

**OFFICE OF THE POLICE & CRIME COMMISSIONER FOR HUMBERSIDE/  
HUMBERSIDE POLICE**

**JOINT INDEPENDENT AUDIT COMMITTEE**

**Monday, 17 July 2023 - 10.00AM**

**Office of the Police and Crime Commissioner, The Lawns, Harland Way, Cottingham,  
HU16 5SN**

**AGENDA**

<b>Business</b>		<b>Lead</b>	<b>Primary Action Requested</b>
1. Minutes of meeting 19 June 2023	Pages (1 - 4)	Chair	To approve
2. JIAC Action Schedule	Page (5)	Chair	To receive
3. Annual Cycle of Business 2023/24	Page (6)	Chief Finance Officer (OPCC) & Head of Finance and Business Services (HP)	To receive
<b><u>Corporate Governance</u></b>			
4. Strategic Risk Update i) Office of the Police and Crime Commissioner  ii) Humberside Police	Pages (7 - 12)	Assurance Manager (OPCC) & Strategic Planning Manager (HP)	To receive
<b><u>External Audit</u></b>			
5. Progress Update	Pages (13 - 19)	Mazars	To receive
<b><u>Internal Audit</u></b>			
6. Progress Reports	Pages (20 - 35)	West Yorkshire Police (Internal Audit)	To receive
<b><u>Force Update</u></b>			
7. Feedback from the Force HMICFRS Assurance Group	Verbal	JIAC Members	To receive
<b><u>Other Business</u></b>			
8. Any Other Business	-	Chair	-



## HUMBERSIDE POLICE/OFFICE OF THE POLICE &amp; CRIME COMMISSIONER

## JOINT INDEPENDENT AUDIT COMMITTEE

MONDAY, 19 JUNE 2023

Office of the Police and Crime Commissioner, The Lawns, Harland Way, Cottingham,  
HU16 5SN

## PRESENT

## Members:

Chris Brown (Chair), Melissa Dearey, Kathryn Lavery, Nigel Saxby and Gerard Wareham

## Officers:

Humberside Police (HP)

Paul Anderson - Deputy Chief Constable, Emma Bowen - Head of People, Sabine Braddy - Financial Accountant, Kirsty Green - Deputy Head of People and James Tabor - Strategic Planning Manager

Office of Police and Crime Commissioner (OPCC)

Paul Wainwright - Head of Assurance and Statutory Duties and Kevin Wilson - Chief Finance Officer

Auditors

Gavin Barker (External Audit) and Neil Rickwood (Internal Audit)

Committee Manager

Samm Campbell

*Gerard Wareham declared a non-pecuniary interest in item 17/23 insofar as he was the Chair of a charity eligible for community grant bids.*

**13/23 MINUTES OF 20 MARCH – Agreed** - That the minutes of the meeting held on 20 March 2023 be confirmed as a correct record.

**14/23 JIAC ACTION SCHEDULE - Received** - That the Action Schedule be received.

**15/23 ANNUAL CYCLE OF BUSINESS 2023/24 - Agreed** - That the Annual Cycle of Business 2023/24 be received.

**16/23 EXTERNAL AUDIT PROGRESS UPDATE** - The Committee received an update presented by Gavin Barker (Mazars).

While the substantive work had already been undertaken in relation to the 2020/21 audit, it remained open pending the close of the whole of government accounts. The overall and value for money opinions had been issued in relation to the 2021/22 audit and Mazars was in the process of writing the report for the whole of government accounts for the National Audit Office. For both the 2020/21 and 2021/22 audits, Mazars would need to wait for the completion of the whole of government accounts before it would be able to issue audit certificates.

The accounts had recently been finalised for the 2022/23 audit, with the timetable for completion moved forward to the end of May 2023. This had also brought the audit forwards by two months, with a target completion date of 30 September. However, Mazars informed the Committee that this date was not achievable and that it was unable to start its audit work until November 2023 and expected to complete the bulk of its audit work by the end of December 2023.

**Agreed** - That the update be received.

**17/23 INTERNAL AUDIT PROGRESS REPORTS** - The Committee received the progress report presented by Neil Rickwood - Head of Audit.

Since the Committee’s meeting on 20 March 2023, most of the audit activities and reports had been finalised. The Committee discussed management responses to internal audit reports and it was agreed that the matter would be discussed at the meeting due to be held on 17 July 2023.

**Agreed** - That the Progress Reports be received.

**18/23 INTERNAL AUDIT ANNUAL REPORT 2022/23** - The Committee received Audit Annual Report 2022/23 presented by Neil Rickwood - Head of Audit.

The IS Change Management audit would be carried forward into the 2023/24 audit plan as South Yorkshire Police needed to arrange assistance for the audit activity. The status of other audit activities was summarised as follows:

<b>STATUS OF AUDITS</b>	<b>2022/23*</b> (as at year end)	<b>2023/24</b> (as at 8 June 23) APPENDIX A
Final Reports with Response Received	8	-
Final Reports – Response Awaited	-	-
Final Reports – No Response Required	4	-
Work Completed/ Advice/ briefings provided	-	-
Draft Reports Issued	1	-
In Progress	2	5
<b>TOTAL</b>	<b>15</b>	<b>5</b>

**Received** - That the Audit Annual Report 2022/23 be received.

**19/23 TREASURY MANAGEMENT ANNUAL REPORT 2022/23** - The Committee received the Treasury Management Annual Report 2022/23 presented by the Chief Finance Officer.

Treasury Management, as defined by the Chartered Institute of Public Finance and Accountancy (CIFPA) Code of Practice 2009 was:

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

The Commissioner’s temporary investments had totalled £9m on 31 March 2023 and were summarised as follows:

Interest Earned 2022/23	Rate of return 2022/23	Benchmark return 2022/23*	Difference (+ favourable)
£480,806	5.34%	4.18%	+1.16%

Interest earned during 2022/22 was £390k higher than originally budgeted for in respect of investment activity for the year, due to more favourable interest rates than anticipated and a higher level of investments. There had been no short-term borrowing during the 2022/23 financial year. Long-term loans were taken out either to replace existing loans which had matured or to fund capital expenditure. Under the Prudential Regime there were no longer centrally imposed limits on borrowing, but individual Commissioners were required to determine what was a sustainable and affordable level of borrowing as an integral part of their Medium-Term Financial Planning processes. The Commissioner's average level of borrowing was £103.6m for 2022/23, on which £2.3m of interest was payable. The Commissioner had repaid £3.2m of PWLB debt upon maturity and had not taken any new borrowing during 2022/23. The closing PWLB debt at 31 March 2023 was £102m.

The Committee queried why there had been an underspend on ICT and whether there would be implications for service delivery. There would be no implications on service delivery and the underspends were the result of delayed implementation. The OPCC had no concerns about ICT and the underspend was due to the splitting of expenditure on significant projects across two financial years. The Force's core ICT had changed significantly in the previous two years and was in a better position than it had been previously.

**Agreed** – That the Treasury Management Annual Report 2022/23 be received.

**20/23 ANNUAL ACCOUNTS 2022/23** - The Committee received the annual accounts for the Office of the Police and Crime Commissioner and Humberside Police presented by the Chief Finance Officer.

The annual accounts for 2022/23 had been published for both the OPCC and Humberside Police on 31 May 2023. This represented a significant achievement as the deadline for publication had been brought forward by two months compared to previous years.

The Committee asked whether either set of accounts had been subject to queries during the public inspection process. No queries had been received but queries had been received in previous years. The Committee questioned the capital programme - the Force was fortunate to have made significant capital investments before inflation and labour shortages had increased costs. The investments in Clough Road, Melton 1 and 2, and the custody suite in North Lincolnshire had proven to be prudent and timely.

**Agreed** - That the annual accounts for the Office of the Police and Crime Commissioner and Humberside Police be received.

**21/23 UPDATE ON NUMBERS AND DEPLOYMENT OF ADDITIONAL RECRUITED OFFICERS** - The Committee received an update on the numbers and deployment of additional recruited officers presented by the Head of People.

During 2022/23, the Force had recruited 332 officers. The full time equivalent (FTE) target was 2,222, up from 2,093 in the previous year, which was equivalent to 2,251 employees. By 31 March 2023, the Force had 2,266.83 FTE with a headcount of 2,294. In 2023/24, the Force intended to recruit 204 officers to meet its FTE targets and to address forecast attrition rates. The pipeline of applicants was good, with 105 being processed for the September 2023 intake, which would yield 56 officers.

The Committee queried the Force's attrition rate and it was explained that the rate of attrition was slightly above the national average and that the Force was exploring why this was the case in order to reduce its turnover rate (9.21 percent). The Force had undertaken considerable work on attracting applicants and engaging different communities locally. There would be a renewed focus on the process of recruiting detectives to address vacancies. The entry route for detectives had become equivalent to a degree programme and it could take an applicant as many as five years to become fully, independently operational. The Force had invested significantly in Positive Action to make itself more reflective of the surrounding community, including in senior leadership positions.

The Committee asked about the vetting process for applicants. The vetting process continued to be trusted but HMICFRS had instructed all police forces to re-vet officers every 6 months.

**Agreed** - That the update be received.

**22/23 FEEDBACK FROM THE FORCE HMICFRS ASSURANCE GROUP** - The Committee had received an update from Members that had attended the recent Assurance Group meetings.

**Agreed** - That the update be noted.

**23/23 OTHER BUSINESS - TRAINING** - **Agreed** - That the Committee receive training on internal governance.

**ROLLING ACTION SCHEDULE OF JOINT INDEPENDENT AUDIT COMMITTEE - HUMBERSIDE POLICE/OFFICE OF POLICE & CRIME COMMISSIONER**

<b>Date of Meeting</b>	<b>Agenda Item</b>	<b>Minute Number</b>	<b>Action</b>	<b>Officer to Action</b>	<b>Complete/Update</b>
19 June 2023	Other Business - Training	23/23	That the Committee received training on internal governance	Paul Wainwright - Head of Assurance and Statutory Duties (OPCC)	
12 December 2022	Auditor's Completion Report Follow Up Letter 2021/22	54/22	(b) That, once the follow up letter Auditor's Completion Report Follow Up Letter 2021/22 is available, it be shared via email to the GAS Committee for information prior to formal consideration of it at the next meeting.	Gavin Barker - External Audit	<b>Complete</b>
26 September 2022	External Audit Completion Report	43/22	(b) that the Committee be updated in relation to the disaster recovery exercise referred to in the report; (c) that the Committee be updated on the actions arising from the report, and (d) that future reports contain more detailed management responses to recommendations.	Gavin Barker - External Audit	<b>Complete</b>
20 June 2022	Strategic Risk Update	21/22	(c) that the full risk register be circulated to the Committee.	James Tabor - Strategic Planning Manager	<b>Complete</b> – the register was circulated.
20 June 2022	Internal Audit Progress Update	24/22	(b) that subsequent internal audit reports contain timelines for recommendations.	Neil Rickwood (West Yorkshire Police)	<b>Complete</b> – the report was updated at the 26 September meeting..
21 March 2022	Declarations of Gifts, Hospitality and Sponsorship	09/22	(a) That the Gifts and Hospitality form be amended to include an additional column to include who offered the gift/hospitality.	Paul Wainwright - Head of Assurance and Statutory Duties (OPCC)	<b>Complete</b> – this is now included.
21 March 2022	Declarations of Gifts, Hospitality and Sponsorship	09/22	(b) That the Chief Executive of the OPCC publish a separate register of interests form.	Paul Wainwright - Head of Assurance and Statutory Duties (OPCC)	<b>Complete</b> – register of interests completed annually.





**JIAC Annual Cycle of Business**

Agenda Item/Issue	19 Jun 2023	17 Jul 2023	25 Sep 2023	11 Dec 2023	18 Mar 2024	Lead
<b>Standing Items</b>						
Minutes of previous meeting	X	X	X	X	X	Committee Manager
Action Schedule	X	X	X	X	X	Committee Manager
Draft Annual Cycle of Business for next financial year					X	Committee Manager
Timetable of Meetings				X		Committee Manager
<b>Statutory and Corporate Governance &amp; Risk Management</b>						
Risk Registers (full review)		X		X		Paul Wainwright - Assurance Manager (OPCC)/James Tabor - Strategic Planning Manager (HP)
Force Complaints Update			X		X	Clare Rex - Statutory Operations Manager (OPCC)
Draft Annual Governance Statements					X	Paul Wainwright - Assurance Manager (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
Declarations of Gifts, Hospitality & Sponsorship ( <i>link to Force &amp; OPCC websites</i> )					X	Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
<b>Finance</b>						
Treasury Management Strategy					X	Kevin Wilson - Chief Finance Officer (OPCC)
Treasury Management Mid-Term Review				X		Kevin Wilson - Chief Finance Officer (OPCC)
Treasury Management Annual Report	X					Kevin Wilson - Chief Finance Officer (OPCC)
Draft Accounts	X					Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
Audited Accounts	X					Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
<b>External Audit</b>						
Audit Strategy Memorandum	X					Gavin Barker - Mazars (External Audit)
Report Updates	X			X		Gavin Barker - Mazars (External Audit)
Audit Completion Report		X				Gavin Barker - Mazars (External Audit)
Auditor's Annual Report	X			X		Gavin Barker - Mazars (External Audit)
Audit Opinion		X			X	Gavin Barker - Mazars (External Audit)
<b>Internal Audit</b>						
Annual Audit Plan (Review and Approve)					X	Neil Rickwood - West Yorkshire Police (Internal Audit)
Progress Reports (including any final reports)	X	X	X	X	X	Neil Rickwood - West Yorkshire Police (Internal Audit)
Head of Internal Audit Opinion and Annual Report						Neil Rickwood - West Yorkshire Police (Internal Audit)
<b>Force Update</b>						
Force HMICFRS Assurance Group Update	X	X	X	X	X	JIAC Members
Update on Numbers and Deployment of Additional Recruited Officers	X			X		Emma Bowen - Head of People Services (HP)

Additional Items						





**OPCC STRATEGIC RISK REPORT**

<b>MEETING DATE:</b>	17 July 2023
<b>AUTHOR:</b>	Paul Wainwright, OPCC Head of Assurance and Statutory Duties

**AREA(S) FOR DISCUSSION**

This is the Strategic Risk Report for the Office of the Police and Crime Commissioner (OPCC) covering the period from the last JIAC update.

An Executive Summary is provided at Appendix 1. The full Risk Register is open to JIAC members on request.

**ISSUES OF NOTE**

There are two further strategic risks added since the last report. These cover Volunteer Schemes and PCC Election 2024.

The Volunteer Schemes risk refers to potential data loss by volunteers, but is mitigated through a range of approaches including volunteers being with staff at all times, paperwork being destroyed after each meeting, volunteers being vetted and trained, and access only to redacted printed material.

The PCC Election 2024 risk refers to the next PCC Election in May 2024. As with the two previous elections there will need to be close monitoring of potential candidates, manifestos, and campaigns. The OPCC staff will receive regular updates and media briefings on protocol.

No risks are currently for archive. Attached in the latest iteration of the Risk Register in Executive Summary style at the end of the report.

**NEXT STEPS**

Please note the content of the summary OPCC Risk Register.



# Executive Summary of Risks

Pentana Risk						
Go To... 4		Risks 1	Print	Help	Paul Wainwright	
Risks- <span style="float: right;">Search for Risks</span>						
← 1 of 1 →						
Code & Title	Current Assessment	Date Assessed	Score	Impact	Likelihood	
⊕ ▲ OPERATIONAL RISK REGISTER	21					
⊖ ▲ STRATEGIC RISK REGISTER	2		9			
⊖ ▲ Assurance			1			
▲ Volunteer Schemes	▲ I4L2 High/Low	06 Jul 2023	8	—		
⊖ ▲ Communications & Engagement			2			
▲ Communication and Engagement Workplan	▲ I2L3 Low/Medium	29 Jun 2023	6	—		
▲ PCC Election 2024	▲ I3L2 Medium/Low	20 Jun 2023	6	—		
⊖ ▲ Data Protection			1			
▲ Police Complaints Reviews	▲ I3L2 Medium/Low	06 Jul 2023	6	—		
⊖ ● Finance	1					
● Uncertainty over medium term funding due to, CSR and Police Formula Review	● I4L4 High/High	26 Jun 2023	16	—		
⊖ ▲ Statutory & Administration			1			
▲ Ensure we are in line with current statutory and regulatory requirements	▲ I3L2 Medium/Low	06 Jul 2023	6	—		
← 1 of 1 →						



**JIAC- Strategic Risk update**

<b>MEETING DATE:</b>	July 2023
<b>AUTHOR:</b>	Jonathan Lambert, Strategic Support officer

**AREA(S) FOR DISCUSSION**

This is the Strategic Risk Report for the Force covering the period from the last JIAC and reported by exception only.

**EXCEPTIONS / ISSUES OF NOTE**

By exception, there has been two Archived risk and five risks arising which are been actively mitigated. Please find attached the latest iteration of the Risk Register in attached at the end of the report.

**EXCEPTIONS / ISSUES OF NOTE**

**Archived Risk: 06/22 Firearms Licensing** - Based on the implementation of Niche and migration of the risk flags which notifies departments if certificate holders have an interaction with the police/court etc as well as how certificate holders are all updated on PNC, this means that if one is arrested it will link directly into the National Firearms Licensing Management System. We are now satisfied that the original risk as defined has been mitigated.

**Risk Archived: 09/21 BMW N57 3.0 litre 6 cylinder engine** – The mitigations we have implemented have proved successful at mitigating the risk, although this is has been de-escalated enhanced maintenance regime and pro-active oil sample testing will remain in place so long as the BMWs remain on the fleet. This will apply to both the N57 and B57 engine variants. Changing oil and filters at circa 4500 miles has proved to be effective in managing the risk of oil and bearing deterioration with no concerns being highlighted in oil test results. The operational capability of the core SOU fleet is in the main restored to pre-N57 levels and, subsequently, can be managed through fleet.

**Risk Arising: 01/22 Retention, Review, Disposal Risk** – This is a risk which has been mitigated through our Information Governance Unit risk register but has been escalated for strategic over site. There is a requirement to RRD under the Record Management Code of Practice, and the Authorised Professional Practice sets out how this is to be achieved. There is equally a reputational risk to the force as we are currently holding records that there is no legitimate policing reason to retain, which may result in a critical judgement from ICO or HMICFRS or in the case of a Judicial Review. A critical recommendation has already been received from IPCO. There is therefore a risk to public confidence.

**Risk Arising: 02/23 General Purpose Body Armour** - As of Wednesday 18th January 2023, stores are no longer able to place any further orders for General purpose Body Armour systems. This means that we are now unable to place any further orders for an armour system until the new BLC contract is awarded & fully available for us to place orders against. This is a national problem affecting all 43 UK Forces & as such there is currently no alternative provider for the new (2017) specification system for anyone which means we have no means of obtaining further stocks until the implementation of the new BLC contract. As a Region, we are currently in a better position than just about any other UK Force because we hold a small stock quantity & we

have also forward forecast demands up until May/June 2023 according to the regional recruitment figures that we have been provided. This means 'if recruiting figures are increased for any role that requires a body armour, then we will not be able to respond by purchasing extra systems to cover the increase in numbers. This will in turn deplete our stocks faster & effectively take systems away from the original recipients.

**Risk Arising: 03/23 Police Legitimacy/public Trust and Confidence** - Recent events in London have directly impact on all UK Police Forces and will influence police legitimacy nationally. Humberside have had our own incidents/investigations which have led to criminal and misconduct cases. These have led to officers/staff been found guilty of gross misconduct and criminal offences relating to the abuse of their position for sexual gain, inappropriate sexual behaviour and conduct towards colleagues and victims.

Nationally there is a genuine risk to the Peelian principle of policing by consent. This is fundamental to the British model of policing and public respect needs to be regained to ensure public support remains strong and that females will be confident approaching male officers.

**Risk Arising: 06/23 Force Access Control System** - The existing force Access Control System (Comelit PAC) operates across 45 Sites which comprises of 291 controllers, 582 doors, 7576 users having 70 access groups. The existing operational software was obsolete and not supported, a new operating system was obtained, and a programmed transfer was carried out over the period 27th February to 1st March 2023. To progress this work IS built a new server and Comelit PAC attended site to install the new operating system and transfer the system with Fairburns (Maintenance Contractor) and JES.

However, The system crashed when the last 3 sites were in the process of being transferred, this required the system to be forced back into operation by accepting the last download in its memory. This resulted in Scunthorpe, Priory and Clough Road requiring addition download to ensure that these sites were fully operational. This crash resulted in 4 breaches into the Scunthorpe secure main property site due to the PAC failure.

**Risk Arising: 06/23 Force Access Control System** - Humberside Police have contract for an end-to-end control room solution (Smart Contact) with Sopra Steria Limited (SSL). NEC are a third-party supplier to the contract. The contract was let in 2016 as a shared contract with SYP as the lead force. The Competition and Markets Authority has required NEC to sell its control room products. All contracts have been transferred to a separate legal entity Eagle Newco Limited in preparation for the sale. There is current uncertainty around this and we need to gain assurance around the transfer of the contracts to Eagle Newco Limited and to a new third-party supplier once the sale is completed.

## **NEXT STEPS**

Please note the content of the Force Risk report.



## Executive Summary of Risks

URN	Title & brief synopsis	Before controls		RAG	After controls		RAG	Residual Move	Controls Mitigation	Owner	Manager
		Imp/Likely	H		Imp/Likely	H					
04/18	<b>Health and Safety Management</b> [closure of H & S gaps]	H	H	VH	M	M	M	Improving	Joint Board overseeing. Local and force meetings continue. A Force wide training plan is currently under implementation to ensure competent workforce. A more robust reporting system is being explored via Oracle, cost unknown. Ongoing cultural change. To date 353 individuals have completed IOSH Working Safely training and 276 have completed IOSH Managing Safely. Ongoing works is being conducted to review e-learning and ensure there are appropriate material in place to support learning of specific health and safety topics such as DSE and Manual Handling.	ACO	S Powdrell
11/13 & 07/18	<b>Emergency Services Network (ESN)</b> [cost, timeliness, infrastructure, compatibility, connectivity]  <b>AIRWAVE</b> [Cost, servicing old equipment, providing new equipment for old system pending ESN arrival]	H	M	M	H	M	M	Static	The national Full Business Case has now been approved. The delivery of the Emergency Service Network has been put back as part of this approval with the network now available from Q2 2024 and Airwave switch off now December 2026. The joint HP/SYP ESN Project Board has agreed that the roll out of devices will commence mid-2025. The MTRS has been amended to reflect these dates. The ESN Project Board has commissioned work to ensure that the Project is adequately resourced to undertake the work ongoing now and to completion of device roll out.  Replacement of the control room DCS is underway to keep Airwave running. Airwave switch off is now December 2026.	ACC	I White
04/16	<b>Finance</b> [ Risk to Performance due to Financial Constraints]	H	M	M	M	L	M	static	There are financial risks over the MTRS period including pay awards, non-pay inflation, the requirement to make savings, uncertainties of financial settlements, precept limits set by the government and requirements to meet the green agenda in estates and fleet.  The risks are mitigated by holding reserves over the 5-year period, a comprehensive 5-year MTRS that reflects demand, a realistic level of efficiencies with a good track record of achievement and monthly budget monitoring. All of these mitigations ensure financial sustainability for the Force.	ACO	A Mennell
06/16	<b>Data Quality</b> [poor quality of data input and uncertainty of integrity of extracted data]	VH	VH	VH	H	M	M	Improving	The Data Quality Board has now been established – relevant actions and updates will be escalated to IMB.  New National Data Board is being inaugurated through IMORCC. Terms of Reference are in preparation. This will ultimately drive data standard improvement through increased national dashboard comparison tables, engagement with current and future suppliers and through the anticipated HMICFRS and Information Commissioner's Office inspections.  An action plan for Data Quality has been created to progress measures set out in the ICU Review. This includes an education and feedback programme with the aim of eradicating the errors at source; performance improvements are being recorded and are reported through LAMs. An uplift of 5 officers and staff was agreed by COG and all are now in place, which has increased the volume of Data Quality issues (and specifically duplicate nominals on Niche) that the team resolve on a monthly basis. RPA (automation) assistance has been identified and has impacted positively on overall Data Quality issues within Niche. Additional resources have been identified to progress technical solutions to improve Data Quality reporting following the implementation of Niche, and to reduce the number of Single Use Entity records (records without a date of birth).	DCC	Rachel Julian

									With the adoption of a Digital Access Management system there will be the opportunity to improve Data Quality at the point of capture.		
05/21	<b>Microsoft operating</b> [ The availability, confidentiality and integrity of the Policing network, infrastructure and or Policing OFFICIAL data is directly impacted through the continued deployment of unsupported Operating Systems.]	H	M	M	M	M	M	Improving	To facilitate the corporate response to this risk, a GOLD meeting was announced by DCC Anderson to pull the necessary resources, risks and associated discussions together to form a corporate response. As part of the Office 365 on boarding IS have commissioned a piece of work to evaluate the performance and compatibility of applications used within the business against the NEP prescribed version of Windows 10. The IS report provides the plan on a page to overcome these challenges with deadlines and dependencies.	DCC	Louise Taylor
01/22	<b>01/22 Retention, Review, Disposal Risk</b>	H	H	H	M	H	M	Static	The risk relating to RRD is of the force continuing to hold records for which there is no policing purpose. This may result in reputational damage if a critical judgement is received from ICO or HMICFRS inspections, or if there is a Judicial Review. A critical recommendation has already been received from IPCO, and a paper has been presented to COG to address the risks.  On the 14 <sup>th</sup> of June a paper was submitted to COG in relation to temporary additional RRD resourcing. Three options were suggestion and option three has been agreed by COG. Funding will be sought from the OPCC as initially discussed.	DCC	Rachel Julian
02/23	<b>General Purpose Body Armour</b> As of Wednesday 18th January 2023, stores are no longer able to place any further orders for General purpose Body Armour systems until the BLC Contract is awarded	H	M	H	M	M	M	Improving	we are currently in a better position than just about any other UK Force because we hold a small stock quantity. Stores also would normally withdraw any defective armour system & send it for destruction but at this current time, we would allow the customer to retain It until a further solution is reached as long as it is safe to do so.	ACC Marshall	Sue Aldridge
03/23	<b>Police Legitimacy/public Trust and Confidence</b> – Based on national scrutiny around Misogyny, sexism and racist conduct within policing	VH	H	VH	VH	M	H	Static	We track, monitor, and liaise with the public and key stakeholders to ensure we can maximise transparency and build trust and confidence in Humberside Police. We have also consulted with all the Staff Associated groups ensuring our staff feel valued and supported.	C/Supt Wildbore	C/Supt Wildbore
06/23	<b>Force Access Control System</b>	H	VH	VH	M	M	M	Improving	<ul style="list-style-type: none"> <li>•A 24/7 maintenance contract is in place to repair replace faulty items on site with an external contractor.</li> <li>•Comelit PAC carry out annual service to check software and provide technical expertise to the force and contractors.</li> <li>•Visitor cards can be obtained on the 24hr operational sites to give general access if there is a card issue.</li> <li>•Any bespoke 24/7 access can be given via the JES on call engineer</li> <li>•Back up locks (Box Keys) can be evoked if major failure of the PAC system or individual doors. Specialist teams have external key presses with manual locks in the event of a failure.</li> </ul>	ACO	Mark Blenkinsop
06/23	<b>NEC Product Sale</b>	VH	H	VH	TBC	TBC	TBC	TBC	<p>Governance:</p> <ul style="list-style-type: none"> <li>•Regional Procurement is writing to SSL to establish their position.</li> <li>•Eagle Newco Limited need to be added as a third party to the SSL contract via CCN.</li> </ul> <p>Technical:</p> <ul style="list-style-type: none"> <li>•Assurance around the continued contract support and transfer of knowledge of products to the future supplier is being sought from SSL.</li> <li>•Assurance around the transfer of the software escrow agreement in the revised contract is also being sought.</li> </ul>	ACO	Scot Dunn

Report of the Head of Audit

## INTERNAL AUDIT PROGRESS REPORT

### 1 PURPOSE OF THE REPORT

- 1.1 The report sets out the current progress against the 2023/24 Audit Plan.

### 2 BACKGROUND

- 2.1 This Progress Report monitors the delivery of work undertaken in relation to the provision of shared Internal Audit services as per the Joint Service arrangements between West Yorkshire and Humberside Police & Crime Commissioner (PCC) and the respective Police Forces.

**Table 1: Summary of Progress against the Audit Plan for 2023/24**

STATUS OF AUDITS	2023/24 (as at 30 June 23) APPENDIX A
Final Reports with Response Received	-
Final Reports – Response Awaited	-
Final Reports – No Response Required	-
Work Completed/ Advice/ briefings provided	-
Draft Reports Issued	-
In Progress	5
<b>TOTAL</b>	<b>5</b>

- 2.2 Since the June JIAC the only outstanding audit relating to the 2022/23 audit cycle is the Custody Services Review which has been issued as a draft report (June 2023) (REASONABLE ASSURANCE) and a meeting arranged to agree management feedback/ responses in early July. As reported previously the IS audit work has been carried forward for completion as part of the 2023/24 audit plan due to the delays in obtaining agreement/ approval for a joint audit programme with SYP.

All audits once finalised are made available in full on the members portal.

- 2.3 Currently the 2023/24 audit plan has 5 audits being scoped/ in progress, including the aforementioned IS audit assignments.
- 2.4 Following the June JIAC where timeliness issues, particularly regarding the finalisation of audit reports upon receipt of management responses was discussed it was proposed that the Strategic Planning Manager should act as a central single point of contact (SPOC) in relation to audit report outputs. This is a logical extension to the Strategic Planning Department's current action tracker work (as detailed in Appendix B, 2.2), where they will help expedite the process of obtaining management responses. Internal Audit will still confirm

the appropriateness of the management responses received for audits given inadequate or limited assurance opinions..

2.5 It was agreed that the Strategic Planning Department would only be required to get involved once the audit reporting timescales (management responses received within three weeks of final report being issued) had been exceeded without any engagement from the report recipients and in particular where original force leads have moved roles which can often be the primary reason for delays in finalising audits.

2.6 To continue the additional commentary provided as part of the progress report introduced in September, both the RAG rated audit progress/ status (Appendix A) and recommendation follow-up/ action tracker (Appendix B) have been updated.

### **3 OPTIONS, RISKS AND OPPORTUNITIES**

3.1 If the Internal Audit function does not provide an efficient and effective risk based audit service the Police and Crime Commissioner and Force will be unable to obtain an appropriate level of assurance regarding the system of internal control operating within both organisations.

### **4 POLICING PLAN AND PERFORMANCE**

4.1 Internal audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving 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.

### **5 IMPACTS ON OR LINKS TO COLLABORATION**

5.1 The Internal Audit function is provided to the Humberside Police & Crime Commissioner and Chief Constable by internal audit staff from the West Yorkshire Office of the Police & Crime Commissioner under a s22 agreement with the Police and Crime Commissioner for West Yorkshire.

### **6 FINANCIAL IMPLICATIONS**

6.1 There are no direct, specific financial implications within the progress report. However, individual audits contained within the report may include recommendations which contribute to a more effective use of resources and enhance the value for money being obtained by the Force/ PCC. In addition, wherever practicable, recommendations are made which do not cause the PCC/ Force to incur additional costs.

## **7 LEGAL IMPLICATIONS**

- 7.1 The Police and Crime Commissioner and Chief Constable are required to ensure that appropriate Internal Audit arrangements are in place.

## **8 EQUALITY AND DIVERSITY AND HUMAN RIGHTS**

- 8.1 There are none in the context of this report.

## **9 CONCLUSION**

- 9.1 The report summarises progress to date against the 2023/24 audit plan and updates members on the findings of the External Quality Assessment.

## **10 RECOMMENDATIONS**

- 10.1 It is recommended that the Joint Independent Audit Committee note the contents of the report and discuss any issues arising.

### **Contact Officer:**

Neil Rickwood, Head of Audit

### **Background documents:**

Appendix A - Audit Plan 2023/24 (to date)

Appendix B – Recommendation Follow-up & Action Tracker Report



**Appendix A – 2023/24 Internal Audit Plan and Progress (as at 8 June 2023)**

<i>Audit Name</i>	<i>Scheduled</i>	<i>Type of Audit</i>	<i>Audit Progress &amp; Status (RAG rated)</i>	<i>Audit Opinion</i>	<i>Description</i>
Use of Forensic Hits	Q1	Risk	Scope being agreed.		Review to undertake an audit of the effectiveness of the Use of forensic hits in the outcomes of investigation of volume crimes. <i>(NB Much of data necessary is available from similar audit undertaken in WY).</i>
Violence Against Women & Girls Strategy	Q1-4	Risk	(1) VAIWG Strategy: Stalking (2) VAIWG Strategy: Harassment  (Being scoped commencing Q2)		Ongoing programme of work to evaluate/ provide assurance regarding HP's various workstreams and overall prevention approach to VAIWG. This audit will include coverage under the three 'pillars' of the VAIWG framework, namely: build trust and confidence, relentless perpetrator pursuit and safer spaces. A number of crime types reviewed in line with the national VAIWG strategy will include Stalking, Sexual and other forms of Harassment, Domestic Abuse, and Violence in public places and online.
Police Complaints	Q1-2	Governance			The audit will consider compliance with current complaints legislation, examining complaints processes from end to end, taking into consideration how effectively phone triaging is used for low-level service issues. The audit will also assess processes withing the OPCC for the management of appeals.
OPCC Community Safety Fund	Q1-2	Assurance/ Support			The PCC's Community Safety Fund offers grants towards the costs of community safety and crime reduction projects across the Humber area. It is designed to support community organisations to kick-start local projects that will cut crime and antisocial behaviour and improve feelings of safety. The Fund can provide funding of between £500 and £35,000 towards projects that meet the scheme criteria. A total of £1.1m has been allocated to the Fund between 2022/23 and 2024/25.

<i>Audit Name</i>	<i>Scheduled</i>	<i>Type of Audit</i>	<i>Audit Progress &amp; Status (RAG rated)</i>	<i>Audit Opinion</i>	<i>Description</i>
					The audit will consider the due diligence around the allocation of monies within this fund, and overall transparency of these decision-making processes
Right Care Right Person	Q1-2	Risk			HP have adopted a Right Care Right Person policy within the Force Control Room. This approach signals a significant change in how HP will respond to calls for service in relation to areas including Concerns for Safety, Mental Health, and Missing Persons. The audit will be an in-depth assessment of this policy, across each of the key phases of policy implementation.
IS Change Management	Q3	Assurance/ Support	In Progress – c/f 22/23		IS Audit Programme signed-off by Chief Officers in HP & SYP (late 2022). The objective of these reviews is to undertake a risk based, system audit relating to the change management & asset management processes to provide assurance that the process is controlled, monitored, and follows good practice.
IS Asset Management	Q3-4	Assurance/ Support	In Progress- c/f 22/23		
Financial Systems Assurance & Testing	Q3-4	Financial Systems			Annual review of Key Financial Systems, including Payroll, Debtors, Creditors & Budget Monitoring.
Follow-Up Exercises	Q1-4	Follow-up			



**SUBJECT: UPDATE ON TRACKED ACTIONS & THE FOLLOW-UP OF RECOMMENDATIONS**

**REPORT OF THE HEAD OF AUDIT**

**1. PURPOSE OF THE REPORT**

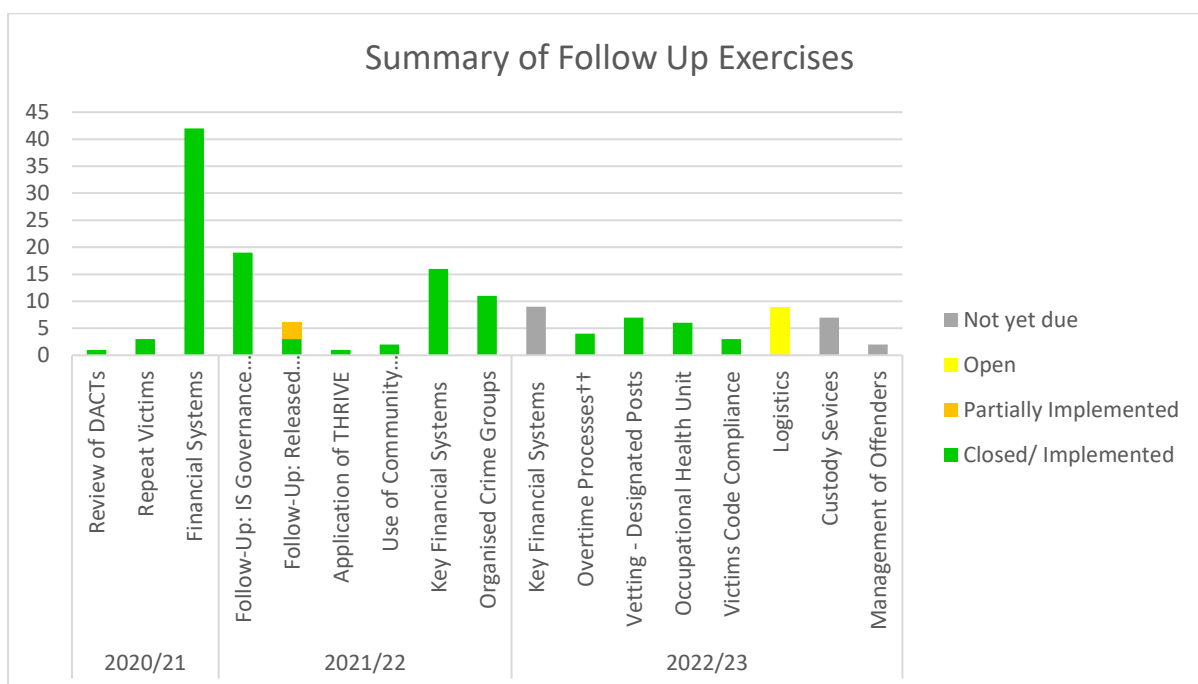
- 1.1 To provide the committee with an update on the implementation of previous audit recommendations.

**2. KEY INFORMATION**

- 2.1 Internal Audit follow up on recommendations included in reports which resulted in an overall assurance opinion of limited or inadequate assurance. Any fundamental recommendations within reports with an opinion of substantial or reasonable assurance are also followed up on. 'Significant' recommendations relating to a review with an overall opinion of substantial or reasonable assurance, are followed up by exception, depending on the level of risk posed to the organisation. Monitoring of 'Merits Attention' recommendations does not take place, due to the low level of risk associated with advisory actions. This enables the section to focus on the review of high-risk areas, ensuring that action is taken to address significant issues.
- 2.2 In addition to the primary follow-up activity detailed above Internal Audit also liaise with Humberside Police's Strategic Planning Department who undertake their own action tracker activity which seeks updates on management action against all audit recommendations irrespective of the overall assurance opinions assigned to the audit report, including those assessed as providing reasonable assurance. In order to provide assurance and subsequent reliance on the action tracker work undertaken Internal Audit will also dip-sample selected actions to provide evidence and confirmation that the closure of recommendations can be considered appropriate.
- 2.3 In response to discussions at the June JIAC it has been agreed that the Strategic Planning Department will also become involved in work to elicit management responses to audit reports which have been subject to delays, often where original force 'leads' have moved roles.

**Current Status**

- 2.4 As part of this initial detailed follow-up/ action tracker report Internal Audit have collated the audit reports and follow up work undertaken since 2020/21 into a table below.



2.5 It is also worth noting in the report that the three audits in relation to the Violence and Intimidation against Women & Girls (VAIWG) Strategy all provided REASONABLE assurance but made some recommendations for improvement to be factored into the overarching VAIWG work through the VAIWG Silver Group and the respective Business Area Leads, namely these related to:

- VAIWG Strategy: Domestic Abuse Investigations (3 recommendations for improvement)
- VAIWG Strategy: Domestic Violence Disclosure Scheme (5 recommendations)
- VAIWG Strategy: Sexual Offences Investigations (2 recommendations)

### **Current Follow-Up Work**

2.6 As reported at the last JIAC there is one area of outstanding follow up activity which relates to Golden Hour Principle Compliance. The follow-up of findings reported in a Briefing Note in 2021/22 related to issues first identified in 2019 has been significantly impacted by the turnover of key staff as 'lead' audit contacts. Verbal assurance has already been received from the Strategic Planning Manager that the appropriate current contacts in relation to the work of the Improving investigations Board have been chased/ prompted to provide evidence of the actions taken. Short timescales between committee reporting deadlines dictate that I will provide a verbal response to progress at the July JIAC, in advance of formalising a follow-up report based on the evidence provided for a subsequent committee.

# Audit Progress Report

The Office of the Police and Crime Commissioner for Humberside and the Chief Constable for Humberside

July 2023



1. Progress update on our audits
2. National publications

# 01

Section 01:  
**Audit Progress**

# Audit progress

## Purpose of this report

This report provides the Joint Independent Audit Committee (JIAC) with an update on the external audit work for the 2020/21, 2021/22 and 2022/23 financial years (Section 1) as well as some recent relevant reports and publications for your information (Section 2).

## 2020/21 audit

We received group instructions from the National Audit Office (NAO) allowing us to complete our work on 2020/21 Whole of Government accounts and we issued an assurance statement to the National Audit Office on 18 December 2022. However, we are unable to issue our certificate formally closing the 2020/21 audit because the NAO have not yet responded to our query about whether the Group has been selected for additional procedures.

When we receive confirmation on this, we will be able to issue the audit certificate and finally bring the 2020/21 audit to a conclusion.

## 2021/22 audit

We completed our audit of the 2021/22 financial statements and issued our audit opinion on 14 December 2022. We completed our work on the Commissioner and Chief Constable's value for money arrangements and issued our Auditor's Annual Report (AAR) on 7 March 2023. We presented the AAR to JIAC on 20 March 2023.

We received group instructions from the National Audit Office for the 2021/22 Whole of Government accounts in February 2023. We issued an assurance statement to the National Audit Office on 19 June 2023. However, again the instructions suggest additional procedures will be required at a sample of authorities, and details of these authorities and procedures remains outstanding at the time of drafting this report, meaning we are unable to issue the audit certificate and conclude our work for 2021/22.

## 2022/23 audit

We are updating our risk assessment and our planning for the 2022/23 audit. We will present our formal Audit Strategy Memorandum to a future meeting of the JIAC.

At this stage we do not anticipate any significant changes in the scope of the audit opinion work, the approach or timeline. However, we wish to draw your attention to the requirements of the revised ISA 315 which applies to the Commissioner and Chief Constable's 2022/23 audits and underpins the work we are required to carry out to

# Audit progress

identify and assess the risks of material misstatement. This enhanced standard will require additional audit work and it is likely that we will need additional information and responses from the Commissioner and Chief Constable's management beyond those asked at previous audits. We have included a short summary of the key points from the revised ISA315 within this report and we will continue to liaise with management on the information required and any impact on our risk assessment.

The NAO has confirmed that there are no changes to their requirements for the auditor's value for money commentary on the Commissioner and Chief Constable's arrangements for 2022/23. The 2022/23 audit will be the last one under the current contract with Public Sector Audit Appointments Limited (PSAA). We are pleased to confirm that PSAA have recently appointed us as your auditors for a further five years, commencing with the 2023/24 audit.

# Revised ISA 315

## Revised auditing standard for Identifying and assessing the risks of material misstatement: ISA (UK) 315 (Revised 2019)

*(Effective for audits of financial statements for periods beginning on or after December 15, 2021)*

ISA (UK) 315 (Revised 2019) introduces major changes to the auditor’s risk identification and assessment approach, which are intended to drive a more focused response from auditors undertaking work to obtain sufficient appropriate audit evidence to address the risks of material misstatement. The main changes relevant to your audit are outlined below:

- Enhanced risk identification and assessment**

The standard has enhanced the requirements for the auditor to understand the entity and its environment as well as the applicable financial reporting framework to identify inherent risk factors that drive risk identification and assessment (subjectivity, complexity, uncertainty, change, and susceptibility to misstatement due to management bias or fraud). Using these factors, the auditor assesses inherent risk on the “spectrum of inherent risk”, at which the higher end lies significant risks, to drive a more focused response to the identified risks. It should also be noticed that the standard requires the auditor to obtain sufficient, appropriate audit evidence from these risk identification and assessment procedures to form the basis of their risk assessment.

The standard also increases the focus on auditors identifying the assertions where the inherent risk lays. For clarity, we include a table of assertions:

Completeness	Is the balance complete?
Accuracy & valuation	Are transactions accurately recorded and assets and liabilities appropriately measured?
Classification	Is the balance classified correctly?
Occurrence	Did the transaction occur?
Existence	Does the item exist?
Rights & obligations	Does the entity own the item?
Cut-off	Is the item recorded in the correct financial year?
Presentation & disclosure	Is the item presented in the accounts appropriately?



# Revised ISA 315

## Consideration of account balances and assessing inherent risks

Under the revised ISA 315 we will make an assessment of the inherent risks associated with the Commissioner's and Chief Constable's transactions, balances and disclosures. We then determine whether each transaction, balance and disclosure is a 'significant account' (i.e. a significant class of transactions, balances and disclosures) and identify the assertions that are relevant. We then consider the controls the Commissioner and Chief Constable has in place and conclude whether or not we consider the audit risk associated to each item is significant, i.e. after taking into account the controls in place is there a significant risk of material misstatement in relation to the relevant assertion. In addition, the revised ISA requires auditors to document more closely the key business process associated with each significant account with a focus on the processes for how transactions are initiated, recorded, processed, and incorporated into the general ledger.

## Greater emphasis on IT

In response to constantly evolving business environments, the standard has placed an increased emphasis on the requirements for the auditor to gain an understanding of the entity's IT environment to better understand the possible risks within an entity's information systems. As a result, auditors are required to gain a greater understanding of the IT environment, including IT general controls (ITGCs). However, the standard acknowledges the fact that there is a need for scalability in gaining this understanding and provides more detailed guidance on how to approach the topic depending on the complexity of the commercial software and/or IT applications.

## Increased focus on controls

In addition to the above, the standard has also widened the scope of controls deemed relevant to the audit. Auditors are now required to increase their understanding of controls implemented by management, as well as assess the design and implementation of those controls, which include ITGCs.

## Impact on the audit of the Commissioner and Chief Constable

Our risk assessment procedures will be more granular than in the prior year and we will be seeking more information from the Commissioner and Chief Constable to ensure that we can document our detailed understanding of the Commissioner and Chief Constable and the environment that they operates in. This will build on the existing strong knowledge of the Commissioner and Chief Constable we already have in place from our previous years' audits. In documenting our risk assessment, we will need to input additional time to assess inherent risks of the spectrum that the auditing standard requires.

In terms of IT, we have established a good understanding of the Commissioner and Chief Constable's IT environment. We will keep this under review as part of our planning and interim audits. We do not plan to test ITGCs as we have designed our approach to gain assurance from substantive testing, which in our view remains the most efficient approach to take.

# 02

Section 02:

**National publications**

# National publications

	Publication/update	Key points
<b>National Audit Office (NAO)</b>		
1	Good practice in annual reporting	The NAO published an interactive guide that provides examples of good practice in annual reporting.
2	Tackling Fraud and Corruption in Government	This report sets out the recent trends from NAO audits and reports, reviews how well-placed government is to understand and tackle fraud and corruption across government and sets out insights from their work and engagement with experts on what more government can do to better prevent fraud and corruption.
3	Digital Transformation	This report evaluates government's approach to addressing the underlying issues of why past attempts at digital transformation have run into problems.
<b>Department for Levelling Up, Housing and Communities</b>		
4	Department consultation – public inspection of Category 1 authority accounts 2022/23	The Department for Levelling Up, Housing & Communities (DLUHC) is requesting views on the current deadline for category 1 authorities to make their draft accounts available for public inspection.
5	Levelling up enquiry on Local Audit	The Levelling Up, Housing and Communities Committee has launched an inquiry into financial reporting and audit, examining a range of issues relating to the purpose and understanding of local audit and the impact of local authority accounts and audit findings.
<b>Other</b>		
6	ICAEW Vision for Local Audit	The Institute for Chartered Accountants in England and Wales (ICAEW) has published its vision for local audit to accompany the recent publication of a Memorandum of Understanding (MoU) between the Department of Levelling Up, Housing and Communities (DLUHC) and the Financial Reporting Council (FRC).
7	Public Interest Report – Croydon Council	Following the publication of a public interest report in October 2020, Croydon Council commissioned local government expert Richard Penn, through the Local Government Association to compile an independent report on the issues at the council.
8	Local Leadership Framework for Councillors	The purpose of this framework is to support councillors in their local leadership role as they work with local communities to make a difference. It includes suggestions, prompts and further resources.

# NATIONAL PUBLICATIONS

## National Audit Office

### 1. Good practice in Annual Reporting – February 2023

The NAO has published an [interactive guide](#) that provides examples of good practice in annual reporting, drawing on examples from the public sector and other organisations shortlisted for the Building Public Trust Awards, which recognise trust and transparency in corporate reporting.

The guide draws on examples of good practice for annual reporting from organisations who are leading the way in this area. These examples are grouped by the sections of an annual report:

- Strategy
- Risk
- Operations
- Governance
- Measures of success
- Financial performance
- External factors

It also provides further examples where bodies have made their reports easier to understand with the use of graphics, clear and accessible language and signposting. The list is not definitive, but the NAO hopes it provides ideas for all bodies in both the public and private sector to think about as they plan their annual reporting for 2022-23.

# NATIONAL PUBLICATIONS

## National Audit Office

### 2. Tackling Fraud and Corruption against Government – March 2023

Since the start of the COVID-19 pandemic, government has recorded a higher level of fraud in the accounts we audit. This reflects the nature of the government's response to the pandemic, including the rapid implementation of large new spending and loan programmes that came with an unusually high risk of fraud.

This report sets out the recent trends from NAO audits and reports, reviews how well-placed government is to understand and tackle fraud and corruption across government and sets out insights from their work and engagement with experts on what more government can do to better prevent fraud and corruption.

The report follows NAO previous work which found government did not have a good understanding of fraud before the pandemic. In NAO's 2016 Fraud landscape review, they found a large disparity between the level of fraud and error that the UK government reports and the level reported in other countries and the private sector. NAO also found there were few incentives for departments to record and report the true scale of potential fraud; a lack of data or metrics to evaluate performance in detecting and preventing fraud; and mixed capability across departments to tackle fraud.

The report can be found at the following link:

<https://www.nao.org.uk/reports/tackling-fraud-and-corruption-against-government/>

### 3. Digital Transformation in Government – Addressing the Barriers - March 2023

This report evaluates government's approach to addressing the underlying issues of why past attempts at digital transformation have run into problems. NAO focus on the approach to transforming government, how the Central Digital and Data Office, its Roadmap and departmental leaders will support and promote this, and whether senior business leaders across government have a suitable level of digital capability.

The report can be found at the following link:

<https://www.nao.org.uk/reports/digital-transformation-in-government-addressing-the-barriers/>

# NATIONAL PUBLICATIONS

## Department for Levelling Up, Housing and Communities

### 4. Department Consultation on public inspection of Category 1 authority accounts 2022/23 – February 2023

In March 2021 The Accounts and Audit (Amendment) Regulations 2021 amended the requirements about when accounts must be made available for public inspection for the 2020/21 and 2021/22 accounts, and provided that the period for the exercise of public rights needed to commence on or before the first working day in August in the following financial year.

For 2022/23, the statutory requirement for category 1 authorities is to make accounts available for public inspection for a period that includes the first 10 working days of June, effectively requiring them to be published by 31 May at the latest.

The Government is minded for this deadline to remain in place, but is interested in hearing stakeholders views via a short consultation.

<https://consult.levellingup.gov.uk/redmond-response-team/request-for-views-draft-accounts-deadline/>

### 5. Levelling Up Committee launches inquiry on local audit – March 2023

The Levelling Up, Housing and Communities Committee has launched an inquiry into financial reporting and audit, examining a range of issues relating to the purpose and understanding of local audit and the impact of local authority accounts and audit findings.

The inquiry will scrutinise the role of audit in local accountability and democracy and the extent to which accounts provide a clear picture of the financial sustainability and resilience of a local authority.

The inquiry is also likely to explore how local authority financial reporting could be made more accessible, the role of local audits in acting as ‘red flag’ for action by councils to address financial issues, and how auditors in local government could work together to share best practice.

The Committee welcomes written evidence on the terms of reference, which fall under the following headings:

- Users and uses of local authority accounts and audit
- Understandability and accessibility of local authority accounts and audit
- Making local authority accounts meet the needs of users better
- Addressing findings in audits and sharing best practice

<https://committees.parliament.uk/work/7348/financial-reporting-and-audit-in-local-authorities/news/186485/levelling-up-committee-launches-inquiry-on-local-audit/>

# NATIONAL PUBLICATIONS

## ICAEW

### 6. ICAEW Publishes its Vision for Local Audit – March 2023

The Institute for Chartered Accountants in England and Wales (ICAEW) has published its vision for local audit to accompany the recent publication of a Memorandum of Understanding (MoU) between the Department of Levelling Up, Housing and Communities (DLUHC) and the Financial Reporting Council (FRC).

The ICAEW welcomes the MoU, which covers the role of the 'shadow' system leader for local audit pending the establishment of the Audit, Reporting and Governance Authority (ARGA). The ICAEW also believes more needs to be done urgently if the local financial reporting and audit crisis is to be resolved.

The ICAEW's vision for local audit is designed to prompt discussion, identifying a series of challenges the ICAEW believes need to be overcome, and actions it supports to address those challenges. These are grouped into the following areas:

- Improve financial reporting to enhance transparency and accountability
- Deliver high-quality local audits on a timely basis
- Strengthen financial management and governance
- Reform finances to ensure value for money and protect the public interest
- Build a thriving profession that is highly valued

<https://www.icaew.com/insights/viewpoints-on-the-news/2023/mar-2023/ICAEW-publishes-its-vision-for-local-audit>

# NATIONAL PUBLICATIONS

## Public Interest Report

### 7. Croydon Council Public Interest Report – February 2023

Following the publication of a public interest report in October 2020, Croydon Council commissioned local government expert Richard Penn, through the Local Government Association to compile an independent report on the issues at the council. His report, completed in March 2021, but only just published in February 2023 found that the dysfunctional leadership and poor governance arrangements contributed to the authority's financial collapse.

Fairfield Hall is an arts, entertainment and conference centre situated in Croydon. Refurbishment of this building was agreed by Croydon Council and work was undertaken between June 2016 and September 2019. It was delivered late and cost substantially more than the original £30m budget agreed by cabinet. Originally a Value for Money review, this became a Report in the Public Interest by their Internal Auditors Grant Thornton which highlighted failings of financial control and governance of this project.

The report found that the 'governance gaps' at the time 'prevented scrutiny and challenge that may have allowed corrective action to have been taken.' The report found that the statutory officers and chief officers throughout the time of the refurbishment failed to fulfil their statutory duties. All have since left the council. An action plan will be put in place to address the recommendations arising from this report.

This has led the Council putting in place new measures to address the findings. The Council has overhauled and strengthened its financial, legal, decision-making and other governance processes, and through its Croydon Renewal Plan is creating a new culture of good decision-making, transparency, accountability, and value for money.

It also led the council to undertake an external independent review of its companies and company structures. Following that review, the council's intention is to wind down its development company Brick by Brick once it has completed its outstanding building work. The Fairfield Halls refurbishment contracts were taken back under direct Council control. The full report, which includes a number of lessons that other Councils can learn from, can be seen here:

<https://www.croydon.gov.uk/council-and-elections/budgets-and-spending/reports-and-reviews/report-public-interest-fairfield-halls>



# NATIONAL PUBLICATIONS

## Other

### 8. Local Leadership Framework for Councillors - March 23

The purpose of this framework is to support councillors in their local leadership role as they work with local communities to make a difference. It includes suggestions, prompts and further resources.

The framework builds on the roles and skills set out in 'The 21st-century Councillor' research report – which sets out seven key future roles for councillors. These show how councillors are adapting to a series of new challenges such as perma-austerity, evolving citizen expectations, new technologies, different scales of working and the changing organisation of public services at local level. The leadership skills in this framework will enable councillors to fulfil the 'seven roles of the 21st-century councillor', identified in the research report namely:

- steward of place – working across the local area in partnership with others
- advocate – acting to represent the interests of all citizens
- buffer – seeking to mitigate the impact of austerity on citizens
- sensemaker – translating a shift in the role of public services and the relationship between institutions and citizen
- catalyst – enabling citizens to do things for themselves, having new conversations about what is now possible
- entrepreneur – working with citizens and partners to encourage local vitality and identify creative new solutions
- orchestrator – helping broker relationships, work with partners and develop new connections.

<https://www.local.gov.uk/publications/local-leadership-framework-councillors#about-this-framework>

# Contact

## Mazars

Partner: Gavin Barker

Email: [gavin.barker@mazars.co.uk](mailto:gavin.barker@mazars.co.uk)

Address: The Corner, Bank Chambers,  
26 Mosley Street, Newcastle-upon-Tyne,  
NE1 1DF

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

\*where permitted under applicable country laws.

[www.mazars.com](http://www.mazars.com)

Manager: Louise Stables

Email: [louise.stables@mazars.co.uk](mailto:louise.stables@mazars.co.uk)

# Follow us:

## LinkedIn:

[www.linkedin.com/company/Mazars](http://www.linkedin.com/company/Mazars)

## Twitter:

[www.twitter.com/MazarsGroup](http://www.twitter.com/MazarsGroup)

## Facebook:

[www.facebook.com/MazarsGroup](http://www.facebook.com/MazarsGroup)

## Instagram:

[www.instagram.com/MazarsGroup](http://www.instagram.com/MazarsGroup)

## WeChat:

ID: Mazars