional disclosures in respect of IFRS 16.
- Non-compliance with law and regulation with an impact on the financial statements.
- VFM risks of, or actual, significant weaknesses in arrangements and related reporting impacts.
- Instances where the preparation of the statement of accounts do not meet the PSAA's SoR paragraphs 26-28
- The need to exercise auditor statutory powers.
- Prior period adjustments.
- Modified financial statement opinions

Appendix C – Required communications with the JIAC

We have detailed the communications that we must provide to the JIAC.

Our Reporting to you

Required communications	What is reported?	When and where
Terms of engagement	Confirmation by the JIAC 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	The statement of responsibilities serves as the formal terms of engagement between the PSAA's appointed auditors and audited bodies.
Planning and audit approach	<p>Communication of:</p> <ul style="list-style-type: none"> ▶ The planned scope and timing of the audit ▶ Any limitations on the planned work to be undertaken ▶ The planned use of internal audit ▶ The significant risks identified <p>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</p>	Audit planning report, March 2025 meeting of JIAC
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 ▶ Findings and issues regarding the opening balance on initial audits (delete if not an initial audit) 	Audit results report, December 2025 meeting of JIAC

Appendix C – Required communications with the JIAC (cont'd)

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 ▶ Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements ▶ The adequacy of related disclosures in the financial statements 	Audit results report, December 2025 meeting of JIAC
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, December 2025 meeting of JIAC
Fraud	<ul style="list-style-type: none"> ▶ Enquiries of the JIAC 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 ▶ Matters, if any, to communicate regarding management's process for identifying and responding to the risks of fraud in the entity and our assessment of the risks of material misstatement due to fraud ▶ Any other matters related to fraud, relevant to JIAC responsibility 	Audit results report, December 2025 meeting of JIAC

Appendix C – Required communications with the JIAC (cont'd)

		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, December 2025 meeting of JIAC
Independence	<p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, integrity, objectivity and independence</p> <ul style="list-style-type: none"> ▶ Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as: <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>Communication whenever significant judgements are made about threats to integrity, objectivity and independence and the appropriateness of safeguards put in place.</p>	<p>Audit Planning Report, March 2025 meeting of JIAC</p> <p>Audit Results Report, December 2025 meeting of JIAC</p>

Appendix C – Required communications with the JIAC (cont'd)

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, December 2025 meeting of JIAC
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 JIAC into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the JIAC may be aware of 	Audit results report, December 2025 meeting of JIAC
Internal controls	<ul style="list-style-type: none"> ▶ Significant deficiencies in internal controls identified during the audit 	Audit results report, December 2025 meeting of JIAC
Representations	Written representations we are requesting from management and/or those charged with governance	Audit results report, December 2025 meeting of JIAC
System of quality management	How the system of quality management (SQM) supports the consistent performance of a quality audit	Audit results report, December 2025 meeting of JIAC
Material inconsistencies and misstatements	Material inconsistencies or misstatements of fact identified in other information which management has refused to revise	Audit results report, December 2025 meeting of JIAC
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, December 2025 meeting of JIAC

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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ED None

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JOINT INDEPENDENT AUDIT COMMITTEE



Report Date: 21st March 2025

Accounting Standards 2024/25

JIAC is requested to **Approve** the IFRS 16 Leases Policy and **Approve** an update to our General Accounting Policies the attached to this report.

IFRS 16

The Local Authority Accounting Code of Practice requires implementation of IFRS 16 for the 2024/25 Financial Statements.

The draft policy was presented to JIAC on the 20th December 2024. The only change to the policy since then is a paragraph within the Subsequent Measurement section on Dismantling, Removal and Restoration costs

The main impact of the new standard is to remove (for lessees) the traditional distinction between finance leases and operating leases. Finance leases have effectively been accounted for as acquisitions (with the asset on the balance sheet, together with a liability to pay for the asset acquired). In contrast, operating leases have been treated as 'pay as you go' arrangements, with rentals expensed in the year they are paid. IFRS 16 requires all substantial leases to be accounted for using the acquisition approach, recognising the rights acquired to use an asset.

General Accounting Policies

As part of our drive for greater efficiency and review of value-add activity, we have implemented a £5k de minimus on journals, including year end accruals.

A review was completed on the impact this could have on our accounts and based on previous years this could impact the accounts by £300k which is below materiality level (Group £13.3m, Chief £12.9m PCC £9m)

We have discussed this with our External auditors, they confirmed if they identified an error that was £5k or below they would extrapolate the error over the representation population. If the calculated potential error was above their reporting level, this would be included in their reports to JIAC

Rachael Martinig, Head of Finance
Martin Thornley, Chief Finance Officer

Financial Statements 2024/25

Accounting Policy: Group General Accounting Policies – Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Fees, charges and rents due are accounted for as income at the date the Group provides the relevant goods or services;
- Any income received under contract is recognised in accordance with the performance obligations in the contract.
- Where income and expenditure has been recognised (using estimates when appropriate) but cash has not been received or paid, a debtor or creditor for the relevant year is recorded in the Balance Sheet.
- A de minimis of £5k has been set for posting of accruals. This means that any accrual under £5k does not need to be actioned. However, there may be cases where an accrual is still needed if under £5k, for example grant claims.

Financial Statements 2024/25

Accounting Policy: IFRS 16 – Leases

Initial application of IFRS 16 in 2024/25

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury was applied to these financial statements with an initial application date of 1 April 2024. IFRS 16 replaced IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.

Upon initial application, the provisions of IFRS 16 were only applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments were not revisited.

The Group as lessee

For leases that had been classified as operating leases, and therefore charged to expenses rather than recognised on the Balance Sheet, a lease liability was established on 1 April 2024 equal to the present value of future lease payments discounted using the PWLB borrowing rate. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the CIES immediately prior to initial application. Hindsight was used in determining the lease term where lease arrangements contained options for extension or earlier termination.

No adjustments were made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2024 or for leases where the underlying assets had a value below £10,000. No adjustments were made in respect of leases previously classified as finance leases.

The Group as lessor

Leases of owned assets where the Authority was lessor were unaffected by initial application of IFRS 16.

Leases Accounting Policy

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease.

The term of the lease is determined using the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which is reasonably certain to be exercised.

The Group as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, we recognise a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term (dilapidations).

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the PWLB annuity rate is applied that relates to the length of the lease term.

We do not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £10,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, we employ a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

Where land and buildings assets are revalued, current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost.

Leased plant and machinery and furniture and fittings are shorter-term leases and so the cost model is applied and these are measured at depreciated at historic cost.

We subsequently measure the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

Dismantling, removal and restoration costs will not apply to all leases. If a lease has 30 years or more to run we will not be including these costs. For leases where they are relevant, they will not necessarily be specified in the lease but can be implicit. Relevant leases will be categorised, the costs will be calculated using a blended rate and floor area. For more specific complexities a bespoke approach will be applied.

Depreciation

The depreciation of right of use assets is based on the lesser of the lease term and the useful life of the asset, unless we expect to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets in line with IFRS 16, Leases.

Revaluation gains/losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

Impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

The Group as a lessor

We assess each of our leases and classify them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.



JOINT INDEPENDENT AUDIT COMMITTEE

BUDGET 2025/26

The Committee is requested to **NOTE** this report, which is intended to provide an overview of the budget. Full budget detail is in the Performance and Accountability Meeting 16 January 2025 papers published on the OPCC website here: <https://www.thamesvalley-pcc.gov.uk/our-information/meeting-and-decision-making/>.

Overview

The four-year Medium Term Financial Plan (MTFP) and Medium Term Capital Plan (MTCP) present the next year's budget and associated council tax together with the medium-term consequences to give a full picture of the PCC's overall financial position.

The focus for this year has been two-fold; ensuring (as far as we can) the long-term financial viability of our plans, particularly our Estates strategy, and responding to the current and future expectations for financial constraint with an extremely rigorous approach to new growth. Growth is addressed by re-prioritising resources, with £15.4m of savings in the first year to balance the budget, with a further £11.7m over the following 3 years.

Budget

The MTFP headline figures are shown below:

Budget £'000	2025/26	2026/27	2027/28	2028/29
Expenditure				
Opening Budget	556,518	594,943	612,808	631,152
Inflation				
General	1,855	820	519	522
Pay	26,736	10,940	11,375	13,813
Specific	1,271	2,880	2,980	3,086
Productivity Savings	-15,400	-4,231	-3,866	-3,589
Growth	17,754	2,257	2,336	2,000
Reserve Funding	6,209	5,200	5,000	3,000

Revised Budget Requirement	594,943	612,809	631,152	649,985
Funded By				
Opening Budget	-556,518	-594,943	-612,809	-631,152
Council Tax	-19,513	-15,055	-15,504	-15,965
Government Grants	-18,911	-2,811	-2,839	-2,868
Revised Funding	-594,943	-612,809	-631,152	-649,985

The MTCP comprises schemes costing £262m over four years. All schemes have several stages within the approval process before final sign off to progress, to ensure VFM and overall affordability. The funding of these capital schemes will be based on the following principals:

- Revenue financing for replacement and refresh cycles e.g. EUD's and vehicles.
- Estates reserve will be used to fund significant property schemes which are outside our criteria for borrowing.
- Borrowing will only be undertaken for Property schemes which provide a long-term asset.

Process

The medium term plans are presented by the Chief Constable (CC) for the PCC to approve. The force has undertaken a challenging process to shape plans to meet funding constraints, with significant time at the Chief Constable's Management Team (CCMT) spent reviewing individual bids, savings plans and the overall budget. A zero-based budgeting approach has been adopted. The budget has been consulted during development through meetings between PCC's CFO and CC's FD and further discussions including the PCC and CC. This has given opportunity for challenge of assumptions, review of options, proposal of changes and agreement on direction through the process. There have been detailed review of savings plans.

Risks

It is important that the main financial risks are identified and adequately addressed through the plan. Risks of particular note are:

1. Efficiency Programme and Force Review. The budget includes a challenging efficiency target, and ongoing savings required in each year of the plan. Savings in 2025/26 are delivered by the Force Review which will conclude during the year. Savings in future year are supported by the Enabling Services consultancy work which has been undertaken during 2024/25. The force is committed to translating the outputs into deliverable saving actions with savings from 2026/27. Systems are a limiting factor on productivity improvements, but require resource to improve. Plans are being scrutinised closely by the PCC and his office. The PCC has retained the allocation of £1m of his

directly controlled reserves to fund projects delivering cashable savings in the short term, and set aside a further £3m to support enabling infrastructure required to underpin longer-term efficiency.

2. Estates capital requirements are estimated to require borrowing of £80m during the next four years, growing to £160m over the long term. There is a risk that the revenue impact is not affordable in the long term. Whilst many individual schemes are indicative at present, roadmaps for Custody and Central Oxfordshire have been agreed based on operational necessity and whole life cost: failing to invest will result in operating cost inefficiencies. Although much of this spend is likely to be beyond the medium term planning horizon, the MTFP supports the capital requirements by ensuring reserves are built up and the revenue plan includes funding for long term capital. This avoids the “cliff edge” scenario where revenue cost of capital (through the Minimum Revenue Provision) and interest costs make capital investment unaffordable in the long term.
3. The constrained public spending environment and considerable uncertainty gives rise to the risk that future funding does not cover increasing demand and higher inflation and interest rates. The plan targets a balanced budget with realistic (neither unduly optimistic nor pessimistic) assumptions – for example the plan includes some demand growth, below inflation funding growth and deliverable savings targets.

Pay inflation has been included at 2.00% for the MTFP period. Any unfunded increase above these rates would need to be funded from reserves in the first year. Non-Pay Inflation has been reviewed against specific market pressures and supply issues, but this remains a volatile area which could cause financial pressures. Due to the lack of financial information and uncertainty, we have created an earmarked reserves provision of £2.2m. Our intention is to use this reserve for increased officer numbers and frontline services, but we will hold this amount back until the funding position becomes clear during the year.

Reserves

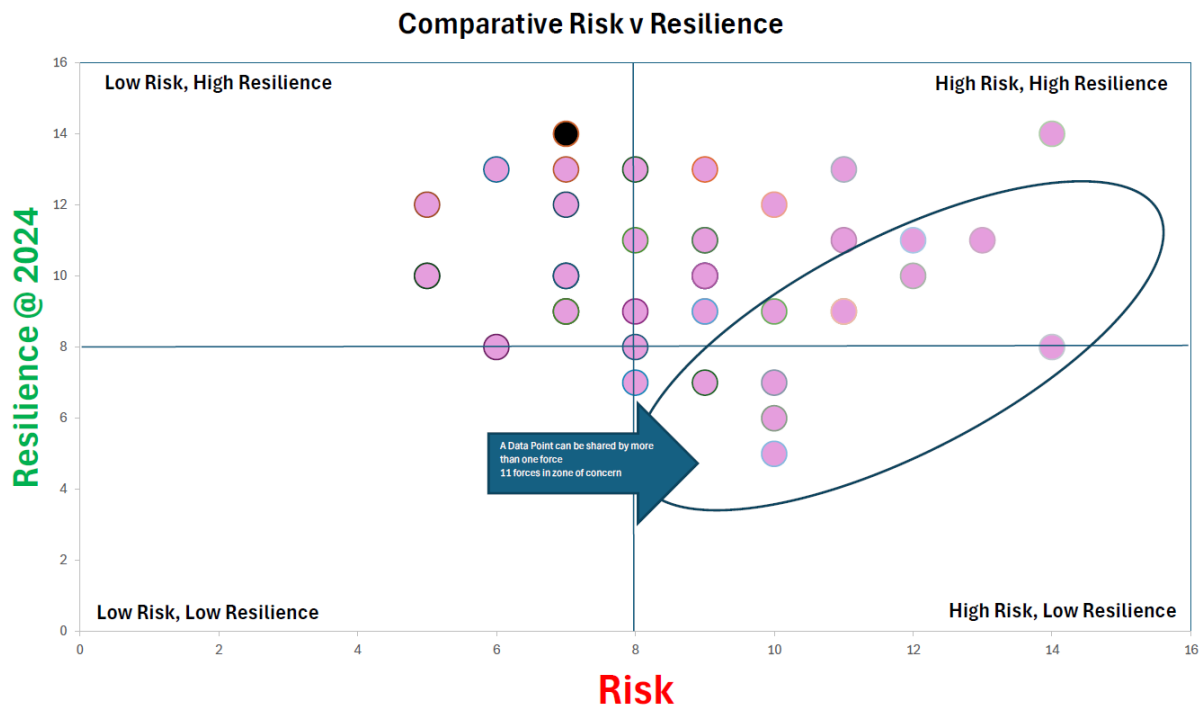
General balances are expected to continue, between 2.5 and 3% during the life of the plan, providing cover to manage funding pressures in the last resort, but without tying up resources which could be used to protect communities, people and property. The plan shows a drawdown of earmarked reserves in the early years to support investment and meet inflationary pressures.

General and usable reserves fall from £41m at the end of 2024/5 to £25m in 2026/27, of which £16m is the “last resort” General balance.

As further efficiency savings are delivered during later years, funds are allocated to earmarked reserves to fund expected capital expenditure in the long term.

Resilience

The NPCC and APCC undertook benchmarking of Forces in the summer of 2024 to compare the risk profile and financial resilience of forces based on factors including reserves and borrowing levels, budget gaps, and affordability of capital financing. TVP's profile shows a lower level of financial risk and higher level of resilience when compared to other forces (black point is TVP, other forces in pink, higher risk forces circled):



As funding tightens, all forces are facing greater risk and more challenges to financial resilience. However, this benchmarking does provide a source of reassurance that TVP's financial resilience is reasonable, and risks can be effectively managed.

Martin Thornley

Chief Finance Officer

March 2025



JOINT INDEPENDENT AUDIT COMMITTEE



Treasury Management Strategy - 2025

The Committee is invited to review the attached Treasury Management Strategy Statement and **endorse** it for adoption by the PCC.

The document includes the proposed borrowing and investment strategies and also sets out the prudential indicators and treasury management activity limits for 2025/26 that provide the Office of the Police and Crime Commissioner's (OPCC) treasury service with an operational performance and control framework within which the relevant functions are undertaken.

The overall strategy is very similar to that adopted by the PCC in the current financial year. The main change is to the MRP Policy (section 2.5).

MRP Policy

We commissioned our Treasury Management advisors (MUFG) to carry out a Minimum Revenue Provision (MRP) assurance appraisal. This was to give us assurance due to accounting issues that other Forces had experienced and resulted in budgetary issues; and also due to the new Statutory Instrument and revised MRP Guidance that we are required to adopt for 2025/26.

The review also considered our current method of calculating our MRP and assessed the impact of adopting alternative options available for making Prudent MRP. All options identified were equally or more prudent than our current method, which is the primary consideration.

The outcome

- Our current accounting treatment is correct and in line with new guidance.
- We have adopted a new method of calculating the MRP for 2024/25 onwards, reducing the in year charge

Martin Thornley, CFO



Treasury Management Strategy Statement

Minimum Revenue Provision Policy Statement
and Annual Investment Strategy

2025/26

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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 as part of the budget papers.

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 PCC is currently required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.

- a. **Prudential and treasury indicators and treasury strategy** (this report)
 - The first, and most important report is forward looking and covers: -
 - the capital plans, (including prudential indicators)
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)
- b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision. In addition, this Authority will receive quarterly update reports.
- c. **An annual treasury report** – This is a backward-looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

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 2025/26

The strategy for 2025/26 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, DLUHC (now MHCLG) Investment Guidance, DLUHC (now MHCLG) MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

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 MUFG Pensions & Market Services (previously named 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 2024/25 – 2027/28

The PCC's capital expenditure plans are the key driver of treasury management activity. The output from the capital expenditure plan is reflected in prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans are prudent, affordable and sustainable.

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	2024/25 Revised Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	2028/29 Estimate £m
Capital Expenditure	57,919	52,646	38,462	59,609	53,537
Financed by:					
Surplus Funds carried forward	32,609	14,862	8,172	10,837	10,674
Predicted underspend 24/25	255				
Capital receipts	3,446	943	3,386	15,852	807
Capital grants incl 3 rd party contributions	11,681	100	100	2,383	4,817
Revenue contributions	13,493	13,200	13,200	13,400	13,400
Borrowing	0	27,863	8,773	19,156	27,913
Western Hub	8,666	0	0	0	0
Earmarked Reserves	2,631	3,850	15,668	8,655	7,275
TOTAL	72,781	60,818	49,299	70,283	64,886
Net surplus/shortfall	14,862	8,172	10,837	10,674	11,349

In addition, the Medium Term Capital Plan (MTCP) highlights potential future schemes totalling £79.780m, for years 2029/30 to 2034/35. These schemes are not in the formal plan as they have not been approved and they carry significant overall affordability risk. They would require additional borrowing and asset sales to fund.

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 £5m of such schemes within the CFR.

The PCC is asked to approve the following CFR projections.

Table 2	2023/24 Actual £m	2024/25 Revised Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	2028/29 Estimate £m
Opening CFR	62.791	59.890	57.524	84.155	91.676	109.580
Net financing need/borrowing for the year as per Table 1			27.863	8.773	19.156	27.913
Less MRP & VRP debt charged to accounts	(1.242)	(0.787)	(0.796)	(0.805)	(0.805)	(0.805)
Less Finance Lease Liability repayment	(1.659)	(1.700)	(0.500)	(0.500)	(0.500)	(0.500)
Movement in CFR	(2.901)	(2.487)	26.567	7.468	17.851	26.608
Closing CFR	59.890	57.403	83.971	91.439	109.290	135.899

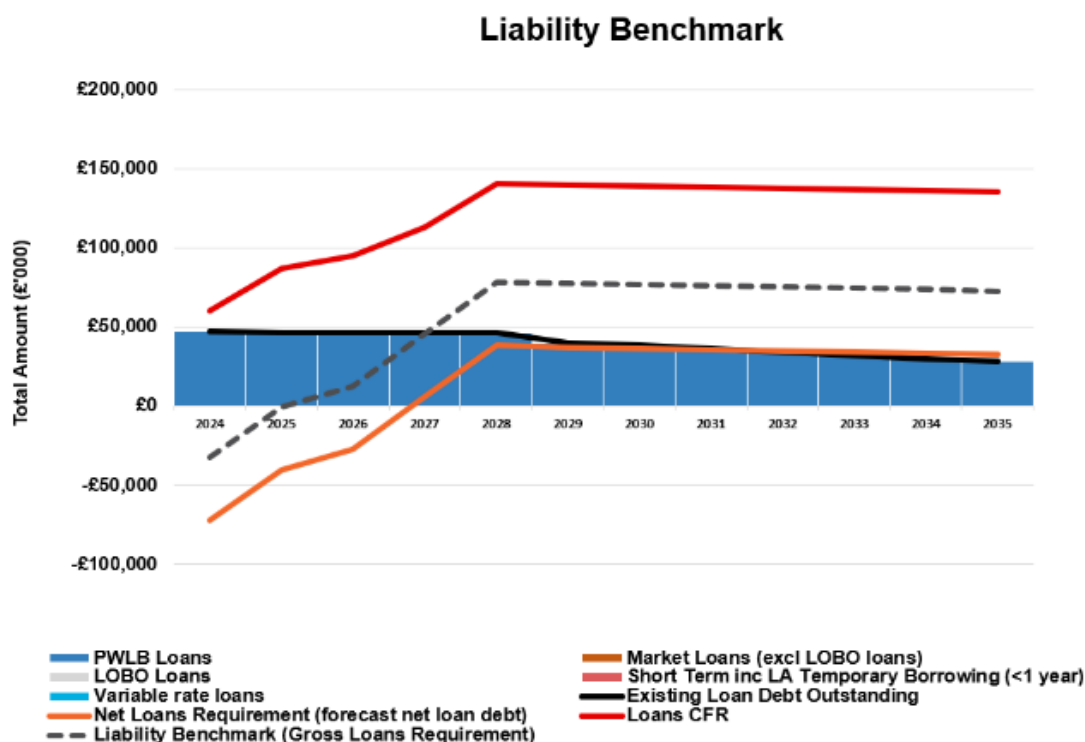
2.3 Liability Benchmark

The third prudential indicator 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. This shows that there may be the need for short term borrowing from around 2026/27, but long term borrowing is not expected to be required if internal borrowing is used to fund the capital programme. However, this analysis shows that there is very limited ability for further capital expenditure beyond that approved in the budget to support the emerging estates strategy without additional external borrowing. Since PCC treasury investments are short term, there is flexibility to amend the plan as capital investment projects are approved.



2.4 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	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Year End Resources	Actual £m	Revised Estimate £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m
General balances	15.313	15.787	15.787	16.341	15.776	16.064
Earmarked revenue reserves	68.812	43.767	40.764	30.159	30.004	32.827
Capital grants and reserves	36.867	29.989	9.216	14.324	28.910	16.974
Insurance provision	9.067	8.000	8.000	8.000	8.000	8.000
Total core funds	130.059	97.543	73.767	68.824	82.690	73.867
Working capital*	19.400	19.400	19.400	19.400	19.400	19.400
Expected resources	149.459	116.943	93.167	88.224	102.090	93.267

* 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.

2.5 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:

- Supported borrowing - For capital expenditure incurred before 1 April 2008 the Authority will apply the Asset Life Method using an annuity approach and will apply Adjustment A (as calculated under the original regulation 28), which was a means of maintaining broad neutrality between the old and new MRP systems that took effect prior to April 2004. This methodology writes down the debt liability over a much shorter period than the previous regulatory method and is therefore deemed more prudent.
- Unsupported borrowing - For capital expenditure incurred from 1 April 2008, the MRP will be based on the Asset Life Method using an annuity approach, whereby MRP will be based on the estimated life of the assets in accordance with the MRP Guidance.
- The annuity rates to be used in the annuity calculation will be PWLB annuity rates.
- Leases and PFI - MRP in respect of right of use assets acquired under leases or PFI will be charged at an amount equal to the principal element of the annual repayment.
- MRP will commence in the year following the year in which capital expenditure financed from borrowing is incurred, except for assets under construction where the MRP will be deferred until the year after the asset becomes operational.
- MRP Overpayments – Under the MRP Guidance, MRP made in excess of the statutory prudent amount can be made, known as voluntary revenue provision (VRP). VRP can be reclaimed in later years if deemed necessary or prudent. In order for these amounts to be reclaimed for use in the budget, this policy must disclose the cumulative overpayment made each year. Up until the 31 March 2024 the total VRP overpayments were £0m.

This MRP policy will also be applied to the current financial year (2024/25).

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 2024, 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. This table assumes all borrowing is funded by external debt, but note that internal borrowing may be used.

Table 5 PCC Borrowing Portfolio	2023/24 Actual £m	2024/25 Revised Estimate £m	2025/26 Estimate £m	2026/27 Estimate £m	2027/28 Estimate £m	2028/29 Estimate £m
External Debt						
Debt at 1 April	47.178	46.423	46.423	74.286	83.059	102.215
Expected change in Debt	0	0	27.863	8.773	19.156	27.913
Other long-term liabilities (OLTL) at 1 st April	5.054	5.000	5.000	5.000	5.000	5.000
Expected change in OLTL	(0.052)	0	0	0	0	0
Actual gross debt at 31 March	52.178	51.423	79.286	88.059	107.205	135.128
The CFR	59.890	57.403	83.971	91.439	109.290	135.899
Under / (over) borrowing	7.712	5.980	4.685	3.380	2.075	0.771

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 the current 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	2024/25	2025/26	2026/27	2027/28	2028/29
	Estimate £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m
Debt	47.178	74.286	83.059	102.215	130.128
Other long term liabilities	5.000	5.000	5.000	5.000	5.000
Short Term liabilities	20.000	20.000	20.000	20.000	20.000
Total	72.178	99.286	108.059	127.215	155.128

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	2024/25	2025/26	2026/27	2027/28	2028/29
	Estimate £m	Estimate £m	Estimate £m	Estimate £m	Estimate £m
Debt	47.178	74.286	83.059	102.215	130.128
Other long term liabilities	40.000	40.000	40.000	40.000	40.000
Short Term liabilities	5.000	5.000	5.000	5.000	5.000
Total	92.178	119.286	128.059	147.215	175.129

3.3 Prospects for interest rates

The PCC has appointed MUFG Corporate Markets as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. MUFG Corporate Markets provided the following forecasts on 10 February 2025. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 bps

Table 8	Bank Rate	PWLB Borrowing Rates (including certainty rate adjustment)		
		5 year	25 year	50 year
	%	%	%	%
Mar 2025	4.50	5.00	5.80	5.50
Jun 2025	4.25	4.90	5.70	5.40
Sep 2025	4.25	4.80	5.60	5.30
Dec 2025	4.00	4.70	5.50	5.20
Mar 2026	3.75	4.60	5.40	5.10
Jun 2026	3.75	4.50	5.30	5.00
Sep 2026	3.75	4.40	5.20	4.90
Dec 2026	3.50	4.40	5.10	4.80
Mar 2027	3.50	4.30	5.00	4.70
Jun 2027	3.50	4.20	5.00	4.70
Sep 2027	3.50	4.20	4.90	4.60
Dec 2027	3.50	4.10	4.90	4.60
Mar 2028	3.50	4.10	4.80	4.50

- Our last interest rate forecast update was undertaken on 11 November, in the wake of the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November.
- In the interim period, there has been some general concern over the robustness of the Chancellor's spending policies, the impact of the various tariff policies of President Trump on global inflation, whilst in February the Bank of England has provided forecasts for the CPI measure of inflation to jump to 3.7% in Q3 2025 before falling below the 2% inflation target – albeit only in three years' time.
- Also in February, the Bank of England's Monetary Policy Committee voted 7-2 to cut Bank Rate from 4.75% to 4.5%. The vote was a split vote, with seven members voting for the 25bps cut, but Dhingra and Mann voting for a 50bps cut. Governor Bailey confirmed any further easing in monetary policy would reflect a *gradual* and *careful* approach.
- Moreover, the Bank set out a distinctly gloomy backdrop for the economy, with GDP expected to grow only 0.75% in 2025 before improving to 1.5% in 2026 and 2027 respectively.
- Overall, although January proved particularly volatile from a gilt market perspective, our previous forecast has remained resilient. The MPC did cut its Bank Rate to 4.5% as forecast, the 5-year PWLB Certainty Rate is at our previous forecast level for Q1 2025, whilst the 10-, 25- and 50-years' PWLB Certainty Rates are only slightly higher than our previous Q1 2025 forecast.
- Accordingly, we have not felt it necessary to make any material changes to our forecast. Having said that, we acknowledge there may be a presentational problem for the Bank to cut rates in Q3 2025 when inflation is at its peak (based on their forecast), so we anticipate a further rate cut in May but then a pause before further rate cuts are made at the back end of 2025 and in 2026.
- Additionally, with there being a fair degree of uncertainty over how tariff policies will evolve not just in the US, but globally, we have lifted our PWLB forecasts by some 20-30bps in some areas. We will also take note of what the Chancellor says when considering the Office for Budget Responsibility's forecast updates on 26 March, and the budgetary headroom that remains.
- Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps).

Gilt yields and PWLB rates

The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are to the upsides. Our target borrowing rates are set **two years forward** (as we expect rates to fall back) and the current PWLB (certainty) borrowing rates are set out below: -

PWLB debt	Current borrowing rate as at 10.02.25	Target borrowing rate now	Target borrowing rate previous
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	p.m.	(end of Q4 2026)	(end of Q4 2026)
5 years	4.90%	4.40%	4.20%
10 years	5.28%	4.70%	4.40%
25 years	5.79%	5.10%	4.80%
50 years	5.49%	4.80%	4.60%

Borrowing advice: Our long-term (beyond 10 years) forecast for Bank Rate has been increased to 3.50%. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally, fall in line with Bank Rate cuts.

Our suggested budgeted earnings rates for investments up to about three months' duration in each financial year are set out below.

Average earnings in each year	Now	Previously
2024/25 (residual)	4.50%	4.60%
2025/26	4.10%	4.10%
2026/27	3.60%	3.70%
2027/28	3.50%	3.50%
2028/29	3.50%	3.50%
Years 6 to 10	3.50%	3.50%
Years 10+	3.50%	3.50%

We will continue to monitor economic and market developments as they unfold. Typically, we formally review our forecasts following the quarterly release of the Bank of England's Monetary Policy Report but will consider our position on an ad hoc basis as required.

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 that 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 medium and longer dated borrowing rates are expected to fall from their current levels, albeit only once prevailing inflation concerns are addressed by restrictive near-term monetary policy. That is, Bank Rate remains relatively elevated in 2025 even if some rate cuts arise.

Against this background and the risks within the economic forecast, caution will be adopted with the 2025/26 treasury operations. The CFO will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

If it was felt that there was a significant risk of a sharp FALL in borrowing rates, then longer term borrowing will be postponed. If it was felt 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 decisions will be reported to the appropriate decision-making body at the next available opportunity.

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

Indicator	Limit
Variable interest rate debt	No more than 50% of all debt
Debt maturing within 10 years	No more than 50% of all debt

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 Ministry of Housing, Communities and Local Government (MHCLG) and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the treasury management team). Non-financial investments, essentially the purchase of income yielding assets and service investments, are covered in the Capital Strategy, (a separate report).

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

- MHCLG'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. The PCC will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with regard to the Authority's risk appetite

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 a year with high credit rated financial institutions, whilst investment rates remain elevated, as well as wider range fund options.

The above guidance from MHCLG and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -

1. Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short-term and long-term ratings.
2. **Other information:** 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

achieve this consideration the Authority 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.

3. **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
4. The PCC has defined the list of **types of investment instruments** that the treasury management team are authorised to use.
5. **Non-specified and loan investment limits.** The Authority has determined that it will set a limit to the maximum exposure of the total treasury management investment portfolio to non-specified treasury management investments of Y%.
6. **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 4.2.
7. **Transaction limits** are set for each type of investment in 4.2.
8. This Authority will set a limit for its investments which are invested for **longer than 365 days**, (see paragraph 4.4).
9. Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 4.3).
10. This Authority has engaged **external consultants**, (see paragraph 1.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of this Authority in the context of the expected level of cash balances and need for liquidity throughout the year.
11. All investments will be denominated in **sterling**.
12. As a result of the change in accounting standards for 2023/24 under IFRS 9, this Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23. Subsequently, a further extension to the over-ride to 31.3.25 was agreed by Government, this has now been extended to 01.04.2029 for existing investments already in place. Any new investments taken out from 01.04.2024 will be subject to IFRS 9 compliance.

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 MUFG Corporate Markets creditworthiness service uses a wider array of information other 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 Authority 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. The Authority is alerted to changes to ratings of all three agencies through its use of the MUFG Corporate Markets creditworthiness service.

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

Sole reliance will not be placed on the use of this external service. In addition, this Authority will also use market data and market information

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. Nonetheless, 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 in the autumn of 2022, 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. MUFG Corporate Markets monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its MUFG Corporate Markets-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). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that the risks are relatively balanced between Bank Rate staying higher for longer, if inflation picks up markedly through 2025 post the 30 October 2024 Budget, or it may be cut quicker than expected if the economy stagnates. The economy only grew 0.1% in Q4 2024, but the CPI measure of inflation is now markedly above the 2% target rate set by the Bank of England's Monetary Policy Committee two to three years forward.

Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

Investment returns expectations.

The current forecast shown in paragraph 3.3, includes a forecast for Bank Rate to fall to a low of 3.5%.

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: -

Average earnings in each year	Now	Previously
2024/25 (residual)	4.50%	4.60%
2025/26	4.10%	4.10%
2026/27	3.60%	3.70%
2027/28	3.50%	3.50%
2028/29	3.50%	3.50%
Years 6 to 10	3.50%	3.50%
Years 10+	3.50%	3.50%

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

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:

- Individual Corporate Bonds
- 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 one year. 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 a year 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

Indicator	Limit
Principal sums invested over one year	£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 2025/26 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 MUFG on 19.02.2025)

The second half of 2024/25 saw:

- GDP growth growing by only 0.1% in Q4 2024 (October to December) following no growth in the quarter ending September;
- The 3myy rate of average earnings growth reach 6% in December;
- CPI inflation increase to 2.5% in December, and then tick upwards to 3% in January, with the strong prospect of further increases through the first half of 2025;
- The Bank of England cut interest rates from 5.0% to 4.75% in November and hold them steady in December, before cutting them again in February, to 4.5%;

- 10-year gilt yields starting October at 3.94% before finishing up at 4.55% at 18 February.
- The 0.1% rise in Q4 2024 was heavily impacted by growth of 0.4% m/m in December. The quarter had not started well with GDP falling in October, the second such decline in a row. With on-going concern over the impact of the October budget and drags from higher interest rates and weak activity in the euro zone, our colleagues at Capital Economics have revised down their forecast for GDP growth in 2025 to 0.7% (it was initially 1.8% in the immediate wake of the Budget.)
- Moreover, although January's composite Purchasing Manager Index came in above the break-even 50 level, it was still consistent with a 0% rise in real GDP in early 2025. The economy is unlikely to be quite as weak as that given that the PMIs do not capture rises in government spending, but the data does underline the continued divergence in trends between the manufacturing and services sectors. The manufacturing PMI rose a tad to 48.3, but that is still consistent with manufacturing output falling, a similar story to the latter part of 2024.
- This weakness in the manufacturing sector was offset to a degree by a rebound in the services sector. The services PMI stood at 50.3 in January. A closer inspection of the data suggests that more of the recent slowdown in GDP is being driven by the weakness in activity overseas rather than just domestic factors.
- After rising by 1.4% q/q in July - September, the retail sector had a difficult final quarter of 2024. Indeed, the bigger-than-expected 0.7% m/m fall in retail sales in October suggested that households' concerns about expected tax rises announced in the Budget on 30th October contributed to weaker retail spending at the start of the quarter. The monthly decline in retail sales volumes in October was reasonably broad based, with sales in five of the seven main sub sectors slipping. However, of late, retail sales increased 3.6% y/y in December, following a flat reading in November.
- The Government's October budget outlined plans for a significant £41.5bn (1.2% of GDP) increase in taxes by 2029/30, with £25bn derived from a 1.2% rise in employers' national insurance contributions. The taxes are more than offset by a £47bn (1.4% of GDP) rise in current (day-to-day) spending by 2029/30 and a £24.6bn (0.7% of GDP) rise in public investment, with the latter being more than funded by a £32.5bn (1.0% of GDP) rise in public borrowing. The result is that the Budget loosens fiscal policy relative to the previous government's plans - although fiscal policy is still being tightened over the next five years. Initially, the Bank of England reacted by forecasting growth of 1.75% in 2025. However, with recent growth tepid at best, now they only forecast 0.75% in 2025, with a pickup to 1.5% in 2026 and 2027.
- December's wage growth figures were a touch stronger than what most forecasters had expected, but they were a bit weaker than the Bank's forecast. The 3myy rate of average earnings growth accelerated from 5.5% in November (revised down from 5.6%) to 6.0% in December. But more important for the Bank was the rise in regular private sector pay growth, from 5.9% (revised down from 6.0%) to 6.2%, which came in a touch below the Bank's Q4 2024 forecast of 6.3%. January's pay data, however, showed a rebound in wage growth that will likely add to the Bank of England's inflationary concerns. The number of job vacancies currently stands at 819,000, the same as the pre-pandemic February 2020 level.
- CPI inflation has started to rise significantly of late, with the annual growth rate increasing from 1.7% in September to 2.5% in December. It then moved higher

still in January to 3%. The Bank is forecasting Q3 2025 inflation hitting 3.7%. Core inflation increased to 3.7% in January whilst services inflation hit 5%.

- Throughout the latter months of 2024 gilt yields rose. The 10-year gilt yield increased from 3.94% at the start of October to 4.57% by the year end (currently 4.55%). As recently as mid-September 10-year gilt yields were at their low for the financial year, but since then, and specifically after the Budget at the end of October, yields have soared. Overall, the reaction to the UK Budget highlights how bond markets are both fragile and highly attentive to news about the fiscal outlook.
- The FTSE 100 finished 2024 at 8,121 and somewhat in the shadow of the US S&P500, which rose 24% in 2024. However, the FTSE 100 has proven attractive to investors in 2025 to date, moving up to 8,775 by 18 February. The £ has also proved resilient to date and stands at \$1.2612.

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 rating 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)	AA- rating and minimum asset base of £500m	£10m or 1% of total asset base per fund whichever is the lower figure	Repayment within 1 year
Ultra- and Short-Dated Bond Funds (Variable Net Asset Value)	AA- rating and minimum asset base of £500m	£10m or 1% of total asset base per fund whichever is the lower figure	Repayment within 1 year
Local authorities	N/A	£20m	1 year
Term deposits with banks and building societies	Blue Orange Red Green	£20m £20m £20m £15m	Up to 1 year Up to 1 year Up to 6 months Up to 100 days
CDs or corporate bonds with banks and building societies	Blue Orange Red Green	£20m £20m £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	£20m	5 years
Term deposits with banks and building societies	Purple Blue (RBS)	£20m £20m	Up to 2 years Up to 2 years
CDs or corporate bonds with banks and building societies	Purple Blue (RBS)	£20m £20m	Up to 2 years Up to 2 years
Housing Association	A-	£5m	Up to 2 years

Investments of up to 370 days will be treated as 1 year investments. This simplifies investment timings, for example where the maturity date is over a long weekend.

5.3 Approved Countries for investments

MUFG 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)
- Qatar

AA-

- Belgium
- France
- U.K.

5.4 Treasury Management Scheme of Delegation

(i) Full board/council (JIAC)

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Boards/committees/council/responsible body (PAM)

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) Body/person(s) with responsibility for scrutiny (PCC)

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

5.5 The Treasury Management Role of the Section 151 Officer

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.
- preparation of a Capital Strategy to include capital expenditure, capital financing, non-financial investments and treasury management, with a long-term timeframe (*say 20+ years – to be determined in accordance with local priorities.*)
- ensuring that the Capital Strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority
- ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by the Authority
- ensuring that the Authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed, to include the following -
 - *Risk management (TMP1 and schedules), including investment and risk management criteria for any material non-treasury investment portfolios;*
 - *Performance measurement and management (TMP2 and schedules), including methodology and criteria for assessing the performance and success of non-treasury investments;*

- *Decision making, governance and organisation (TMP5 and schedules), including a statement of the governance requirements for decision making in relation to non-treasury investments; and arrangements to ensure that appropriate professional due diligence is carried out to support decision making;*
- *Reporting and management information (TMP6 and schedules), including where and how often monitoring reports are taken;*
- *Training and qualifications (TMP10 and schedules), including how the relevant knowledge and skills in relation to non-treasury investments will be arranged.*



JOINT INDEPENDENT AUDIT COMMITTEE



Report for Decision: 21 March 2025

Joint Corporate Governance Framework

The Committee is requested to **scrutinise** the draft Joint Corporate Governance framework for 2025/26 and **recommend** it to the PCC and Chief Constable for approval.

The Committee is requested to **review** the Draft Annual Governance Statement and financial self-assessment.

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 – 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. There are only a limited number of changes required this year:

- Increasing Procurement limits in Financial Regulations (paragraph 5.1.15). The limits have not been reviewed in many years, and therefore have been reducing in real terms. The new thresholds have been set as a balance of efficiency and appropriate control, and taking account of new procurement regulations.
- The Code reflects the establishment of Complaints and Standards Committee and Ethics Think Tank in paragraph A5, with the Professional and Ethical Standards Panel no longer continuing.
- Update of new PCC Chief Executive job title throughout (previously Chief of Staff)

For the two material changes, the relevant paragraphs are provided below for reference with tracked changes. The full document with tracked changes is available for transparency if required, but is not included in the JIAC papers due to size.

The Draft Annual Governance Statement and financial self-assessment are included as appendices. The Final Annual Governance Statement will be published alongside the financial statements in May.

Substantive Changes to the Corporate Governance Framework, 2025/26

Code of Corporate Governance, Section A, Page 9

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 'Complaints and Standards Committee and a separate Ethics Think Tank ' comprising members of the community from a variety of backgrounds for the purposes of independent scrutiny and advice. The purpose of the Committee and Think Tank is to monitor, challenge and make recommendations about the way complaints, ethical and integrity issues are handled by the Force and overseen by the PCC.

Financial Regulations, Contract Regulations, Page 95

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 £25,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£25,000 - £100,000 (£200,000 for Estates Department Projects)</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 £100,000 (£200,000 for Estates Department Projects)</i>	<i>Legal requirement to advertise via website Contact must be made with the Procurement Department. 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. Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>



JOINT CORPORATE GOVERNANCE FRAMEWORK

2025/26

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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 2023
- The Policing Protocol Order 2023
- Standards in Public Life (known as 'the Nolan Principles')
- PCC Oath of Office
- PCC Code of Conduct
- The Good Governance Standard for Public Services¹
- Statutory Code of Practice for Ethical Policing (2023)
- Code of Ethics (2024)
- 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 2023 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.

¹ The Independent Commission on Good Governance in Public Services 2005

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.

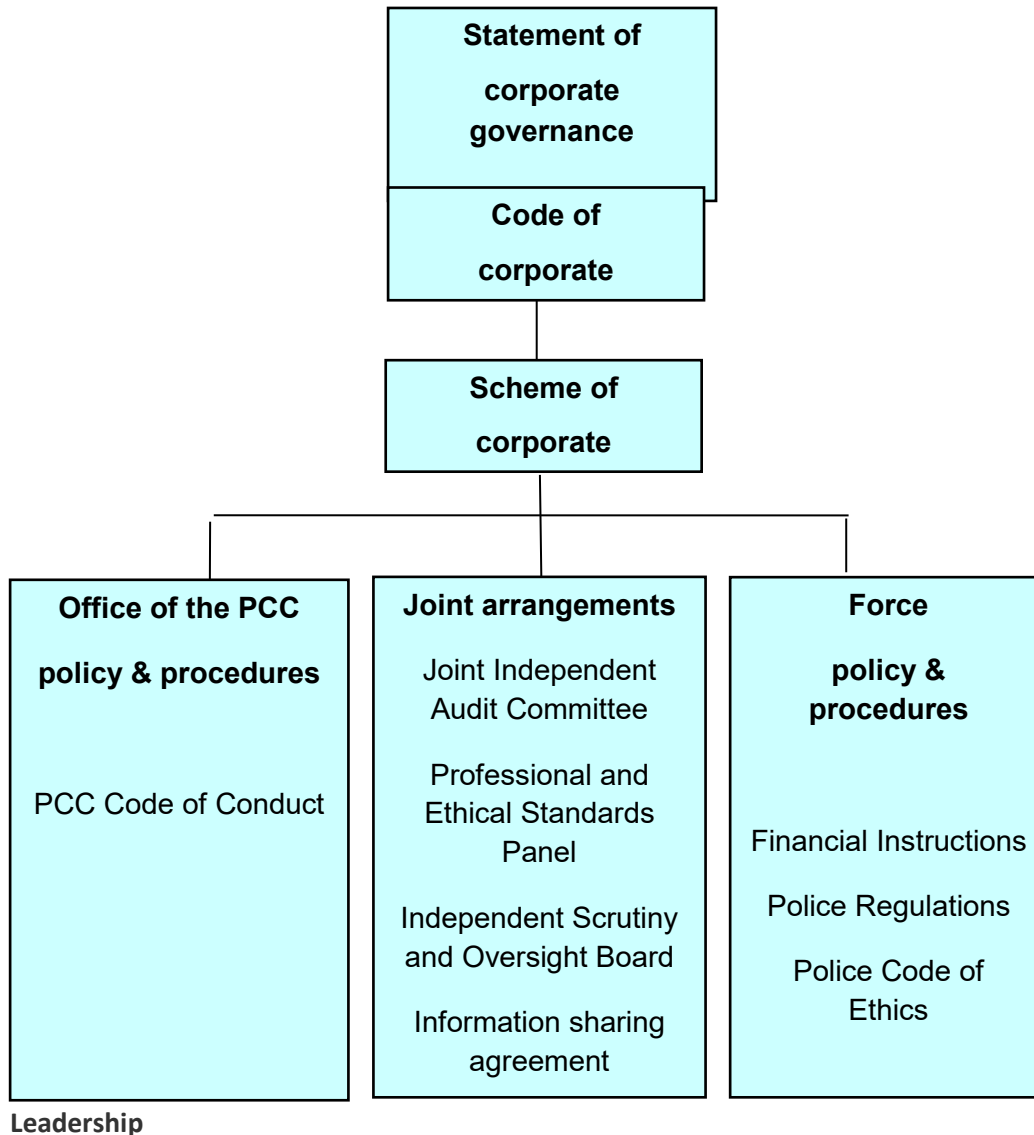
The above Nolan Principles, covering the personal conduct of public office holders, are supplemented by those organisational governance principles and management arrangements highlighted by CIPFA and SOLACE in their publication *'Delivering Good Governance in Local Government'*:

- 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 2023 (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 2023 Code of Practice for Ethical Policing, issued under the Police Act 1996, provides Chief Constables with direction on promoting and supporting ethical and professional behaviour within their forces. In addition, the 2024 Code of Ethics, issued by the College of Policing, supports and guides everyone in policing. It contains ethical policing principles, as well as guidance for ethical and professional behaviour in policing.
- 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 'Complaints and Standards Committee' and a separate 'Ethics Think Tank' comprising members of the community from a variety of backgrounds for the purposes of independent scrutiny and advice. The purpose of the Committee and Think Tank is to monitor, challenge and make recommendations about the way complaints, ethical 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 post holders 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 2023 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 in this document) 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 maintain a value for money strategy, and ensure that their agreed approach is reflected in financial arrangements.
- 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 mind-set, 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 Executive 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 corporation's 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 Executive 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 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 on 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 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 their 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 them 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 their 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 2025/26

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 [their] 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 their 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 their 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 their 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 their 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 their 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 their 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 (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 2023).
 - 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 contained within this document.
 - 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 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 (locally referred to as the Police and Criminal Justice 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 their 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 they approve borrowing limits for both their 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 their 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 their 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 Executive

Introduction

- 6.1 The PCC will appoint, under paragraph 6, Schedule 1 of the Police Reform and Social Responsibility Act 2011 (PRORA 2011), a person to be the head of the PCC's staff namely 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 PRORA 2011, the Chief Executive 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 Executive as the Head of the PCC's Paid Service and Monitoring Officer.
- 6.3 The formal delegations from the PCC to the Chief 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 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 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 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 Executive. The Thames Valley Police and Crime Panel has currently delegated to the Chief Executive, and the Chief 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 Chief Executive'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 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 King'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 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 Controller.

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 provisionsPCC

- 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 Executive (all issues);
 - the PCC's Chief Finance Officer (financial and related issues, and all issues in the absence of the Chief Executive in the post-holder's capacity as the designated Deputy Chief Executive)
- 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 Executive

- 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 Executive) 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 Executive and, the PCC CFO. For OPCC staff the Head of Governance and Compliance will also be consulted, and for TVP officers and staff the Director of Finance and the Head of Legal Services will be consulted. 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 Executive and the CFO, the Head of Governance and Compliance (deputy Monitoring Officer) can sign contracts or deeds as well as 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 their 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 their 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 their 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, 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 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 Executive, 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. In parallel the PCC shall issue Financial Delegations relating to OPCC activity.
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
 - Value for Money 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 King'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 Executive

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

1.1.36 The **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 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 Executive 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:
- a) 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
 - b) 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
 - c) virement does not create additional overall budget liability.
 - d) 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 and indicative plans for years 5-10. 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, and additional schemes approved to start in year. Schemes agreed in principle from the medium term capital plan will be included in the annual budget after business cases have been approved 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 Executive

- 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 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 Executive

- 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.
- 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 £25,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£25,000 - £100,000 (£200,000 for Estates Department Projects)</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>

Over £100,000 (£200,000 for Estates Department Projects)	<p><i>Legal requirement to advertise via website</i></p> <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>Contact must be made with the Procurement Department.</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 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.

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 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 Executive*

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 Executive*

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.

Appendix 1

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 Executive 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 Executive 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 Executive or Chief Finance Officer
Acquisition & Disposal of Land	£1m and over	Police and Crime Commissioner	Police and Crime Commissioner	Chief Executive 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 INDEPENDENT AUDIT COMMITTEE



Report for Decision: 21 March 2025

Joint Corporate Governance Framework

The Committee is requested to **scrutinise** the draft Joint Corporate Governance framework for 2025/26 and **recommend** it to the PCC and Chief Constable for approval.

The Committee is requested to **review** the Draft Annual Governance Statement and financial self-assessment.

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 – 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. There are only a limited number of changes required this year:

- Increasing Procurement limits in Financial Regulations (paragraph 5.1.15). The limits have not been reviewed in many years, and therefore have been reducing in real terms. The new thresholds have been set as a balance of efficiency and appropriate control, and taking account of new procurement regulations.
- The Code reflects the establishment of Complaints and Standards Committee and Ethics Think Tank in paragraph A5, with the Professional and Ethical Standards Panel no longer continuing.
- Update of new PCC Chief Executive job title throughout (previously Chief of Staff)

For the two material changes, the relevant paragraphs are provided below for reference with tracked changes. The full document with tracked changes is available for transparency if required, but is not included in the JIAC papers due to size.

The Draft Annual Governance Statement and financial self-assessment are included as appendices. The Final Annual Governance Statement will be published alongside the financial statements in May.

Substantive Changes to the Corporate Governance Framework, 2025/26

Code of Corporate Governance, Section A, Page 9

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 'Complaints and Standards Committee and a separate Ethics Think Tank ' comprising members of the community from a variety of backgrounds for the purposes of independent scrutiny and advice. The purpose of the Committee and Think Tank is to monitor, challenge and make recommendations about the way complaints, ethical and integrity issues are handled by the Force and overseen by the PCC.

Financial Regulations, Contract Regulations, Page 95

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 £25,000</i>	<i>Any contract/Order may be placed with the supplier identified as providing the best value for money.</i>	
<i>£25,000 - £100,000 (£200,000 for Estates Department Projects)</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 £100,000 (£200,000 for Estates Department Projects)</i>	<i>Legal requirement to advertise via website Contact must be made with the Procurement Department. 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. Written quotations shall be invited from all contractors holding a place on the framework agreement.</i>

Annual Governance Statement 2024/25

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 2025 including plans for the financial year 2025/26.

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

Executive Summary

The Police Reform and Social Responsibility Act 2011 established the PCC and Chief Constable as separate legal entities on 22nd November 2012, allowing them to own assets and employ staff. The PCC is responsible for policing within their area and holds the Chief Constable accountable for operational delivery.

The PCC receives all funding for policing, including government grants and other income, and allocates it in consultation with the Chief Constable. The PCC is accountable to the public for managing the Police Fund.

The PCC and CC ensure business is conducted lawfully and with proper governance, safeguarding public money and using it efficiently. Both the PCC and Chief Constable have chief financial officers responsible for the efficient use of public funds. The PCC must secure continuous improvement in their functions, focusing on economy, efficiency, and effectiveness.

The PCC and CC are responsible for governance and risk management. The Chief Constable is accountable to the law for the exercise of police powers and to the PCC for the delivery of effective and efficient policing, resource management, and expenditure, while maintaining operational independence. They also ensure proper risk management and internal control systems.

The Policing Protocol Order 2023 requires the PCC and Chief Constable to follow the Nolan Principles of conduct: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, and Leadership, which are included in the PCC's Code of Conduct.

The College of Policing 'Code of Ethics' 2024 applies to every individual who works in policing, including the Chief Constable and PCC. The Code of Ethics sets out ethical principles of Courage, Respect and Empathy, and Public Service.

In addition, the statutory Code of Practice for Ethical Policing gives direction to the Chief Constable on promoting and supporting ethical and professional behaviour within the force.

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

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 ensures that intended outcomes for stakeholders are defined and achieved. In the public sector, good governance ensures that entities like the PCC and Chief Constable achieve their goals while acting in the public interest.

The governance framework includes the systems, processes, culture, and values by which the PCC and Chief Constable fulfil their responsibilities and engage with the community. It allows the PCC to monitor strategic objectives and assess whether they deliver cost-effective services and value for money.

The system of internal control, a key part of this framework, manages risk to a reasonable level. While it can't eliminate all risks, it provides reasonable assurance of effectiveness. This system continuously identifies, prioritizes, and manages risks to achieve policies, aims, and objectives 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 Chief Constable have established a 'Joint Corporate Governance Framework' to clarify their working relationship and that of their staff. This framework includes the code of corporate governance, the scheme of delegation, and financial regulations. It aligns with 'The Good Governance Standard for Public Services' and the seven Nolan Principles.

The College of Policing's 'Code of Ethics' 2024 guides everyone in policing, outlining ethical principles such as Courage, Respect, Empathy, and Public Service.

In addition, the statutory Code of Practice for Ethical Policing 2023 gives direction to the Chief Constable on promoting and supporting ethical and professional behaviour within the force.

Measures are in place to ensure that the PCC, Deputy PCC (when appointed) 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. 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 statutory Code of Practice for Ethical Policing 2023 directs the Chief Constable to promote ethical and professional behaviour within the force.

The Professional Standards Department (PSD) upholds TVP's ethical and professional standards, manages police misconduct regulations, and handles public complaints about service quality and conduct. The PCC reviews complaints against the Force to improve transparency and accountability. Complaints against the Chief Constable are handled by the PCC, while the Thames Valley Police and Crime Panel (PCP) handles formal complaints against the PCC.

The PCC and Chief Constable have jointly undertaken a scrutiny review and have replaced the Professional and Ethical Standards Panel with a new Complaints and Standards Committee and Ethics Think Tank. These panels independently review issues relating to complaints, integrity, ethic and professional standards. They will provide regular updates on the PCC/TVP websites in 2025 to promote public confidence. They will also produce annual reports at the end of FY 25-26 to provide a clear overview of the issues they have been considering and their activities in scrutinising or advising on

these. In 2023, the Independent Scrutiny and Oversight Board (ISOB) was established to provide independent oversight of Thames Valley Police's Race Action Plan. They have met regularly during FY 24-25 and have strengthened their number of board members through proactive recruitment processes. There are now 9 out of the 10 board members recruited who represent the whole of the geographical landscape of the Thames Valley Community.

Through the scrutiny review undertaken and establishment of the TVP Trust and Confidence Board, mechanisms have been put into place to ensure that there is accountability and governance surrounding all of the independent scrutiny arrangements.

Both the PCC and Chief Constable must respect the rule of law and comply with relevant regulations, supported by in-house legal advisors. The PCC is independent of Force management, which is the Chief Constable's responsibility. Mechanisms seek to ensure neither breaches legal powers. The PCC follows the PCC's Code of Conduct and Oath of Office, while the Chief Constable and police staff adhere to the College of Policing's Code of Ethics, consistent with the Nolan principles. The Chief Executive 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 Home Office, 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 within 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 must consult the Chief Constable, community, and crime victims about policing in the Force area. They must consider these views and the priorities of local authorities and government bodies before issuing the Police and Crime Plan.

The plan must be published by the end of the financial year in which the PCC is elected and can be reviewed and revised as needed. This ensures local policing services address community priorities and hold the Force accountable for service delivery.

The PCC's 'Police and Crime Plan 2024 - 2029' outlines strategic policing and crime reduction priorities for his tenure. It is supported by the Force's Strategic Plan, the OPCC's Strategic Delivery Plan, and the corporate Financial Strategy outlined in the budget papers. The plan considers the Strategic Policing Requirement from the Home Secretary and is developed with input from the Chief Constable, local community, crime victims, and key stakeholders.

The independent Thames Valley Police and Crime Panel regularly reviews and scrutinizes the PCC's decisions, actions, and performance in delivering the plan's priorities. It also reviews the PCC's proposed annual council tax precept increase, the Police and Crime Plan, Annual Report, and senior appointments for roles such as Deputy PCC, Chief Constable, OPCC Chief Executive, and OPCC Chief Finance Officer.

Arrangements are in place for the PCC to hold the Chief Constable accountable for Force performance and compliance. These include formal public Performance and Accountability Meetings, with reports and agendas published on the PCC's website, and regular private liaison meetings between the PCC and Chief Constable.

The Framework of Corporate Governance outlines decision-making parameters, including delegations, financial and contract regulations. The PCC's policy statement on decision-making and all significant decisions 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 2023/24 Annual Report last June (2024) which highlighted key achievements against his strategic Police and Criminal Justice Plan. The PCC's 2024/25 Annual Report is due to be published in June 2025.

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, 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 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 the Police and Crime Plan and are funded by the PCC's Partnership Fund. Through working in partnership, these activities not only help the PCC to deliver their strategic objectives but also support partners in achieving their local priorities too.

The PCC chairs 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, having a statutory responsibility to convene criminal justice partners. 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 PCC and the Chief Constable have delivered presentations 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.

A public Trust and Confidence Survey is planned annually and will assist in developing both the PCC and CC’s strategic delivery plans, through identifying areas of the community where Trust and Confidence is lower, and informing the work of scrutiny groups.

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

The PCC’s Police and Crime 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 four pillars of the Strategic Plan’) 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 long term financial implications of the MTCP are incorporated into the MTFP. 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 Crime 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.

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.

Collaborative 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 Crime Plan and the Force Strategic Plan. These are accompanied by ongoing workforce plans, managed by the People Directorate. 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 and reviewed at the regular liaison meetings between the PCC and Chief Constable.

The Productivity Strategy forms an integral part of the MTFP and incorporates the outcomes of initiatives such as the Force Review, Zero Based Budget reviews, 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 their statutory officers have the necessary skills, resources, and support. Specialist advice in areas like taxation, legal matters, and treasury management is sourced externally for practicality and cost-effectiveness.

Chief Officers have defined leadership roles, implementing strategy and managing service delivery within their portfolios.

Performance and development are managed through the Performance Development Review framework, with annual competency assessments, interim reviews, and Continuous Professional Development. The Force has People Strategy which focusses on recruitment, retention, wellbeing, inclusion, flexible and capable workforce aiming to be an employer of choice

Chief Officers promote continuous service improvement, using independent and peer reviews, lessons learned, and recommendations from various reviews and inspections.

The OPCC receive induction training and ongoing development through national conferences and seminars. The OPCC has a new structure to support statutory functions, including services for victims and witnesses under 'Victims First.' The objective of the new structure is to ensure that any new PCC could assume office and the OPCC provide an effective and efficient service..

The Chief Executive monitors the OPCC's workload and performance via the Strategic Delivery Plan, presented at the Performance and Accountability Meeting. The Strategic Delivery Plan has been completely renewed based on the PCC's new Police and Crime Plan 2024-2029.

The PCC is a member of the APCC (Association of Police & Crime Commissioners), and the Chief Constable and other chief officers are members of the NPCC (National Police Chief's Council). The Chief Executive and Chief Finance Officer benefit from membership of APACCE (Association of Police & Crime Commissioners Chief Executives) and PACCTS (Police & Crime Commissioners Treasurers' Society) respectively.

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, Improvement and Learning Meeting and Chief Constables Management Team meeting , 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. Governance and Service Improvement manage the HMICFRS and recommendations tracker to monitor progress and identify risks to performance. Governance and oversight of these sits at the Force Risk, Improvement and Learning meeting.

Due to likely impact of cyber-attacks on front line policing, all police forces are monitored by the National Monitoring Centre (NMC) operated by Police Digital Services. In addition, both TVP and HIOWC have interfaces into 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. The teams lead on testing business units through desk-top scenarios, which are supported by JICT to assess the readiness of individual team's response during a cyber-event. Lessons learned are captured and actions set where required to close any gaps identified during these exercises. Cyber business Continuity resilience is tested both technically in ICT and also organisationally. Cyber Business Continuity exercises have been taking place across the whole force.

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. The PCC 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 Crime 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 Chief Officer Group hold weekly meeting to ensure the efficient and effective delivery of services. Formal Senior Leadership Team meetings take place monthly with weekly informal catch meetings take place to deal with any urgent or emerging issues. The PCC holds quarterly Performance and Accountability meetings, where the OPCC presents progress updated against the SDP. The PCC, therefore, receives regular reports on both strategic and operational delivery plans with progress updates provided regarding achievement of the priorities and aims set out in the Police and Crime Plan 2024-2029.

The Chief Constable holds monthly 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 LCU (Local Command Unit) 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 or in response to an emerging organisational risk area.

The Improvement and Innovation meeting has 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 Risk, Improvement and Learning meeting oversees risk management within the Force and is chaired by the Deputy 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. There are regular quarterly reviews to ensure risk management and robust oversight. 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.

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 PCC and Chief Constable have an agreed Value for Money Strategy and this approach is reflected in the financial arrangements and continuous improvement activities.

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 liaison meetings between the PCC and Chief Constable.

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 Chief Constable balance providing sufficient information for transparency and public scrutiny without being overly burdensome. The Police and Crime Panel scrutinizes the PCC's decisions and actions, reviewing significant documentation for public benefit.

The PCC complies with the Elected Local Policing Bodies (Specified Information) Order 2011, (as amended) publishing required information on his website. Significant public interest decisions are published in an accessible format, both published and confidential reports are scrutinized by the JIAC. The OPCC and TVP endeavour to ensure online services are accessible to all users.

The Chief Constable's Corporate Communications department manages public communications, adhering to a corporate style guide. The PCC has a separate communications team.

The PCC and Chief Constable report annually on performance. Value for money arrangements and resource stewardship are reported in the Financial Statements. They assess the application of governance principles and publish results in the Annual Governance Statement, including improvement plans.

Performance information accompanying financial statements is prepared consistently for comparison with similar entities. Accepted external audit recommendations are acted upon.

The Joint Internal Audit team, with direct access to the PCC, Chief Constable, and JIAC, provides governance assurance and monitors the implementation of audit actions.

Both the PCC and Force undergo external scrutiny through financial audits and HMICFRS inspections, with reports published on their websites. HMICFRS assesses police and fire services' effectiveness, efficiency, and legitimacy. The PCC publishes responses to HMICFRS reports, and the Force engages in various inspections.

The PCC and Chief Constable utilize peer reviews and inspections from regulatory bodies and implement recommendations. They ensure third-party service delivery risks are managed and reviewed regularly.

In partnerships, the PCC and Chief Constable ensure clear accountability and recognize the need for public accountability.

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 Crime Plan that sets out the PCC's policing and crime prevention 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 2024/25 and demonstrate how the PCC has discharged these powers and duties during that year:

- The PCC published his 2023/24 Annual Report in June 2024 to highlight major achievements during that financial year and to report on operational and financial performance.
- The OPCC published its new Strategic Delivery Plan in 2024/25. This is an internal OPCC management action plan that supports the PCC in monitoring the delivery of both policing and non-policing activities, aligned with his new Police and Crime Plan. Progress reports are presented to the PCC in public meetings, and the Plan will be reviewed and updated annually.
- During the autumn of 2024, the PCC worked closely with the Chief Constable to update the MTFP (2024/25 to 2027/28). He submitted his budget and council tax proposals for 2025/26 to the Police and Crime Panel in January. The Panel endorsed his £14 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).
- Implementation of the Scrutiny Review of the governance structures which underpin the entire external scrutiny both of joint panels and panels owned solely by TVP is ongoing with members of the Complaints and Standards Panel and Ethics Think Tank being recruited. Recommendations from this review were published in March 2024.
- The PCC has been actively engaged in the scrutiny of major Force business change programmes.
- Four PCC public Performance and Accountability meetings were held in 2024/25, supplemented by fortnightly private and informal liaison meetings between the PCC and Chief Constable, to enable the PCC to hold the Chief Constable and his OPCC Chief Executive to account for progress towards achieving his key priorities.

b) The Force

The CCMT met monthly during the year, and there were also finance and strategic planning sessions. The Joint Chief Officers Group (TVP and HC) met formally 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 and emerging risks were discussed at a monthly Risk, Improvement and Learning meeting. 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 MTFP and MTCP by the PCC at the PAM meeting in January. 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..

The Force Transformation Board met every other month to review all in-flight change programmes in the Thames Valley only portfolio 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. 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 2023-2025 was published on 6th December 2023 and looks at police effectiveness, efficiency and legitimacy. The findings show the force has improved in some areas, and good progress has been made to address the areas found TVP has been actively working on improvements in key areas identified in the inspection and providing monthly assurance updates to the Deputy Chief Constable and HMICFRS with evidence of progress. Work is ongoing to improve the forces' preparedness for future inspections to ensure that we are working in the most efficient way.

All recommendations and areas for improvement from inspection activity are being actioned and are tracked, updated and signed off via the DCC Risk, Improvement and Learning meeting before uploading onto the HMICFRS monitoring portal. The Risk, Improvement and Learning 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 and meets monthly..

c) The Joint Independent Audit Committee

During 2024/25 the JIAC met quarterly to consider the external audit and internal audit plans, 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; supplemented by individual JIAC members observing key elements of TVP's governance bodies. JIAC members have also been invited to visit TVP operational centres or observe parts of TVP's work; and received a range of reports, including from HMICFRS.

The JIAC's Annual Assurance Report for 2024 was presented to the PCC and Chief Constable at their JIAC meeting in December 2024. 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 Governance Advisory Group also developed this joint Annual Governance Statement.

e) Internal Audit

As at March 2023, the 2023/24 Joint Internal Audit Plan was collated and endorsed by the JIAC. The plan has been completed and on the basis of this work, the opinion of both organisations' governance, risk and control frameworks is **reasonable assurance**. A combined opinion is provided due to both organisations sharing a number of business as usual processes and systems.

The governance, risk management and control arrangements are good, although some action is required to improve efficiency or effectiveness. The opinion demonstrates a good awareness and application of effective risk management, control and governance to facilitate the achievement of both organisations' objectives, outcomes and delivery of services. Areas were identified through our work where the design or effectiveness of arrangements in place required enhancing or strengthening. Where these areas were reported, management responded positively, identifying appropriate actions to address the risks raised. At a statistical level, the overall opinion represents an improvement compared to the previous year. However, as the Joint Internal Audit Plan does not include the same audits year on year, this cannot be taken as a direct comparison.

In terms of the implementation of audit actions and mitigation of risk, progress has been generally good across both organisations. The number of actions completed (between 2021 and 2024) is 67%, with only 8% being overdue. However, there was a significant increase in the number of overdue actions reported during the year, peaking at 60 in October. This was reduced to 36 by March 2024, but the monitoring of progress in implementing audit report actions will continue to be a specific focus for

2024/25. Mechanisms have been put in place between internal audit and Strategic Governance to ensure robust oversight and progress of audit actions.

As in previous years, to support this year's opinion additional sources of assurance were utilised where they provided commentary on the effectiveness of the organisations' governance framework or general management of risk. The assurances obtained provided a positive view of the organisation's arrangements and supported the overall opinion of reasonable assurance.

f) External audit

In recent years, audit opinions have been delayed across the sector. EY provided unqualified audit opinions relating to the 2022/23 accounts in May 2024, and the 2023/24 accounts in February 2025. The audit certificate for 2022/23 was provided in December 2024. The audit certificate for 2023/24 is outstanding, awaiting the NAO's position on the Whole of Government Accounts.

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

During the year HMICFRS published a number of reports regarding inspection activity, research or super-complaints. These are considered by the Force via the DCC's Risk Improvement and Learning 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, unless otherwise specified:

Date published	Type	Report Title	Date CC reported to PCC	PCC Response to HMICFRS
19/07/2024	Annual Assessment report	State of Policing: The Annual Assessment of Policing in England and Wales 2023	N/A	N/A
22/08/2024	National Thematic	Progress to introduce a national operating model for rape and other serious sexual offences investigations (Op Soteria)	14/10/24	Y
30/08/2024	TVP/ Regional	An inspection of the south-east regional response to serious and organised crime	14/10/25	Y
10/09/2024	National Thematic	An inspection into activism and impartiality in policing	30/01/25	Y
27/09/24	(Super Complaint)	Police Response to Stalking (Suzy Lamplugh Trust super-complaint) – PCC response	30/10/24	N/A - a response is published on the PCC's website
10/10/2024	Annual Assessment report	The policing response to antisocial behaviour: PEEL spotlight report	30/10/24	Y
15/11/2024	Custody	Report on an inspection visit to police custody suites in Thames Valley Police	16/11/24	Y

20/11/2024	Joint Inspection	Multi-agency responses to serious youth violence: working together to support and protect children	30/01/25	Y
18/12/2024	National Thematic	An inspection of the police response to the public disorder in July and August 2024: Tranche 1	30/01/25	Y

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 (now the Risk, Improvement and Learning meeting) met twelve times during 2024/25 and which then has forcewide oversight and sign off on a quarterly basis as part of the CCMT meetings. High-level strategic risk management and business continuity issues were reported to the JIAC on a timely basis in separate Force and OPCC Strategic Risk Registers.

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 2024 for scrutiny and sign off. The report covered the key management areas specified within 'Managing for Health & Safety HSG65 2013 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. There is a quarterly governance board chaired by the Head of Governance and Service Improvement where Health and Safety data, new and emerging risks and mitigation are discussed. New risks are then escalated to the Risk, Improvement and Learning meeting.

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 Following a recent scrutiny review a new governance and scrutiny structure has been put into place during FY 2024-2025. This includes a new Complaints and Standards Committee and Ethics Think Tank, which replace the previous The Professional and Ethical Standards Panel (PESP) (previously called Complaints, Integrity and Ethics Panel).

PESP produced its final report in July 2024, which highlighted that the Panel had scrutinised matters including the following themes:

- BWV policy
- Police Perpetrated Domestic Abuse (PPDA)
- Sexual Misconduct
- Violence Against Women and Girls (VAWG)
- Mental Health
- Victim Satisfaction
- Responsible use of AI technologies by Police (including facial recognition)
- PSD resourcing
- LPA timeliness and standards of investigation to matters pertaining to compliant file

Within their final report PESP members highlighted areas for continued scrutiny by the new C&SC and Ethics Think Tank.

During 2024-2025 recruitment for new members of the Complaints and Standards Committee (CS&C) and Ethic Tank has been progressing well. The CS&C have been undertaking training for their role via the OPCC Trust and Confidence Support Officer. They have been reviewing complaints during their period of training and will be meeting regularly during FY 2025-2026 to further scrutinise complaints and standards.

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 2023/24 the PSD received and processed 3660 complaints and 58 conduct matters and held 29 misconduct meetings and 13 misconduct hearings under the statutory scheme. In addition, the OPCC itself handled 7 complaints made against the Chief Constable and received 272 requests for complaint reviews as per the statutory police complaints scheme.

k) Thames Valley Police and Crime Panel

During 2024/25, the Police and Crime Panel (PCP), an external independent oversight body that holds the PCC to account, met on five occasions. Key activities undertaken by the Panel during the year included endorsing the PCC's new Strategic Plan for 2024-29, reviewing the PCC's Annual Report for 2023/2024, and scrutinising and considering the PCC's 2025/26 budget and council tax precept proposals. The Panel received and considered regular reports on the delivery of the PCC's Police and Crime Plan priorities for 2024-25. Additionally, the PCP received contributions from the OPCC and the force, alongside other external partners, on matters of topical interest that informed a range of Task & Finish Groups. These included Violence Against Women and Girls, Road Safety, PCC Budget, and Anti-Social Behaviour.

In addition, the Panel operates a permanent Complaints Sub-Committee as well as ad-hoc task and finish working groups. During 2024-2025 the Chief of Staff of the OPCC, acting under delegated authority on behalf of the PCP, referred complaints against the PCC/Deputy PCC to the PCP for consideration by them under the statutory scheme. None of these complaints were 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 2023/24 Annual Report in July 2024.

l) Collaboration and partnership working

The joint TVP and HC Joint Collaboration Governance Board formally met six times during 2024-2025. 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 2024/25.

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 2024-2025. 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.

The PCC and Chief Constable meet with colleagues from the South East Region through the SE Region PCC and Chief Board to discuss performance relating to regionally collaborated activity, such as SEROCU

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 2024/25, has informed the latest review of the Framework. 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 2023/2024 AGS which were due to be monitored during 2024/25

There are currently no significant actual or potential governance issues identified in respect of 2024/2025 activities. Accordingly, the Governance Advisory Group is satisfied to the best of its knowledge that no material breaches of the governance arrangements occurred in 2024/25 and there are no significant weaknesses in the internal control and governance environment.

The governance arrangements of the PCC and the Chief Constable will remain under regular review over the forthcoming financial years.

Matthew Barber
Police and Crime Commissioner

Jason Hogg
Chief Constable

Financial Management & Resilience Self-Assessment

CIPFA has provided self assessment questions to assist with demonstrating good practice in financial management and assessing financial resilience, in line with the Financial Management Code. This document records our responses. We have reassured ourselves that financial management within Thames Valley Police (both PCC and CC) is in line with good practice, and that the organisation is appropriately resilient. The process of addressing these questions also assists with identifying actions for continuous improvement.

Linda Waters, Director of Finance

Martin Thornley, Chief Finance Officer

March 2025

Sectin 1 - CIPFA Financial Management Code – Self-assessment

	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?	This is captured in the Value for Money (VfM) Strategy. We have clear references to achieving VFM in the annual financial strategy, the Procurement Strategy and the Force Strategic Plan. The Governance framework includes responsibility for VfM.	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?	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. The VfM Strategy	G	

		<p>includes commitment to continuous improvement. Current priorities for improvement are: business case process, finance business partnering and contract management.</p> <p>The Force Review is delivering significant savings through scrutiny of Public Value - VfM in service delivery. The Enabling Services programme is tasked with delivering VfM in the “back office”.</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> <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>	G	

		Contract management is undertaken by service stakeholders, with strategic oversight from the Procurement department		
		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		
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?	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. Regular online	G	

		<p>refresher training is also provided and followed up to ensure compliance.</p> <p>The Code of Ethics was updated in 2024 with an associated communications plan.</p> <p>All force policies and procedures embed the key principles from the Code of Ethics</p>		
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?	<p>Good behaviour is discussed during all staff and officer PDRs</p> <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>	G	

		There is a force policy on gifts and hospitality, which is managed and promoted by PSD		
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 relevant 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 governance issues where appropriate e.g. learning from PSD investigations, outcome from HMRC reports</p>	G	
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>	G	

		PSD publish a regular newsletter which promotes good governance arising from investigations to share best practice and learning		
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 the OPCC and force. A draft version of the AGS is presented to JIAC before publication	G	
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. The Force Review is particularly driving this activity.	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	G	

		<p>The CFO is a member of the PCC's Chief Officer Group</p> <p>Senior finance representatives sit on all key decision making and informative boards e.g. Change Board and Programme Boards</p>		
4	Do managers across the authority possess sufficient financial literacy to deliver services cost effectively and to be held accountable for doing so?	<p>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</p> <p>Good progress has been made in transforming the Finance department e.g. the restructure is complete and Finance Business Partners have been appointed.</p> <p>All Finance Business Partners have undergone specific training for BP to strengthen their role in the organisation.</p>	A	We are working on process improvement and training for non finance staff to improve business cases preparation and assessment.
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 2022. We responded with a new VfM strategy and actions during 2023	G	
6	Do individuals with governance and financial management responsibilities have suitable delegated powers and appropriate skills and training to fulfil these responsibilities?	<p>Yes, as set out in Financial Regulations and Financial Instructions</p> <p>Skills and training are reviewed as part of the PDR process</p>	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, during the preparation and finalisation of the annual financial plans, and in Section 2 of this document.	G	
2	Has the Assessment tested the resilience of the authority's financial plans to a broad range of alternative scenarios?	Yes. Risks arising from funding, inflation and demand changes are considered during preparation of the annual financial plans.	G	
3	Has the authority taken appropriate action to address any risks identified as part of the assessment?	Yes – financial plans take into account the risks identified.	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?	Yes, the key risks are highlighted in the annual financial planning documents.	G	
2	Does the authority have a strategic plan and long-term financial strategy that address adequately these risks?	Yes, we publish an annual budget recommendation and financial strategy report.	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 assessment of risks which highlights the financial risk to key budget assumptions.	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.	G	

		During the year revenue and capital monitoring reports will highlight changes in significant risks and issues, and suggest appropriate action		
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.	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	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</p>	G	

		to national guidelines and procedures to be identified early		
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. Cost drivers are included in the MTFP	G	
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?	Yes, the Asset Management Framework is reviewed and updated regularly through SEG. A separate ICT strategy for HC and TVP is prepared and presented to the bilateral governance board	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 are 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	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 PCC 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 CFO's report on the MTFP's includes an assessment of the forces 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> <p>The PCC undertakes public consultation on budget priorities.</p> <p>Fleet charges are agreed through the CTC</p>	G	

		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		
2	How effective has this engagement been?	<p>TVP and Hampshire budgets are aligned for all joint activities</p> <p>The PCC consults the public regarding his proposed increase in council tax precept. The PCC takes account of the priorities of the public when setting his priorities.</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 and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal'?	<p>The degree of option appraisal reflects the level of investment required and the identified risks with the proposal/project</p> <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>	A	The VfM action plan includes focus on business case development and finance business partnering.

		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		
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.	G	
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	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?	<p>CCMT is provided with a monthly monitoring report which highlights emerging risks and issues. These are acted upon as necessary.</p> <p>Formal reports are presented to the PCC at the Liaison meetings</p> <p>The Joint ICT Board receives a monthly update on all ICT budgets. The DCCs Collaboration Board receives monthly reports on all collaborated units</p>	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?	<p>Yes, trade debtors and creditors are monitored closely by Finance</p> <p>Cashflow, short and long-term borrowing, investments and the use of reserves and balances</p>	G	

		are monitored by the OPCC. These are reported to the PCC in the regular update on TM activity		
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.	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 PCCs Liaison 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 PAM 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 area	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. 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?	Accounts are prepared on time, but in line with to wider system issues in the external audit market, the audits have not been completed on time, but have been within new statutory cut-offs.	A	Plans for 2024/25 audit are to complete on time.
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	

Part 2 - CIPFA Financial Resilience – Self-assessment

Financial resilience is the ability of the organisation to withstand financial shocks. TVP are particularly affected by future government funding levels, inflationary and demand pressures. The MTFP is balanced over the next four years, in addition the reserves strategy ensures funding is available should the unforeseen occur. Out productivity improvement plans, and the Force Review in particular, are designed to address these issues both in the short term and the middle to long term, providing additional financial resilience for the force. If our productivity improvement plans were to prove insufficient to address

emerging financial pressures, responses are likely to include the use of reserves in the short term, tight spending restrictions in the short-to-medium term, and reduction in service levels in the medium-to-longer term. These would protect the financial position of the force but damage service delivery.

We address in this section the six public sector indicators of financial resilience. Reviewing these risks provides assurance that the force is financially resilient. The overall risk is reasonable. Within that, the highest risks are the large amount of Savings Planned and the decreasing Usable Reserves. Overall, the financial plans balance the need to spend on the current service with the need to protect the future financial position. 3

1 Savings Planned

The first measure in the CIPFA framework is “Funding Gap”. TVP does not have a funding gap over the MTFP, so we have presented savings targets as a more meaningful measure. Savings plans are set out to in each year of the plan –with more detailed plans in the early years and outline savings in later years. The savings targets as a percentage of NRE are as follows:

Savings Planned	2025/26	2026/27	2027/28	2028/29
Planned Savings £m	15.4	4.2	3.9	3.6
NRE £m	594.9	612.8	631.2	650.0
% of NRE	2.6%	0.7%	0.6%	0.6%

There are high levels of planned savings in the early years, but lower savings requirements in future years provide resilience over the medium to long term.

2 Savings Delivered

TVP has a strong track record of delivering savings as shown in the following table:

Savings Delivered	2020/21	2021/22	2022/23	2023/24	2024/25 Forecast	Total
Planned (cashable) £m	3.47	3.53	2.19	4.15	7.49	20.84
Achieved £m	3.37	3.09	2.15	5.16	8.91	22.68
% of savings achieved	97%	87%	98%	124%	119%	109%

3. Over/underspend

Generally, TVP has delivered underspends in recent years, which are largely appropriated into reserves. This has been due to the high level of staff vacancies, delays on some projects due to resourcing issues both staff and supplies, alongside fortuitous income such as interest receipts. The Group over/underspends reported in the financial statements are as follows:

Over/under spend	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
NRE Budget £m	391	420	449	476	505	527
Over/(under) spend £m	0.3	-1.2	-0.2	-1.2	-4.2	-6.3
Over/(under) spend as a % of NRE	0.08%	-0.28%	-0.04%	-0.26%	-0.82%	-1.2%

4. Usable reserves

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. The current MTFP forecast revenue reserves is set out below (excluding conditional funding, collaborated functions and PCC funds already allocated to Community Safety Partners and other crime prevention projects):

Usable reserves analysis	2024/25	2025/26	2026/27	2027/28	2028/29
NRE £m	556.5	594.9	612.8	631.2	650.0
General Reserves £m	15.8	15.8	16.3	15.8	16.1
Earmarked Reserves £m	25.4	19.6	9.0	8.8	11.6
Total Revenue Reserves £m	41.2	35.3	25.3	24.6	27.7
General reserves as a % of NRE	2.8%	2.7%	2.7%	2.5%	2.5%
Total revenue reserves as a % of NRE	7.4%	5.9%	4.1%	3.9%	4.3%
Change in total reserve levels £m		-5.8	-10.1	-0.7	3.1

Despite the significant ongoing financial and operational challenges, and the planned reduction in reserves, TVP continues to hold a healthy level of general and earmarked revenue reserves. The reserves strategy and assessment is included within the annual budget book. The reserves analysis highlights the importance of delivering the savings in the plan to avoid future calls on reserves.

5. Funding Mix

The proportion of revenue funded by Council Tax is forecast to increase to around 50/50:

Precept Table £m	2024/25	2025/26	2026/27	2027/28	2028/29
Total council tax income	262.9	282.4	297.5	313.0	328.9
NRE	556.5	594.9	612.8	631.2	650.0
Council tax as a % of NRE	47.2%	47.5%	48.5%	49.6%	50.6%

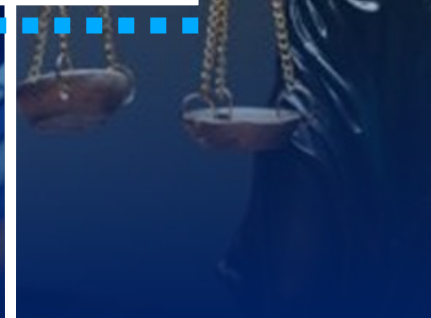
TVP is therefore equally exposed to the risks associated with Home Office Grants (such as a revision of the funding formula, and level of annual increases) and the risks associated with Council Tax (such as Precept and Tax base changes).

6. Borrowing Costs

In accordance with our Capital Strategy we will only borrow for assets with a long-term life, such as land and buildings. Overall borrowing cost as a percentage of NRE remains low but increasing to around 2%. Debt levels are also increasing to around 20% of NRE. This is affordable within the MTFP, but represents an increased level of risk. The borrowing figures are shown below (under the assumption that the increase in CFR is covered by external borrowing and that MRP + VRP is unchanged):

Borrowing (£m)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
NRE	526.3	556.5	594.9	612.8	631.2	650.0
MRP + VRP on borrowing	1.2	0.8	0.8	0.8	0.8	0.8
Interest on external borrowings	1.3	1.3	2.7	4.5	7.3	11.4
MRP - Finance lease principal	1.8	1.7	0.5	0.5	0.5	0.5
Finance lease interest (incl PFI)	0.4	0.3	0.3	0.2	0.2	0.1
Total cost of borrowing	4.7	4.1	4.2	6.0	8.7	12.9
Borrowing as a % of NRE	0.9%	0.7%	0.7%	1.0%	1.4%	2.0%
Level of debt	52.2	51.4	79.3	88.1	107.2	135.1
Capital financing requirement	59.9	57.4	84.0	91.4	109.3	135.9
Debt as a % of NRE	10%	9%	13%	14%	17%	21%

WHAT CONSIDERATIONS DO FORCES FACE FOR AI?



ETHICS & TRANSPARENTY



DATA READINESS



LEGAL & REGULATORY



WORKFORCE SKILLS



RESOURCE CONSRAINTS



GOVERNANCE & OVERSIGHT

Artificial Intelligence Roadmap

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Tactical Deployment

- Increased retrospective facial recognition through PND
- Trialled Live Facial Recognition through Mutual Aid
- Deployed autonomous document redaction
- Developed foundational working and development practices with Robotics



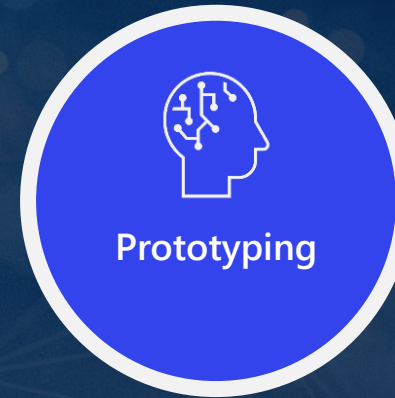
Strategic Guard Rails

- Established initial governance model considering:
- National guidance
 - Member of national AI Board
 - Appointed Force AI Lead
 - Risk Management
 - Cloud Security
 - Platform Approval Criteria
 - Data & Information Policy
 - Officer Awareness & Training



Strategic Exploration

- Artificial Intelligence will be a core theme as we refresh our strategies this year:
- Our technology strategy will ensure our platforms are compliant, interoperable and scalable
 - Our digital strategy will ensure we are able to realise and measure the benefits of our transformation
 - Our data strategy will ensure that our officers and staff are able to utilise their data as an asset



Prototyping

We are currently exploring the capability of AI to risk assess our triage queues with the aim to ensure that those with the highest risk are reviewed by a member of staff at the soonest possibility rather than processing items chronologically.

If proven we will have demonstrated how AI can safely support with proactive policing which has a wide application across all areas of the force.



Land & Expand

- Within the next 24 months we will explore:
- Automated Video redaction
 - AI driven voice analytics to support 101
 - AI enabled chat bots for demand reduction
 - Proactive threat and harm monitoring / alerting
 - Proactive vetting
 - AI supported secondary investigation



JOINT INDEPENDENT AUDIT COMMITTEE

Title: People Policies, Processes and Quality

Recommendation: The Committee is requested to note the report.

1. Purpose

- 1.1. The purpose of this paper is to provide JIAC with an overview of the policies, processes and quality within the People Directorate with a particular focus on identified areas for development, improvements made to date and further improvements planned.

2. Executive Summary

- 2.1. Following a review of policies within the People Directorate, we are confident that they are legally compliant, however, the following observations are made in relation to their use:
 - Accessibility – policies and procedures can be difficult to find
 - Usability – many policies and procedures are long and over-complicated
 - Culture – risk aversion and a strong need for rigid processes to follow
 - Confidence – little experience in managing people matters and a fear of employment legislation
- 2.2. Scrutiny of our people processes has highlighted areas which are overly bureaucratic, labour-intensive and placed under significant strain from the high level of demand.
- 2.3. There have been some very successful improvements made to some people processes, most significantly those in officer recruitment and HR's disability services, but more needs to be done.
- 2.4. Development of a new, 5 year, Force People Strategy is underway, which aims to incrementally improve the usability of people policies and procedures,

the robustness and quality of our processes and the confidence and culture around managing people matters.

- 2.5. Consultation is underway on the draft strategy that is built around making improvements in 5 capability areas to achieve our new vision: “Create a positive working environment that empowers and enables our people to thrive now and into the future”.

3. Policies and Procedures

- 3.1. People policies and procedures should ensure consistency, fairness and legal compliance in managing employees, thereby avoiding disputes and legal issues. They should provide clear guidelines on expectations, responsibilities and workplace behaviour and well defined policies will support better decision making and improve employee satisfaction.
- 3.2. Our policies are reviewed periodically and updated when there are legislative changes or lessons learnt from employment tribunals or operational observations.
- 3.3. Policies are often accompanied by detailed procedures and/or guidance.
- 3.4. Whilst some routine reviews are overdue, we are confident all our policies, procedures and guidance are compliant with legislation and regulation.
- 3.5. However, we are aware of improvements we need to make within the policy system:
 - 3.5.1. Accessibility
 - All policies and procedures are held on the relatively newly created People Portal – a basic information repository and service-request system built on Service Now. This was implemented 2 years ago but use of the system is low, with most individuals preferring to contact a named person in the People Directorate directly.
 - Use of the People Portal is understood to be low for two reasons – gaining access to the Portal take a few clicks from the intranet landing page so isn’t intuitive to find and difficult usability of the policies mean people aren’t inclined to try.
 - The intranet search engine is sometimes not robust enough to find answers on the People Portal when individuals use ‘non policy’ language to ask people-related questions.
 - 3.5.2. Usability:
 - Some policies are long and difficult to navigate, so people are confused where to start looking for the answers they seek. They

instead contact HR for advice, often on low-complexity matters, which diverts HR capacity away from supporting higher priority workload and complex cases.

3.5.3. Culture & Confidence:

- A tendency to be risk averse in people matters together with a lack of confidence results in some managers relying heavily on step-by-step processes to follow. This has caused some of the policies and procedures being long as they try to cover exactly what to do in many scenarios, rather than giving managers and individuals a framework in which to operate with some freedom of thought.

4. Processes

- 4.1. The demand on TVP's people processes is very high. For example, in FY23/24, there were >12,000 Occupational Health appointments, >1000 Workplace Needs Assessments and Reasonable Adjustment referrals, >7000 course session run, >120,000 courses completed, >4000 officer and Special Constable applications and >2000 individuals on accredited programmes.
- 4.2. It is recognised that the people processes are bureaucratic and labour intensive. This is partly due to the previously mentioned risk-averse culture, but can substantially be attributed to out-dated IT systems that are not integrated and not set up to use the full functionality available.
- 4.3. The volume of demand and the capacity to manage this volume puts strain on process quality. However, many improvements across the landscape are now being planned.
- 4.4. Despite the challenges, the People Directorate do look to continuously improve its people processes and customer satisfaction across our processes is very encouraging.
- 4.5. In March 2024, a customer satisfaction survey undertaken by the Force Review team as part of the force Transformation Programme, showed that 92% of respondents felt that the support they received from the People Directorate was average or better.
- 4.6. The two areas with lowest satisfaction – Wellbeing & OHU and Strategic Integration - were expected and had already been subject to focused review prior to the survey. Two other areas – ER and Recruitment and Resourcing have also been, and will continue to be, a focus for improvement.

Strategic Integration:

- 4.7. A primary function of the Strategic Integration team is the provision of people data, working in conjunction with GSI. The Force is aware of the weaknesses in its people data environment. Addressing these is a key focus area for the new People Strategy and the Enabling Services Programme

Wellbeing & OHU:

- 4.8. The scope of the survey question for this area included our disability services – workplace needs assessments, display screen equipment assessments, and direct referrals for reasonable adjustments. We were aware of capacity shortfalls to meet the growing demand in these areas and have developed plans to address these weaknesses which are currently being implemented:

4.8.1. DSE:

- In August 2024 we launched a new in-house developed mandatory training and assessment package (moving away from our outsourced provider). In the 6 months since launching, nearly 50% of our outstanding assessments have been completed. Plans are in place to address the remaining outstanding assessments.

4.8.2. Workplace Needs Assessments (WPNA)

- TVP has faced a rapid rise in the number of people entering the workplace requiring assessment and adjustments for neuro-diverse conditions. This mirrors a UK-wide trend as the awareness and social acceptance of neuro-diverse and mental health conditions improves. This rapid rise in demand has out-paced our capacity to service it.
- The Chief Officer Group approved additional funding for this area to allow the People Directorate team to outsource some of its demand. The procurement process has recently concluded and the engagement with the supplier has commenced.

4.8.3. Reasonable Adjustments

- As well as people requiring reasonable adjustments for DSE or WPN reasons, many individuals require adjustments for other physical or mental health conditions. Referrals for these are made directly to the Reasonable Adjustment Management Process (RAMP) team. This type of referral has also seen rapid increases..
- Throughout the Autumn of 2024, the People Directorate team worked with the Digital team in JICT to re-design the process, with the aim of empowering and enabling individuals and manager locally to self-serve low-complexity cases:
- In January we launched a new intranet site with enhanced guidance for individuals and line managers.

- Also in January we went live with the first part of the new digitally-enabled process so requests and applications are now made on a standard MS Form instead of by email. This increases data security, improves triage processing & prioritisation and will enhance reporting
- We continue to work on introducing further process enhancements that will automate the triage process (based on risk), introduce automated workflow notifications (to individuals and their line managers on low-risk/complexity cases and to the RAMP team for higher risk/complexity cases) and introduce a self-service purchasing portal of common adjustments items and equipment.
- We also aim to further enhance guidance and support for line managers, through FAQs and the creation of bitesize 'hot topic' videos and documents.
- In addition to process enhancements, the Chief Officer Group approved funding to increase the team size. A new RAMP Co-ordinator started Jan '25, with specific focus on dealing with the backlog.

Employment Relations (ER):

- 4.9. Whilst scoring quite highly in the customer satisfaction survey, we are conscious this is an area where improvement opportunities exist. In part this is linked to policy enhancements but broader changes to our operating model are also planned. Recent focus has been targeted on improving the governance and processes around Employment Tribunals, grievances, and support to adjusted officers
- 4.10. Recent changes have strengthened the oversight and management of Employment Tribunals, with decision-making now sitting with the Director of People (DoP), a new formal Quarterly review committee in place, comprising the DCC, DoP, Legal and Comms and a stronger process to capture lessons learnt and to identify and implement actions.
- 4.11. A review of the grievance and adjusted officer policies, procedures and processes are in their early stages.
- 4.12. The aim of the grievance process review is to change the approach and mindset from viewing the process as a form of punitive measure to it more positively enabling conflict resolution and ensuring local business areas take ownership and are held accountable for people matters in their commands.

Recruitment & Resourcing:

- 4.13. The strong customer satisfaction scores in this area are reflective of recent improvements to the end to end processes, in particular in officer recruitment.
- 4.14. Our recruitment processes were put under considerable strain due to the National Uplift programme. Recruiting significant volumes of officers at pace resulted in a reduction in quality in some areas, which in turn saw an increase in student officer attrition. Student officer leavers accounted for 50% of our total attrition, which was on average 41 a month in FY23/24.
- 4.15. One of the main reasons student officers cited for leaving was not understanding, nor being able to cope with, the pressures and work-life of an officer. This exposed a potential lack of robustness in our recruitment process that we have taken steps to address including:
- The re-introduction of interviews as part of the new officer recruitment process, with a local Chief Inspector or Supt chairing the panel, which has helped applicants understand the role of an officer so as to be able to make an informed decision on whether to join or not.
 - The implementation of the Police Constable Entry Programme (PCEP) which many student officers see as a better course for them than the alternatives.
 - Say and Stay Clinics – delivered via a proactive outreach team In the People Directorate to identify and address individual-level issues quickly, where possible.
- 4.16. Feedback from local business leaders and Foundation Training, is that they have noticed a marked improvement in the overall quality of student officers joining TVP as a result of the above.

5. Strategic Development

- 5.1. Development of a new, 5 year, Force People Strategy is underway, that aims to incrementally improve the usability of people policies and procedures, the robustness and quality of our processes and the confidence and culture around managing people matters.
- 5.2. Consultation is underway on the draft strategy that is built around making improvements in 5 capability areas to achieve our new vision: “Create a positive working environment that empowers and enables our people to thrive now and into the future”.
- 5.3. The five strategic capability areas are:

- Attract & Develop - Attract people with the right values, skills and diversity; empowering people to develop personally and professionally with TVP.
 - Lead & Improve – Embed a performance culture at all levels, enabling people to meet role expectations, be innovative and continuously improve.
 - Standards & Culture - Support our people to have a strong sense of belonging, where everyone is accountable for excellent standards of behaviour.
 - Engagement & Resilience - Encourage engagement from all, to proactively manage their own, and support others', welfare, wellbeing and psychological safety
 - Exit & Champion - People leave after an excellent employee experience and fulfilling career, championing TVP in our communities and open to returning.
- 5.4. To deliver this strategy, the People Directorate is intending to evolve its operating model and drive transformation in the Force's organisational people operations, as both are critically important to implement the strategy effectively.
- 5.5. Whilst the fully evolved operating model is yet to be finalised, some key developments that will feature are:
- Developing a transactional services function to deal with low-level HR queries and administration.
 - Increasing the level of Business Partnering, either by geographical or business area, in particular around ER matters.
 - Incrementally enhance the under-pinning IT architecture and systems use, to drive digital-process enhancements and improved reporting.
- 5.6. One critical short-term development will be the creation of a clear Service Catalogue, Service Level Agreements, and an increased rigour around people performance, so the force can better monitor the quality of its processes, make well-informed decisions on targeted interventions and identify best practice to champion across the force.

Report to the Joint Independent Audit Committee

Report Title: An introduction to the OPCC Strategic Delivery Plan

Date: 7th March 2025

Author and contact: April Smith and Victoria Rose, Joint Heads of Strategic Planning

Purpose of the report: To update the committee on the Strategic Delivery Plan current status

Recommendations: For information only

Background

The OPCC has gone through a period of transition over the past 12 months, with an organisational restructure and a move to be more evidence-based and data-driven in our approach in a number of areas. The clear aim must be on spending public money wisely, evaluating the success of projects and monitoring performance.

The Strategic Delivery Plan

As part of this work, both OPCC Strategic and Operational Delivery Plans have been completely refreshed and were signed off at the OPCC February SLT meeting. The Strategic Delivery Plan, which is presented at JIAC, is now more strategic and high-level than the previous version.

It is also tightly focused, being aligned with the PCC's Police and Crime Plan, and ensuring a broad balance of activity between the PCC's key pillars. To ensure that we are delivering organisational performance in a meaningful way, the focus of the Strategic Delivery Plan is on the three pillars of the PCC's plan: one, protecting communities; two, protecting people and three, protecting property.

The Operational Delivery Plan sits underneath this and defines the activity required to deliver the Strategic delivery Plan. As with any detailed plan, it is fluid, with frequent updates.

Further information

OPCC representatives at JIAC will be able to offer insight into some of the activity underneath the areas of focus. Additionally, JIAC members are always welcome to visit the OPCC to speak to some of the team and undertake a "deep dive" into a particular area.

Thames Valley Police & Crime Commissioner Strategic Delivery Plan



Anti-Social Behaviour	Neighbourhood Policing	Crime Prevention	Road Safety	Building Confidence
Fund ASB diversionary or prevention activity.	Utilise the additional budget allocated by the government to increase the number of Neighbourhood Policing officers and introduce measures to monitor the impact of the enhanced resource.	Make use of the Partnership Fund to fund prevention activity across Thames Valley. New guidelines will ensure money is spent in a focused way, utilising the learning on what works from the Violence Prevention Partnership.	Utilise the Road Safety Strategy, that better links Roads Policing with the work of highways authorities, to take a partnership approach to reducing deaths and serious injury on Thames Valley roads.	Continue to develop and embed the work of the joint Trust & Confidence Board with TVP to become BAU.
Specific ASB-themed funding in 2025.	To complement neighbourhood policing work, continue to deliver high quality support to victims through commissioning and partnership work	Develop a strategy setting out how Thames Valley Police Safer School's Officers will engage with young people in education settings consistently across the Thames Valley, to help improve safety and prevent crime.	Expand support for victims and families of serious injury RTCs.	Ensure there are mechanisms in place to better understand public attitudes and levels of trust and confidence in Thames Valley Police. Ensure the lived experience voice is heard.
		Take a crime prevention and an early intervention approach to OPCC commissioning and grant funding activity	Increase the use of technologies across the Thames Valley road network to improve the safety of road users.	Convene Criminal Justice Service partners to address cross-sector criminal justice issues.

Rape & Sexual Offences	Domestic Abuse	Night-Time Economy	Serious Violence	Child abuse & exploitation
Work with stakeholders to improve outcomes for RASSO offences.	Work in partnership to disrupt and prevent domestic abuse by focusing on perpetrators.	Support and enhance targeted programmes that focus on predatory behaviour in the night-time economy.	Continue to host the Thames Valley Violence Prevention Partnership (VPP) within the DPCC during 25-26.	Provide training for a range of stakeholders on raising awareness of child abuse and exploitation.
Improve the RASO victim journey, including through the Criminal Justice system, utilising upcoming Duties and the LCIB as drivers	Undertake a range of broader activities, including working with parents, to reduce the impact of domestic abuse on families and communities across the Thames Valley.	Increase CCTV to target NTE offending.	Fund evaluations into this Serious Violence work to ensure public money is being spent on what works.	Identify mechanisms to educate on the risks posed online to prevent harm.
Support RASO victims to cope and build resilience Work in partnership to support disruption work to prevent repeat RASO perpetrators	Take a public health approach by developing and testing risk-led responses, early intervention and prevention strategies.		Work closely with Local Authorities and other stakeholders to transfer learning over to the new Prevention Partnerships in Local Authorities.	Support those who are impacted by child abuse and exploitation.

Residential Burglary	Retail Crime	Vehicle Crime	Rural Crime	Cybercrime & Fraud
Work with stakeholders to improve outcomes for the low levels of burglary in Thames Valley.	Take a partnership approach to prevent retail crime and increase intelligence reporting.	Work with vehicle manufacturers and police to identify emerging risks and improve vehicle security.	Work in partnership to disrupt, prevent and reduce rural crime.	Increase investment in education and crime prevention in Cybercrime and Fraud.
Support those impacted burglary to cope and build resilience.	Work with retailers to consider how best to support their employees with the impact of retail crime.	Offer vehicle crime education and raise awareness with the public.	Work with those impacted by rural crime to identify options for crime prevention and increase trust and confidence.	Work with those affected by fraud and cyber crime to reduce the impact and risk of re-victimisation.
			Take a regional approach to tackling rural crime by working with neighbouring force partners.	

