Audit and Ethics Committee

DATE:   Wednesday 10 December 2014
TIME:   9.30am
VENUE:  Conference Room, Office of the Police & Crime Commissioner, Clemonds Hey, Oakmere Road, Winsford

AGENDA

PART 1 - MATTERS TO BE CONSIDERED IN THE PRESENCE OF THE PRESS AND PUBLIC

1. WELCOME TO THE NEW MEMBERS AND THE NEW EXTERNAL AUDITOR

2. MINUTES
   To confirm the Minutes of the Audit and Ethics Committee held on 18 September 2014.

3. DISCUSSION WITH THE COMMISSIONER & THE CHIEF CONSTABLE

4. REGULAR BRIEFING
   To receive a report on current issues by the Assistant Chief Officer and the Chief Finance Officer.

5. ANNUAL AUDIT LETTER 2013/14
   To consider the attached report by the External Auditor

6. INTERNAL AUDIT PLAN 2014/15: QUARTERLY REPORT
   To consider the attached report by the Internal Auditor.

7. BUSINESS CONTINUITY & RISK MANAGEMENT AUDIT REPORTS
   To consider the attached report by the Internal Auditor

8. INTERNAL AUDIT CHARTER WITH THE POLICE & CRIME COMMISSIONER AND THE CHIEF CONSTABLE
   To consider the attached report by the Internal Auditor.

If you wish to discuss any matter relating to this Agenda, you should contact Martin Eaton, Governance Officer on 01606 364005

www.cheshire.pcc.gov.uk
9. **CONSTABULARY SERVICE ASSURANCE PLAN 2014/15: UPDATE**
   To consider the attached report by the Chief Constable.

10. **DIP SAMPLING OF COMPLAINTS**
    To consider the attached report by the Chief Finance Officer.

11. **INTEGRITY: EMBEDDING THE CODE OF ETHICS**
    To consider the attached report by the Chief Constable.

12. **HMIC REPORTS ON POLICE INTEGRITY & CORRUPTION AND CRIME INSPECTION 2014**
    To consider the attached reports by HMIC.

13. **DESTRUCTION OF HARD COPY MATERIAL**
    To receive the attached briefing by the Deputy Chief Constable

14. **AUDIT COMMISSION UPDATE**
    To receive the attached report by the Chief Finance Officer

15. **UNDERCOVER OPERATIONS**
    To receive a briefing by the Deputy Chief Constable.

16. **ANY OTHER BUSINESS**
    To consider any other matters raised by Members.

**PART 2 - PRIVATE ITEMS**

That the following matters be considered in private on the grounds that they involve the likely disclosure of exempt information as defined in the Freedom of Information Act 2000 and in accordance with the sections of the Act indicated below:-

<table>
<thead>
<tr>
<th>Item</th>
<th>Section</th>
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<tr>
<td>Cheshire Constabulary and Police &amp; Crime Commissioner Risk Register: Update</td>
<td>(31) Law Enforcement</td>
</tr>
<tr>
<td>Report on Action Plan in Annual Audit letter 2013/14</td>
<td>(40) Personal Information</td>
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<tr>
<td>Complaints, Misconduct, Grievances &amp; Employment Tribunals: Quarterly Report</td>
<td>(43) Commercial Interests</td>
</tr>
<tr>
<td>Internal Audit Review: Crime Recording</td>
<td>(31) Law Enforcement</td>
</tr>
<tr>
<td>Future Development of Taser</td>
<td>(31) Law Enforcement</td>
</tr>
<tr>
<td></td>
<td>(43) Commercial Interests</td>
</tr>
</tbody>
</table>

17. **CHESHIRE CONSTABULARY AND POLICE & CRIME COMMISSIONER STRATEGIC RISK REGISTER: UPDATE**
    To consider the report by the Chief Constable.

If you wish to discuss any matter relating to this Agenda, you should contact Martin Eaton, Governance Officer on 01606 364005

www.cheshire.pcc.gov.uk
18. REPORT ON ACTION PLAN IN ANNUAL AUDIT LETTER 2013/14
   To consider the report by the Chief Constable.  

19. COMPLAINTS, CONDUCT, GRIEVANCES AND EMPLOYMENT TRIBUNALS: QUARTERLY REPORT
   To consider the report by the Chief Constable.  

20. INTERNAL AUDIT REVIEW: CRIME RECORDING
   To consider the report by the Chief Constable.  

21. FUTURE DEPLOYMENT OF TASER
   To consider a briefing by the Deputy Chief Constable.  

PRIVATE MEETING WITH INTERNAL AUDIT
MINUTES OF THE AUDIT & ETHICS COMMITTEE HELD ON 18 SEPTEMBER 2014 IN THE OFFICE OF THE POLICE & CRIME COMMISSIONER, CLEMONDS HEY, OAKMERE ROAD, WINSFORD.

Present: H Waller (Chairman), M Darby, C Evans and B Hodson

Office of the Police & Crime Commissioner:
L Lunn, Chief Finance Officer
S Pickup, Head of Scrutiny & Planning

Cheshire Constabulary:
J McCormick, Deputy Chief Constable
J Gill, Assistant Chief Officer
M Roberts, Assistant Chief Constable (Neighbourhoods)
R Muirhead, Director of Finance
D Bryan, Temporary Director of Legal & Facilities Management
Superintendent J Armstrong, Head of Professional Standards
W Bebbington, Principal Accountant

Internal Audit
S Connor, Mersey Internal Audit Agency
K Lloyd, Mersey Internal Audit Agency

External Audit
M Waite, Grant Thornton
H Stevenson, Grant Thornton

PART 1 – PUBLIC ITEMS

90 MINUTES

Minute 75, Urgent Business

On 24 June 2014, Mr Evans raised a matter under Minute 75 of the minutes of the meeting held on 19 March 2014, which related to how the Commissioner and the Chief Constable assured themselves about the safety and control of documents from investigations and the control of police officers in undercover operations, following the Stephen Lawrence enquiry. The Deputy Chief Constable agreed to present a report to the meeting on 10 December 2014 on the governance arrangements in place on both aspects.

RESOLVED: That

(1) the Deputy Chief Constable present a report on the governance of investigation records and the management of officers in undercover operations to the meeting on 10 December 2014; and
91 AUDIT AND ETHICS COMMITTEE: TERMS OF REFERENCE

The Chief Finance Officer presented a report outlining the final terms of reference for the Audit and Ethics Committee which had been agreed by Management Board on 2 July 2014. The Chief Finance Officer confirmed that an advert had now been placed for additional Members to join the Committee.

RESOLVED:

That the terms of reference, attendance and conduct of meetings as detailed in the report, be noted.

92 DRAFT AUDIT FINDINGS REPORT 2013/14

The External Auditor presented their draft Audit Findings Report for 2013/14 which summarised the findings from the audit of the 2013/14 financial statements of the Group, of the Commissioner and of the Chief Constable and the results of the Auditor’s work to assess arrangements to secure value for money (VFM) in the use of resources.

The Auditor indicated that there was some outstanding testing work in relation to pensions which needed to be completed before an opinion on the accounts could be issued. The Auditor confirmed that, at this stage the nature of the opinion was dependant on the outcome of the outstanding testing. An unqualified VFM conclusion would be issued.

The External Auditor expressed his appreciation to the Finance Department’s staff for their support in assisting him in the auditing of the Accounts.

The Committee were advised of the proposed arrangements for approval and signature of the 2013/14 Annual Governance Statements, the Accounts and the Letters of Representation.

RESOLVED: That

(1) the report be received;

(2) the current position in relation to the external audit of the 2013/14 accounts be noted; and

(3) the arrangements for approval and signature of the 2013/14 Annual Governance Statement, Statements of Accounts and Letters of representation, be noted.

(4) the Committee be provided with a copy of the HMIC report ‘Responding to Austerity’.

93 STATEMENT OF ACCOUNTS 2013/14
The Chief Finance Officer presented the final Statement of Accounts for 2013/14, Summary Accounts, Annual Governance Statement and Letter of Representation which had been prepared in accordance with the Statement of Recommended Practice and was currently being audited.

The Chief Finance Officer expressed appreciation to the Director of Finance and IT and the Principal Accountant and their staff for all the work involved in the preparation of the Accounts.

Members raised several queries in relation to elements of the Statements of Accounts and received responses from management. The Committee noted that it was planned to make an amendment to both Annual Governance Statements to recognise the refresh of the Financial Scenario for 2015-19 and the significance of the on-going priority based budgeting review in the context of the governance issue on the Medium Term Financial Strategy.

RESOLVED:

That the final 2013/14 Statements of Accounts of the Group, the Commissioner and the Chief Constable, the Summary of Accounts, the Annual Governance Statement and Letters of Representation, be received.

94 INTERNAL AUDIT PLAN 2014/15: QUARTERLY REPORT

The Internal Auditor presented the quarterly report for July to September, which set out progress against the Internal Audit Plan for 2014/15.

It was reported that several reviews had been deferred at the request of management and, as a result of this, the risk management and business continuity audits had been brought forward. The Internal Auditors remained confident that the full audit programme would be delivered in year. Members would continue to receive full copies of Internal Audit reports when they were finalised.

RESOLVED:

That the quarterly report on Internal Audit activity be received.

95 CHAIRMAN’S ANNUAL REPORT 2013/14

The Chairman submitted her annual report for 2013/14 on the business and proceedings undertaken by the Committee.

RESOLVED:

That the report be noted and arrangements be made for it to be published on the Police & Crime Commissioner’s website.

96 MANAGEMENT RESPONSE TO IMPLEMENTING OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS: SIX MONTHLY PROGRESS REPORT
The Deputy Chief Constable presented a report on the progress against the outstanding actions from agreed internal audit reports and were categorised as “high/medium” under the current arrangements.

Members discussed the potential risk associated with the vacant post of Information Security Manager and the Deputy Chief Constable indicated that following an unsuccessful recruitment process the post would either be re-advertised or consultancy sourced to tackle any outstanding priorities. She also indicated that a new Constabulary Board would be introduced to oversee information management and security.

A Member queried whether a record was kept of telephone calls made as part of the validation process which was followed when a supplier requested a change in their bank details. The Director of Finance undertook to check and report back to the Member concerned.

RESOLVED:

That the report be received.

97 REGULAR BRIEFING

The Chief Finance Officer provided a summary briefing for Members on current policing issues within Cheshire which included the publication of the Commissioner’s Annual Report for 2013/14; the refresh of the Medium Term Financial Scenario; the undertaking of priority based budgeting reviews; a successful bid to the Innovation Fund in respect of mobile technology and the procurement of a replacement internet and major Force control system; and issues relating to the estate.

The Committee were advised that the first quarter review for 2014/15 indicated a projected underspend of £3.2m (£1.6m pay and £1.6m non-pay) and that 100 more police officers were being recruited during 2014/15.

Members discussed the successful innovation fund bid and asked if any further background information was available on this matter. The Deputy Chief Constable undertook to provide Members with further information and outlined the timescale for the award of a managed service contract.

RESOLVED:

That the briefing be received.

98 POLICE AUDIT COMMITTEE CHAIRS' SEMINAR 2014

The Chairman submitted a report on the discussions and issue arising from the recent Police Audit Committee Chairs' Seminar held in Warwick. The Chairman indicated that the Committee was well placed in respect of audit matters and a front runner in relation to its role in ethics.

RESOLVED:

That the report be noted.

99 MOBILE TELEPHONE: PERSONAL CALLS CONTRIBUTIONS
The Director of Finance and IT presented a report on a series of options for individuals to make contributions for personal calls made on Constabulary mobile telephones. It was proposed to take a hybrid of options 2 & 3, with individuals given the option to pay a fixed sum per year (£50) or to continue to calculate their monthly usage.

Members agreed that the proposed approach was proportionate and agreed that ethical issues such as this should be brought before the Committee for consideration.

**RESOLVED:** That

(1) the Chief Constable be advised of the Committee’s support of the proposal relating to options 2 & 3 as outlined in the report; and

(2) a further report on the operation of the final agreed option be presented to the Committee in September 2015.

100 PROGRAMME OF FUTURE MEETINGS 2015/16

**RESOLVED:**

That the following programme of Audit & Ethics Committee meetings commencing at 9.30am, be approved:-

Wednesday 18 March 2015  
Thursday 25 June 2015  
Wednesday 23 September 2015  
Wednesday 9 December 2015  
Wednesday 16 March 2016

101 ANY OTHER BUSINESS

It was reported that an additional item regarding the future deployment of Taser had been submitted for consideration in part 2 of the meeting.

**RESOLVED:**

That the report on the future deployment of Taser be considered in part 2 of the meeting.

102 EXCLUSION OF THE PRESS AND PUBLIC

**RESOLVED:**

That the following matters be considered in private on the grounds that they involve the likely disclosure of exempt information as defined in the Freedom of Information Act 2000 and in accordance with the section of the Act indicated below:-

- *Complaints, Conduct, Grievances and Employment Tribunals* (40) Personal Information
PART 2 – PRIVATE ITEMS

103 CHESTERFIELD POLICE AND THE POLICE & CRIME COMMISSIONER’S STRATEGIC RISK REGISTER: UPDATE

The Head of Scrutiny and Planning presented the Constabulary and the Commissioner’s Strategic Risk Register.

The Committee discussed a number of issues on the Register including the impact of the transforming rehabilitation reform programme; the effective communication of organisational change linked to the duty management system; and whether the current risk analysis for sickness should be altered to classify existing controls as partly effective. Members suggested the format of the risk register be reconsidered to remove the inherent risk column, retain the current risk analysis column and include a new column denoting target risk. Officers were already considering this format and would discuss it with the Commissioner and the Chief Constable.

RESOLVED:

That the Cheshire Constabulary and Police & Crime Commissioner’s Strategic Risk Register, be noted.

104 COMPLAINTS, CONDUCT, GRIEVANCES AND EMPLOYMENT TRIBUNALS

The Head of Professional Standards presented an overview on the nature, type and frequency of public complaints, police officer and police staff conduct matters, employment tribunals and grievances. In response to a query, the Deputy Chief Constable provided an update on the outcomes of grievances. It was noted that the Deputy Police & Crime Commissioner would continue her dip sampling of complaints until the Members had been trained in this respect.

Members discussed future training requirements to assist in their consideration of ethical matters. It was agreed that an overview of Management of Police Information (MOPI) guidelines and positive aspects of the ethical agenda such as sharing of good practice should be included in a future training session. The Deputy Chief Constable suggested that the legitimacy element of the forthcoming PEEL inspection might also provide a steer on issues which the Committee needed to consider.

RESOLVED: That

(1) the report be received; and

(2) the training session on dip sampling of complaints be proposed and extended to cover MOPI and that the findings from the legitimacy element of PEEL Inspection by HMIC be used by the Committee to consider any future focus.

105 ANNUAL REPORT ON THE CONSTABULARY’S REGISTER OF GIFTS AND HOSPITALITY 2013/14
The Head of Professional Standards presented a report on the Constabulary’s procedures for the declaration of gifts, gratuities and hospitality. The Constabulary had elected not to set any threshold on monetary value when considering what amounts to low or nominal value. It considered that it was the principle, rather than the cost or the price which was relevant. The register showed entries in the typical range of reported values from £5-£25.

During 2013/14, a total of 114 entries were submitted and of these, 23 (20%) related to hospitality offered. Of the 91 gifts received, the majority related to relatively low value offers of thanks or gratitude for specific instances of service, mainly from members of the public as victims of investigations.

RESOLVED:
That the report be received.

106 ANY OTHER BUSINESS: FUTURE DEPLOYMENT OF TASER

The Assistant Chief Constable (Neighbourhoods) presented a report on possible options for the future deployment of Taser in Cheshire. The Constabulary wished to consider the views of relevant stakeholder groups including the Committee, Independent Advisory Group and Staff Associations before taking a decision on this matter.

The Assistant Chief Constable indicated that he was interested in the Committee’s views on the ethical dilemma of ensuring officer and public safety versus securing the willing co-operation of the public in voluntary observance of the law.

RESOLVED:
That the matter be reconsidered at the meeting on 10 December 2014, when more information would be available on relevant considerations.

Duration of Meeting: The meeting commenced at 9.30am and concluded at 12.30pm.
REGULAR BRIEFING

PURPOSE OF THE REPORT

1. To provide a summary briefing for Members on current policing issues within Cheshire. Any further updates will be given orally at the meeting.

CURRENT ISSUES

2. The detailed priority based budgeting process has now been completed by the Panel comprising the Force Leadership Team and the Chief Executive. The Panel met in three separate sessions, in September, October and late November. They considered each budget and services provided in depth and are developing a Medium Term Strategy for 2015-20, which will give strategic direction to the future provision of policing in Cheshire, deliver cashable and non cashable efficiency savings and areas for investment. Estimated cashable savings of £36m are required. The Commissioner’s and the Chief Constable’s Leadership Teams have held two joint sessions to consider emerging findings. A third session will take place on 18 and 19 December 2014. The final 2015/16 budget and precept will be considered by the Commissioner on 30 January 2015 for decision. His proposed budget and precept will then be considered by the Police and Crime Panel.

3. The mobile technology pilot continues to be progressed, with the support of 2014/15 Innovation Funding. Strategies covering ICT, People and Estates are key outcomes of the priority based budgeting work and will underpin the delivery of the future policing model.

4. Following consultation with the public and with staff, the Commissioner and Chief Constable agreed on 15 October 2015 that Widnes Police station be declared surplus and sold. Officers and staff will relocate to John Brigg’s House in Widnes in Spring 2015. The remainder of the Estate will then be considered as part of the Estates Strategy for 2015-20.

5. The mid year review for 2014/15 indicated a projected underspending of £3.0m. 100 more police officers are being recruited during 2014/15. The Commissioner has also agreed to spending £2,945k on priority developments in 2014/15, which are aligned to the delivery of the Medium Term Strategy.

6. The procurement process is underway to secure a replacement internet and major Force control systems.

RECOMMENDED:

That the briefing be received.

LIZ LUNN
CHIEF FINANCE OFFICER

Contact Officer: Liz Lunn, Chief Finance Officer
Tel. No.: (01606) 364109 Email: liz.lunn@cheshire.pnn.police.uk
ANNUAL AUDIT LETTER 2013/14

PURPOSE OF THE REPORT

1. To receive the Annual Audit Letter for 2013/14 from the External Auditor

BACKGROUND

2. The Annual Audit Letter summarises the key findings arising from the work that the External Auditor has carried out for the Commissioner and for the Chief Constable for Cheshire Police ("Chief Constable") for the year ended 31 March 2014.

3. The Letter, which draws on the Audit Findings Report presented at the September meeting, is intended to communicate key messages to the Commissioner, the Chief Constable, the Audit and Ethics Committee and external stakeholders, including members of the Public.

4. A detailed progress report is set out at item 17 of this agenda on the recommendations and action plan contained in Appendix 1. Mick Waite and Helen Stevenson from Grant Thornton will present the Letter, which will then be placed on both the Commissioner’s and Constabulary’s website.

RECOMMENDED:

That the Annual Audit Letter for 2013/14 be received.

LIZ LUNN
CHIEF FINANCE OFFICER
The Annual Audit Letter
for the Police and Crime Commissioner for Cheshire and the Chief Constable for Cheshire

Year ended 31 March 2014
October 2014

Mick Waite
Director/Engagement Lead
T 0161 234 6347
E mick.j.waite@uk.gt.com

Helen Stevenson
Manager
T 0161 214 6354
E helen.l.stevenson@uk.gt.com
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<td>B Summary of reports and audit fees</td>
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Key messages

Purpose of this letter
Our Annual Audit Letter summarises the key findings arising from the work that we have carried out for the Police and Crime Commissioner ("PCC") for Cheshire and the Chief Constable for Cheshire Police ("Chief Constable") for the year ended 31 March 2014.

The Letter is intended to communicate key messages to the PCC, Chief Constable, the Audit and Ethics Committee and external stakeholders, including members of the public.

Responsibilities of the external auditors, the PCC and the Chief Constable
This Letter has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission (www.auditcommission.gov.uk).

The PCC and Chief Constable are each responsible for preparing and publishing their own accounts, with each set of accounts accompanied by a separate Annual Governance Statement. They are also each responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources (Value for Money) in their respective organisations.

Our annual work programme for each body, which includes nationally prescribed and locally determined work, has been undertaken in accordance with the joint Audit Plan that we issued on 19 March 2014 and was conducted in accordance with the Audit Commission's Code of Audit Practice ('the Code'), International Standards on Auditing (UK and Ireland) and other guidance issued by the Audit Commission.
Key messages

Audit Conclusions

| Financial statements audit (including audit opinion) | We reported our findings arising from the audit of the financial statements in our joint Audit Findings Report on 18 September to the Audit and Ethics Committee. We subsequently also reported our final findings to the PCC and Chief Constable on 23 September. The key final messages reported were:
• we received draft financial statements and accompanying working papers at the start of our audit, in accordance with the agreed timetable
• we identified control weaknesses in the review of payroll change information and also in the accuracy of some pensions payments and supporting documentation
• we identified a number of adjustments in the financial statements. The net effect of these adjustments on the Group's reported financial position was to increase the general fund balance by £497k and overall useable reserves by £3.462m
• officers made some changes to improve the presentation of the financial statements as a result of the audit.
We issued unqualified opinions on the PCC's and Chief Constable's 2013/14 financial statements on 26 September 2014, meeting the national deadline. Our opinions confirm that the financial statements for each organisation give a true and fair view of the PCC and Chief Constable's financial positions and of the income and expenditure recorded by the PCC and Chief Constable, respectively. |
| Value for Money (VfM) conclusion | We issued unqualified VfM conclusions for the PCC and Chief Constable for 2013/14 on 26 September 2014. On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the PCC and the Chief Constable have each put in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources for the year ending 31 March 2014. The PCC continues to show good planning, management and control of finances, and successfully realised £8.2m of revenue expenditure savings in 2013/14. The medium term financial plan 2014-18 identified a potential savings requirement of £34.3m, although funding assumptions for 2016/17 and 2017/18 are not yet certain. There are clear challenges to meet this budget gap and to meet the PCC's statutory responsibilities. While the scale of the financial challenge ahead remains significant, there is good evidence of financial resilience in the PCC's and Chief Constable's arrangements. |
**Key messages**

**Audit Conclusions**

| Value for Money (VfM) conclusion (cont.) | In 2013/14 the CC has maintained a focus on improving operational performance at the same time as making further significant efficiency savings. Recorded crime has continued to fall in Cheshire, and in the last 12 months it has fallen at a faster rate than in the rest of England and Wales.  

There have been recent changes in senior management, including at Chief Constable and Deputy Chief Constable levels. The constabulary has demonstrated that it has had, and will continue to have, the leadership capacity and capability to introduce required organisational change to maximise visible frontline policing whilst reducing overall officer numbers and achieving savings. |
|---------------------------------------------------|---------------------------------------------------------------------------------------------------------|

<table>
<thead>
<tr>
<th>Whole of Government Accounts</th>
<th>We reviewed the consolidation pack which the PCC and Chief Constable prepared to support the production of Whole of Government Accounts. We reported that the pack prepared was consistent with the audited financial statements.</th>
</tr>
</thead>
</table>
Appendix A: Key issues and recommendations

This appendix summarises the significant recommendations identified during the 2013/14 audit.

<table>
<thead>
<tr>
<th>No.</th>
<th>Issue and recommendation</th>
<th>Relates to PCC / Chief Constable / both?</th>
<th>Priority</th>
<th>Management response/ responsible office/ due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Payroll changes</td>
<td>Both</td>
<td>High</td>
<td>Agreed, revised control processes being implemented and checks carried out by Internal Audit. Responsible officer: Dir. of Finance/ Head of MFSS and Chief Superintendent Due date: 1 Oct 2014</td>
</tr>
</tbody>
</table>

The PCC recognised and took action on identified control weaknesses in the processing of changes to payroll data during 2012/13. These control failings led to a number of required payroll adjustments last year, for example overpayments resulting from secondments and other changes in posts.

Our follow up in 2013/14 found:

- police staff were not checking 100% payroll change data as per their internal control due to difficulties in establishing the population of change information
- gaps in supporting documentation for some of the changes; for example additional responsibility payments and approval for maternity/paternity changes

**Recommendation:**

The PCC and CC need to:

- continue to embed improvements to control measures to reduce the risk of errors in processing payroll changes
- maintain readily available HR records with a minimum set of information to support all changes to payroll data.
- ensure all payroll change information is authorised
## Appendix A: Key issues and recommendations

This appendix summarises the significant recommendations identified during the 2013/14 audit.

<table>
<thead>
<tr>
<th>No.</th>
<th>Issue and recommendation</th>
<th>Relates to PCC / Chief Constable / both?</th>
<th>Priority</th>
<th>Management response/ responsible office/ due date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td><strong>Pensions payments</strong></td>
<td>Both</td>
<td>High</td>
<td>Agreed, pension working group now instigated and a revised governance framework is being produced. Internal Audit to support and check. Responsible officer: Dir. of Finance/Head of MFSS/HR Retained and Chief Superintendent Due date: 1 Jan 2015</td>
</tr>
</tbody>
</table>

The PCC and Chief Constable identified a number of under and overpayments of pensions payments from an examination of a sample of pensions reconciliation data. This resulted in a net repayment of £60k to the Home Office.

We identified similar issues during our testing of pensions data and other areas where errors occurred. We also found a lack of robust supporting HR evidence for pension payments being made.

The PCC and Chief Constable have set up a Pensions Group which is tasked with looking into these matters and establishing proportionate and appropriate controls for processing and supporting pension payments made.

**Recommendation:**

The Pensions Group should consider the impact of the findings during 2013/14 and assess what extra work is required to establish robust arrangements for:

- the accurate processing of pensions payments
- maintaining readily available HR records with a minimum set of information to support payments being made
Appendix B: Reports issued and fees

We confirm below the fee charged for both audits and confirm there were no fees for the provision of non audit services.

Fees

<table>
<thead>
<tr>
<th>Service</th>
<th>Per Audit plan £</th>
<th>Actual fees £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Fee – PCC</td>
<td>45,100</td>
<td>45,100</td>
</tr>
<tr>
<td>Audit Fee – Chief Constable</td>
<td>20,000</td>
<td>20,000</td>
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<tr>
<td><strong>Total fees</strong></td>
<td><strong>65,100</strong></td>
<td><strong>65,100</strong></td>
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Fees for other services

<table>
<thead>
<tr>
<th>Service</th>
<th>Fees £</th>
</tr>
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<tbody>
<tr>
<td>None</td>
<td>Nil</td>
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Reports issued

<table>
<thead>
<tr>
<th>Report</th>
<th>Date issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Audit Plan</td>
<td>March 2014</td>
</tr>
<tr>
<td>Joint Audit Findings Report</td>
<td>September 2014</td>
</tr>
<tr>
<td>Joint Annual Audit Letter</td>
<td>October 2014</td>
</tr>
</tbody>
</table>
INTERNAL AUDIT PLAN 2014/15: QUARTERLY REPORT

PURPOSE OF THE REPORT

1. To receive the Internal Audit quarterly report, setting out progress against the Internal Audit Plan for 2014/15.

BACKGROUND

2. The Deputy Commissioner and the Chief Constable considered and approved the 2014/15 Internal Audit Plan on 2 July 2014 (Minute 2014/155). The Committee receives a quarterly report on progress against the annual plan at each meeting.

3. Appendix 1 to this report covers progress against that plan for October to December 2014. Kevin Lloyd, Audit Manager and Mike Nulty, Auditor from Mersey Internal Audit Agency will present the report. The full internal audit reports on business continuity, risk management and crime recording are set out at items 7 and 19 of this agenda.

RECOMMENDED:

That the quarterly report on Internal Audit activity be received.

LIZ LUNN
CHIEF FINANCE OFFICER
Internal Audit Progress Report
Audit & Ethics Committee (10th December 2014)
Police and Crime Commissioner and
Chief Constable for Cheshire
Contents

1. Introduction
2. Key Messages for Audit & Ethics Committee Attention
3. Work in progress

Appendix A: Risk Classification and Assurance Levels
Appendix B: Contract Performance
Appendix C: Critical & High Level Risk Action Plans
1. Introduction

This progress report provides an update to the Audit & Ethics Committee in respect of the assurances, key issues and progress against the Internal Audit Plan for 2014/15. Comprehensive reports detailing findings, recommendations and agreed actions are provided to the Office of the Police and Crime Commissioner (OPCC), the Constabulary and to Committee Members. In addition a consolidated follow up position is reported on an annual basis to the Audit & Ethics Committee.

2. Key Messages for Audit & Ethics Committee Attention

The table below identifies the assurances and key areas from our work and the actions to be delivered by management. Section 3 of the report provides an update of the work in progress. Appendix A provides the categorisation of assurance levels and risk ratings and Appendix B confirms performance against plan. Details of agreed High Level actions are provided in Appendix C.

<table>
<thead>
<tr>
<th>Title</th>
<th>Assurance Level</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crime Recording</td>
<td>Significant</td>
<td>0 x Critical</td>
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<td></td>
<td></td>
<td>0 x High</td>
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**Objective:** To provide an assessment on the methodology used by the Force to review compliance with National Crime Recording Standards (NCRS) and Home Office Counting Rules (HOCR) and to compare this to the approach used by Her Majesty’s Inspectorate of Constabulary (HMIC). In addition, to provide assurance on the accuracy of the findings made and to evaluate the Constabulary’s action plan in response to the findings and recommendations highlighted in HMIC’s final report.

**Summary:** The Force have a number of mechanisms which provide assurance on the level of compliance with NCRS and HOCR, which include regular audits on NCRS/NSIR and incidents reviewed/recorded by the Crime Recording and Quality Assurance (QA) Facility. A sample of incidents from across these audits were reviewed and in almost all cases the findings of the FCR/QA facility could be agreed. It is therefore considered based on the testing undertaken that reliance can be taken on the findings made by the FCR and his team. Some areas for enhancement have been identified relating to developing the format of the audit templates, the reporting of issues and recording and monitoring of actions, sharing lessons learned and ensuring where incidents are being reviewed/recorded centrally, they are completed in a timely manner.
The sample sizes and methodology used by FCR when undertaking audits on NCRS would appear sufficient to provide assurances on compliance with NCRS. In fact audits undertaken by the FCR are in general testing a larger sample to that undertaken by HMIC in their recent inspection. As in both cases opinions are being formed from sample testing and therefore there is always the possibility that different results and opinions could be made. It should be noted that the FCR audits focus on crime types of a more serious nature therefore there could be areas which if reviewed by HMIC could identify potential areas of weakness.

The Crime Recording and Quality Assurance Facility is now reviewing/recording approximately 30% of crimes. As this function continues to embed it is envisaged that this will lead to a significant improvement in the accuracy of crimes. These areas should continue to be reviewed as part of the FCR audit process to provide assurance on its effectiveness. There is a need to consider the arrangements in place for the QA facility to record/review incidents which occur outside of core working hours.

The Force have an action plan in place to address the 11 recommendations raised by HMIC in their inspection. Four of the recommendations were showing as completed as substantive action had been carried out however, it would be prudent to show these actions as open until all elements have been completed and greater clarity is provided through the Priority Based Budgeting process on the longevity of the arrangements. It was established that the action plan is in the process of being revised and updated taking into account the additional findings/recommendations that were published in HMIC’s final report on crime recording.

HMIC raised concerns on how the Constabulary were handling out of court disposals and no-crime records. In response to the HMIC report it has been determined that only the FCR and his team (Area Crime Reviewers) will have authority to record a no-crime and approve out of court disposals. From sample testing undertaken all had been dealt with appropriately. It is clear that the decision to change the approval process of no-crimes and out of court disposals to the FCR and Area Crime Reviewers is having a significant impact on improving compliance rates in this area.

**Key areas agreed for action (due for completion by 28th February 2015):**

Medium recommendations to be actioned focused on:

- Revising the audit templates used by the Force Crime Registrar (FCR) / QA to ensure that key issues which include the timely recording of a crime and
whether the correct crime classification has been assigned can be recorded in a consistent and clear manner. The findings of these reviews should be included as part of the Area and Force Performance meetings;

- Enhancing action plans to respond to findings from FCR and QA reviews to include confirmation from the relevant officer(s) from the Basic Command Unit (BCU) where corrective action is required and that they should devise actions on how they will disseminate the learning identified from the audits undertaken.

- Considering the arrangements in place for the QA facility in order to reduce the timescales for incidents which occur outside of normal core working hours, being reviewed/recorded in a timely manner; and

- As part of the refresh of the force’s HMIC action plan, recommendations 1-4 should be recorded as open/ongoing until all actions have been completed. The findings/recommendations arising out of this review should also be reflected on the action plan and the Force should consider using sources of positive assurance e.g. results from NCRS / National Standard for Incident Recording (NSIR) audits, quality assurance mechanisms on call handling as a mechanism for demonstrating whether the actions completed are having the required effect on improving performance.

Low recommendation to be actioned focused on including examples from exemplar incident logs / Niche records as part of the monthly FCR crime recording bulletin.

**Executive/ Management Sponsor:** Force Crime Registrar / Deputy Chief Constable

<table>
<thead>
<tr>
<th>Title</th>
<th>Assurance Level</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Continuity Arrangements</td>
<td>Significant</td>
<td>0 x Critical 5 x Medium</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0 x High 0 x Low</td>
</tr>
</tbody>
</table>

**Objective:** To undertake a baseline assessment of current business continuity arrangements and to assess the robustness of these arrangements. The review considered and evaluated the arrangements in place at the Office of the Police and Crime Commissioner (OPCC).
Summary: The force have established an effective policy and guidance on the process for completion, maintenance and testing of business continuity plans and have designed a standardised template to ensure that there is a consistent approach followed. The Force Risk Manager supports the lead officers for business continuity on the purpose and development of plans and provides ongoing advice and support to all staff on this area. Cheshire Constabulary is also part of the Cheshire Local Resilience Forum, which is a multi-agency group set up to prepare for, respond to and recover from an emergency.

From the testing undertaken, it was clear that all departments visited had a business continuity plan in place and the relevant leads all displayed a clear understanding of why business continuity was important, the arrangements that were recorded in their plan and the need to ensure there are effective arrangements in place. In addition, the Force maintain separate plans for other emerging issues such as the forthcoming planned industrial action. From testing it was identified that not all of the plans had been updated by the review date, not all plans had been recorded on the revised business continuity template and plans needed to be properly communicated to departmental staff. There were some additional areas for enhancement relating to the development of a strategic business continuity plan, to undertake testing of business continuity plans and monitoring actions and sharing lessons from hot debriefs.

Key areas agreed for action (due for completion by 30th June 2015):

Medium recommendations to be actioned focused on:

- Transferring all ‘red’ rated business continuity plans onto the revised template, ensuring plans are communicated with staff so there is a clear awareness of the arrangements in place and that a copy of all plans should be held with the Force Incident Manager;
- Developing a strategic business continuity plan and reporting this to the Management Board for approval;
- Undertaking testing of all ‘red’ rated business continuity plans either through walk-through or table-top exercise, plans should then be adjusted to reflect any learning. Testing should then continue to be undertaken on a periodic basis;
- Ensuring actions resulting from ‘hot debriefs’ are formerly tracked and monitored and that lessons learned are effectively communicated to raise
awareness amongst staff; and

• Raising awareness with the key business continuity leads in order to disseminate the latest policy, guidance and standardised template that should be followed.

Executive/ Management Sponsor: Force Risk Manager / Head of Planning and Performance

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<thead>
<tr>
<th>Title</th>
<th>Assurance Level</th>
<th>Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Management</td>
<td>Significant</td>
<td>0 x Critical</td>
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<tr>
<td></td>
<td></td>
<td>0 x High</td>
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<tr>
<td></td>
<td></td>
<td>5 x Medium</td>
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<td></td>
<td></td>
<td>0 x Low</td>
</tr>
</tbody>
</table>

Objective: To assess how risks are managed across the Force Portfolios (Divisions), how high level or strategic risks are escalated and how Portfolio Holders ensure they maintain a clear view of risk’s that are critical to the delivery of their objectives.

The review also considered and evaluated the arrangements in place at the Office of the Police and Crime Commissioner (OPCC).

Summary: A Joint Risk management Framework has been developed and risk management structures established at the OPCC and the Constabulary to record and grade risks using an agreed Risk Register template. Review and monitoring of risk has been assigned at a strategic/ BCU/ Force Operations and support function level.

Key processes for risk management are well established, areas where current processes could be strengthened and current risk management structures further embedded include ensuring reviews of risk registers are evidenced as completed by support functions and BCUs, ensuring registers are updated by stated dates, clarifying procedures for the escalation of risks, updating the Risk Register template to provide additional information of how risks are to be managed; and recording the links between the Joint Strategic Risk Register and other risk registers at the OPCC and the Constabulary.

Key areas agreed for action (due for completion by 31st March 2015):

Medium recommendations to be actioned focused on:

• Ensuring that all risk registers are formerly reviewed at the relevant forum and that the outcome of reviews are formerly recorded in meeting minutes / output documentation;
• Enhancing the arrangements for recording and maintaining actions and updates on risk registers;

• Updating the Risk Management policy to record the criteria and process for escalating risks from an operational level to the joint strategic risk register;

• Updating the risk register templates to include the date risks were identified, target date for actions, and to consider the use of a target risk score; and

• Referencing risks in the joint strategic risk register to relevant supporting risk registers from support functions, BCU’s and Force Operations.

Executive/ Management Sponsor: Force Risk Manager / Head of Planning and Performance

3. Work in Progress

The following pieces of work are in progress and will be reported to Committee following completion:

<table>
<thead>
<tr>
<th>Work In progress</th>
</tr>
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<tbody>
<tr>
<td>• Pension Payments – Fieldwork in progress</td>
</tr>
<tr>
<td>• IT Asset Management – Fieldwork in progress</td>
</tr>
<tr>
<td>• Financial Systems – Fieldwork to commence December/January</td>
</tr>
</tbody>
</table>

Request for Audit Plan Changes

The Audit & Ethics Committee will be notified of any proposed amendments to the original plan and highlighted separately below to facilitate the monitoring process.

There are no current proposals to amend the approved audit plan.
## Appendix A: Assurance Definitions and Risk Classifications

<table>
<thead>
<tr>
<th>Level of Assurance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Our work found some low impact control weaknesses which, if addressed would improve overall control. However, these weaknesses do not affect key controls and are unlikely to impair the achievement of the objectives of the system. Therefore we can conclude that the key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process.</td>
</tr>
<tr>
<td>Significant</td>
<td>There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur.</td>
</tr>
<tr>
<td>Limited</td>
<td>There are weaknesses in the design and/or operation of controls which could have a significant impact on the achievement of the key system, function or process objectives but should not have a significant impact on the achievement of organisational objectives.</td>
</tr>
<tr>
<td>No</td>
<td>There are weaknesses in the design and/or operation of controls which [in aggregate] have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisational objectives.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Rating</th>
<th>Assessment Rationale</th>
</tr>
</thead>
</table>
| Critical    | Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the organisation’s objectives in relation to:  
  • the efficient and effective use of resources  
  • the safeguarding of assets  
  • the preparation of reliable financial and operational information  
  • compliance with laws and regulations. |
| High        | Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives. |
| Medium      | Control weakness that:  
  • has a low impact on the achievement of the key system, function or process objectives;  
  • has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low. |
| Low         | Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control. |
Appendix B: Contract Performance

The primary measure of your internal auditor’s performance is the outputs deriving from work undertaken. The plan has also been discussed with lead officers to determine the appropriate timing of individual work-streams to accommodate OPCC and Cheshire Constabulary priorities, availability, mandatory requirements and external audit views.

General Performance Indicators

The following provides some general performance indicator information to support the Committee in assessing the performance of Internal Audit.

<table>
<thead>
<tr>
<th>Element</th>
<th>Status</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress against plan</td>
<td>Green</td>
<td>Audit reviews are on track in terms of planned completion.</td>
</tr>
<tr>
<td>Timeliness</td>
<td>Green</td>
<td>Generally, reviews are progressing in line with planned delivery.</td>
</tr>
<tr>
<td>Qualified Staff</td>
<td>Green</td>
<td>MIAA Audit Staff consist of:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 65% Qualified (CCAB, IIA etc.)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 35% Part Qualified</td>
</tr>
<tr>
<td>Quality</td>
<td>Green</td>
<td>MIAA operate systems to ISO Quality Standards. Triennial review by External Audit was positive.</td>
</tr>
</tbody>
</table>
Overview of Output Delivery

<table>
<thead>
<tr>
<th>REVIEW TITLE</th>
<th>PLANNED COMPLETION</th>
<th>ASSURANCE LEVEL</th>
<th>Commentary</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>June</td>
<td>Sept</td>
<td>Dec</td>
</tr>
<tr>
<td>FINANCE &amp; RESOURCES</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Combined Financial Systems</td>
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<tr>
<td>Pension Payments</td>
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<td></td>
<td>●</td>
</tr>
<tr>
<td>PERFORMANCE</td>
<td></td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>Crime Recording</td>
<td></td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>Value for Money (Call off Arrangement)</td>
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<td></td>
<td>●</td>
</tr>
<tr>
<td>OPERATIONAL COMPLIANCE</td>
<td></td>
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<tr>
<td>IT Asset Management</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Business Continuity</td>
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<td></td>
<td>●</td>
</tr>
<tr>
<td>GOVERNANCE, RISK AND LEGALITY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk Management</td>
<td></td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>FOLLOW-UP AND CONTINGENCY</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Follow-up</td>
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<td>●</td>
</tr>
<tr>
<td>Contingency</td>
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</tr>
</tbody>
</table>

Key

● = Planned
O = In Progress / Complete
Appendix C: Critical/ High Risk Recommendations

There were no critical / high risk recommendations included within the reports
BUSINESS CONTINUITY AND RISK MANAGEMENT INTERNAL AUDIT REPORTS

PURPOSE OF THE REPORT

1. To enable Members to consider the full internal audit reports on the arrangements for business continuity and risk management within Cheshire Constabulary and the Commissioner’s Office. The reports are attached as Appendices 1 and 2.

BACKGROUND

2. Kevin Lloyd, Audit Manager and Mike Nulty, Auditor from Mersey Internal Audit Agency will present these reports, which are summarised in the quarterly progress report at item 6 of this agenda.

RECOMMENDED:

That the reports on the arrangements for business continuity and risk management within the Constabulary and the Commissioner's Office, be received.

LIZ LUNN
CHIEF FINANCE OFFICER
Business Continuity Arrangements Review
Assignment Report 2014/15
Police and Crime Commissioner and Chief Constable for Cheshire
Contents

1. Introduction
2. Executive Summary
3. Findings, Recommendations and Action Plan

Appendix A: Terms of Reference
Appendix B: Assurance Definitions and Risk Classifications
1. Introduction, Background and Objective

The Civil Contingencies Act 2004, places a statutory duty on the police to have Business Continuity Management (BCM) in place to ensure continued service delivery of essential services. BCM is also a regulatory requirement for compliance with the ACPO Community Security Policy and an integral part of the Force's risk management framework.

All business activity is subject to disruptions, such as technology failure, flooding, utility disruption and terrorism. Business Continuity Management provides the capability to adequately react to operational disruptions, while protecting the welfare and safety of staff.

The review of the Police and Crime Commissioner (PCC) and Chief Constable (CC) business continuity arrangements will be conducted in accordance with the requirements of the approved Internal Audit Plan.

The objective of the review was to undertake a baseline assessment of current business continuity arrangements and to assess the robustness of the business continuity arrangements in place. The review considered and evaluate the arrangements in place at the Office of the Police and Crime Commissioner (OPCC).

2. Executive Summary

There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur.

Significant Assurance

The following provides a summary of the key themes.
Roles and Responsibilities

The force operates a Business Continuity Management (BCM) Policy and Procedure dated March 2013 which is due for formal review in March 2016. The Force Risk Manager is responsible for the development of this policy and guidance which must be in line with the Civil Contingencies Act 2004.

The policy provides an overview of the requirements and aims for Business Continuity management (i.e. to ensure the continued provision of the force’s critical functions), the roles and responsibilities for BCM across the OPCC and CC, documented processes for the coordination and governance of Business Continuity (BC) activity and the process for invocation of BC plans and subsequent action post an event. The policy is located on the Force intranet.

BC guidance is available for staff via the Intranet on how to complete a BC plan, completing a business impact analysis to identify critical activities, the need to identify specific points of failure, critical IT systems and completing an activity plan including highlighting any dependencies on internal and external bodies. A standardised template is included which should be used when recording BC plans.

Cheshire Constabulary is also part of the Cheshire Local Resilience Forum, which is a multi-agency group set up to prepare for, respond to and recover from any emergency. Under the Civil Contingencies Act (2004) every part of the United Kingdom was required to establish a Local Resilience Forum – a multi-agency group covering policing areas who share information and resources. This meeting is attended by a number of representatives from Cheshire Constabulary which includes the Force Risk Manager.

Business Continuity Plans

Local Arrangements

Area Commanders and Department Heads are responsible for implementing and supporting the BC policy, as well as developing and maintaining their own BC plans.

A list of BC plans in place across the Force including a proposed schedule of testing was provided by the Force Risk Manager which had been RAG rated by priority of service. We were informed this had been agreed informally with the DCC in 2013. A sample of four areas were selected, RAG rated as ‘high priority’ namely, Northern BCU, Custody, Control Centre and Vehicle Fleet. Meetings were held with the BC leads for each area and the latest plans were reviewed.
From our review the following was noted:

- All had a business continuity plan in place which identified what had been determined as critical functions for the department and had contingency plans recorded. It was clear from discussions with each officer that they had a clear understanding of why BC was important, the arrangements that were recorded in their plans and the need to ensure there are effective arrangements in place;

- Three of the departmental plans reviewed had not been updated within the review date and were using different / historical templates to the approved version. It is noted that three of the plans were reviewed and updated during the time of the site visit albeit only 1 had been transferred across to the approved template. It is noted that individual plans relating to the risk of industrial action were in place and up to date;

- Plans are to be retained with the relevant BC team within each department and by the Force Risk Manager. All plans were available for review through the Force Risk Manager, however, two plans could not be easily located whilst at the departments;

- Upon discussion with the BC leads, the majority were unaware that the Business Continuity Management guidance including the standard template had been updated earlier in the year; and

- None of the plans stated whether their arrangements had been communicated to their teams and from discussions with BC leads the majority had not undertaken any formal communication with staff on this.

As discussed earlier the latest template requires additional information which includes identifying single points of failure (a part of process / procedure that, if it fails, will stop the entire function / activity from working) and recording any dependencies both internal and external on any of the critical activities identified.

Whilst it is acknowledged that the departments visited all had business continuity plans in place there is a need to ensure that all departments are using the latest template in order to capture a consistent level of information. Plans should be communicated with all staff within the department so there is a clear awareness and understanding of the arrangements. Testing of the plans will further support this and is discussed below. (Recommendation 1)

As the emergence of an incident which could lead to the invocation of a BC plan would be notified through the Force Incident Manager on duty, it is recommended that a copy of all plans are also held at this location. (Recommendation 1)
The OPCC have developed its own Business Continuity Plan based on the standard template in place, approved in 2012 and contained details on roles and responsibilities within the OPCC, critical areas identified from the business impact assessment, single points of failure and critical IT systems, plans for each critical area and a list of contacts.

The plan indicated some dependencies such as IT systems and contingency locations. There is a need to ensure that any dependency requirements on the OPCC’s BC plans have been agreed with all parties concerned to ensure the restoration times or contingency arrangements can be met. This is discussed further under ‘testing’ section below.

Strategic Arrangements

Within the BC guidance it states that the development of local BCU or Unit BC plans should develop into an overarching or strategic plan which will draw together and consolidate the individual local (BCU and Unit) plans. It was established that these arrangements are in the process of being developed. As part of the force wide update of business continuity plans (recommendation 1 refers), it is clear that the current template will support the development of a corporate BC plan. The Force Risk Manager should ensure that all plans once updated are collected, collated and mapped out across the organisation. This should take into account single points of failure, contingency arrangements such as location to identify any duplications or where issues in their effectiveness may arise and where dependencies have been identified. Any gaps in arrangements can then be identified and plans to address them put into place and subsequent testing of BC plans will further support this. The development of the strategic plan should be reported to the Management Board for review. (Recommendation 2)

Other Areas

There are also a number of areas where additional BC plans are collated where emerging risks are identified and from environmental scanning and through the Cheshire Resilience Forum, examples of which include preparation for potential industrial action. In addition, there are further examples where the Force consider potential emerging risks where a Silver Command Group was put in place due to a reported weather warning for the following day. We were informed by the Risk Manager that there have been discussions regarding the Ebola Virus and this area will continue to be monitored to determine the emergence of any risk to the organisation.
Testing of Business Continuity Plans

In accordance with the BC policy, Area Commanders and Department Heads are responsible for carrying out testing on their contingency arrangements within their BC plan.

From discussions with the BC leads visited, only one had undertaken any formal testing of their plans, which form part of a 6 monthly testing cycle. The findings from this review were built into their current BC plan which was updated in October 2014.

The Force Risk Manager provided a list of Departments across the Force including a proposed schedule of testing of BC plans which had been RAG rated by priority of service. We were informed this had been agreed informally with the DCC in 2013. At the time of the review testing had not commenced but this is planned to commence before the end of the financial year.

It is recommended that the schedule of testing template is updated and timescales agreed with BC leads including the OPCC, and should be prioritised based on the priority of service. As a starting point, the Force Risk Manager should support in a desk top test of each BC plan with the relevant departmental teams in order to assess whether there are any gaps or potential issues with the contingency arrangements recorded. Testing should then continue to be taken by the various BCU’s Departments in consultation with the Force Risk Manager on a periodic basis. The Force Risk Manager may wish to consider delaying testing until departmental plans have been inserted onto the approved templates. (Recommendation 3)

Communicating Lessons Learned

In accordance with the BC policy, after any invocation of the plans whether local or force level, a debrief meeting should be held. A ‘hot debrief’ may occur during and will occur immediately after normality has been returned. A formal structured debrief will be held where the invocation has force wide / national implications. For level 5 or 4 consideration should be given to using a Force accredited de-briefer.

An example was provided by the Force Risk Manager relating to a loss of water supply to HQ and Winsford Area. A ‘hot debrief’ was undertaken which included a summary of the actions that were taken in response to the event, areas identified for improvement, what went well and a number of recommendations including owners were identified. In discussions with the Force Risk Manager it was identified that the process for ‘hot debriefs’ is an effective mechanism to discuss the above points and to see how lessons can be learnt for the future however, it was acknowledged that the process for monitoring actions is not formalised or tracked and sharing lessons across the organisation could be enhanced. (Recommendation 4)
Training

The Force’s policy / guidance and standard template provides detailed guidance on the BC process and on the completion, maintenance and testing of plans. In addition, the Force Risk Manager will support BC leads on the purpose and development of continuity plans and provides ongoing support and advice to all staff and BC leads on this area.

In light of the findings of this review, it is recommended that the Force Risk Manager should undertake some form of awareness raising with the key BC leads in order to disseminate the latest policy / guidance and BC template to ensure that a consistent process is being followed and to identify and resolve any issues or queries that may arise. (Recommendation 5)

3. Findings, Recommendations and Action Plan

The review findings are provided on a prioritised, exception basis, identifying the management responses to address issues raised through the review.

To aid management focus in respect of addressing findings and related recommendations, the classifications provided in Appendix B have been applied. The table below summarises the prioritisation of recommendations in respect of this review.

<table>
<thead>
<tr>
<th>Critical</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>5</td>
</tr>
</tbody>
</table>

Other detailed findings and recommendations are set out below.
Detailed Recommendations

1. Business Continuity Plans

<table>
<thead>
<tr>
<th>Risk Rating: Medium</th>
</tr>
</thead>
</table>

Operating effectiveness

**Issue Identified** – Area Commanders and Department Heads are responsible for implementing and supporting the BC policy, as well as developing and maintaining their own BC plans.

A list of BC plans in place across the Force including a proposed schedule of testing was provided by the Force Risk Manager which had been RAG rated by priority of service. We were informed this had been agreed informally with ACCs. A sample of four areas were selected, RAG rated as 'high priority' namely, Northern BCU, Custody, Control Centre and Vehicle Fleet. Meetings were held with the BC leads for each area and the latest plans were reviewed.

From our review the following was noted:

- All had a business continuity plan in place which identified what had been determined as critical functions for the department and had contingency plans recorded. It was clear from discussions with each officer that they had a clear understanding of why BC was important, the arrangements that were recorded in their plans and the need to ensure there are effective arrangements in place;

- Three of the departmental plans reviewed had not been updated within the review date and were using different / historical templates to the approved version. It is noted that three of the plans were reviewed and updated during the time of the site visit albeit only 1 had been transferred across to the approved template. It is noted that individual plans relating to the risk of industrial action were in place and up to date;

- Plans are to be retained with the relevant BC team within each department and by the Force Risk Manager. All plans were available for review through the Force Risk Manager, however, two plans could not be easily located whilst at the departments;

- Upon discussion with the BC leads, the majority were unaware that the Business Continuity Management guidance including the standard template had been updated earlier in the year; and

- None of the plans stated whether their arrangements had been communicated to their teams and from discussions with BC leads the majority had not undertaken any formal communication with staff on this.
As discussed earlier the latest template requires additional information which includes identifying single points of failure (a part of process / procedure that, if it fails, will stop the entire function / activity from working) and recording any dependencies both internal and external on any of the critical activities identified.

**Specific Risk** – Inability to deliver its functions in the event of an emergency or incident and maintain its services to the public and meet its statutory duties.

**Recommendation** –

(i) All “Red” rated department plans should use the latest template in order to capture a consistent level of information.

(ii) Plans should be communicated with all staff within the department so there is a clear awareness and understanding of the arrangements.

(iii) A copy of all plans should be held with the Force Incident Manager.

**Management Response (Remedial Action Agreed)** – All ‘red’ rated plans to be transferred onto the new template by 31st March 2015. A copy of the plans will be provided for the Force Incident Manager’s office.

**Responsibility for Action** – Risk Manager

**Deadline for Action** – 31st March 2015

### 2. Corporate Business Continuity Plan

**Control Design**

**Issue Identified** - Within the BC guidance it states that the development of local BCU or Unit BC plans should develop into an overarching or strategic plan which will draw together and consolidate the individual local (BCU and Unit) plans. It was established that these arrangements are in the process of being developed. As part of the force wide update of business continuity plans (recommendation 1 refers), it is clear that the current template will support the development of a corporate BC plan.

**Specific Risk** – Inability to deliver its functions in the event of an emergency or incident and maintain its services to the public and meet its statutory duties.

**Recommendation** –
(i) The Force Risk Manager should ensure that all plans once updated are collected, collated and mapped out across the organisation. This should take into account single points of failure, contingency arrangements such as location to identify any duplications or where issues in their effectiveness may arise and where dependencies have been identified. Any gaps in arrangements can then be identified and plans to address them put into place and subsequent testing of BC plans will further support this.

(ii) The development of the strategic plan should be reported to the Management Board for review.

Management Response (Remedial Action Agreed) – A strategic plan will be developed and issued to the Management Board for approval.

Responsibility for Action – Risk Manager

Deadline for Action – 31st June 2015

3. Testing of Business Continuity Plans

Risk Rating: Medium

Operating Effectiveness

Issue Identified - In accordance with the BC policy, Area Commanders and Department Heads are responsible for carrying out testing on their contingency arrangements within their BC plan.

From discussions with the BC leads visited only one had undertaken any formal testing of their plans, which form part of a 6 monthly testing cycle. The findings from this review were built into their current BC plan which was updated in October 2014.

The Force Risk Manager provided a list of Departments across the Force including a proposed schedule of testing of BC plans which had been RAG rated by priority of service. We were informed this had been agreed informally with ACCs. At the time of the review testing had not commenced but this is planned to commence before the end of the financial year.

The OPCC have developed its own Business Continuity Plan based on the standard template in place, approved in 2012 and contained details on roles and responsibilities within the OPCC, critical areas identified from the business impact assessment, single points of failure and critical IT systems, plans for each critical area and a list of contacts. The plan indicated some dependencies such as IT systems and contingency locations. There is a need to ensure that any dependency requirements on the OPCC’s BC plans have been agreed with all parties concerned to ensure the restoration times or contingency arrangements can be met. This is discussed further under ‘testing’ section below.
Specific Risk – Potential issues with contingency arrangements recorded may not be identified until the plan is activated.

Recommendation –

(i) The schedule of testing template should be updated and timescales agreed with BC leads including the OPCC. The template should also be prioritised based on the priority of service.

(ii) As a starting point, the Force Risk Manager should provide support to relevant departmental teams in completing desk top tests for each BC plan to assess whether there are any gaps or potential issues with the contingency arrangements recorded.

(iii) Testing should then continue to be taken by the various BCU’s Departments in consultation with the Force Risk Manager on a periodic basis.

The Force Risk Manager may wish to consider delaying testing until departmental plans have been inserted onto the approved templates.

Management Response (Remedial Action Agreed) – All ‘red’ rated plans to be tested by 30th June 2015 by either a walk through or table-top exercise.

Responsibility for Action – Risk Manager

Deadline for Action – 31st June 2015

4. Monitoring Actions and Sharing Lessons

Control design

Issue Identified – In accordance with the BC policy, after any invocation of the plans whether local or force level, a debrief meeting should be held. A ‘hot debrief’ may occur during and will occur immediately after normality has been returned. A formal structured debrief will be held where the invocation has force wide / national implications. For level 5 or 4 consideration should be given to using a Force accredited de-briefer.

An example was provided by the Force Risk Manager relating to a loss of water supply to HQ and Winsford Area. A ‘hot debrief’ was undertaken which included a summary of the actions that were taken in response to the event, areas identified for improvement, what went well and a number of recommendations including owners were identified. In discussions with the Force Risk Manager it was identified that the process for ‘hot debriefs’ is an effective
mechanism to discuss the above points and to see how lessons can be learnt for the future. However, it was acknowledged that the process for monitoring actions is not formalised or tracked and sharing lessons across the organisation could be enhanced.

**Specific Risk** – Actions identified may not be completed and lessons learned not shared effectively, which could result in similar issues arising from future events of this type.

**Recommendation** –

(i) A process should be designed whereby actions resulting from ‘hot debriefs’ can be formerly tracked and monitored at an appropriate group / forum.

(ii) The lessons learnt as a consequence of a ‘hot debrief’ should be communicated so to raise awareness amongst staff.

**Management Response (Remedial Action Agreed)** – A central register of de-briefs to be maintained with effective monitoring of action plans.

**Responsibility for Action** – Risk Manager

**Deadline for Action** – 31st March 2015

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**5. Awareness of Business Continuity Arrangements**

**Risk Rating: Medium**

**Operating effectiveness**

**Issue Identified** – There is no formal training provided on BC. The Force’s policy / guidance and standard template provides detailed guidance on the BC process and on the completion, maintenance and testing of plans. In addition, the Force Risk Manager provides ongoing support and advice to all staff and BC leads on this area.

In light of the findings of this review, it is recommended that the Force Risk Manager should undertake some form of awareness raising with the key BC leads in order to disseminate the latest policy / guidance and BC template to ensure that a consistent process is being followed and to identify and resolve any issues or queries that may arise.

**Specific Risk** – Inconsistent practices, use of templates and recording varying levels of information which does not comply with Force policy.

**Recommendation** – It is recommended that the Force Risk Manager should undertake some form of awareness raising with the key BC leads in order to disseminate the latest policy / guidance and BC template to ensure that a consistent process is being followed and to identify and resolve any issues or queries that may arise.
Management Response (Remedial Action Agreed) – Guidance will be provided during the transfer of plans onto the new template.

Responsibility for Action – Risk Manager

Deadline for Action – 31st March 2015
Appendix A: Terms of Reference

To undertake a baseline assessment of current business continuity arrangements against best practice and to assess the robustness of the business continuity arrangements in place. The following sub-objectives have been identified:

- There is a clearly defined and documented process for the co-ordination and governance of all BCM activity.
- Proportionate and appropriate corporate and department business continuity plans are in place, in accordance with best practice and are reviewed and updated on a regular basis.
- All key business processes and activities have been identified, including interdependencies and other influences that might impact on them.
- Actions in place to continue the Force’s critical processes and activities after an incident have been set to an agreed minimum level and appropriately risk assessed for their priority.
- Lessons are learnt and communicated after major events to improve business continuity arrangements.
- Business Continuity Plans are tested on a regular basis and an exercise programme is in place to capture and share lessons identified.
- Staff have been suitably trained, and are provided with on-going training to ensure that their skills are maintained.

Limitations inherent to the internal auditor’s work

We have undertaken the review of Business Continuity, subject to the following limitations.

Internal control

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding achievement of an organisation’s objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

The assessment of controls relating to Business Continuity processes is that at October 2014. Historic evaluation of effectiveness is not always relevant to future periods due to the risk that:
- The design of controls may become inadequate because of changes in the operating environment, law, regulation or other; or
- The degree of compliance with policies and procedures may deteriorate.

**Responsibilities of management and internal auditors**

It is management’s responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management’s responsibilities for the design and operation of these systems.

We shall endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected. The organisation’s Local Counter Fraud Officer should provide support for these processes.
Appendix B: Assurance Definitions and Risk Classifications

<table>
<thead>
<tr>
<th>Level of Assurance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Our work found some low impact control weaknesses which, if addressed would improve overall control. However, these weaknesses do not affect key controls and are unlikely to impair the achievement of the objectives of the system. Therefore we can conclude that the key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process.</td>
</tr>
<tr>
<td>Significant</td>
<td>There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur.</td>
</tr>
<tr>
<td>Limited</td>
<td>There are weaknesses in the design and/or operation of controls which could have a significant impact on the achievement of the key system, function or process objectives but should not have a significant impact on the achievement of organisational objectives.</td>
</tr>
<tr>
<td>No</td>
<td>There are weaknesses in the design and/or operation of controls which [in aggregate] have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisational objectives.</td>
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</table>

<table>
<thead>
<tr>
<th>Risk Rating</th>
<th>Assessment Rationale</th>
</tr>
</thead>
</table>
| Critical    | Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the organisation’s objectives in relation to:  
  - the efficient and effective use of resources  
  - the safeguarding of assets  
  - the preparation of reliable financial and operational information  
  - compliance with laws and regulations. |
| High        | Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives. |
| Medium      | Control weakness that:  
  - has a low impact on the achievement of the key system, function or process objectives;  
  - has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low. |
| Low         | Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control. |
## Report Distribution

### Report Distribution

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<thead>
<tr>
<th>Name</th>
<th>Title</th>
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<tr>
<td>Malcolm Gerry</td>
<td>Force Risk Manager</td>
<td>Draft/Final</td>
</tr>
<tr>
<td>Paul Woods</td>
<td>Head of Planning &amp; Performance</td>
<td>Draft/Final</td>
</tr>
<tr>
<td>Liz Lunn</td>
<td>Chief Finance Officer (OPCC)</td>
<td>Draft/Final</td>
</tr>
<tr>
<td>Richard Muirhead</td>
<td>Director of Finance (Cheshire Constabulary)</td>
<td>Draft/Final</td>
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### Discussion Meeting held with

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malcolm Gerry</td>
<td>Force Risk Manager</td>
<td>13th November 2014</td>
</tr>
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### Review Completion

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<tr>
<th>Action</th>
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<th>Actual Date</th>
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<tr>
<td>Fieldwork Starts</td>
<td>September 2014</td>
<td>September 2014</td>
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<tr>
<td>Discussion Document to Client</td>
<td>November 2014</td>
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<tr>
<td>Responses by Client</td>
<td>November 2014</td>
<td>21st November 2014</td>
</tr>
<tr>
<td>Final Report</td>
<td>November 2014</td>
<td>24th November 2014</td>
</tr>
</tbody>
</table>
Review prepared on behalf of MIAA by

Name: Michael Nulty
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Acknowledgement and Further Information

MIAA would like to thank all staff for their co-operation and assistance in completing this review.

This report has been prepared as commissioned by the organisation, and is for your sole use. If you have any queries regarding this review please contact the Senior Audit Manager. To discuss any other issues then please contact the Director.
Risk Management Arrangements Review
Assignment Report 2014/15 (Final Report)
Police and Crime Commissioner and Chief Constable for Cheshire
Contents

1. Introduction
2. Executive Summary
3. Findings, Recommendations and Action Plan

Appendix A: Terms of Reference
Appendix B: Assurance Definitions and Risk Classifications
1. Introduction, Background and Objective

Risk Management is defined as ‘the identification, analysis and economic control of those risks which might prevent an organisation achieving its objectives’ (Source: ALARM). Put simply, risk management is about good management, it is about being risk aware but still being able to take risks in a controlled and managed environment.

The failure to manage risks effectively and economically has direct resource costs. This can be through unnecessary or excessive insurance premiums being paid for transferred risks, payments being made for injuries or other losses suffered. It can manifest itself through the non-availability of staff due to injury or sickness, lack of vehicles or equipment and cost overruns and delays to operations and projects. Significant losses can also be incurred due to disruption of the service, inconvenience, staff morale, adverse publicity and loss of public confidence.

Certain risks can also result in criminal prosecutions against the organisation and individual members of staff; this type of risk must be effectively managed and may not be transferred via insurance. Management of risk is the responsibility of all staff in whatever capacity they carry out their duties and makes sound business sense as it contributes directly to the achievement of Force objectives.

It is essential to consider risk not only in light of past losses but also the potential for future loss, since in most cases preventative or proactive action is less costly than the contingent action required following losses.

The review will specifically assess how risks are managed across the Force Portfolios (Divisions), how high level or strategic risks are escalated and how Portfolio Holders ensure they maintain a clear view of risk’s that are critical to the delivery of their objectives.

The review also considered and evaluated the arrangements in place at the Office of the Police and Crime Commissioner (OPCC).

2. Executive Summary

There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur.
**Significant Assurance**

**Summary**

A Joint Risk management framework has been developed and risk management structures established at the OPCC and Cheshire Constabulary (CC) to record and grade risks using an agreed Risk Register template. Review and monitoring of risk has been assigned at a strategic / BCU / Force Operations and support function level.

Although key processes for risk management are established, areas where current processes could be strengthened and current risk management structures further embedded include ensuring reviews of Risk Registers are evidenced as completed by support functions and BCUs, ensuring Risk Registers are updated by stated dates, clarifying procedures for the escalation of risks, updating the Risk Register template to provide additional information of how risks are to be managed; and recording the links between the Joint Strategic Risk Register and other Risk Registers at the OPCC and CC.

The following provides a summary of the key themes;

**Roles and Responsibilities**

The Joint Risk Management Framework was approved in March 2013 and has been in operation since this date. The Framework provides information on the definition of risk, processes for the evaluation, scoring, monitoring and reporting of risks. Currently there is a review of the governance structure across the OPCC and CC. It is intended that changes in governance structures will be updated in the Joint Risk Management Framework.

Testing to confirm key requirements of the framework were established and operating noted key requirements in the framework were established and operating. This includes the establishment of a Strategic Risk Register which is aligned to risks in achieving Police Crime Plan objectives.

Risk Management guidance for staff is available in Risk Register templates which detail how risks should be scored and through the intranet. Risk management is also included as part of training for designated roles to increase awareness.
Risk Identification

To ensure all relevant risks are identified and included in Risk Registers it is essential processes are embedded to identify and score risks.

PCC risks are identified at regular informal meetings with management of the OPCC, during quarterly meetings with Chief Constable and Deputy Chief Constable to review Joint Strategic Risk Registers and at the Joint Management Board.

Risks at CC are identified from a number of areas which include:

- Environment scanning completed by the Governance Department is distributed to the OPCC and throughout CC support functions and operations. This includes national updates on policing and changes in legislation.
- At a support function level, risks are identified throughout each support function i.e. HR/Estates/Finance/IT which are then collated in monthly Board/Steering Group meetings which also include representation from support functions and from the Area Commanders.
- Risks identified throughout Force Operations areas and are brought together in the monthly Force Operations Management Meeting.
- At a BCU level, risks are identified across each Basic Command Unit (BCU) and collated in Area Command Meeting (Eastern, Western and Northern).

Strategic risks are by both the OPCC and CC and then agreed for inclusion in the Joint Strategic Risk Register in meetings between the OPCC and Chief Constable / Deputy Chief Constable.

To facilitate the identification of risk across all areas of CC and the OPCC the Risk Management Team liaise with key officers and attend various support function, BCU and Force Operations meetings to provide an overview of risk across all functions and how they impact on risks in the Joint Strategic Risk Register.

Recording of Risks

All areas of the PCC and CC use the agreed Risk Register template including scoring methodology which should ensure consistency in approach when risks are escalated upwards into the Joint PCC / CC Risk Register. The Risk Register spreadsheets should be retained in each relevant area and updated as part of monthly/quarterly review processes. To facilitate the recording of risks, the Risk Management Team liaise with key officers and attends meetings across all areas of the OPCC and CC. It is intended that this role will be
further embedded at BCU, Force Operations and support function levels to further strengthen the recording of risks.

A review of the Risk Registers for the Joint BCU, Force Operations, BCUs and Support Functions confirmed Risks Registers had been established in the majority of areas. It was noted that there was no separate risk registers maintained for either Estate or HR functions however, Risks Registers are maintained as part of major Estates projects and risks regarding staff are recorded in the Joint Strategic Risk Register (Recommendation 1 - Medium Risk).

In the Risk Register template, closed risks are retained in a separate spreadsheet to ensure an audit trail of all identified risks is maintained.

The highest level strategic risks are recorded in the Joint PCC / CC Risk Register which is colour coded to identify risks specific to the PCC and CC and risks applicable to both. The High level risks assessed as non-strategic are recorded at a Force Operations / BCU and support function level.

An evaluation of the Risk Register template used by both the PCC and CC confirmed it contains key information to record and score risks including description, scoring, actions required and status updates. Although the template records and monitors risks, potential areas where the template could be enhanced include (Recommendation 4- Medium Risk):

- The current Risk Register template records the inherent and residual risk scores. The template does not record target risk scores. Although the design of the current Risk Register template is consistent with approaches taken by a sample of other Police Forces and other public sector bodies, CC and the OPCC could consider the feasibility and value of additionally recording a target risk score to document the agreed appetite level for each risk.

- Recording the target date for actions. This would allow readers to assess if actions have been promptly completed.

- Recording the date that risks have been identified. This would allow the reader of Risk Registers to assess how long risks have been needed to be managed for.

High level risks from the OPCC are included in the Joint Strategic Risk Register alongside risks from CC. Any risks of the PCC not achieving the Police Crime Plan are reflected in the Joint Strategic Risk Register. Also an action plan sits beneath the Police Crime Plan with progress reviewed and scrutinised by senior officers and the PCC on a quarterly basis.
Review / Update of Risks

Risks for the OPCC are reviewed at internal OPCC meetings, in quarterly meetings with the Chief Constable / Deputy Chief Constable. A review of the Joint Risk Register over the last 12 months confirmed updates had been included by Risks Owners for PCC risks.

Risks for support functions should be reviewed at monthly Board / Steering Groups. A review of a selection of meeting minutes confirmed that a review of Risk Registers was an agenda item at the IT Steering Group and Finance Board. However, reviewing of Risk Registers needs to be further embedded in the Estates and HR support functions (Recommendation 1 - Medium Risk).

Risks at the BCU level are reviewed at Command Meetings held for each of the three BCUs. A review of minutes of a sample of BCUs noted that review of Risk Registers should be consistently evidenced as completed at Area Command Meetings to provide a clear audit trail that risks are regularly reviewed and updated (Recommendation 1 – Medium Risk).

At a Force Operations level, risks are monitored and updated at the Management Team Meeting. A review of a sample of meetings confirmed risks were included as an agenda item in 2014. However, no formal review of risks could be evidenced since May 2014, missing the last scheduled review date (Recommendation 1 - Medium Risk). Monitoring of risks at a Force Operations and BCU level is intended to be further strengthened in 2014/15 with the introduction of Risk Registers being reviewed at Assistant Chief Constable (ACC) Quarterly Review Meetings.

The Risk Management Department provide support to both the OPCC and CC in reviewing risks and liaising with leads across both organisations. In 2015 this role is intended to be strengthened including attending monthly BCU, support function and Force Operation meetings.

Testing of a sample of Risk Registers including Force Operations, BCUs, support functions and the Joint Strategic Risk Registers confirmed processes were in place to record updates on actions and risks. The following areas were noted which require addressing to further embed and strengthen arrangements for updating and managing risks (Recommendation 2 - Medium Risk):

- A Risk Register was not maintained or updated for the HR and Estates support functions.
- Ongoing actions should be more clearly recorded in Risk Registers so that actions can be tracked against agreed target dates.
• Instances in the Force Operations and BCU Risk Registers where updates were not provided or completed by the next review date.

• Instances in the IT Risk Register where it was not clear which was the next review date and the date updates were provided for.

• Instances where updates in BCU Risk Registers did not clearly summarise the status of risks. An attachment was added to provide additional detail. However, no summary was added in the Risk Register.

• The BCU Risk Register does not clearly detail which risks and actions are applicable to a specific BCU or apply to all of the BCUs.

• The IT Risk Register is updated by over writing the previous update. This weakens the audit trail of actions required and completed.

**Reporting and Escalation of Risks**

It was confirmed that the Joint Strategic Risk Register was reported to the Audit & Ethics Committee and Management Board, on a quarterly basis. BCU and Force Operations Risk Registers are received at quarterly Performance Meetings.

Testing was undertaken on a sample of Risks Registers from the BCUs, support functions and Force Operations to confirm risks were included in the Joint Strategic Risk Register. It was noted that high level strategic risks were included in the Joint Strategic Register or where more appropriate to monitor and manage in support function / BCU / Force Operations Risk Registers. The process of escalating risks to the Joint Strategic Risk Register across the OPCC and CC could be further strengthened by linking risks recorded in the Joint strategic Risk Register to other Risk Registers and recording in Risk Registers where risks have been escalated in the Joint Strategic Risk Register (*Recommendation 5 - Medium Risk*).

The process for escalating risks is not documented in the Joint Risk Management Policy. This could potentially weaken the consistency in criteria used for escalating risks as well reduce awareness across the OPCC and CC of when risks require escalation into the Joint Strategic Risk Register (*Recommendation 3 - Medium Risk*).
3. Findings, Recommendations and Action Plan

The review findings are provided on a prioritised, exception basis, identifying the management responses to address issues raised through the review.

To aid management focus in respect of addressing findings and related recommendations, the classifications provided in Appendix B have been applied. The table below summarises the prioritisation of recommendations in respect of this review.

<table>
<thead>
<tr>
<th>Critical</th>
<th>High</th>
<th>Medium</th>
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Other detailed findings and recommendations are set out below.
## Detailed Recommendations

<table>
<thead>
<tr>
<th>1. Monitoring of Risk Registers</th>
<th>Risk Rating: Medium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating effectiveness</td>
<td></td>
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</tbody>
</table>

**Issue Identified** – The key control for monitoring risks at a support function level, BCU and Force Operation level is for Risk Registers to be updated and monitored at monthly / quarterly board or steering group meetings. This review noted inconsistencies in the operation of these controls including:

- The Estates support function has not maintained a Risk Register or consistently evidenced reviewing its risks in Strategic Estates & Facilities Meetings. Risks are identified and monitored as part of major projects and through other groups including the Police Driving Review Panel and Health & Safety Steering Group.
- The HR support function has not maintained a Risk Register or consistently evidenced reviewing its risks in 2014 in Resource Management Meetings. However, it was confirmed in BCU, Force Operation and Joint Strategic Risk Registers that HR related risks were included.
- In 2014 there was limited documentation to evidence that formal reviews of Risk Registers were being completed at BCU Command Meetings such as Risk Registers being an agenda item at meetings.
- The last update and review of the Force Operations Risk Register was in May 2014, missing the last scheduled update in August.

**Specific Risk** – Reviews of risks may not be undertaken and evidenced as completed, increasing the risk that actions needed to manage risks may not be fully completed.

**Recommendation** – The key control for BCU, support functions, Force Operations Meetings to review Risk Registers should be consistently completed and recorded in meeting minutes.

**Management Response (Remedial Action Agreed)** - Risk Registers will be formally updated and reviewed at Quarterly Performance Meetings; and evidence recorded in meeting minutes / output documentation.

**Responsibility for Action** – Risk Manager

**Deadline for Action** – 31st March 2015
2. Updating of Risk Registers

Operating effectiveness

Issue Identified - A review of a sample of Risk Registers including at a support function, Force Operations and BCU level identified instances where updates had not been provided or where actions completed and outstanding could have been recorded more clearly. These include:

- A Risk Register was not maintained or updated for the HR and Estates support functions.
- Ongoing actions should be more clearly recorded in Risk Registers so that actions can be tracked against agreed target dates.
- Instances in the Force Operations and BCU Risk Registers where updates were not provided or completed by the specified review date.
- Instances in the IT Risk Register where it was not clear which was the next review date and the date updates were provided for.
- Instances where updates in BCU Risk Registers did not clearly summarise the status of risks. An attachment was available to provide additional detail. However, no summary was included in the Risk Register.
- The BCU Risk Register did not clearly detail which risks and actions are applicable to a specific BCU or apply to all of the BCUs.
- The IT Risk Register is updated by over writing the previous update. This weakens the audit trail of actions required and completed.

Specific Risk – Management will not receive adequate assurances that risks are being managed and agreed actions are completed.

Recommendation –

- Risk Registers should be maintained and updates completed by the stated review dates to provide assurance that risks and actions are monitored and updated where applicable.
- Across Cheshire Constabulary including at a BCU, Force Operations and at a support function level, updates of risks should be completed to clearly record actions completed, actions outstanding and target dates for actions to be completed. This is to ensure actions can be clearly tracked and assurance provided that actions have been completed.
• Updates in BCU Risk Registers should provide a summary of risk updates if additional attachments are provided. Actions and risks specific to individual BCUs should be recorded to provide additional clarity of which risks are applicable to each BCU.

• A copy of IT Risk Registers before and after updates should be retained to ensure an audit trail of actions required and completed is retained.

Management Response (Remedial Action Agreed) - Risk Registers will be formally updated and reviewed at Quarterly Performance Meetings; and evidence recorded in meeting minutes / output documentation.

Responsibility for Action – Risk Manager
Deadline for Action – 31st March 2015

### 3. Escalation Policy

Control design

**Issue Identified** - A fundamental aspect of risk management is ensuring risks are identified across all areas of the organisation and based on their likelihood and impact are reported and monitored at the appropriate level. In the current Risk Management Policy there is no clear description of the criteria for escalating risks from a support function / BCU / Force Operations level to the Joint Strategic Risk Register and the frequency of reporting Red risks to the Management Board when applicable. Currently the Management Board does not receive all Red (high) risks across all areas for consideration, as only Red risks considered strategic are included in the Joint Strategic Risk Register.

**Specific Risk** – A lack of clarity and consistency in the criteria used for escalating Red risks upwards to the Joint Strategic Risk Register.

**Recommendation** – The Risk Management Policy should be updated to record the processes and criteria for escalating risks.

Management Response (Remedial Action Agreed) - The updated Risk Management Policy will include details of the escalation process.

Responsibility for Action – Risk Manager
Deadline for Action – 31st March 2015
4. **Updating of Risk Register Template**

**Control design**

**Issue Identified** – A standard risk register template should be in place across all areas of the PCC and CC. Although the current template is adequate to record and monitor risks, the template could be enhanced by including the following:

- The current Risk Register template records the inherent and residual risk scores. The template does not record target risk scores. Although the design of the current Risk Register template is consistent with approaches taken by a sample of other Police Forces and other public sector bodies, CC and the OPCC could consider the feasibility and value of additionally recording a target risk score to document the agreed appetite level for each risk.

- Recording the target date for actions. This would allow readers to assess if actions have been promptly completed.

- Recording the date that risks have been identified. This would allow the reader of Risk Registers to assess how long risks have been needed to be managed for.

- The Risk Register used by the IT support function does not include the origin of risks which is included in all other Risk Registers.

**Specific Risk** – Information to record and monitor risks may not be fully recorded in Risk Registers.

**Recommendation** - CC and the OPCC should consider the feasibility and value of additionally recording a target risk score to document the agreed appetite level for each risk. Also the Risk Register template used across the PCC and CC should be reviewed and consideration given for including the following information.

- Date risks were identified; this is to provide an improved audit trail of how long risks have been applicable.

- Target dates for actions to be completed; this would provide additional clarity to the action required column, providing confirmation actions have been implemented by agreed target dates.

- In the IT Risk Register the origin of risks should be recorded to ensure it is consistent with all other Risk Registers.

**Management Response (Remedial Action Agreed)** – The format of the Risk Register template
will be amended to reflect the recommendations detailed above.

**Responsibility for Action** – Risk Manager

**Deadline for Action** – 31st March 2015

---

### 5. Linking Risk Registers

**Control design**

**Issue Identified** – To ensure that risks across the OPCC and CC can be tracked from a BCU, Force Operations and support function level to the Joint Strategic Risk Register, the links between Risk Registers require strengthening.

**Specific Risk** – A weakened audit trial to confirm risks are being managed and escalated throughout the OPCC and CC.

**Recommendation** – Risks noted in the Joint Strategic Risk Register should be referenced to other supporting Risk Registers where applicable. Risks noted in support functions, BCUs or Force Operations which are escalated to the Joint Strategic Risk Register should also be recorded so that there is a clear link of risks from the Joint Strategic Risk Register to supporting Risk Registers.

**Management Response (Remedial Action Agreed)** - All risks will be referenced to risks noted in Risk Registers from support functions, BCUs and Force Operations, including date escalated.

**Responsibility for Action** – Risk Manager

**Deadline for Action** – 31st March 2015
Appendix A: Terms of Reference

The overall objective of the audit was to assess how risks are managed across the Force Portfolios (Divisions), how high level or strategic risks are escalated and how Portfolio Holders ensure they maintain a clear view of risks that are critical to the delivery of their objectives.

The review will also consider and evaluate the arrangements in place at the Office of the Police and Crime Commissioner.

The following sub-objectives have been identified:

- There should be a formal risk management strategy, which should be documented and approved by the PCC and CC, outlining procedures established for managing risks.
- An up to date Risk Management Strategy is in place supported by any policies and procedure notes, which have been appropriately approved and communicated to all staff.
- Risk identification is consistent and in line with delivery of objectives.
- Appropriate risk grading and scoring mechanisms have been developed and relevant staff have been trained accordingly.
- There are adequate and established methods for identifying, recording, monitoring and managing risks from a range of sources in line with the Risk Management Strategy.
- Clear lines of communication exist for reporting and escalating risks identified in a timely manner.
- There are clear links between Departmental, Function Risk Registers and the Corporate Risk Register.
- Open risks on the Risk Register should be regularly reviewed.
- Action plans are produced to mitigate risks and are regularly reviewed.
Limitations inherent to the internal auditor’s work

We have undertaken the review of Risk Management processes, subject to the following limitations.

Internal control

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding achievement of an organisation’s objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

The assessment of controls relating to Risk Management processes is that at October 2014. Historic evaluation of effectiveness is not always relevant to future periods due to the risk that:

• The design of controls may become inadequate because of changes in the operating environment, law, regulation or other; or
• The degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management’s responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management’s responsibilities for the design and operation of these systems.

We shall endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected. The organisation’s Local Counter Fraud Officer should provide support for these processes.
### Appendix B: Assurance Definitions and Risk Classifications

<table>
<thead>
<tr>
<th>Level of Assurance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Our work found some low impact control weaknesses which, if addressed would improve overall control. However, these weaknesses do not affect key controls and are unlikely to impair the achievement of the objectives of the system. Therefore we can conclude that the key controls have been adequately designed and are operating effectively to deliver the objectives of the system, function or process.</td>
</tr>
<tr>
<td>Significant</td>
<td>There are some weaknesses in the design and/or operation of controls which could impair the achievement of the objectives of the system, function or process. However, either their impact would be minimal or they would be unlikely to occur.</td>
</tr>
<tr>
<td>Limited</td>
<td>There are weaknesses in the design and/or operation of controls which could have a significant impact on the achievement of the key system, function or process objectives but should not have a significant impact on the achievement of organisational objectives.</td>
</tr>
<tr>
<td>No</td>
<td>There are weaknesses in the design and/or operation of controls which [in aggregate] have a significant impact on the achievement of key system, function or process objectives and may put at risk the achievement of organisational objectives.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Rating</th>
<th>Assessment Rationale</th>
</tr>
</thead>
</table>
| Critical    | Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the organisation’s objectives in relation to:  
  - the efficient and effective use of resources  
  - the safeguarding of assets  
  - the preparation of reliable financial and operational information  
  - compliance with laws and regulations. |
| High        | Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives. |
| Medium      | Control weakness that:  
  - has a low impact on the achievement of the key system, function or process objectives;  
  - has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low. |
| Low         | Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control. |
### Report Distribution

**Report Distribution**

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Report Distribution</th>
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</thead>
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<tr>
<td>Malcolm Gerry</td>
<td>Risk Manager</td>
<td>Draft/Final</td>
</tr>
<tr>
<td>Paul Woods</td>
<td>Head of Planning &amp; Performance</td>
<td>Draft/Final</td>
</tr>
<tr>
<td>Liz Lunn</td>
<td>Chief Finance Officer (OPCC)</td>
<td>Draft/Final</td>
</tr>
<tr>
<td>Richard Muirhead</td>
<td>Chief Finance Officer (Cheshire Constabulary)</td>
<td>Draft/Final</td>
</tr>
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### Review Completion

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<th>Actual Date</th>
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<tr>
<td>Fieldwork Starts</td>
<td>August 2014</td>
<td>August 2014</td>
</tr>
<tr>
<td>Discussion Document to Client</td>
<td>September 2014</td>
<td>October 2014</td>
</tr>
<tr>
<td>Responses by Client</td>
<td>October 2014</td>
<td>November 2014</td>
</tr>
<tr>
<td>Final Report</td>
<td>October 2014</td>
<td>November 2014</td>
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</tbody>
</table>
Review prepared on behalf of MIAA by

Name: Michael Nulty
Title: Audit Manager
Telephone: 0161 743 2028
Email: michael.nulty@miaa.nhs.uk

Name: Kevin Lloyd
Title: Senior Audit Manager
Telephone: 0161 743 2029
Email: kevin.lloyd@miaa.nhs.uk

Acknowledgement and Further Information

MIAA would like to thank all staff for their co-operation and assistance in completing this review.

This report has been prepared as commissioned by the organisation, and is for your sole use. If you have any queries regarding this review please contact the Audit Manager. To discuss any other issues then please contact the Director.
INTERNAL AUDIT CHARTER WITH THE POLICE AND CRIME COMMISSIONER
AND THE CHIEF CONSTABLE

PURPOSE OF THE REPORT

1. To consider and, if appropriate, recommend the Commissioner and the Chief Constable to approve the Internal Audit Charter.

BACKGROUND

2. After discussions with officers, Internal Audit have drafted the attached Charter. The Charter sets out detailed working arrangements between Internal Audit and employees of the Commissioner and the Chief Constable, in respect of internal audit matters.

3. Kevin Lloyd, Audit Manager and Mike Nulty, Auditor from Mersey Internal Audit Agency will present the report.

RECOMMENDED:

That the Internal Audit Charter be considered and, if appropriate, recommended to the Commissioner and Chief Constable for approval.

LIZ LUNN
CHIEF FINANCE OFFICER

Contact Officer: Liz Lunn, Chief Finance Officer
Tel. No.: (01606) 364109            Email: liz.lunn@cheshire.pnn.police.uk
2014/15 Internal Audit Charter
Police and Crime Commissioner and Chief Constable for Cheshire
Introduction

The purpose of this Charter is to establish the terms of reference for the MIAA Internal Audit service as provided to the Office of the Police and Crime Commissioner (OPCC) and Cheshire Constabulary. The Internal Audit Charter is mandated through the Public Sector Internal Audit Standards (2013) and is a formal document that defines the internal audit activity’s purpose, authority and responsibility. The internal audit charter establishes the internal audit activity’s position within the OPCC and Cheshire Constabulary; authorises access to records, personnel and physical properties relevant to the performance of engagements; and defines the scope of internal audit activities.

This Charter is structured around the Public Sector Internal Audit Standards (2013)

<table>
<thead>
<tr>
<th>Public Sector Internal Audit Standards – Attribute Standards</th>
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<tr>
<td>1000 - Purpose, Authority and Responsibility</td>
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<td>1100 - Independence and Objectivity</td>
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<td>1200 - Proficiency and Due Professional Care</td>
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<td>1300 - Quality Assurance and Improvement Programme</td>
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<td>2000 - Managing the Internal Audit Activity</td>
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<td>2100 - Nature of Work</td>
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<td>2200 - Engagement Planning</td>
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<td>2300 - Performing the Engagement</td>
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<td>2400 - Communicating Results</td>
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<tr>
<td>2500 - Monitoring Progress</td>
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<tr>
<td>2600 – Communicating the acceptance of risks.</td>
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MIAA confirms ongoing compliance with the Public Sector Internal Audit Standards.
**Standard 1000 - Purpose, Authority and Responsibility**

Internal auditing is “an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.

The provision of assurance services is the primary role for internal audit in the Public Sector. This role requires the internal auditor to provide an independent opinion based on an objective assessment of the framework of governance, risk management and control. The main purpose of internal audit activity within the Public Sector is therefore to support the OPCC and Cheshire Constabulary with an objective evaluation of, and opinion on, the overall adequacy and effectiveness of the organisation’s framework of governance, risk management and control. The Director of Internal Audit’s opinion is a key element of the framework of assurance that the OPCC and Cheshire Constabulary needs to inform the completion of the Annual Governance Statement (AGS).

Internal audit also provides an independent and objective consultancy service which is advisory in nature, and generally performed at the specific request of the organisation. Such consultancy work is separate from but contributes to the opinion which internal audit provides on risk management control and governance. When performing consulting services, the internal auditor will maintain objectivity and not take on management responsibility.

Assurance Reviews will provide individual audit opinions to support the annual Director of Internal Audit Opinion. Formal agreement will be sought for the provision of third party assurances to other bodies in respect of the services provided by a Public Sector organisation.

In accordance with the organisations Financial Regulations, Internal Auditors will (without necessarily giving prior notice) have access to all records (including those of a confidential nature) and employees of the OPCC and Cheshire Constabulary.

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1 The Definition of Internal Auditing Copyright © 2009 by The Institute of Internal Auditors, Inc., 247 Maitland Avenue, Altamonte Springs, Florida 32710-4201 U.S.A. Reproduced with permission.
Standard 1100 - Independence and Objectivity

The internal audit activity must be independent, and internal auditors must be objective in performing their work. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the Director of Internal Audit will have direct and unrestricted access to all records, assets, personnel and premises, including those of partner organisations, or external contractors conducting business on behalf of or in partnership with the OPCC and/or Cheshire Constabulary in order to obtain such information and explanations, as it considers necessary to fulfill its responsibility.

The Director of Internal Audit will confirm to the Joint Audit and Ethics Committee, at least annually, the organisational independence of the internal audit activity.

The Director of Internal Audit will report functionally to the Joint Audit and Ethics Committee and establish effective communication with, and have free and unfettered access to, the Chief Finance Officers (CFOs) for the OPCC and Cheshire Constabulary and the Chair of the Joint Audit and Ethics Committee. This will include communicating and interacting directly with the Joint Audit and Ethics Committee.

Internal auditors will have an impartial, unbiased attitude and avoid any conflict of interest. Conflicts of interest may arise where an auditor provides services other than internal audit to the OPCC and/or Cheshire Constabulary. Steps will be taken to avoid or manage transparently and openly such conflicts of interest, so that there is no real or perceived threat or impairment to independence in performing the audit role.

All internal auditors will complete an annual declaration of interest identifying possible conflicts of interest and the actions taken to mitigate them. This process, and its outcomes, will be communicated to the Joint Audit and Ethics Committee annually through the Director of Internal Audit Opinion and Annual Report.

If independence or objectivity is impaired in fact or appearance, the details of the impairment will be disclosed to appropriate parties. The nature of the disclosure will depend upon the impairment.

Standard 1200 - Proficiency and Due Professional Care

Engagements will be performed with proficiency and due professional care. Internal auditors will possess the knowledge, skills, and other competencies needed to perform their individual responsibilities. The internal audit activity collectively will possess or obtain the knowledge,
skills and other competencies needed to perform its responsibilities. The Director of Internal Audit is a CCAB qualified Accountant and is responsible for ensuring access to the full range of knowledge, skills, qualifications and experience to meet the requirements of the Internal Audit Standards. MIAA internal auditors will ensure Continuing Professional Development and compliance with professional standards.

Internal auditors will apply the care and skill expected of a reasonably prudent and competent internal auditor. Due professional care does not imply infallibility.

**Standard 1300 - Quality Assurance and Improvement Programme**

The Director of Audit will develop and maintain a quality assurance and improvement programme that covers all aspects of the internal audit activity. The quality assurance and improvement programme will include both internal and external assessments.

Internal assessment will include;

- Ongoing monitoring of the performance of the internal audit activity; and
- Periodic self-assessments or assessment by other persons within the organisation with sufficient knowledge of internal audit practices.

External assessments will also be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organisation. The results of external quality reviews and any consequent improvement plans will to be reported to the CFOs of the OPCC and Cheshire Constabulary and the Joint Audit and Ethics Committee.

**Standard 2000 - Managing the Internal Audit Activity**

The Director of Internal Audit will develop and maintain an Internal Audit strategy / Three Year Strategic Internal Audit Plan designed to meet the main purpose of the internal audit activity and its service provision needs. This strategy will advocate a systematic and prioritised review, outlining the resources and skills required to meet the assurance needs of the OPCC and Cheshire Constabulary, their respective CFOs, and Joint Audit and Ethics Committee. The strategy will take into account the relative risk maturity of the OPCC and Cheshire Constabulary, taking due regard of the Strategic Risk Register.
The Director of Internal Audit will establish risk based plans to determine the priorities of the internal audit activity consistent with the goals of the OPCC and Cheshire Constabulary.

The Director of Internal Audit will include in the internal audit strategy the approach to using other sources of internal and external assurance. Periodic plans will include any work associated with placing reliance upon such work.

The Director of Internal Audit will discuss the strategy and annual plans with the CFOs of the OPCC and Cheshire Constabulary and will be approved by the Management Board. The strategy and annual plans will be reported to the Joint Audit and Ethics Committee in their advisory role.

Where the Director of Internal Audit believes that the level of agreed resources will prevent the OPCC and Cheshire Constabulary being provided with an opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control, the consequences will be brought to the attention of the Management Board and the Joint Audit and Ethics Committee.

The Director of Internal Audit will agree arrangements for interim reporting to the Management Board and Joint Audit and Ethics Committee in the course of the year and produce an annual report that incorporates his opinion.

The Director of Internal Audit will provide to the OPCC and Cheshire Constabulary an opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control, timed to support the Annual Governance Statement.

**Standard 2100 - Nature of Work**

The internal audit activity will evaluate and contribute to the improvement of governance, risk management and control processes, using a systematic and disciplined approach.

The Director of Internal Audit will liaise on a regular basis with the Head of Professional Standards to identify any potential risk of fraud and ensure that any potential or actual frauds identified through internal audit activity are referred to the Head of Professional Standards for investigation.

The Director of Internal Audit will also liaise with the external auditors and other review bodies for the OPCC and Cheshire Constabulary to facilitate the effective co-ordination of audit resources and assurances.
Standard 2200 - Engagement Planning

The Director of Internal Audit will establish a risk based Internal Audit Plan in conjunction with the CFOs for the OPCC and Cheshire Constabulary, with the agreement of the Police and Crime Commissioner and Chief Constable and reported to the Joint Audit and Ethics Committee in their advisory role. The plan will set out the priorities for Internal Audit activity, consistent with the goals and objectives for the OPCC and Cheshire Constabulary.

Each audit will be planned individually to ensure that the scope addresses the risks facing the OPCC and Cheshire Constabulary, and is there a useful source of assurance, providing assurance on the controls that you rely on to manage your risks and deliver your objectives. Internal Auditors will meet with appropriate staff to understand the area under review and then to develop and document a terms of reference for each engagement, including the engagement’s objectives, scope, timing and resource allocations, based on an evaluation of the nature and complexity of each engagement, time constraints and available resources. The terms of reference will be agreed with management before the commencement of a review. A work plan will be developed and documented that achieves the engagement objectives.

Internal audit will meet regularly with the external auditor to consult on audit plans and discuss matters of mutual interest.

Standard 2300 - Performing the Engagement

Internal audit will identify, analyse, evaluate and document sufficient information to achieve the engagement’s objectives. Internal auditors will base conclusions and engagement results on appropriate analyses and evaluations. Internal auditors will document relevant information to support the conclusions and engagement results.

Engagements will be properly supervised to ensure objectives are achieved, quality is assured and staff are developed.

Standard 2400 - Communicating Results

Internal auditors will communicate the engagement results with appropriate parties, including the engagement’s objectives and scope, as well as applicable conclusions, recommendations and action plans.
Working with the OPCC and Cheshire Constabulary, the Director of Internal Audit will ensure that communications are accurate, objective, clear, concise, constructive, complete and timely.

The Director of internal Audit will deliver an annual internal audit opinion and report that can be used by the OPCC and Cheshire Constabulary to inform the Annual Governance Statement. The annual internal audit opinion will conclude on the overall adequacy and effectiveness of the framework of governance, risk management and control at the OPCC and Cheshire Constabulary.

The annual report will incorporate;

- The opinion;
- A summary of the work that supports the opinion; and
- A statement on conformance with the Public Sector Internal Audit Standards.

Standard 2500 - Monitoring Progress

The Director of Internal Audit will establish and maintain a follow-up process to monitor that management actions have been effectively implemented or that senior management has accepted the risk of not taking action. This will be operated to support the OPCC and Cheshire Constabulary in ensuring the implementation of actions, and reporting progress to the Joint Audit and Ethics Committee.

Standard 2600 - Communication the Acceptance of Risks

When the Director of Internal Audit believes that senior management has accepted a level of residual risk that may be unacceptable to the OPCC and Cheshire Constabulary, the Director of Internal Audit will discuss the matter with senior management. If the decision regarding residual risk is not resolved, the Director of Internal Audit will report the matter to the CFOs of the OPCC and Cheshire Constabulary for resolution. The outcome of this will be reported to the Joint Audit and Ethics Committee in their advisory role.
Code of Ethics

MIAA will operate within the definition of Internal Auditing and ensure that the Code of Ethics (Institute of Internal Auditors, 2009) underpins the internal audit services provided to the OPCC and Cheshire Constabulary.

**INTEGRITY**
- Honesty, Diligence & Responsibility
- Legal & Professional disclosure
- Contribution to Legitimate & Ethical objectives

**OBJECTIVITY**
- Unbiased assessment
- Relationships
- Not subject to Undue Influence
- Conflict of Interest disclosure

**CONFIDENTIALITY**
- Prudence in use & protection of Information
- Not use information for personal gain or contrary to legal requirements

**COMPETENCY**
- Knowledge, Skills and experience
- Compliance with standards and professional practice
- Continuous improvement
MIAA Key Contacts

<table>
<thead>
<tr>
<th>Name:</th>
<th>Tim Crowley</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title:</td>
<td>Managing Director</td>
</tr>
<tr>
<td>Telephone:</td>
<td>0151 285 4500</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:tim.crowley@miaa.nhs.uk">tim.crowley@miaa.nhs.uk</a></td>
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<table>
<thead>
<tr>
<th>Name:</th>
<th>Steve Connor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title:</td>
<td>Commercial Director / Deputy Managing Director</td>
</tr>
<tr>
<td>Telephone:</td>
<td>0151 285 4511</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:steve.connor@miaa.nhs.uk">steve.connor@miaa.nhs.uk</a></td>
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<table>
<thead>
<tr>
<th>Name:</th>
<th>Kevin Lloyd</th>
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<tbody>
<tr>
<td>Title:</td>
<td>Senior Audit Manager</td>
</tr>
<tr>
<td>Telephone:</td>
<td>0161 743 2029 07585 401 639</td>
</tr>
<tr>
<td>Email:</td>
<td><a href="mailto:kevin.lloyd@miaa.nhs.uk">kevin.lloyd@miaa.nhs.uk</a></td>
</tr>
</tbody>
</table>

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Tel: 0151 285 4500
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5th Floor Business Centre
St James’s House
Pendleton Way
Salford,
M6 5FW
Tel: 0161 7432008
CONSTABULARY SERVICE ASSURANCE PLAN 2014/15: UPDATE

PURPOSE OF THE REPORT

1. To provide the Committee with a progress report on the Constabulary’s Service Assurance Plan for 2014/15.

BACKGROUND

2. The purpose of the Service Assurance Plan, attached at Appendix 1 is to ensure audit activity is coordinated, delivered and managed so that the root cause of issues are identified, with appropriate risk based action plans implemented.

3. The Plan for 2014/15 has been developed in conjunction with the Internal Auditor and is in line with risk based principles and assessment of strategic risks identified.

4. The Deputy Chief Constable has reviewed and agreed the governance for the audit programme

RECOMMENDED:

That the progress report in respect of the Constabulary’s Service Assurance Plan for 2014/15 be endorsed.

SIMON BYRNE
CHIEF CONSTABLE
### Cheshire Constabulary Service Assurance Plan – 2014/15 (Updated November 2014)

<table>
<thead>
<tr>
<th>Review / Audit Team</th>
<th>Title and Reason for Audit</th>
<th>High Level scope</th>
<th>Status / Audit Date</th>
<th>Update</th>
<th>Board / Committee to receive Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCRS</td>
<td>Test 1 audit on various crime types – based on findings from HMIC Force specific report. Criminal Damage</td>
<td>This audit will establish that reports of crimes from victims and witnesses are appropriately recorded as Command and Control incidents initially, and converted to crime reports in compliance with the Home Office Counting Rules/NRS.</td>
<td>Quarter 1 Completed</td>
<td>In addition to the introduction of an interim crime recording facility dealing with violent and sexual incidents, an audit completed for criminal damage incidents had a compliance rate of 87%.</td>
<td>Force Performance Meeting</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>Information Security Audit</td>
<td>The audit will assess the physical and information security controls in place across the Constabulary premises testing the external physical controls to the protection of internal assets.</td>
<td>Quarter 1 Draft Report to PSD June 2014 Complete – sent to DCC and will be on agenda for next ISPG scheduled for November 27 November 2014. Report will be considered by the ISPG at the end of November 2014.</td>
<td>Draft Report to PSD June 2014 Complete – sent to DCC and will be on agenda for next ISPG scheduled for November 27 November 2014. Report will be considered by the ISPG at the end of November 2014.</td>
<td>DCC Head of PSD. Information Security Policy Group (ISPG)</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>PNC Access</td>
<td>The Audit will assess that all staff that access PNC have received appropriate training for the level of access provided, and ensure that transaction are completed in</td>
<td>Quarter 1 Report to go to the ISPG on 27 November 2014.</td>
<td>Report to go to the ISPG on 27 November 2014. Report will be considered by the ISPG at the end of November</td>
<td>Information Security Policy Group (ISPG) Risk and Integrity</td>
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<tr>
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<td>MIAA – Internal Audit</td>
<td>Business Continuity</td>
<td>To undertake a baseline assessment of the current BCP arrangements against best practice and to assess the robustness of the business continuity arrangements in place.</td>
<td>Quarter 2 Completed</td>
<td>Report submitted to the Audit and Ethics Committee</td>
<td>Audit and Ethics Committee</td>
</tr>
<tr>
<td>NCRS</td>
<td>Audit of Violent Crime/Domestic and Race/Hate</td>
<td>The review will seek to identify the quality of first point of contact information and that allegations surrounding Violent crime, Domestic Related and Race/Hate Incidents were correctly identified and recorded on the NSPIS Command and Control system.</td>
<td>Quarter 2 Completed</td>
<td>All violent and domestic incidents are now considered by the interim crime input bureau. Hate incident audit completed and a compliance rate of 86% was reported.</td>
<td>Force Performance Meeting</td>
</tr>
<tr>
<td>MIAA – Internal Audit</td>
<td>IT Infrastructure</td>
<td>Review the development, configuration and management of the network infrastructure to ensure that this is sufficient to meet the requirements of the organisation.</td>
<td>Quarter 2 N/A</td>
<td>There is a Public Sector Network Project up and running, with plans in place to replace all existing circuits to PSN circuits by September 2015, and to join us to the National Police PSN by October 2015. A key aim of this project will be to future-proof the network infrastructure – both in terms of capacity and resilience, and in terms of ensuring full compliance with the new PSN</td>
<td>IT Steering Group</td>
</tr>
</tbody>
</table>

2014.
<table>
<thead>
<tr>
<th>Review / Audit Team</th>
<th>Title and Reason for Audit</th>
<th>High Level scope</th>
<th>Status / Audit Date</th>
<th>Update</th>
<th>Board / Committee to receive Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIAA – Internal Audit</td>
<td>Pension Payments</td>
<td>Support the development of an appropriate management control framework for the payment of pensions.</td>
<td>Quarter 2 (on-going)</td>
<td>Code of Connection – and to reduce the costs of operating the network (for example by bringing some aspects of network monitoring in-house). Flexible plans are being created as part of this work to ensure that the rollout of PSN can be adapted to reflect changes in the Force Estate over the next few years, and to new ways of working (e.g. the use of drop-down locations in partner buildings). A Gold Group was set up to deal with the immediate issue of correcting the pension payments. Further work will be undertaken to ensure that the control framework is robust, proportionate and effective going forward. A paper was issued to the Management Board on 04 November 2014 with a further update report timetabled for 07 January 2015. Update included in the Audit &amp; Ethics agenda. A report will be presented to the Management Board on 07</td>
<td>COG</td>
</tr>
<tr>
<td>Review / Audit Team</td>
<td>Title and Reason for Audit</td>
<td>High Level scope</td>
<td>Status / Audit Date</td>
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<td>Board / Committee to receive Reports</td>
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<tr>
<td>NSIR</td>
<td>A review of incidents recorded as ‘Concern for Safety’</td>
<td>The review will seek to identify that the initial call has been correctly opened with the most appropriate NSIR category code and the correct closure code for incidents of Suspicious Circumstances has been used to reflect what had occurred.</td>
<td>Quarter 2</td>
<td>In addition to the introduction of an interim crime recording facility dealing with concern for safety, an audit completed for suspicious circumstances has compliance rate of 76%.</td>
<td>ISPG Force Performance Meeting and Integrity and Risk Board. Significant issues will be escalated the Audit and Ethics Committee.</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>Holmes 2</td>
<td>HOLMES is an investigation management system to assist law enforcement organisations in their management of the complex process of investigating serious crimes. The audit will look to ensure processes are followed and in-line with the Data Protection Act.</td>
<td>Quarter 2</td>
<td>Scoping completed – on-list for completion.</td>
<td>Information Security Policy Group (ISPG)</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>Sarah's Law: Child Sex Offenders Disclosure Scheme</td>
<td>Sarah's Law is a formal way to apply for information about a particular individual who has</td>
<td>Quarter 2</td>
<td>Report to go to the ISPG on 27 November 2014</td>
<td>Information Security Policy</td>
</tr>
<tr>
<td>Review / Audit Team</td>
<td>Title and Reason for Audit</td>
<td>High Level scope</td>
<td>Status / Audit Date</td>
<td>Update</td>
<td>Board / Committee to receive Reports</td>
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<tr>
<td></td>
<td></td>
<td>contact with a child or children The audit will look to ensure processes are followed and compliant with the Data Protection Act.</td>
<td></td>
<td></td>
<td>Group (ISPG)</td>
</tr>
<tr>
<td>MIAA – Internal Audit</td>
<td>Risk Management Arrangements</td>
<td>Through an assessment of the organisations risk maturity, assurance that appropriate processes for planning, performance management and risk management are in place for the delivery of the annual plan. The review will specifically assess how risks are managed across operational Areas and how portfolio holders ensure they maintain a clear view of risks that are critical to the delivery of their objectives</td>
<td>Quarter 2</td>
<td>Report submitted to the Audit and Ethics Committee</td>
<td>Risk and Integrity Group</td>
</tr>
<tr>
<td>NCRS</td>
<td>Audit of Sexual Offence allegations</td>
<td>To focus on the initial recording of sexual offence allegations, the conversion to crime report and the subsequent disposal.</td>
<td>Quarter 3</td>
<td>All reports of sexual incidents are now considered by the interim crime recording facility.</td>
<td>Information Security Policy Group (ISPG)</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>PNC – Disqualified Drivers</td>
<td>The Audit will assess that Disqualified Drivers are being recorded correctly on PNC and</td>
<td>Quarter 3</td>
<td>On-list – awaiting scheduling</td>
<td>Information Security Policy</td>
</tr>
<tr>
<td>Review / Audit Team</td>
<td>Title and Reason for Audit</td>
<td>High Level scope</td>
<td>Status / Audit Date</td>
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<td>Board / Committee to receive Reports</td>
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<tr>
<td>Information Compliance</td>
<td>LOCARD</td>
<td>ensure all processes followed are compliant with the Data Protection Act.</td>
<td></td>
<td></td>
<td>Group (ISPG)</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>Clare’s Law: Domestic Violence Disclosure Scheme</td>
<td>Locard is an Exhibit Management System used to track the movement of exhibits and any work completed on the exhibits from the point of creation at the scene. It is accessed via the Desktop PC. The system contains both personal and sensitive data and the audit will look to ensure processes are compliant with the Data Protection Act.</td>
<td>Quarter 3 Migrated from 2013/2014 Audit Plan Initial scoping done, however, put on hold as system is about to change.</td>
<td>Information Security Policy Group (ISPG)</td>
<td></td>
</tr>
<tr>
<td>Information Compliance</td>
<td>Paedophile Unit</td>
<td>The Audit will assess that all information including historical</td>
<td>Quarter 3 Fieldwork currently being undertaken</td>
<td>Information Security Policy</td>
<td></td>
</tr>
</tbody>
</table>

Clare's Law is a formal way to apply for information where there is a concern that a relationship may be or may become abusive.

The audit will look to ensure processes are followed and compliant with the Data Protection Act.
<table>
<thead>
<tr>
<th>Review / Audit Team</th>
<th>Title and Reason for Audit</th>
<th>High Level scope</th>
<th>Status / Audit Date</th>
<th>Update</th>
<th>Board / Committee to receive Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIAA – Internal Audit</td>
<td>Crime and Incident Recording Compliance assessment</td>
<td>This review will provide an assessment on the methodology used by the Force to review compliance with NSIR and NCRS and the accuracy of their findings. This will include an assessment of the governance arrangements in place and to establish how good practice is shared.</td>
<td>Quarter 3 / Quarter 4</td>
<td>Complete</td>
<td>Audit and Ethics Committee, COG</td>
</tr>
<tr>
<td>NCRS</td>
<td>Recording of Domestic Related Incidents</td>
<td>The review will seek to identify that following a report made by victims or witnesses, it has been appropriately identified as Domestic related and that following deployment and investigation, any notifiable offences had been identified, crimded and classified correctly</td>
<td>Quarter 3 / Quarter 4</td>
<td></td>
<td>Information Security Policy Group (ISPG), Risk and Integrity Group</td>
</tr>
<tr>
<td>MIAA – Internal Audit</td>
<td>Combined Financial Systems</td>
<td>Assurance will be provided in respect of the key controls within the main financial</td>
<td>Quarter 4</td>
<td></td>
<td>Audit &amp; Ethics Committee</td>
</tr>
<tr>
<td>Review / Audit Team</td>
<td>Title and Reason for Audit</td>
<td>High Level scope</td>
<td>Status / Audit Date</td>
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<td>Board / Committee to receive Reports</td>
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</tr>
<tr>
<td>NSIR</td>
<td>Review of incidents coded as <code>Civil Disputes</code></td>
<td>The audit will focus on incidents that are recorded as civil disputes. These are disputes, misunderstandings and breakdowns in communications (falling short of a notifiable crime) between private individuals and/or organisations in respect of differences about the parties’ respective legal rights and interests. The audit will seek to ascertain that no crime, anti-social behaviour or domestic incident has been misreported as a civil dispute.</td>
<td>Quarter 3</td>
<td></td>
<td>Information Security Policy Group (ISPG) &lt;br&gt; Risk and Integrity Group</td>
</tr>
<tr>
<td>NCRS</td>
<td>Local Neighbourhood Review of Violent Crime Recording.</td>
<td>To ensure that violent crime is recorded in compliance with the National Crime Recording</td>
<td>Quarter 4</td>
<td></td>
<td>Information Security Policy Group (ISPG)</td>
</tr>
<tr>
<td>Review / Audit Team</td>
<td>Title and Reason for Audit</td>
<td>High Level scope</td>
<td>Status / Audit Date</td>
<td>Update</td>
<td>Board / Committee to receive Reports</td>
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<tr>
<td></td>
<td></td>
<td>Standard and that where an injury was evidenced, the correct Home Office classification was recorded.</td>
<td></td>
<td></td>
<td>Risk and Integrity Group</td>
</tr>
<tr>
<td>MIAA – Internal Audit</td>
<td>Value For Money</td>
<td>A flexible element to call off as required for review / support. These reviews will be scoped in detail and agreed by management prior to commencement of any work.</td>
<td>TBA</td>
<td></td>
<td>Audit and Ethics Committee</td>
</tr>
<tr>
<td></td>
<td>Follow Up</td>
<td>To meet internal auditing standards and to provide management with on-going assurance regarding implementation of recommendations.</td>
<td>Quarter 4</td>
<td></td>
<td>Force Performance Meeting</td>
</tr>
<tr>
<td>Information Compliance</td>
<td>NICHE – Road Traffic Collisions</td>
<td>NICHE RTC is used for the Management of Information, Reporting and for the Case Management Process. The audit will look to ensure processes are followed and compliant with the Data Protection Act.</td>
<td>Quarter 4</td>
<td>Scheduled</td>
<td>Information Security Policy Group (ISPG)</td>
</tr>
<tr>
<td></td>
<td>Niche Vulnerable Persons Assessment (VPA)</td>
<td>VPA is the replacement platform for CAVA in recording information for the</td>
<td>Quarter 4</td>
<td>Scheduled</td>
<td>Information Security Policy</td>
</tr>
<tr>
<td>Review / Audit Team</td>
<td>Title and Reason for Audit</td>
<td>High Level scope</td>
<td>Status / Audit Date</td>
<td>Update</td>
<td>Board / Committee to receive Reports</td>
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</tr>
<tr>
<td>MIAA – Internal Audit</td>
<td>Contingency</td>
<td>management of children and vulnerable adults. The system contains both personal and sensitive data and the audit will look to ensure processes are followed and compliant with the Data Protection Act.</td>
<td>As required</td>
<td></td>
<td>Group (ISPG) Risk and Integrity Group</td>
</tr>
</tbody>
</table>

For coverage of risks and changes in assurance needs as these arise during the year. To be agreed in advance with Management.
# On-going Monitoring – 2014/15

<table>
<thead>
<tr>
<th>Review / Audit Team</th>
<th>Title and Reason for Audit</th>
<th>High Level scope</th>
<th>Status / Audit Date</th>
<th>Number of Medium and High recommendations</th>
<th>Board / Committee to receive Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>NCRS</td>
<td>Enhanced review of Violent Crime/Domestic Abuse and Sexual Offences for NCRS compliance.</td>
<td>Following review by HMIC, this work will establish that the three key areas of crime recording continue to comply with the victim focused approach of NCRS</td>
<td>The first audit of this type was completed in October 2014</td>
<td>The next audit will be conducted in November 2014</td>
<td>Force Performance Meeting and Integrity and Risk Board. Significant issues will be escalated the Audit and Ethics Committee.</td>
</tr>
<tr>
<td>NCRS</td>
<td>Quality Assurance review on Out of Court Disposals, to ensure appropriate use of the national Outcomes Framework.</td>
<td>To review the appropriate use of Conditional Caution, PND, Restorative Justice/Local Outcome and Cannabis Warnings</td>
<td>The first audit of this type was completed in October 2014</td>
<td>There will be a composite report completed during November 2014.</td>
<td>Force Performance Meeting and Integrity and Risk Board. Significant issues will be escalated the Audit and Ethics Committee.</td>
</tr>
<tr>
<td>NCRS/NSIR/FCC</td>
<td>Review of PASS Policy attendance data.</td>
<td>To examine any reasons for ‘failed’ or ‘non-attendance’</td>
<td>Nov 2014</td>
<td>The first review of this type will be conducted in November 2014.</td>
<td>Force Performance Meeting and Integrity and Risk Board. Significant issues will be escalated the Audit and Ethics Committee.</td>
</tr>
<tr>
<td>NCRS/NSIR/FCC</td>
<td>Review of crime victim appointment data.</td>
<td>To examine a quality assessment of attendance levels.</td>
<td>Nov 2014</td>
<td>The first review of this type will be conducted in November 2014.</td>
<td>Force Performance Meeting and Integrity and Risk Board. Significant issues will be escalated the</td>
</tr>
</tbody>
</table>
### Information Compliance

#### PNC Transaction Monitoring

<table>
<thead>
<tr>
<th>NSIR</th>
<th>Review of Anti-Social Behaviour incident</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PNC Transaction Monitoring is a requirement established by Her Majesty’s Inspectorate of Constabulary (HMIC) and the Association of Chief Police Officers (ACPO) to ensure the security and integrity of the Police National Computer System.</td>
</tr>
<tr>
<td></td>
<td>On-going with a report produced quarterly or on request</td>
</tr>
<tr>
<td></td>
<td>Ongoing process.</td>
</tr>
<tr>
<td></td>
<td>Any issues identified are reported to Line Manager and PSD if required.</td>
</tr>
</tbody>
</table>

#### Information Compliance

<table>
<thead>
<tr>
<th>NSIR</th>
<th>PNC Transaction Monitoring (#TE)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PNC Transaction Monitoring is a requirement established by Her Majesty’s Inspectorate of Constabulary (HMIC) and the Association of Chief Police Officers (ACPO) to ensure the security and integrity of the Police National Computer System.</td>
</tr>
<tr>
<td></td>
<td>On-going</td>
</tr>
<tr>
<td></td>
<td>PNC Transaction Monitoring (#TE) Transactions being checked by auditors on a regular basis. On-going process.</td>
</tr>
</tbody>
</table>

#### Information Compliance

<table>
<thead>
<tr>
<th>NSIR</th>
<th>Police National Database (PND) Auditing and Transaction Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To ensure the security and integrity of this national CONFIDENTIAL system, forces are required to undertake transactional monitoring of Constabulary users. Monthly reports to the PND Governance Group</td>
</tr>
<tr>
<td></td>
<td>On-going</td>
</tr>
<tr>
<td></td>
<td>Police National Database (PND) Auditing and Transaction Monitoring Transactions being</td>
</tr>
</tbody>
</table>

Reports to the PND Governance Group chaired by Director of Intelligence.
<table>
<thead>
<tr>
<th>Information Compliance</th>
<th>Driver Validation Service (DVS) Transaction Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DVS</strong> is a browser based system owned by the Driver Vehicle Licensing Authority (DVLA). It provides nominated staff with direct access to DVLA driver records for road traffic offences.</td>
<td><strong>On-going</strong></td>
</tr>
<tr>
<td><strong>Transactions being checked by auditors on a regular basis.</strong></td>
<td>Any issues identified are reported to Line Manager and PSD if required. Breaches are reportable to DVLA.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Information Compliance</th>
<th>Hendon Wanted Missing Circulations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monthly Hendon forward a copy of all current outstanding Wanted for Crime, Warrants; locate Traces and Absconds to Information Compliance. The Auditors ensure that all information contained on PNC is accurate relevant and up to date.</strong></td>
<td><strong>On-going</strong></td>
</tr>
<tr>
<td><strong>Process recently changed – once established audits will resume.</strong></td>
<td>Any issue identified are reported to the owner of the record or I24.</td>
</tr>
</tbody>
</table>
DIP SAMPLING OF COMPLAINTS

PURPOSE OF THE REPORT

1. To enable Members to consider a process for quarterly dip sampling of complaint files, which is currently undertaken by the Deputy Police and Crime Commissioner (DPCC).

BACKGROUND

2. The DPCC currently undertakes quarterly dip sampling of finalised complaints, the outcome of which is reported to the Commissioner via Scrutiny Board. Previously the process was undertaken by Members of the Police Authority’s Staff Committee. The Police Reform and Social Responsibility Act 2011, provides the Commissioner with the legal power and duty to monitor all complaints made against officers and staff. Dip sampling of completed complaint files is a key means by which the Commissioner can satisfy himself that the Constabulary system is operating effectively, in accordance with regulations and outcomes are appropriate and proportionate.

3. In preparing this report the Chief Finance Officer discussed with the DPCC and the Deputy Head of Professional Standards Department (PSD) how Members of the Audit and Ethics Committee might undertake dip sampling of completed complaint files on a quarterly basis. The process suggested in the report reflects the outcome of those discussions and is essentially as it operates now. A training session for Members on dip sampling has been arranged for the morning of 21 January 2015 in a separate office within PSD. The approach can always be adjusted as Members walk through the process.

THE APPROACH TO DIP SAMPLING

4. Appendix 1 sets out the current protocol between PSD and the Commissioner for dip sampling of completed files. Having discussed the current volume of completed complaints which are approximately 50 per month, the DPCC and Deputy Head of PSD considered that that the dip sample could remain at 10%.

5. This would give Members 15 files to read covering a quarter’s activity. The sample size could be reviewed if need be in the light of findings, or increased complaints. At this stage it was thought best to ensure the exercise is manageable. The next sample would need to cover September 2014 to December 2014 completed files, which could be reviewed by Members in February after training and a report on findings could then be considered at the March 2015 meeting.

Contact Officer:  Liz Lunn, Chief Finance Officer
Tel. No.: (01606) 364109            Email: liz.lunn@cheshire.pnn.police.uk
6. Members will wish to discuss the Protocol in Appendix 1 in terms of process and could adopt it, suitably tweaked to reflect the transfer of responsibility, as it works successfully now.

7. Appendix 2 contains some guidance notes on aspects of the complaints process. A possible checklist for Members and a form to document findings are set out in Appendices 3 and 4 respectively. Further training would be given to Members on 21 January 2015.

8. Members may also wish to consider training four of their number to dip sample the files, so that two or three people could undertake the task on a quarterly basis from the pool of four.

9. In considering whether to volunteer for this task Members need to be aware that it is proposed to review files, not in paper form but on the Centurion system to avoid the need to print out a significant amount of information. A degree of computer literacy and familiarity is therefore required.

RECOMMENDED:

That the approach to training and dip sampling of completed complaints files be considered.

LIZ LUNN
CHIEF FINANCE OFFICER

Purpose of Protocol

To ensure the Police & Crime Commissioner fulfils his role of monitoring all complaints made against officers and staff of the Constabulary.

Background

The Police Reform & Social Responsibility Act 2011 provides for the Police & Crime Commissioner with the legal power and duty to monitor all complaints made against officers and staff. The dip sampling of completed complaints files is one mechanism whereby the Commissioner can satisfy himself that the complaints system is operating effectively.

Current Situation

The present system employed by the Constabulary is:-

1. A list of all finalised files (not previously dip sampled by the former Police Authority) is forwarded to the Martin Eaton, Governance Officer by the Professional Standards Department (PSD). The list is divided into the various categories – substantiated, unsubstantiated, local resolution, withdrawn and dispensation/discontinuance. The list contains only the complaint case reference number and therefore no officers or areas can be identified.

2. The Governance Officer selects three files from each category.

3. The files selected are retrieved from storage and given to the Deputy Police & Crime Commissioner, where she will review the files.

4. The files are returned to the PSD – together with any feedback/comments recorded on the files checked. The files are returned to storage. PSD will respond to any comments.

5. The files checked are deleted from the selection list of finalised files to ensure they are not reviewed again.

Changes

A checklist has been introduced. The checklist is an indication of what is required and provides an opportunity to comment on the process. The checklist will be collected and any recommendations for improvement will be actioned.
### Considerations | Comments
--- | ---
Has the complaint been recorded in line with the Police Reform Act 2002? (a complaint should be recorded within 10 working days of receipt) |  
Is there evidence the complaint has been subject of an initial assessment? |  
Was the assessment appropriate? |  
Is there evidence the complainant has been notified (in writing) that their complaint has been recorded? |  
Is there evidence an Investigating Officer has been appointed? |  
Has the complaint been withdrawn?  
If so:  
a) Is there evidence the complainant wished to withdraw the complaint?  
b) Has the complainant been sent confirmation the complaint has been withdrawn? |  
Has the complaint been subject of an application of disapplication or discontinuance?  
Where the application has been made to the ‘appropriate authority’:  
a) Is there evidence the application was appropriate and based around statutory grounds?  
b) Was the complainant given opportunity to make representations?  
c) Was the outcome of the application appropriate? |  
Where the complaint has been subject of ‘local resolution’ is there evidence of engagement with the complainant in order to resolve the complaint? |  
Where the complaint has been subject of ‘local investigation’ is there evidence of a proportionate investigation? |
<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is there evidence the complaint has been resolved and finalised appropriately?</td>
<td></td>
</tr>
<tr>
<td>Is there evidence the complainant has been notified of the outcome of the complaint?</td>
<td></td>
</tr>
<tr>
<td>Is there evidence the officer(s) subject of the complaint have been notified of the outcome?</td>
<td></td>
</tr>
<tr>
<td>Where failings have been identified or the complaint is upheld, is the disposal appropriate and proportionate?</td>
<td></td>
</tr>
<tr>
<td>Has the complaint been finalised in a timely manner?</td>
<td></td>
</tr>
<tr>
<td>Has the complainant lodged an appeal against the outcome of the complaint?</td>
<td></td>
</tr>
<tr>
<td>If so, is there evidence:</td>
<td></td>
</tr>
<tr>
<td>a) The appeal has been considered appropriately?</td>
<td></td>
</tr>
<tr>
<td>b) The complainant has been notified of the outcome of the appeal?</td>
<td></td>
</tr>
<tr>
<td>Other comments?</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 2

Guidance Notes:

Appeal

An appeal offers a final opportunity to consider whether the complaint could have been handled better at a local level and, where appropriate, to put things right. If a complainant is still dissatisfied after an appeal they may seek to challenge the appropriate authority’s decision through a judicial review.

Disapplication

There are certain limited circumstances in which a recorded complaint does not have to be dealt with under the Police Reform Act 2002. This is called disapplication and means an appropriate authority may disapply the requirements of aspects of the Police Reform Act 2002 in relation to a complaint. A disapplication may only take place if the complaint fits one or more of specified grounds (the grounds are detailed within the disapplication template).

Discontinuance

A discontinuance ends an ongoing investigation into a complaint. A complaint can only be subject to discontinuance if the complaint fits one or more of specified grounds (the grounds are detailed within the discontinuance template).

Local Resolution

This is a process which focuses on resolving a complaint in the most appropriate way and which allows the appropriate authority to work with a complainant to take the necessary action.

A complaint must meet both of the following conditions to be suitable for local resolution; (a) the conduct being complained about (even if proved) would not justify bringing criminal or proceedings against the person whose conduct is complained about, (b) the conduct being complained about (even if proved) would not involve the infringement of a person’s rights under Article 2 or 3 of the European Convention of Human Rights.

Local Investigation

Where a complaint does not meet the conditions to be locally resolved, they must be dealt with by a formal local investigation, which may result in disciplinary or criminal sanctions and carry a right of appeal to the IPCC or the appropriate authority if the complainant is dissatisfied with the outcome.
File Ref _________________________________

This complaint file has been reviewed by the Deputy Police & Crime Commissioner (DPCC) on __________________________

DPCC comments:

Requests for additional information from the Professional Standards Department, if any, are below:

Response from Professional Standards Department to any requests for additional information:

DPCC Signature _________________________________________

Date __________________________________________
INTEGRITY: EMBEDDING THE CODE OF ETHICS

PURPOSE OF THE REPORT

1. To provide the Audit and Ethics Committee with an overview of how the Code of Ethics is being embedded within Cheshire Constabulary.

BACKGROUND

2. In July 2014, The Code of Ethics was laid before Parliament and officially became a Code of Practice for the police service. The Code sets out the principles and standards of behaviour that will promote reinforce and support the highest standards from everyone who works in policing in England and Wales. It applies to the Police Forces maintained for the police areas of England and Wales and relates specifically to chief officers in the discharge of their functions.

3. The Code sets out nine policing principles (and 10 underpinning standards of professional behaviour) to guide decision making and behaviour that reflect the expectations that the public have of those working in policing.

   - Accountability “You are accountable for your decisions, actions and omissions”
   - Fairness “You treat people fairly”
   - Honesty “You are truthful and trustworthy”
   - Integrity “You always do the right thing”
   - Leadership “You lead by good example”
   - Objectivity “You make choices on evidence and your best professional judgment”
   - Openness “You are open and transparent in your actions and decisions”
   - Respect “You treat everyone with respect”
   - Selflessness “You act in the public interest”

4. The Code also has a preventative role. It requires everyone in policing to prevent unprofessional conduct by questioning behaviour which falls below expected standards. Additionally, it supports reporting or taking action against such behaviour.

5. The Code of Ethics presents the opportunity for Cheshire Police to reflect on current working practices and culture of the organisation. The approach is to encourage staff to discuss integrity, review the level of perceived organisational justice that is currently felt by staff, and review current policy and practice to ensure they are ‘ethical’ and to commence a positive cultural shift.

Contact Officer: Guy Hindle, Assistant Chief Constable
Tel No. 01606 363310 Email: guy.hindle@cheshire.pnn.police.uk
6. The link between the internal organisational justice model, and the external procedural justice model, highlights the potential for a virtuous circle to be created around policing integrity. In fostering a fairer working environment, the police service can maximise voluntary compliance with working rules and shape the way officers and staff think, feel and act towards members of the public. A positive culture within the service may not only reduce sickness and complaint levels, but will also deliver increased public confidence and satisfaction by the public.

7. The evidence suggests that senior leaders and supervisors have a crucial role to play in creating the conditions necessary for this virtuous circle to be established. Engaging leaders in the organisation as well as front line staff has therefore been an initial focus.

8. The approach to embedding the Code has been left to individual Forces, although the College of Policing as the national lead for the Code have established a number of resource packs to support Forces in increasing awareness and demonstrating the evidence base. In addition they are supporting a series of events nationally to share good practice and are encouraging the establishment of a Force Champion to assist in this.

**FORCE STRATEGY AND METHODOLOGY**

9. The Force had strong underpinning values – ‘SPICE’ (Service, Professionalism, Integrity, Compassion and Equality / Fairness) and it has embedded the national decision making model within operational and organisational policy and practice. This provides a strong platform to build upon, but also had the potential to confuse unless there is clarity for staff. As a result the Chief Officer team have agreed to adopt the nine principles within the Code as revised organisational values. Rebranding of policy documents and stations is underway.

10. It is recognised that the pace of change will vary across the organisation, but influencing behaviour through cultural change takes time. As the Code is embedded so it will influence behaviour. The staged approach taken is shown at Figure 1, but the key stages are:

- **Stage 1 - Awareness** – staff are familiar with the Code with a focus on communication and training
- **Stage 2 – Understanding** – staff can explain what the Code is, why it is important and what it means to them
- **Stage 3 – Delivery** – the Code can be seen in their actions, thinking, discussions and policies / rationales.
11. The Police Integrity Model (Figure 2) has been adopted as a cyclic model for embedding and assessing the Force against the Code. Appendix 1 outlines the key areas for delivery under the six core areas – commit, assess, plan, act, monitor and report.

12. Progress against the core areas are outlined below and actions are now being managed through the new Code of Ethics Strategy Board chaired by the Deputy Chief Constable.

Commit:

- Workshops for middle managers and above (Inspectors and staff equivalent) have been undertaken. Led by a Chief Officer these have included posing dilemmas from everyday work to stimulate debate and discussion.
The Force Conference has been used to encourage challenge and discussion on Force policy and practice, specifically in relation to decision around priorities being used to develop the policing model and the use of targets and impact on officer behaviour. During these events clear commitment to the Code has been articulated by all the Chief Officer team.

The membership of the Equality, Diversity and Human Rights Board has been expanded to include staff associations and the IAG to assist in decision to embed the Code.

The Force has adopted the Champion role as advocated by the College of Policing, now at Inspector level this post holder is supporting the Deputy Chief Constable embedding the Code.

The Audit and Ethics Committee’s terms of reference and membership has been expanded to include ethics. Issues of telephone expenses and use of taser have been presented for consideration to assist the Chief Constable’s and Commissioner’s decision making.

Assess:

The Force has an action plan in place to address the issues identified following the HMIC Inspection on crime recording. Clear policy and expectations are in place led from the Chief Officer Team.

Complaints information is reported and scrutinised by the Commissioner and forms part of an internal review process under the newly formed Integrity and Risk meeting chaired by the DCC where issues and trends are assessed and actioned. As an example guidance on internal money collections such as lottery funds is being drafted by the Finance Department to address an identified risk.

The Force has recently undertaken a staff survey and local and Force action plans are being developed to address the identified issues. As an example a Force Positive Action Plan and Well Being Plan have been developed. The Force consultation mechanism has been reviewed and new processes have been developed and are awaiting implementation which will better include staff associations and networks in decision making.

The confidential hotline to professional standards has been re-advertised and on the run up to Christmas key messages are being reinforced across the Force linked to alcohol and seasonal issues.

A cultural survey is being commissioned to support the output from the staff survey. Work has been commissioned from NW Employers with the Women’s Network through action learning sets to understand issues for female employers.

Plan:

A communications plan has been developed. Using the Force intranet, Core brief (a monthly briefing for all operational staff) and Force newspaper ‘Catalyst’ staff have been made aware of the Code, outlining the Principles and links to standards and behaviour, Force values and the existing discipline code. College of Policing information has been used to inform staff but tailored for the Force with posters and videos including ‘recognised’ people from across the organisation to raise the credibility of the Code. Force branding #ourduty #ourcode is being used.

‘Your questions answered’ is a direct line for officers / staff to Chief Officers with questions submitted directly and published responses – the use of this continues to grow. There are greater opportunities for wider internal discussion / information through use of the intranet and options are being looked at. The replacement of the Force internet is delaying opportunities to expand the current publication scheme and public feedback mechanisms.
The Force has recently undergone the HMIC national Inspection on Integrity – the publication of the report is awaited and will form part of the annual PEEL assessment under the ‘legitimacy’ element. This includes an assessment of the Force Counter Corruption plans.

Act:

- The training plans are being reviewed to ensure the Code of Ethics features in them and specifically operational training where use of force is considered – officer safety and public order training feature the national decision making model in which the Code is at the heart.
- The Code features in the questions within promotion selection processes and has recently featured in the Chief Officers and Chief Superintendent processes.

Monitor:

- The Force has reviewed the management of grievances, tracking and case management and based on the findings processes are being revised.
- The Force has developed an Integrity and Risk meeting chaired by the DCC to track issues and ensure learning is fed back into the organisation.
- The Force has invested in a High Performing Teams development programme a key element of this is encouraging feedback and challenging behaviour. This has also been undertaken by the Chief Officer Team.

13. The Force is also looking to external practice to support how it approaches embedding the Code of Practice. The Institute of Business Ethics provides advice in support of embedding a code of values into an organisation. The Force has undertaken an initial assessment of identified good and bad practice (Appendix 2). This will be further developed over the coming months.

RECOMMENDED:

That the report be received.

JANETTE MCCORMICK
DEPUTY CHIEF CONSTABLE
Appendix 1 – Police integrity model key areas for consideration

**COMMIT**
- The Chief Constable demonstrates clear leadership and reinforces the significance of the Code of Ethics
- A committee including external members and staff associations that can corporately ask the awkward questions and provide ethical governance is established.
- The Code of Ethics is promoted to be at the centre of all decision making.
- Everybody understands their roles, responsibilities and expectations under the Code
- Ethical Values are internally and externally communicated
- A statement of commitment to the Code is included in published Policing Plans
- Senior Leaders demonstrate how they have personally applied the Code
- Supervisors and Leaders facilitate and encourage professional decision making by their teams
- The ability to use discretion to do the right thing is actively acknowledged and rewarded
- Police Staff associations and trade unions reinforce the significance of the Code and demonstrate examples of how they have applied it

**ASSESS**
- Does the Force’s workforce act with integrity?
- What does complaints data tell us?
- What does British Crime and other public surveys tell us?
- What do staff survey results indicate?
- Grievance procedure data?
- Staff Wellbeing data?
- CoE consideration at policy reviews?
- Risks are identified and managed
Perceptions of fairness are a key consideration both internally and externally and could be measured using staff surveys.

Everyone is empowered to challenge unprofessional behaviour by colleagues (including their supervisors and managers).

Everyone has the confidence and the ability to seek guidance on ethical dilemmas.

Policies, procedures and practices reflect the ability to use discretion and the need to do the right thing.

The NDM is used as the preferred decision making model.

Everyone has the confidence to report unethical behaviour and knows how to do so.

Internal governance structures reflect the new ‘employer’ status of Chief Constables.

Recipients consider training to be realistic, practical and engaging.

**PLAN**

- Communication of the Code of Ethics (CoE)
- Consideration of CoE in recruitment / selection.
- Consideration of CoE in promotion processes.
- Consideration of CoE in operational orders and planning.
- Consideration of CoE in partnership work.
- Consideration of CoE in purchasing, finance and business processes.
- Review anti-corruption strategy.
- Forum / Process for sharing ethical dilemmas.
- Responsibility for embedding the Code is aligned to a Chief Officer portfolio.
- Everyone receives information, training and development opportunities to aid their understanding of the Code and how to apply it.
- Organisations make use of professional assistance via the College of Policing and other suitable academic institutions.
- An evidence based approach is used for embedding the Code.

**ACT**

- All leaders inspire individuals to live up to the CoE in everything that they say, act and do.
- Ethical behaviour is at the heart of all operational and corporate decision making.
- Leaders are engaged and accessible in relation to the Code, and frequently reinforce ethical policing.
- Ethical considerations underpin all decision making, which is transparent whenever possible.
- All training seeks opportunities to reinforce the Code and discuss ethical dilemmas.
- Recruitment, selection and promotion processes test and evidence ethical principles and standards including a personal commitment to the Code.
- The organisation provides a range of methods that enables everyone to report unethical behaviour.

**MONITOR**

- Corporate governance by ethics leadership and culture committee.
- Periodic assessment of survey data and risks.
- Risk assessment should be a continuous process which adapts to meet changing conditions and mitigate emerging risks.
Lessons are learnt where ethical decision making could be improved but blame is not attributed.

Staff surveys are regularly conducted to monitor attitudes towards ethical policing, perceptions of leadership and confidence in disclosure and reporting mechanisms.

Honest feedback on professional behaviour is sought by everyone; leaders in particular should be receptive to feedback and challenge.

Ethics committees or other scrutiny mechanisms are established and should include members of the public.

Internal investigations and complaints should be monitored for timeliness, proportionality and effective outcomes.

**REPORT**

- HMIC reviews relationship, integrity and transparency issues within the force.
- Ethics, Leadership and Culture committee reports its work.
- Reflect: Are we doing the right thing even when no one else is watching?
- A published report demonstrates transparency in relation to how the organisation and people within it abide by the Code of Ethics.
<table>
<thead>
<tr>
<th>Good Practice</th>
<th>Cheshire Progress / Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Root the code in core values e.g. trust, integrity</td>
<td>The Cheshire Constabulary recently made the decision to replace the existing Force Values with The Code of Ethics. The Code encompasses the seven Nolan Principles for public life and two others, respect and fairness.</td>
</tr>
<tr>
<td>Give a copy to all staff</td>
<td>Access via the internet and wide communications. Providing all staff with a copy of The Code of Ethics is under consideration.</td>
</tr>
<tr>
<td>Provide a way to report breaches in a confidential manner</td>
<td>Cheshire Constabulary openly supports and makes available (via Intranet) Integrity Line, where staff are able to anonymously report by telephone or online any breach of professional standards or professional behaviour.</td>
</tr>
<tr>
<td>Include ethical issues in corporate training programmes</td>
<td>The Code business lead, has met with HR / Chief Supt Bailey and Insp Mark Gammage to review all courses. It is already within a number of operational courses. Embedding The Code of Ethics will be a thread that runs through all development programmes. All relevant material will be marked with The Code of Ethics message. The above may require continual review / monitoring whilst The Code is rooted into the organisation.</td>
</tr>
<tr>
<td>Set up a board committee to monitor the effectiveness of the code</td>
<td>To provide Governance around the delivery of The Code of Ethics, the Code of Ethics Strategy Board has been developed. This is supported by the Audit and Ethics Committee.</td>
</tr>
<tr>
<td>Report on the code’s use in the annual report</td>
<td>Commitment to The Code of Ethic’s is evident in the, Foreword of the Cheshire Constabulary People Strategy 2014-17 Further development required and to be considered in Police and Crime Plan refresh.</td>
</tr>
<tr>
<td>Make copies of the code available to business partners, including suppliers</td>
<td>To be considered / progressed</td>
</tr>
<tr>
<td>Make a named individual responsible for code implementation</td>
<td>Overall responsibility: DCC McCormick Code of Ethics Business Lead: Det Insp Peter Merrill</td>
</tr>
<tr>
<td>Make sure senior staff ‘walk the talk’</td>
<td>Reinforcement through Force communication / Force Conference</td>
</tr>
<tr>
<td>Poor Practice</td>
<td>Cheshire Progress / Recommendation</td>
</tr>
<tr>
<td>-----------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Just pinning the code to the notice board</td>
<td>Cheshire Constabulary recognise the ‘words’ of The Code of Ethics’s must be supported, lived and breathed to have meaning.</td>
</tr>
<tr>
<td>Failing to obtain Board commitment to the code</td>
<td>ACPO are committed to the implementation of The Code of Ethics. Decision to replace current organisational values with The Code of Ethics.</td>
</tr>
<tr>
<td>Leaving responsibility for the code’s effectiveness to HR or any other department</td>
<td>It is acknowledged that embedding of The Code of Ethics is the responsibility of all staff. Therefore key stakeholders will have equal responsibility for embedding the desired culture.</td>
</tr>
<tr>
<td>Failing to find out concerns of staff at different levels</td>
<td>Staff survey completed and cultural audit and Women’s Network groups being established.</td>
</tr>
<tr>
<td>Failing to feature the code in induction training and management development activities</td>
<td>See previous comment re, HR / L&amp;D. To be monitored via The Code of Ethics Strategy Board.</td>
</tr>
<tr>
<td>Making exceptions to the code’s application</td>
<td></td>
</tr>
<tr>
<td>Failing to follow up on breaches of the code’s standards</td>
<td>This is central to the practice within the Professional Standards Department and counter corruption reporting line. Feedback through HMIC audit.</td>
</tr>
<tr>
<td>Unhelpful example by corporate leaders</td>
<td></td>
</tr>
<tr>
<td>Neglecting to have a strategy to integrate corporate values and standards into the running of the business</td>
<td>Strategy an approach in place</td>
</tr>
<tr>
<td>Treating the code as confidential or a purely internal document</td>
<td>Wide communications plan in place</td>
</tr>
<tr>
<td>Making it difficult for staff to have direct access to the code or the person who is responsible for it.</td>
<td>An electronic version of The Code of Ethic’s is accessible to all staff on the intranet.</td>
</tr>
</tbody>
</table>
HMIC REPORTS ON POLICE INTEGRITY & CORRUPTION AND CRIME INSPECTION 2014

PURPOSE OF THE REPORT

1. To receive the final HMIC reports on Police Integrity and Corruption and Crime Inspection attached as Appendices 1 and 2.

RECOMMENDED: That

(1) the HMIC reports on Police Integrity and Corruption and Crime Inspection, be received; and

(2) any comments be made available to the Commissioner and the Chief Constable.

LIZ LUNN
CHIEF FINANCE OFFICER
Police Integrity and Corruption

Cheshire Constabulary

UNDER EMBARGO
UNTIL 09:30
ON 27 November 2014
Contents

To what extent has the force put in place arrangements to ensure its workforce acts with integrity? 4

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What progress has the force made in communicating and embedding ethical and professional behaviour to all staff, including the new Code of Ethics? 13

How well does the force proactively look for, and effectively challenge and investigate misconduct and unprofessional behaviour? 18

How well does the force prevent, identify and investigate corruption? 22

Recommendations 25
To what extent has the force put in place arrangements to ensure its workforce acts with integrity?

Cheshire Constabulary has addressed a number of the areas identified in HMIC’s 2012 report, Revisiting Police Relationships. Chief officer leadership is strong and there is an obvious climate of professionalism throughout the force. Wrongdoing is challenged but work is necessary to develop policies and inform the workforce accordingly. Misconduct investigations are proportionate and there is a confidence across the constabulary that cases are handled fairly and opportunities for learning are exploited. The counter-corruption unit is effective in protecting the force from corruption but it has limited capacity. The National Decision Model, designed to help staff reach rational decisions, is well understood.

Summary

There is strong leadership from the chief officers who set the tone for standards of behaviour. Members of staff are in no doubt about the way they are expected to behave at work. Staff and officers are prepared to challenge and are supported when doing so. The Code of Ethics developed by the College of Policing has been launched within the constabulary and the force has introduced a group that considers risks to the organisation, misconduct cases and trends. The National Decision Model, designed to help staff reach rational decisions, is well understood.

A bespoke social media policy still needs to be developed and some other policies are not widely understood by the workforce. The constabulary has not undertaken survey work to understand how integrity issues affect public trust and confidence. Misconduct investigations are proportionate and there is a confidence across the constabulary that cases are handled fairly. The counter-corruption unit (CCU) is effective in the protection of force assets from corruption received but limited in capacity. The constabulary IT systems are monitored and all staff are undergoing a repeat vetting process in line with national guidelines. Drug testing and intelligence-led integrity testing are carried out.
### What progress has the constabulary made on managing professional and personal relationships with integrity and transparency, since HMIC’s December 2012 report?

The constabulary has worked to keep staff updated on policy in relation to integrity matters but the inspection found that more work was required to ensure that staff are aware of these policies and their responsibilities to comply. The constabulary has not developed a specific policy on the use of social media.

### What progress has the constabulary made in communicating and making sure staff knew about ethical and professional behaviour to all staff, including the new Code of Ethics?

There is strong leadership from the chief constable and his command team who proactively set the tone in relation to setting standards of behaviour and professionalism. Staff are in no doubt about the way they were expected to behave.

The code of ethics has been championed by an assistant chief constable and the plan to instil it within the constabulary is effective.

Governance by the deputy chief constable is effective and risks are being monitored.

### How well does the constabulary proactively look for, and effectively challenge and investigate misconduct and unprofessional behaviour?

The police and crime commissioner exercises oversight in relation to chief officer diaries, expenses, gifts and hospitality although this has not been extended to senior officers.

There is a detailed assessment of misconduct cases, which leads to proportionate investigations and confidence across the constabulary that cases and hearings are handled fairly.

### How well does the constabulary prevent, identify and investigate corruption?

The CCU produces an annual corruption threat assessment. There is, however, no control plan supporting this threat assessment and HMIC found some gaps in tasking and co-ordination processes.

The vetting programme accords with national standards.

The constabulary monitors social networking sites through technology deployed in the corporate communications department.
What progress has the force made on managing professional and personal relationships with integrity and transparency, since HMIC’s December 2012 report?

The office of the police and crime commissioner (OPCC) now cross-checks chief officers’ diaries and hospitality appointments against the procurement register to ensure the integrity of procurement.

There is integrity training for new recruits and leadership training. The ‘quality matters’ programme has raised awareness of integrity issues over the last two years and the new code of ethics has been promoted strongly in constabulary. There are plans to take this further.

What progress has the constabulary made in communicating and making sure staff knew about ethical and professional behaviour to all staff, including the new Code of Ethics?

The police and crime commissioner receives adequate and timely information from the constabulary and actively engages in the monitoring of professional standards and misconduct.

Secondary employments and business interests are understood, however staff are confused about notifiable associations, unclear about proper conduct in relation to gifts, gratuities and hospitality and the policy on social networks use needs to be developed and circulated to staff.

How well does the force proactively look for, and effectively challenge and investigate misconduct and unprofessional behaviour?

The constabulary uses the fast-track dismissal process in an appropriate way and publishes information on the sanctions that have been imposed to the constabulary.

How well does the force prevent, identify and investigate corruption?

The constabulary does not proactively identify groups of staff vulnerable to corruption.

Effective levels of monitoring and quality control in relation to anti-corruption measures are maintained both by the deputy chief constable and by the police and crime commissioner during quarterly scrutiny meetings, where workflow is considered.
What progress has the force made on managing professional and personal relationships with integrity and transparency, since HMIC’s December 2012 report?

The constabulary has not developed effective methods to check understanding of policy changes although some areas where new policy has been developed are monitored.

What progress has the constabulary made in communicating and making sure staff knew about ethical and professional behaviour to all staff, including the new Code of Ethics?

The professional standards department (PSD) provides training to recruits and to some courses to improve standards and help prevent future complaints.

How well does the force proactively look for, and effectively challenge and investigate misconduct and unprofessional behaviour?

How well does the force prevent, identify and investigate corruption?

To what extent has the force put in place arrangements to ensure its workforce acts with integrity?
## The force/constabulary in numbers

### Complaints

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total public complaints against officers and staff, 12 months to March 2014</td>
<td>559</td>
</tr>
<tr>
<td>Total public complaints against officers and staff, per 100 workforce</td>
<td>16.7</td>
</tr>
<tr>
<td>Total public complaints against officers and staff, per 100 workforce – England and Wales</td>
<td>15.7</td>
</tr>
</tbody>
</table>

### Conduct

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total conduct cases against officers and staff, 12 months to March 2014</td>
<td>42</td>
</tr>
<tr>
<td>Total conduct cases against officers and staff, per 100 workforce</td>
<td>1.3</td>
</tr>
<tr>
<td>Total conduct cases against officers and staff, per 100 workforce – England and Wales</td>
<td>2.6</td>
</tr>
</tbody>
</table>
Business interests

Applications in 12 months to March 2014

34

Approvals in 12 months to March 2014

34

Resources

Proportion of workforce in PSD/ACU

1.3%

Proportion of workforce in PSD/ACU – England and Wales

1.0%

Information above is sourced from data collections returned by forces, and therefore may not fully reconcile with inspection findings as detailed in the body of the report.
The chart above is only indicative of the proportion of force’s workforce that worked in professional standards or anti-corruption roles as at the 31 March 2014. The proportion includes civil/legal litigation, vetting and information security. Some forces share these roles with staff being employed in one force to undertake the work of another force. For these forces it can give the appearance of a large proportion in the force conducting the work and a small proportion in the force having the work conducted for them.
Introduction

During HMIC’s review of police relationships, published in 2011 as *Without fear or favour*[^1] we did not find evidence to support previous concerns that inappropriate police relationships represented endemic failings in police integrity. However, HMIC did not give the police service a clean bill of health. We found that few forces were actively aware of, or were managing, issues of police integrity. We also found a wide variation across the service in the levels of understanding of the boundaries in police relationships with others, including the media. Similarly, we found wide variation across the service in the use of checking mechanisms, and governance and oversight of police relationships.

During HMIC’s 2012 progress report *Revisiting police relationships*[^2] we found that, while forces had made some progress, particularly with regard to the implementation of processes and policies to manage threats to integrity, more needed to be done. The pace of change also needed to increase, not least to demonstrate to the public that the police service was serious about managing integrity issues.

This inspection focuses on the arrangements in place to ensure those working in police forces act with integrity. Specifically, we looked at four principal areas:

1. What progress has been made on managing professional and personal relationships since our revisit in 2012?
2. What progress has the force made in communicating and embedding ethical and professional behaviour to all staff?
3. How well does the force proactively look for and effectively challenge and investigate misconduct and unprofessional behaviour?
4. How well does the force prevent, identify and investigate corruption?

In May 2014, the College of Policing published a Code of Ethics for the police service.[^3] As our inspections in forces started in early June 2014, it is unrealistic to expect that, at the time of the inspection, forces would have developed a full, comprehensive plan to embed the code into policies and procedures. We acknowledge that this is work in progress for forces and our inspection examined whether they had started to develop those plans.

We suggest that this force report is read alongside our national report on integrity and corruption in the police service, ‘Integrity matters’. This will be available at [www.justiceinspectorates.gov.uk/hmic/](http://www.justiceinspectorates.gov.uk/hmic/) from 11 December 2014.

What progress has the force made on managing professional and personal relationships with integrity and transparency since HMIC’s December 2012 report?

During the HMIC inspection of 2012, the following areas for improvement were identified for Cheshire Constabulary.

- Keeping staff up to date and aware of policy changes in relation to integrity
- Developing of policy in relation to social media and dealing with potential cases of inappropriate use of social media
- Cross-checking of chief officers’ diaries
- Integrity training for staff
- Checking staff members’ knowledge of the constabulary’s policies

In relation to the first area for improvement, the constabulary has worked to keep staff updated on policy on integrity matters but the inspection found during reality testing that more work was required to ensure that staff were fully aware and that any scope for ambiguity was removed, particularly in relation to the gifts and hospitality policy.

In relation to the second area for improvement, while the constabulary still did not have a specific policy on the use of social media, information about social media was readily available on intranet. The seven cases of potentially inappropriate use of social media referred back to the constabulary in 2012 have been effectively dealt with.

In relation to the third area for improvement, the office of the police and crime commissioner (OPCC) now cross-checks chief officers’ diaries and hospitality appointments against the procurement register to ensure the integrity of procurement.

In relation to the fourth area for improvement, there is now integrity training for new recruits to the organisation. Leadership training also has an integrity element. The ‘quality matters’ programme has raised awareness of integrity issues over the last two years and the new code of ethics has featured strongly in constabulary publications. The programme to cement it within the constabulary is taking shape and begins with workshops run by the assistant chief constable.

In relation to the final area for improvement, the constabulary does not have a specific way to check the understanding of members of staff of policy changes. There had been an increase in the recording of notifiable associations which indicates an increased understanding of the policy but many staff we spoke to during the HMIC inspection had little knowledge of their responsibilities in this regard.
Leadership and governance

There is strong leadership from the chief constable to create a climate of ethical behaviour and willingness to challenge wrongdoing. The chief constable had only been in his post for two months at the time of the inspection. He had already had a number of meetings with staff where he had talked passionately about standards of dress and equipment in the constabulary. He had also spoken about challenging behaviour through use of the performance development review system. Other members of the chief officer team are variously involved in work in relation to the constabulary ‘quality matters’ programme which is supported by the new chief constable.

HMIC found staff are aware of the boundaries of what constitutes unprofessional behaviour. Officers and staff have seen the results of disciplinary cases published within the constabulary. There has been training about the appropriate use of social media, and the intranet was seen as a good source of information on what was and what was not acceptable. The constabulary even ran a quiz in the lead up to Christmas in 2013 aimed at highlighting the problems often associated with Christmas parties.

Ethical and professional behaviour has been incorporated into many but not all relevant policies and procedures. There is a new discipline and capability procedure which was being considered for implementation in September 2014. The existing policy has been in place since 2009. There is no bespoke social media policy.

Most leaders, including first-line supervisors, generally lead by example and demonstrate their personal commitment to ethical behaviour. They promote and encourage ethical behaviour and check the understanding of their staff as to what is expected of them in their professional and private life. The new chief officer contracts include a confidentiality clause and refer to the constabulary’s code of conduct. HMIC found a genuine commitment to leading by example in relation to ethics. The recent staff survey, however, showed that staff within the constabulary expected frontline supervisors to be more willing to challenge their staff.

There was evidence to suggest that unethical and unprofessional behaviour was being appropriately challenged. The inspection found an example of a case reported to the constabulary in which a search warrant had been executed and an officer had forced the door without grounds to do so, claiming he saw someone in the premises when he could not have done so. The inspection also found throughout interviews with support groups, staff associations and other groups that there was a passionately held belief that challenging inappropriate behaviour was now routine in the constabulary.
The constabulary has plans to communicate and instil the new code of ethics effectively. Implementation of the code is led by an assistant chief constable. There have been a series of seminars held with senior leaders where the code and case studies, including ethical dilemmas, have been presented. It has been robustly communicated that there is a responsibility to distribute and share the lessons learned from the presentation throughout the constabulary and the seminars have been described as very hard hitting. The code features prominently within the constabulary newspaper and on videos and the constabulary is considering how to incorporate it alongside the current constabulary values and the Nolan Principles, which are intended to guide those holding public office on ethical matters.

Members of staff are aware of their responsibility to challenge and report misconduct and unprofessional behaviour, and stated they felt supported when they do so, irrespective of their rank, role or experience. Audits of the constabulary’s response to situations where support was required are undertaken by senior officers. HMIC’s work with focus groups within the constabulary showed that officers and staff were willing to report matters, whether directly to the professional standards department (PSD), through anonymous reporting systems or directly to their immediate line supervisors. The constabulary is also able to demonstrate appropriate levels of support to those coming forward to report wrongdoing.

There is a policy outlining the obligation to declare any change in circumstances in the personal associations and relationships of officers and staff where they might place individuals or the organisation at risk. The policy is readily available by searching the constabulary intranet. During focus groups, however, the inspection found that there was a lack of understanding and knowledge of the policy. HMIC found examples of staff members having to be prompted by others to report associations that might cause concern to the constabulary. Officers and staff have clearly not been routinely briefed in relation to their obligations around notifiable associations.

**Recommendation**

*Within six months, the force should ensure that it has communicated to all staff the requirements to comply with policies relating to notifiable associations, secondary employment, business interests and gifts and hospitality.*

The National Decision Model (NDM) is in use at all levels in the constabulary; officers and staff are trained in and understand its application. It is part of the officer safety training and also used in command training as well as a number of other training courses attended by staff. Questions on how to make effective decisions are asked by promotion and selection panels.
The ‘quality matters’ programme has been a major vehicle for Cheshire Constabulary to profile expected standards and professionalism to staff over the last two years and it is evident that progress had been made. Training on ethical and professional behaviour is delivered regularly to all staff and knowledge is checked. Despite inclusion of examples of ethical dilemmas in the code of ethics presentation, however, regular training does not include unconscious bias or lessons on recognising dilemmas. HMIC were reassured that as the code of ethics training is disseminated across the county, it will make reference to such issues.

Chief officer leadership for integrity issues is explicit, visible and recognised by staff. This leadership encourages positive behaviour, explains boundaries of acceptable behaviour and is encouraging a culture in which wrongdoing is challenged and reported. This style of leadership is evidenced by messages on the internal website, posters, and in any briefing to staff from chief officers. The inspection found the chief officer team was proactive in promoting integrity issues. The deputy chief constable chairs the constabulary reputation management group and arrangements have been made to ensure the PSD retains staff numbers despite austerity measures elsewhere in the organisation. In addition, there have been a number of articles in the constabulary newspaper and on the force intranet dealing with ethics and integrity.

HMIC found that the constabulary and the police and crime commissioner (PCC) were actively engaged with governance arrangements in relation to professional standards. The PCC meets regularly with the deputy chief constable, both formally at key meetings and also informally as required. He therefore can effectively oversee emerging integrity and conduct issues and he commented that chief officers were providing him with sufficient information to enable effective governance and accountability on integrity issues. In addition, the office of the police and crime commissioner conducts robust cross-checking of chief officers’ diaries against the procurement register and the gifts and hospitality register. The PCC, through his deputy, also routinely examines a sample of complaints and investigations by the PSD; he has challenged the constabulary on several occasions.

Integrity issues are actively monitored by chief officers at governance meetings in a way that allows them to understand the issues fully and identify the need for action. The deputy chief constable chairs a monthly reputational risk meeting which is attended by the PSD, human resources, the CCU and the corporate communications department. At this meeting, risk issues including trends in complaints and misconduct are discussed. The constabulary has recently appointed a constabulary monitoring officer who is also the constabulary solicitor. His role is to monitor ethical standards of behaviour as well as to ensure legal and financial prudence. The role has only recently been established and it was not possible to assess its effectiveness at the time of inspection.
Policies and guidance clearly explain the meaning of misconduct and unprofessional behaviour and describe the acceptable boundaries and what is expected of staff in their professional but not in their private life. Policies are reviewed bi-annually. There are a number of policies that set out the acceptable standards of behaviour for officers and staff on the intranet. These are mainly available on the PSD intranet pages and guidance and videos on the code of ethics are available on the ‘quality matters’ intranet pages as part of that ongoing programme. Guidance on out-of-work conduct is covered by policies such as the notifiable associations policy but the direction is less specific. In particular there is no policy on, or guidance around, the use of social media networks by the workforce.

Understanding integrity

No survey work has been undertaken to understand how integrity issues affect public trust and confidence. The constabulary has conducted customer satisfaction surveys and has recently completed an internal staff survey but has not looked externally at integrity issues and their effect on public perceptions, trust and confidence.

Details of only some occasions where officers and staff were offered gifts or hospitality are recorded fully, and there is some failure to record occasions were gifts or hospitality are offered but not accepted. There is a central register and an effective audit process. The focus groups and reality testing, however, showed that knowledge and understanding of what was acceptable as a gift and as hospitality was limited. There was a lack of understanding about the need to record those offers of gifts and hospitality that had been declined.

Recommendation

Within six months, the force should ensure that it has a policy which informs staff of the gifts and hospitality that are appropriate to accept and why. The policy should include the requirement to register the value and description of all gifts and hospitality offered, including those declined. This should be communicated to all staff.

Details of all occasions where officers and staff have applied for authorisation for a business interest and secondary employment, including those occasions on which authorisation was withheld, are recorded fully in a centrally held repository, which is regularly audited. Authorised applications are reviewed for renewal at regular intervals. The PSD reviews each case every twelve months. There are, however, still entries relating to officers and staff who have left the service and a process to weed these out is therefore in place. Cheshire Constabulary does not routinely check that, where applications for business interests are refused, the disappointed applicant complies with the refusal but would do so if intelligence were received to suggest that it was necessary.
Some analysis has been carried out to identify trends in relation to integrity issues and a problem-solving approach has been taken for those that are identified. The inspection found that the office of the police and crime commissioner regularly and robustly cross-checks the diaries, expenses and gifts and hospitality entries of the chief officer team against the procurement register. The constabulary, however, does not do this for senior officers and this should be addressed to ensure any inappropriate links are identified.
How well does the force proactively look for, and effectively challenge and investigate misconduct and unprofessional behaviour?

Misconduct and unprofessional behaviour

Misconduct and unprofessional behaviour are considered when decisions are made to transfer officers to specialist roles and to promote them to any position. This includes applications for courses such as the strategic command course (SCC), the pathway to chief officer rank and other accelerated promotion schemes for more junior ranks. The constabulary also routinely considers personal development review (PDR) documents when promoting or transferring officers to specialist roles. These documents contain disciplinary findings. Normal vetting procedures apply for fast-track scheme and SCC applications.

Cheshire Constabulary ensures that all staff, irrespective of rank or role, are treated fairly and equally in terms of how investigations are assessed, recorded, investigated and sanctions imposed. The same person assesses the severity of cases involving police officers and police staff. The inspection found evidence of carefully considered and well-articulated rationales in the assessment of cases. The constabulary have asked the College of Policing to work with them in addressing the issue of unconscious bias. Care is taken to ensure that those staff members sitting in judgment on disciplinary panels are not personally involved in the case. Staff associations and unions are also actively involved in providing support and advice.

There are confidential mechanisms, supported by a policy, through which staff can report wrongdoing. These include telephone, email and the intranet. The constabulary uses the Crimestoppers integrity line. The number is accessible through the constabulary intranet, as is guidance on its use. HMIC found that staff were using this avenue to report alleged misconduct and in general there was a climate in which staff felt confident about reporting misconduct and unprofessional behaviour by individuals or groups. The inspection found a very positive approach across the constabulary in this area. Everyone with whom HMIC spoke felt sufficiently confident to report wrongdoing, whether through confidential means, to an immediate supervisor or manager, or directly to the PSD. All felt that they would be supported, both by the organisation and by immediate colleagues. HMIC found that this was a real area of strength.

HMIC found that the constabulary responded to reports of wrongdoing by staff in an effective and timely manner. Complaints made by members of the public are in fact often resolved by a sergeant at the first point of contact. The constabulary provides data on timeliness and quality of complaints handling to the scrutiny committee. The constabulary publishes: data and information in relation to the gifts and hospitality register (covering all officers and staff and including accepted and rejected offers); expenses of chief officers, senior officers, and police staff equivalents; the register of business interests; and the outcomes of misconduct hearings.
The inspection team found that misconduct outcomes were published widely within the constabulary in the weekly orders although the names of those involved were redacted. Gifts and hospitality data are also published, although at the time of the inspection it was difficult to find due to IT search engine problems.

Officers and staff receive regular training on integrity issues and know their obligations to challenge misconduct. They are also aware of mechanisms for reporting wrongdoing. The code of ethics training, which includes examples of ethical dilemmas, has started for senior managers and is being led by an assistant chief constable. It has been communicated that this training will be promulgated across the constabulary.

It was apparent from the small selection of case files examined that in any case requiring Independent Police Complaints Commission (IPCC) referral, that referral had been made. There has been some dissemination of the IPCC bulletin which highlights cases to illustrate areas for improvement and learning by forces. However, there is scope for better and more targeted distribution. An example was given of a recent IPCC bulletin which contained lessons on Taser deployment. Although this had been circulated around the PSD management, there was no evidence to suggest that it had reached officers actually involved in Taser deployment. Furthermore, interviews with a number of staff, including local area senior managers, suggested that the bulletin was not sent broadly across the constabulary.

Professional standards training and resourcing

The investigators in the PSD are all detectives. Members of staff in the PSD and CCU have received some training for their role, but not on a regular basis. The constabulary has not taken up the College of Policing PSD investigators courses although the head of the CCU was due to attend a College of Policing counter-corruption course. HMIC found some training has been delivered within the CCU on researching open-source intelligence but most of the training is delivered through on-the-job experience. Overall, there was significant experience within both the CCU and PSD but no specific employee development plan.

Succession planning takes place to ensure consistency in the PSD and CCU. The inspection found that careful consideration was given to staff recruited to the posts within the PSD. The head of PSD can retire in 2015 and two credible candidates have been found with the necessary skills and experience to take his place. There is a temporary detective chief inspector in post within the department. Although there are no current vacancies, the head of department is aware of a forthcoming vacancy and has plans to deal with it together with contingency plans in the event that the post is not filled immediately.
HMIC found that the PSD was sufficiently resourced and qualified to enable some preventive work to be carried out but this capability was limited. Although the CCU has been involved in giving presentations to courses and recruits, focus group work highlighted that the CCU was working at capacity.

Misconduct hearings are structured so as to ensure transparency, effectiveness, efficiency and legitimacy. This structuring includes the use of an appropriately qualified presiding officer who is independent of the person investigated. Inspectors and chief inspectors in the constabulary are trained to run misconduct meetings and there are plans for a barrister to advise the chief officer team on how to run effective and transparent misconduct meetings. The constabulary makes use of fast-track dismissal where appropriate and interviews with staff associations found a high level of satisfaction and confidence in the integrity of the misconduct process.

Quality assurance

HMIC found that Cheshire Constabulary regularly audited decisions in disciplinary hearings and meetings resulting from allegations of misconduct or unprofessional behaviour against officers and staff. The head of the PSD conducts a final severity assessment of cases and is aware of the outcome of meetings. All cases are also reported to the constabulary scrutiny committee. In addition, there is also regular and robust monitoring and the deputy police and crime commissioner routinely examines a sample of complaint and misconduct files. The constabulary is in the process of forming an ethics committee where themes emerging from complaints and misconduct cases will be considered.

Regular audit is taking place to ensure that investigations were justifiably dealt with at the right level and reviewed where necessary. The deputy chief constable meets with the head of PSD three times a week and is made aware of the details of misconduct outcomes. The timeliness and quality of all investigations conducted, in relation to officers and staff (whether they were carried out by PSD or another department), is thus assured. A performance report is presented to the scrutiny committee that identifies the number of new complaints and the percentage of complaints that are upheld and the average number of days that it takes the constabulary to finalise cases. HMIC found that 22 percent of complaints cases investigated were upheld. Cheshire Constabulary therefore upholds a high number of complaints when compared to the rest of the nation. At the time of inspection, it was found that it took an average of 85 days to finalise a complaint.
The PSD oversaw some police staff investigations which were carried out by other departments and by managers in local areas. All public complaints are assessed for severity by the PSD, and this department directly manages all serious, sensitive and complex cases. About half of the remaining cases are sent to local areas for resolution. This practice appears to be undermining both the quality and timeliness of investigations. There are, nevertheless, two complaints managers within the PSD who monitor all complaints.

HMIC found there was a process to record lessons learned from misconduct investigations, and disseminate these to the workforce effectively. Details of the sanctions that are imposed are published in constabulary orders in order to demonstrate how unacceptable conduct is penalised. The IPCC bulletin is not, however, widely read or understood within the constabulary. Each complaint investigation has a lessons learned box within it and the complaint is not closed unless the box has been completed. The PSD also contribute to constabulary debriefs and various courses and training programmes where these lessons can be shared.

Recommendation

Within six months, the force should ensure it has an effective way to communicate to all staff, both locally and nationally, identified lessons to be learned on integrity and corruption.

There is a policy and consistent decision-making on suspension, resignation and retirement during investigations. Staff and officers are actively encouraged to resign their post if it is believed that ultimately they will lose their job. In such cases, the details of the person in question are entered on the national police personnel disapproved register. Any criminal proceedings in such cases continue regardless of the resignation. There have been no cases where people have asked to retire while under investigation in Cheshire Constabulary. The deputy chief constable is responsible for decisions to suspend officers or staff and actively looks to reassign duties rather than suspend staff. The constabulary complies with the requirements set out in R v PCC Lincolnshire (ex parte Rhodes).
How well does the force prevent, identify and investigate corruption?

Investigating corruption

HMIC found that Cheshire Constabulary regularly, proactively and effectively identified and managed threat, risk, and harm from corruption as part of its governance structure. This governance structure does not include procedures to assess and mitigate risk or monitor those responsible for taking action and hold them to account.

The constabulary monitors the use of its information systems and uses keystroke software, a means of monitoring the use of computer keyboards. It also monitors telephone usage.

HMIC found limited evidence of how the constabulary proactively identifies staff groups that may be at risk from corruption, for example by the use of informants, from inside or outside the organisation.

Recommendation

Within six months, the force should ensure that it has the proactive capability to effectively gather, respond and act on information which identifies patterns of unprofessional behaviour and corruption.

Vetting arrangements, however, comply with the national vetting policy and identify corruption risks at the recruitment stage for both officers and staff. They are revisited before promotion to senior ranks or posting to sensitive or vulnerable roles. The constabulary vetting officer reports directly to the head of the PSD. The constabulary is in the process of re-vetting all staff and was, at the time of the inspection, half-way through that process.

HMIC found that the constabulary proactively and regularly monitors constabulary systems and social networking sites and takes proportionate action when appropriate. Corporate communications are responsible for live-time monitoring of constabulary social media accounts including Twitter and constabulary Facebook sites. Software is in place that prevents officers or staff putting inappropriate words onto these accounts and records any attempts to do so.

The constabulary uses random and ‘with cause’ drug testing, and intelligence-led integrity testing to identify corruption but results are not circulated to the workforce. If a member of staff tests positive on a drug test, the result of the misconduct case will be published in constabulary orders but the number of tests conducted is not disclosed.
The constabulary ensures that organised crime investigations are not compromised by risks of corruption and protect forthcoming operations from such risks. The CCU attends meetings held to discuss forthcoming serious crime investigations and advises on operational security. There is a monthly meeting with the chief constable where the PSD updates him on current threats from organised criminal groups (OCG). The CCU also submits data to the constabulary OCG scoring matrix on any threats of corruption from those groups. In addition, the CCU ensures that where necessary staff assigned to those operations are vetted. The constabulary ensures the effective security of systems and exhibits. Case files are managed electronically and the constabulary recognises an increased risk of unauthorised access. Proactive covert flags are put on electronic files so as to alert the PSD to any attempts to view their content. There are also so-called challenge screens in use where staff are required to say why they need to view a file. Reality testing showed that access to police stations was secure and well-controlled but the head of PSD commented that case papers stored at police stations were at risk of being interfered with by a corrupt officer or member of staff. Reality testing further confirmed that the constabulary did not operate a clear desk policy in police stations.

### Intelligence

The constabulary proactively and regularly gathers intelligence on corruption and grades it in compliance with the Authorised Professional Practice and the national intelligence grading system. Police informants and the anonymous integrity line are also used to some extent. When a report is received, the CCU will review internet and phone usage of the suspect as well as intelligence from other systems.

There is a co-ordinating process in place through which corruption issues and necessary responses are considered, and recorded although HMIC found actions were not routinely allocated or reviewed. HMIC found many of the procedures within the PSD are informal; no minutes are taken of meetings, and those responsible for taking action are not identified. This issue has been addressed by way of a recommendation earlier in this section.

There was some good evidence that the constabulary had, when dealing with corrupt officers, been able to broaden their investigation so as to identify multiple offenders from a single suspect or multiple offences from an apparently single offence. There is a routine audit on the use of constabulary systems. HMIC were given an example of one occasion on which intelligence was received that an officer was buying drugs. Examination of his personal telephone led to identification of other staff who were involved. The use of the keystroke software monitoring tool mentioned above has proved effective in supporting this kind work.
Capability

The PSD and CCU have ready access to specialist assets when required including, for example, technical support and surveillance. Surveillance authority requests are examined by the designated authorising officer, but arrangements are in place for sensitive applications to go through a neighbouring force. There is also good support within the region, for example, when additional surveillance resources are required. The CCU uses staff within the high-tech crime unit and has access to National Crime Agency assets when necessary.

As intelligence is received, proactive work is done to develop it into an actionable product but the force could do more to proactively gain intelligence in the first instance. The focus group involving CCU staff revealed that much of the investigators’ time was spent developing intelligence rather than investigating. The group felt, for example, that they should be proactively seeking intelligence from women’s refuges and sex workers but had insufficient resources to do so. There were, however, 250 referrals to the CCU last year and they were all investigated.

Workload has increased due to developments in technology, which allow better monitoring of systems. The constabulary do not, however, exploit this opportunity to scrutinise systems more closely due to the current level of resourcing.

The performance of the PSD and CCU is regularly monitored in particular with respect to the timeliness and quality of complaints-handling, investigations, decision-making, outcomes and appeals. There is a quarterly scrutiny meeting with the PCC where the workflow of the PSD and CCU, including live and outstanding cases, is considered.

HMIC found the constabulary ensures that lessons are learned from misconduct investigations and disseminated to officers and staff. There is, however, scope for improvement. Outcomes of misconduct hearings are published. The ‘integrity matters’ programme is used to educate staff and chief officers have, on occasion, debriefed teams to discuss the impact of fairly high profile events that involved misconduct. Focus groups revealed, however, that there was little awareness of the IPCC ‘lessons learned’ bulletin and that messages on these issues were not consistently getting through to the front line.

Cases are appropriately referred to the IPCC in accordance with statutory guidance. The deputy chief constable is aware of all cases that were referred. An examination of a small number of case files showed that those cases which needed IPCC referral had been correctly referred.
Recommendations

- Within six months, the force should ensure that it has communicated to all staff the requirements to comply with policies relating to notifiable associations, secondary employment, business interests and gifts and hospitality.

- Within six months, the force should ensure that it has a policy which informs staff of the gifts and hospitality that are appropriate to accept and why. The policy should include the requirement to register the value and description of all gifts and hospitality offered, including those declined. This should be communicated to all staff.

- Within six months, the force should ensure it has an effective way to communicate to all staff, both locally and nationally, identified lessons to be learned on integrity and corruption.

- Within six months, the force should ensure that it has the proactive capability to effectively gather, respond and act on information which identifies patterns of unprofessional behaviour and corruption.
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How effective is the force at cutting crime?

Overall summary

Cheshire Constabulary has a good track record in reducing crime. Preventing crime is a clear priority for the force and it works well with local partners in making good use of resources in providing a joined-up response to problems.

HMIC found a victim-centred approach throughout the force; it has a positive focus on learning and improving services. There is a genuine commitment among staff to delivering a high quality service to local communities.

There is a mixed picture in the quality of investigations, with some good examples of effective investigations and good victim care from specialist teams dealing with domestic abuse and rape, but also some inconsistencies elsewhere in the planning and supervision of investigations.

Rates of anti-social behaviour are comparatively high in Cheshire but the force is working well with partners to understand and address local concerns.

This year, HMIC undertook an inspection into the crime data integrity of all 43 police forces, to determine the extent to which police-recorded crime information can be trusted at a national level. HMIC has serious concerns about Cheshire Constabulary’s approach to crime recording, which is not as accurate as it should be. Individual force reports are available at http://www.justiceinspectorates.gov.uk/hmic/.
How effective is the force at reducing crime and preventing offending?

**Good**

Cheshire Constabulary has a good track record in reducing crime. There were fewer crimes per 1,000 population in Cheshire in the 12 months to June 2014 than across England and Wales as a whole. Crime rates have fallen at around the same rate as across England and Wales over the last four years although, in the last year, crime fell at a greater rate in Cheshire than across England and Wales.

Crime prevention is a clear priority for the force and there is a strong focus on understanding the root causes of crime and providing appropriate services to prevent crime and re-offending. The constabulary also provides a victim-centred approach through its neighbourhood teams and specialist teams who provide good victim care.

How effective is the force at investigating offending?

**Good**

There are clear procedures in place to identify vulnerable and repeat victims and staff understand the victim centred approach and are committed to providing high quality service.

HMIC found a mixed picture with regard to the quality of investigations with some good and victim-focused practice in specialist investigations but there were inconsistencies in the quality of investigations in other areas.

The constabulary works well to prevent re-offending among serious and prolific offenders through a highly regarded integrated approach to managing offenders with partners.

How effective is the force at tackling anti-social behaviour?

**Good**

There are comparatively high rates of anti-social behaviour in Cheshire, although the area has seen a reduction over the last year.

Cheshire Constabulary uses a range of tools and techniques to understand and address local concerns and engage with the public and victims of anti-social behaviour. The constabulary has good systems in place to identify repeat victims of anti-social behaviour and spot where a pattern of escalating risk might be occurring.

The constabulary works well with partners to tackle anti-social behaviour. There is good practice in place with partner agencies across most of the force area, working jointly to assess and manage risk to victims from anti-social behaviour.
How effective is the force at reducing crime and preventing offending?

**Good**

The constabulary works well in partnership to make best use of local resources to enable joined-up responses and target activity at areas of greatest risk. There are plans to further extend local partnership working.

How effective is the force at investigating offending?

**Good**

The constabulary has a positive approach to learning. ‘Systems thinking’ is widely understood and has been used to good effect. It has provided a general focus on understanding where improvements in service can be made across the force.

How effective is the force at tackling anti-social behaviour?

**Good**
This inspection looks at how effective police forces are at cutting crime. The public expects the police to reduce, prevent and investigate crime, bring suspects to justice and, in conjunction with other services and agencies, care for victims. To assess each force’s effectiveness, we looked at three specific areas:

- How effective is the force at reducing crime and preventing offending?
- How effective is the force at investigating offending?
- How effective is the force at tackling anti-social behaviour?
Methodology

During our inspection we analysed data and documents from forces, and conducted in-force inspections. We interviewed the senior officers responsible for crime, neighbourhood policing and victim care in each force. We held focus groups with frontline police officers, investigators and police staff, and observed their activities first hand. We also reviewed 20 crime investigations in each force and interviewed heads of partner organisations such as local authorities. We focussed on anti-social behaviour and the offences of: burglary dwelling; serious sexual offences; and violence with injury on this inspection. We chose to focus on these offences because they cover the areas of acquisitive and violent crime and the protection of vulnerable people. This has allowed us to make an assessment of how well the force treated the victim throughout the investigation – examining in particular how well officers gathered evidence and how well they were supervised.

Victims are at the heart of this inspection. Victims are entitled to a service from the police; this includes regular information about their case, an opportunity to provide an impact statement where relevant and to be consulted on potential criminal justice outcomes. When the police provide this service to victims, it increases victim satisfaction and builds trust and confidence in the police.

As part of this inspection, we considered how well forces deal with domestic abuse, alongside other offence types. HMIC published a report in March 2014 on how well forces tackled domestic abuse and provided support to victims. As a result of that inspection all forces were asked to provide an action plan setting out how they were improving services to victims of domestic abuse and we have reviewed the action plans developed by forces. The action plans have not informed the judgments made in these reports.

The crime inspection provides HMIC with the first opportunity to test whether the force’s approach to improving how it tackles domestic abuse is beginning to have an effect and this forms part of our overall assessment of the force.
How effective is the force at reducing crime and preventing offending?

HMIC looked at how the leadership of the constabulary deploys its resources to reduce the volume of crimes being committed, maximise the quality of victim contact, and ensure that the force focuses on community priorities while mitigating national threats.

We looked at how the constabulary prevents crime, how it uses police tactics such as stop and search powers to prevent and detect crime and reduce offending. We also looked at how the police work with other agencies such as social services to reduce crime.

Crime

In 2010 the Home Secretary set a clear priority for the police service to cut crime. When compared with the 12 months to June 2010, recorded crime (excluding fraud) in the 12 months to June 2014 reduced by 17 percent in Cheshire compared with a reduction of 16 percent across all forces in England and Wales.

Over this period, victim-based crime (i.e., crimes where there is a direct victim such as an individual, a group, or an organisation) decreased by 17 percent in Cheshire, compared with a reduction of 16 percent across England and Wales.

Looking at the 12 months prior to the end of June 2014; recorded crime (excluding fraud) in Cheshire reduced by 5 percent, compared with a 1 percent reduction across England and Wales.

Figure: Recorded crime rate (per 1,000 population) between June 2010 and June 2014.
By looking at how many recorded crimes and incidents of anti-social behaviour occur per 1,000 population, we get an indication of how safe it is for the public in that police area. The table below shows crime and anti-social behaviour rates in Cheshire (per 1,000 population) compared with the rest of England and Wales.

<table>
<thead>
<tr>
<th>12 months to June 2014</th>
<th>Cheshire Constabulary rate (per 1,000 population)</th>
<th>England and Wales total rate (per 1,000 population)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crime excluding fraud</td>
<td>52.5</td>
<td>60.7</td>
</tr>
<tr>
<td>Victim-based crime</td>
<td>46.8</td>
<td>53.9</td>
</tr>
<tr>
<td>Sexual offences</td>
<td>0.9</td>
<td>1.2</td>
</tr>
<tr>
<td>Violence with injury</td>
<td>4.9</td>
<td>5.9</td>
</tr>
<tr>
<td>Burglary in a dwelling*</td>
<td>6.2</td>
<td>8.9</td>
</tr>
<tr>
<td>Anti-social behaviour incidents*</td>
<td>42.5</td>
<td>36.8</td>
</tr>
</tbody>
</table>

*Note that anti-social behaviour data is for the 12 months to March 2014 and the rate for burglary in a dwelling is the rate per 1,000 households, not population.

We have chosen these types of crime to give an indication of offending levels in the force area. We are not judging the effectiveness of the force on recorded crime rates only. For information on the frequency of other kinds of crimes in your area, go to [www.justiceinspectorates.gov.uk/hmic/crime-and-policing-comparator](http://www.justiceinspectorates.gov.uk/hmic/crime-and-policing-comparator)

Cheshire’s detection rate (for crimes excluding fraud) for the 12 months to the end of March 2014 was 25 percent which was broadly in line with the figure of 26 percent for England and Wales.

The new crime outcomes framework was introduced in April 2014. It replaces a previous framework for recording how the police finalise investigations through what was known as ‘sanction detections’ (e.g. charges and/or summons). The new crime outcomes framework is designed to support police officers to use their professional judgment to ensure a just and timely outcome which reflects the harm to the victim, the seriousness of the offending behaviour, the impact on the community, and which deters future offending. Data on the full range of outcomes achieved as a result of investigations (not just detections but also, for example, community resolutions such as mediation known as restorative justice) will be available from July 2015 and used in future HMIC inspections.
Meeting the needs of the community

Preventing crime and anti-social behaviour is a clear priority for Cheshire Constabulary; the force also has a strong focus on understanding the needs of its communities and providing a high quality service to victims. The constabulary carries out a high level comprehensive assessment of the threats and risks facing communities across the county each year, this understanding of current and future risk helps to ensure that police and partner activities can be directed at the areas of greatest risk and need. There is an effective process within the constabulary to review ongoing and emerging threats and risks on a daily basis through a well-structured force-wide briefing arrangement. We found that officers and staff have a good understanding of the threats and risks to the community and resources are moved to support the greatest priorities.

The constabulary has recently produced a crime prevention strategy which provides a clear direction for staff and draws together approaches to crime and antisocial behaviour reduction and the prevention of offending. Officers understand the importance of preventative activity and resources are targeted to deliver the aims of the strategy. The strategy also recognises the key role of partners and was informed by a pilot programme of work currently in progress called ‘Altogether Better’. This brings together the police and other public sector organisations to assess need and respond to individuals and families in a more effective and timely way. This includes engaging with them at a much earlier stage as well as responding to them in the event of an issue occurring.

The constabulary has invested in developing a ‘systems thinking’ approach to how services are designed and provided. ‘Systems thinking’ takes a step-by-step approach to understanding the nature of the demand, designing responses that will tackle it and delivering the quality of service that will meet public expectations. Officers examine the root causes of crime and anti-social behaviour within a location and then look at the ways the causes can be tackled and develop the right police response so that crime can be prevented or reduced in both the short and longer term. Where there are clear and obvious measurements and opportunities to draw comparisons (for example, effect on policing demand), then an evaluation has been undertaken in order to inform an agreed business change. However, there is no formal evaluation process for all areas that have been subject to the systems thinking methodology. This would be particularly beneficial in relation to the ‘root causes’ of crime, for example, where related to victims and offenders.
The constabulary’s IT system for recording crimes now requires the officer to complete a section outlining the root cause of the crime. The constabulary has used this approach to support the development of beat management teams and to pilot a new team structure in Ellesmere Port, to better serve the community. It brings together the response officers and the investigative team with the neighbourhood team. The trial is still being evaluated but it was showing improvements in victim care. The officer who initially attends an incident continues to ‘own’ the investigation through to its completion, rather than handing it on to a different team. Early indications suggest an increase in the number of domestic crimes solved.

The constabulary use good methods to engage with the public such as social media, surveys and an online messaging system called Cheshire Police Alert where the public can subscribe to updates such as crime prevention advice; this is particularly useful with Watch schemes in providing information and updates. Face-to-face meetings take place within the community and also beat surgeries held at different locations where a range of views from the public can be gathered. To further support engagement the police and crime commissioner has recently developed a scheme that allows young people to benchmark and feedback on police processes and communication.

Quality of victim contact

The constabulary has adopted a victim centred approach that has been developed over a number of years. Every victim receives a victim’s pack which sets out clearly what level of service they can expect to receive and if requested, officers will always visit the victim to provide support and reassurance. There is a clear and genuine commitment from staff to provide a good service. We saw a number of examples of this in action. For instance a neighbour dispute resulted in the victim reporting a series of anti-social behaviour and crime related incidents, including bins being set on fire. The investigating officer, rather than simply responding to each individual complaint, recognised that this was a pattern of escalating and complex risk to the victim and the community. The officer developed and led in the delivery of a comprehensive plan to respond to the risk which brought in the support of the fire service, the local housing provider and mental health services.

Cheshire Constabulary has delivered training to all staff on the Code of Practice for Victims of Crime; the fieldwork undertaken as part of the inspection demonstrated that front line staff were aware of their responsibilities towards victims. This was further supported by evidence obtained during observations of the daily management meetings and from examination of investigations on the NICHE system; in both of these vulnerability and victim care was well managed.

1 NICHE is the IT system used by the constabulary to record and manage crime reports and investigations
There is a wide range of techniques used to update victims including Facebook messages, email, text messaging and telephone calls as well as face to face. Feedback from victims is also provided through surveys and the use of complaints to determine where improvements can be made.

An important measure of the impact of changes to service delivery for the public is how satisfied victims are with the overall service they receive when they seek police assistance. In the 12 months to the end of June 2014, the Cheshire had a victim satisfaction rate of 86.4 percent (± 2.2 percent) which is broadly in line with the satisfaction rate in England and Wales of 85.0 percent (± 0.2 percent). Its current rate is broadly in line with the 88.7 percent (± 1.7 percent) recorded for Cheshire in the previous year.

Use of police tactics

The constabulary uses a range of tactics to respond to, investigate and prevent crime. There is good analysis of crime data and local intelligence which is used on a daily basis to target resources effectively. Police powers such as stop and search, domestic violence prevention orders and anti-social behaviour orders are used appropriately and form part of regular activity across the force. Special operations are also mounted to deal with specific problems, for example, ‘operation guardian’ was focused on tackling violence across the force area and local officers were regularly involved in activities to support the operation.

The constabulary has effective processes in place to manage and disrupt organised crime groups (OCGs) across the county. Local teams are given the responsibility for tackling groups within their areas. Partners are also engaged with disrupting OCGs and examples were provided where licensing powers had been used in premises where meetings take place to try and disrupt gang activity.

HMIC found that the constabulary recognises the importance of using local problem solving techniques to develop plans and some examples of good problem solving were evident. However, problem solving plans are not consistently used across the constabulary and, where they exist, they often lacked detail and supervision of them was limited.

Partnership working and information sharing

Strong partnership working is evident across the constabulary mainly with public and voluntary sector organisations. Partners valued the constabulary’s approach to working in partnership confirming that improvements had been made in the past year, specifically in identifying and responding to vulnerable victims. Partners were particularly positive about the joint work through the specialist teams especially with the public protection unit and rape investigation unit.
The previously mentioned Altogether Better project is a good example of the police and other public sector organisations working together in one area with individuals and troubled families who frequently require support. This provides a much wider perspective (up to 16 public sector agencies) when considering the best course of action to take in finding long solutions to complex problems. As a result, the constabulary reports that there has been an increase in referrals into the team from other organisations including domestic abuse cases that previously had been unreported. Plans are in place to expand the Altogether Better approach across other areas of the constabulary and a bid has been submitted to provide funding.

The constabulary has teamed up with mental health services to pilot a street triage project. This involves a police officer and a mental health professional jointly patrolling to provide a prompt and effective response and support to people who suffer from mental health problems, enabling an early assessment and appropriate service to be provided. This has prevented individuals from being taken into custody unnecessarily and entering the criminal justice process when they actually require specialist mental health treatment. Plans are in place to expand the pilot to the remaining areas of the constabulary.

Cheshire Constabulary is developing a corporate approach to identify and respond to the rapidly growing threat from child sexual exploitation. The constabulary has worked with partner organisations and has agreed that a joined-up approach is required in order to tackle the issues effectively. Co-ordinators across the constabulary have been appointed to develop the detailed plans needed.

The constabulary has effective processes in place to manage offenders through an Integrated Offender Management (IOM) scheme called the ‘Navigate’ programme. This was consistently identified as working well in all areas and comprises a number of public sector agencies working together in an attempt to prevent offenders from re-offending.

**Domestic abuse**

In March 2014 HMIC published the results of its inspection of 43 forces on the effectiveness of the police approach to domestic violence, with a focus on outcomes for victims and whether risks to victims are adequately managed. This included clear recommendations for each force about improvements it should make. As a result of this inspection all forces were required to produce and publish an action plan setting out the steps they were taking to improve the services to victims of domestic abuse. This plan should demonstrate that HMIC recommendations are being addressed and also explain how:

- the leadership will ensure the changes necessary and hold the right people to account;
- the police response when a victim first contacts them (by a 999 call or by visiting a police station) and when they first attend the scene of the incident is improved;
• the force will ensure there is a high quality investigation of all domestic abuse crime;
• victims will be properly supported and offenders properly managed; and
• the training and learning provided to officers ensures they can give the best available response to the victim.

HMIC has made an initial consideration of the plan produced by Cheshire Constabulary. We found it incorporates HMIC recommendations relating to both the constabulary and the police service as a whole. The updates for each recommendation only contain a short overview of progress regarding each recommendation and are monitored as part of existing constabulary governance processes.

The crime inspection provided us with our first opportunity to test whether changes in the force’s approach to domestic abuse were beginning to have a positive effect.

During this inspection, HMIC found evidence that domestic abuse continues to be a priority for Cheshire Constabulary. We found that there are productive working relationships between police and other agencies involved in supporting victims of domestic abuse. This was demonstrated in the effectiveness of the multi-agency risk assessment conferences (MARACs) to ensure that victims are protected from further harm.

There is evidence that accredited and trained staff are routinely involved in protecting victims. These staff conduct investigations into the higher risk cases of domestic abuse, whilst offering advice and guidance to other officers dealing with standard and medium risk investigations.

The file review of domestic abuse cases conducted as part of this investigation did identify some inconsistencies in the quality of investigations across the constabulary and some weaknesses in the monitoring and quality assurance of investigations.

HMIC identified that there was scope to provide more training to frontline officers and control room staff around recognising the different aspects of domestic abuse and assessing the vulnerability of victims correctly.

HMIC found processes in place in Cheshire to identify serial perpetrators of domestic abuse and manage their behaviour. Additionally, there are mechanisms in place to monitor when domestic abuse offenders are released from prison; to notify victims that this is happening; and to offer them appropriate support as necessary.
Recommendations

• Within three months, Cheshire Constabulary should develop and commence the implementation of an action plan to improve the quality of problem solving which will ensure that:
  (a) officers and police staff are aware of the problem solving approaches and have the professional skills and expertise to fulfil their duties;
  (b) supervisors know what is expected of them in driving up standards; and
  (c) there is appropriate recording, monitoring and oversight of the plans.

Summary

• Cheshire Constabulary has a good track record in reducing crime. There were fewer crimes per 1,000 population in Cheshire in the 12 months to June 2014 than across England and Wales as a whole. Crime rates have fallen at around the same rate as across England and Wales over the last four years although, in the last year, crime fell at a greater rate in Cheshire than across England and Wales.

• Crime prevention is a clear priority for the constabulary and there is a strong focus on understanding the root causes of crime and providing appropriate services to prevent crime and re-offending. The constabulary also provides a victim-centred approach through its neighbourhood teams and specialist teams who provide good victim care.

• The constabulary works well in partnership to make best use of local resources to enable joined-up responses and target activity at areas of greatest risk. There are plans to further extend local partnership working.
How effective is the force at investigating offending?

HMIC looked at the range of police tactics and powers used by the constabulary to investigate offending, including how investigations are conducted, whether persistent offenders are diverted from crime and how people vulnerable to repeat crime are supported. We looked at how the constabulary learns from experience in order to improve professionalism in operational practice and leadership.

Vulnerability, risk and victims

Cheshire Constabulary has effective processes in place to identify if victims are vulnerable or have been a repeat victim of crime so that an appropriate police response can be provided. Training has been given to all staff including the force control room and front counters, as these tend to be the main route where calls for service are made.

Staff throughout the constabulary clearly understand, can articulate and are enthusiastic about the victim-centred approach, although the understanding of what additional requirements should be taken following identification of a vulnerable and repeat caller was inconsistent. It was clear that staff aimed to provide high levels of service in all cases but it would be helpful for the constabulary to clarify cases where there would be the need for additional activity or focus.

The constabulary regularly makes special measures available for victims to make court appearance less intimidating. Plans are progressing to implement video links, this will enable the victim to avoid going to court in person and to give their evidence at an alternative location via a live link.

Investigation

Professional judgments about the level of threat and risk of harm posed to the victim are used to decide on the most appropriate police response to each call for assistance. In addition the constabulary has a policy that all reports of burglary, violence and hate crime will receive a police attendance as will any incident where the victim has requested that an officer attend. Attendance is now monitored on a daily basis as part of the performance management framework.

Crimes are reviewed and allocated to officers based on the type of offence with the most serious being allocated to specialist teams. Officers confirmed the use of investigation techniques include house-to-house enquiries for burglary and ‘cocooning’ which involves engagement with all members of a community within the immediate vicinity of a burglary taking place. Officers will visit to not only gather intelligence but also provide reassurance and crime prevention advice.
Of the investigation files reviewed as part of this inspection we found a number of good examples where the attending officer carried out an effective initial investigation. After the initial attendance there was however inconsistency in the quality of investigation, specifically in the use of investigation plans and in the level of supervision applied to some case files.

For more serious crimes, specialist teams have a range of resources available to investigate and provide support and safeguarding for the victim. In relation to serious sexual offences there is a sexual assault referral centre (SARC) that has been commissioned through a partner agency that works with the dedicated rape team. This was recognised as providing a good service to victims in an appropriate environment for gathering evidence.

The High Tech unit, who carry out investigations into on-line offending, has recently merged with the team who manage child sex offenders. This has improved the quality of evidence taken from a scene, as by working together, specific items can be targeted for analysis, reducing the volume of items being seized. This has reduced the time taken for forensic analysis, meaning that evidence is available more quickly, reducing the delay in securing a prosecution and the length of time offenders are on bail. This is a key strength.

**Tackling repeat and prolific offenders**

The Navigate Integrated Offender Management (IOM) programme operates across the whole constabulary area and includes police, probation, employment, housing and drug/alcohol support teams. Officers and staff consistently identified that the process works well not only with identified offenders but also by targeting those at highest risk of offending in the future. This is a key strength. Local neighbourhood teams stated that they were aware of the offenders in their areas and the level of risks they presented. This information is provided on a regular basis across the constabulary. A police community support officer also works in the Navigate team to provide improved community knowledge and additional support for the victims of these prolific offenders. The programme has been extended to develop Navigate Safer, which focuses more on the victims and offenders involved in domestic abuse cases.

According to the constabulary’s definition, as of 31 July 2014, the constabulary had 230 offenders under the IOM programme.²

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² There is no standard definition of who should be managed under the Integrated Offender Management scheme. Cheshire Constabulary work closely with the probation service and partners to identify offenders for the scheme.
Learning from experience

The systems thinking approach is widely understood by officers and has been used to good effect. It has provided a general focus on understanding where improvements in service can be made across the constabulary. It was clear that this approach is valued and a key strength.

The constabulary has processes in place for learning and development for all staff of all grades and ranks as part of an overall programme of continuous professional development. There is an effective approach to training with mandatory training and delivery days used, including workshops that focus on issues such as alcohol or anti-social behaviour. Training is being delivered to develop skills and knowledge to tackle cyber-crime with the stated aim of ‘developing the most cyber literate investigative workforce in the country’. The new changes in anti-social behaviour powers were well planned with training sessions in place. Levels of professional accreditation were appropriate and were built into staff development plans.

The constabulary previously recognised that sharing information and good practice around the constabulary and with partners is not as effective as it needs to be. There are limited opportunities to share good practice other than through managers, meetings or within a particular location. The constabulary recognises this and has nominated a senior officer to develop the mechanisms to improve this.

Recommendations

- Cheshire Constabulary should immediately take steps to ensure the roles and responsibilities regarding the service provided to vulnerable and repeat victims are clarified and communicated with relevant staff.

- Within three months Cheshire Constabulary should develop and commence the implementation of an action plan to improve the quality of investigations, including those relating to domestic abuse, which will ensure that:
  
  (a) investigating officers and police staff are aware of the standard required and have the professional skills and expertise to fulfil their duties;
  
  (b) supervisors know what is expected of them in driving up standards; and

  (c) there is appropriate monitoring and oversight of investigative quality and timeliness.
Summary

• There are clear procedures in place to identify vulnerable and repeat victims and staff understand the victim centred approach and are committed to providing high quality service.

• HMIC found a mixed picture with regard to the quality of investigations with some good and victim-focused practice in specialist investigations but there were inconsistencies in the quality of investigations in other areas.

• The constabulary works well to prevent re-offending among serious and prolific offenders through a highly regarded integrated approach to managing offenders with partners.

• The constabulary has a positive approach to learning. ‘Systems thinking’ is widely understood and has been used to good effect. It has provided a general focus on understanding where improvements in service can be made across the force.
How effective is the force at tackling anti social behaviour?

HMIC looked at how the constabulary prevents and tackles anti-social behaviour; in particular the way victims are treated. We looked at the quality and consistency of victim contact across the constabulary and whether victims of anti-social behaviour were dealt with in a comparable way to victims of other crimes.

Community contact and victim care

Cheshire Constabulary uses a range of tools and techniques to understand local concerns and engage with the public and victims of anti-social behaviour. For example, to target older people the force engage through over 60’s groups, and for younger communities through social media.

We found that many of the officers and PCSOs make effective use of social media as a regular method of engagement. Examples were provided where the use of social media had been successful in locating individuals through posting photographs with calls for information.

The role of PCSOs was highlighted as a key strength in engaging communities and a number of these are jointly funded with other agencies. A commitment from chief officers has been made that at least one PCSO will be provided for each community ward.

The police and crime commissioner and the constabulary are trialling the use of ‘participatory budgets’ where funding will be provided to communities and partners to tackle the issues that have the most impact. If successful this will involve a greater participation by the community therefore developing the opportunity to be more self-sufficient.

The constabulary has good systems in place to identify repeat victims of anti-social behaviour and spot where a pattern of escalating risk might be occurring.

Partnership working

The constabulary works well with partners to tackle anti-social behaviour. There is good practice in place with partner agencies across most areas of the constabulary, working jointly to assess and manage risk to victims from anti-social behaviour. In some areas of Cheshire, police staff are located together with colleagues from other agencies. This strengthens relationships and enables better joint problem solving, with a more timely response in addressing issues. There are local plans in place to direct joint activity and tactics. These are routinely monitored to assess how effective approaches and tactics are in dealing with anti-social behaviour for example, looking at how the levels of reported incidents change as a result of targeting offenders.
The ‘yellow card’ scheme is a good example of the constabulary and partners acting promptly to prevent anti-social behaviour continuing. Young people are given a yellow card when their behaviour starts to cause concerns. When a young person has received three yellow cards they will be referred to the anti-social behaviour co-ordinator. The process can lead to formal sanctions being issued such as acceptable behaviour contracts (ABCs) and orders (ASBOs) but also considers alternative methods for preventing re-offending.

**Improving services to the public**

In the 12 months to March 2014, Cheshire Constabulary recorded 44,023 incidents of anti-social behaviour. This is a reduction of 4 percent against the previous 12 months.

There are a range of activities undertaken to engage with young people to divert those at risk of offending into other, more constructive activities. PCSOs for example, organised a range of activities such as a sports scheme, a boxing club and football matches over the summer period. During this time, the constabulary reported a decrease in anti-social behaviour incidents.

The force actively attempts to engage with emerging and hard-to-reach communities. Efforts have been taken to remove blockages, such as language barriers, through recruiting bilingual staff and in developing positive relationships through regular dialogue. In some areas liaison officers are in place. They have, over time, built trust to increase community confidence in the constabulary. An example of this is that the Independent Advisory Group (IAG) is also consulted to provide advice on community issues and how they should be resolved.

There is good use of a range of community resolution outcomes, specifically with young people, that attempt to prevent them, where it is appropriate, from entering the criminal justice system. These include: the use of mediation to resolve disputes, and offenders rectifying damage caused through their anti-social behaviour. There is work ongoing with the probation service, the youth offending team and the fire service to educate and re-focus young people into alternative and more productive activities. Youth offending panels have been established to bring agencies together to jointly agree and plan how individuals will be managed.
Summary

• There are comparatively high rates of anti-social behaviour in Cheshire, although the area has seen a reduction over the last year.

• Cheshire Constabulary uses a range of tools and techniques to understand and address local concerns and engage with the public and victims of anti-social behaviour. The constabulary has good systems in place to identify repeat victims of anti-social behaviour and spot where a pattern of escalating risk might be occurring.

• The constabulary works well with partners to tackle anti-social behaviour. There is good practice in place with partner agencies across most of the force area, working jointly to assess and manage risk to victims from anti-social behaviour.
HMIC uses four categories for making judgments, two are positive and two are negative. The categories are:

• outstanding;
• good;
• requires improvement; and
• inadequate.

Judgment is made against how well the force cuts crime. In applying the categories HMIC considers whether:

• the way the force is cutting crime and reducing offending is good, or exceeds this standard sufficiently to be judged as outstanding;
• the force requires improvement in the way it cuts crime, and/or there are some weaknesses; or
• the force’s effectiveness at cutting crime is inadequate because it is lower than is expected.
DESTRUCTION OF HARD COPY MATERIAL

PURPOSE OF THE REPORT

1. To provide an overview of the legal framework and Force governance in relation to the destruction of hard copy material.

BACKGROUND


3. In addition there are also voluntary codes of best practice - Lord Chancellor’s Code of Practice on Management of Records (2009), issued under section 46 of the Freedom of Information Act and the Authorised Professional Practice, issued by the College of Policing which acts as a guide to Forces in applying the legislative requirements of records management and replaced the Management of Police Information (MOPI).

FORCE GOVERNANCE AND STORAGE PROCESSES

4. The Records Management Unit is headed by a Manager who is line managed through the Head of Distribution and Logistics. The Unit is responsible for paper, media and exhibits retention and destruction and manages the long term storage of such records with an offsite provider. Other records are also held with the provider including HR, Finance and all supporting functions.

5. The database ‘Aries’ is currently used to record material held and retention timescales. Legacy systems (spreadsheet based) are however also in place due to the timelines for records retention. IT systems are currently being explored to amalgamate the records into a single system.

6. Records are sent into offsite storage, which is subject of regular inspection to ensure retention and destruction is in line with the contracted agreement. The retention period for records is applied based on set classification which is determined by Force policy. A summary of the categories of material and timescales are set out below:

- Group 1 and serious Group 2 crime records - 100 years from date of offence
- Media - 20 years.
- Less serious Group 2 and volume Group 3 crimes - 10 years
- Other documents for supporting functions are kept in accordance with the specified legal requirements.

Contact Officer: Janette McCormick, Deputy Chief Constable
Tel No. 01606 362969          Email: janette.mccormick@cheshire.pnn.police.uk
7. Offences are grouped in accordance with the Criminal Evidence Act 2003. A full list of offences by group can be found on PNLD.

(i) Group 1 records can be summarised as; “Certain Public Protection Matters” – This category poses the highest possible risk of harm to the public
   a. MAPPA managed offenders
   b. Serious offences specified in the CJA 2003
   c. Potentially Dangerous People

(ii) Group 2 Records - Other Sexual and Violent Offences
   a. Serious sexual offences listed in schedule 3 of the Sexual Offences Act 2003
   b. Violent offences specified in the Home Office counting rules for recorded crime/National Crime Recording Standard
   c. The group also includes specified offences that are not serious offences as defined in the CJA2000. Other serious offences are recorded as such on PNLD.

(iii) Group 3 Records – All other offences – Lower risk of harm.

8. The offsite storage provider can provide destruction services, which are used (dependent on content) and audited by the Constabulary. For recyclable contents these items are returned to HQ for local recycling and anything hazardous to health is incinerated at Hope Hospital. These two latter processes are under the advice and guidance of the Facilities Manager.

DESTRUCTION PROCESSES

9. Decisions and review for destruction are set against the categories and are outlined below. It should be noted that should an offender come to Police attention during the course of the life of the record, the retention period is reset from that date.
   - Group 1 and serious Group 2 crimes - the department who owns the record are contacted to make the decision on whether to destroy or keep for a longer period of time.
   - Less serious Group 2 and volume Group 3 crimes – these are destroyed after 10 years.
   - Other supporting function documents – the department who owns the record are consulted to make the decision whether to destroy or keep the files for a longer period of time.

10. Prior to MOPI, crimes were not logged and catalogued, as records pre dating this come for review (10 years) they are destroyed, but the Group 1 and serious Group 2 are re-filed.

EMERGING ISSUES

11. The Force has set the threshold for destruction of data at a higher level than required. Decisions on the current Force policy were based on a review a number of years ago, and took a risk adverse approach due to difficulties for example in reviewing the age of subjects. This is being reviewed as part of the Priority Based Budget Process with the potential for efficiencies to be gained. Current Guidance issued by the College of Policing (was MOPI) states that:
• Group 1 – subject 100 years old
• Group 2 - 10 years
• Group 3 - 6 years

12. All material can be reviewed and reassessed for the need to retain in accordance with College of Policing Authorised Professional Practice guidance. This process is in place for digital material, but currently not in place for hard copy material. This is being reviewed as part of the Priority Based Budget Process with the potential for efficiencies to be gained and ensure material is not being retained unnecessarily.

13. Hard copy material is managed separately from digital data. The latter is reviewed and managed as part of the Intelligence function in the Force. The risks and impact of this is being addressed through the review of the management of information within the Priority Based Budget Process.

RECOMMENDED:

That the report be received. 

JANETTE MCCORMICK
DEPUTY CHIEF CONSTABLE
AUDIT COMMISSION UPDATE

PURPOSE OF THE REPORT

1. To provide an update from the Audit Commission on progress in transferring the Commission’s functions to other bodies, in establishing the transitional body and implications for the public audit regime from 2015 onwards.

THE UPDATE AND SPECIFIC ISSUES

2. The update was provided by the Audit Commission to the Police and Crime Commissioner Treasurers’ society (PACCTS) on 7 November 2014. A copy of the slides is attached at Appendix 1 and is a good summary of current issues.

3. Regarding the transfer of functions to other bodies, Members will note the National Audit Office will take on the role of issuing the Code of Practice and technical guidance to external auditors, whilst the management of audit contracts until 2017 will be assumed by a new transitional body (Public Sector Appointments Limited- PSAA). Steve Freer used to be Chief Executive of the Chartered Institute of Public Finance and Accountancy.

4. The Commission will set fees for 2015/16, to be published in March 2015 showing a 25% reduction on current fees. Until 2017 this role will then be assumed by PSAA.

5. The slide on the new local audit regime is key as it requires the Committee to consider and advise the Commissioner and the Chief Constable on how a local external auditor should be appointed. The appointment will need to be in place by December 2016 and the procurement started in late 2015. The Chief Finance Officer and the Assistant Chief Officer will bring back a report to the March or June meeting on the options available, which will need to be informed by national developments.

RECOMMENDED: That

(1) the briefing be received; and

(2) the Chief Finance Officer and Assistant Chief Officer present a report to a future meeting on the options available for the procurement of the external auditor as from December 2016.

LIZ LUNN
CHIEF FINANCE OFFICER
Update from the Audit Commission and stakeholder views on audit quality

Police Treasurers
7 November 2014

Jon Hayes, Associate Controller of Audit
Kerry Reid, Senior Manager
The objectives of this session are to...

- **Update you on:**
  - progress on transferring the Commission’s functions to other bodies
  - progress on establishing the transitional body (the company that will oversee the audit contracts after our closure)
  - implications for the public audit regime between 2015 and 2017
  - implementation of the new framework from 2017

- **Discuss your feedback on the 2013/14 audit cycle**
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<td>VFM Profiles tool</td>
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A transitional body…

- is being established by the LGA as an independent company
- the company will be called Public Sector Audit Appointments Limited (PSAA)
- the Chair of the company is Steve Freer
- will have a board appointed by the end of 2014
- will operate between 2015 and 2017 (or 2020 if contracts are extended by DCLG)
Overseeing the work of auditors from 2015

PSAA will manage the AC audit contracts:

- appoint auditors
- set scales of fees
- monitor contract compliance and the quality of auditors’ work
- publish reports on the quality of audit work and on compliance with key indicators
- maintain and make public the VFM Profiles Tool
Audit fees from 2015

- DCLG has asked the Commission to set fees for 2015/16
- Consultation on 2015/16 fees has started for publication in March 2015
- Consulting on a further fee reduction of up to 25% following the recent 2014 audit procurement exercise
- Fee variation requests are subject to approval once agreed in principle with audited bodies
- PSAA will be responsible for setting fees from 2016/17 and for approving fee variations from 1 April 2015
Auditor independence and non-audit work

- the Commission has been committed to ensuring the independence of the auditors it appoints, for the protection of audited bodies and this will continue with PSAA
- processes for considering requests for non-audit work are based on the requirements of ethical standards
- independence is considered for all proposed appointments
- action is taken to change auditor appointments in cases of potential independence issues
New Local Audit Regime - what are the implications for you...

- decide whether to join in with any collective procurement vehicle established
- if not, establish an auditor panel
- commence a procurement in late 2015 – auditor appointments must be in place for December 2016
- use AC and PSAA information to inform your choice of auditor
We see risks and gaps...

• our low fees were secured through our bulk purchasing power
• less information about quality of auditors work available
• less information on progress across the regime
• no ability to mandate the collection of information on fraud by auditors
We are seeking your views on audit quality…

• What are your views on the quality of the audits of the 2013/14 accounts?

• Are there any issues or common themes you would like us to consider in our annual work on audit quality?

• What issues do you anticipate for the 2014/15 audits?
Thank you
UNDERCOVER OPERATIONS

PURPOSE OF THE REPORT

1. To provide a briefing on the legal framework and Force governance in relation to undercover policing.

BACKGROUND

2. Undercover operations carried out by Police Forces are governed primarily by the Regulation of Investigatory Powers Act 2000 (RIPA). The Home Office Code of Practice on Covert Human Intelligence Sources (CHIS) made under the Act provides detailed rules about a range of subjects related to the use of undercover officers. The Code of Practice specifies procedures for authorising undercover operations, managing undercover officers in the field and record-keeping.

3. As well as RIPA, undercover operations are governed by a range of other legislation such as the Human Rights Act 1998, the Police and Criminal Evidence Act 1984 and the Prosecution of Offenders Act 1985. This strong framework of statutory regulation is supplemented by guidance from ACPO through the Covert Authorised Professional Practice which includes standard operating procedures for deployment and management of deployments. The key elements cover - Staff selection and training, authorisation and oversight and operational supervision and welfare.

4. The Office of Surveillance Commissioners (OSC) provides a measure of oversight of compliance by monitoring the use of powers granted by Parliament. The Office of the Surveillance Commissioner undertakes an inspection annually on the systems and processes in place.

FORCE CAPACITY – SELECTION AND TRAINING OF STAFF

5. With the Force all undercover officers and operations are managed within the Cheshire Covert Policing Unit (CPU). The Force’s limited capabilities require it to be affiliated to a fully accredited unit and Merseyside Police undertake this role for the Force. This allows appropriately trained operatives to be deployed from either within or from external Forces.

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6. Officers undertaking the role of an undercover officer are selected, accredited and trained to a national standard - Undercover Foundation (UCF). This allows the officer to undertake a full range of deployments. That said, Cheshire only uses UCF officers on basic operational deployments such as test purchase of drugs, eBay and online deployments as it does not have the operational infrastructure to support more complex undercover infiltration. Should the Force require additional capability this is drawn from our accredited unit which is Merseyside.

7. Protocols are in place to enable this regional or cross Force support, with the management and welfare of staff the responsibility of the providing Force and authorisation and review remaining with Cheshire.

8. Details of all trained officers are held within National Database managed by the Metropolitan Police.

**FORCE GOVERNANCE - AUTHORISATION, REVIEW AND OVERSIGHT**

9. Details of all officers and deployments are managed on “Undercover PEGASUS” covert database. Applications, authorisation and deployments / tasking are all electronic and recorded on the case management system PEGASUS, which has limited and auditable access controls.

10. The Force has a dedicated ‘Authorising Officer’ (Detective Superintendent) who is independent from the investigation and oversees the deployment and compliance against legal and procedural requirements for all covert deployments including undercover operations. Resilience for this role is provided from the Force Intelligence Department Superintendent.

11. Deployment must be authorised by a nationally accredited Assistant Chief Constable – one ACC in Cheshire is trained and the second is currently undergoing accreditation.

12. The Covert Policing Unit screens all requests from an operational perspective. As part of the control measures the Authorising Officer / ACC must review and document that for any request it is necessary to use an undercover officer or whether the intelligence can instead be secured through some other means where the risks are lower. If it is necessary to use an undercover officer, the request will be assessed to ensure the deployment is proportionate; that is, if the seriousness of the crime justifies the level of intrusion into people's lives. They are also required to assess and manage the potential threats to officers.

13. Most Force-run undercover deployments against organised crime are for short periods of time unlike the national and regionally managed deployments. Although deployments are initially authorised for 12 months they will be reviewed in relation to necessity and proportionality on a monthly basis or at shorter intervals as set by the investigating officer based on investigation timelines. These reviews are documented on the case management system.

**OPERATIONAL SUPERVISION AND WELFARE**

14. Undercover officers and operations are managed through a structured approach to ensure the safety / welfare of the officer, policy and procedural compliance and manage operational compromised.
15. There is a Lead Responsible Officer (Detective Sergeant) for the Cover Officer (Detective Constable) who is responsible for the management of the officer setting daily objectives. The details of this are logged on PEGASUS and can be audited and reviewed by the Authorising Officer.

16. Officers working externally for other agencies have weekly contact with our own appointed dedicated cover officers to ensure proper direction and control.

17. Where officers are deployed on cases the Crown Prosecution Service is informed as per the Memorandum of Understanding.

EMERGING ISSUES

18. Following the assessment of undercover operations earlier this year and an intention to increase the amount of independent supervision of deployments the government is amending the Regulation of Investigatory Powers Act (RIPA). This will require the Office of Surveillance Commissioners to give prior approval for all undercover deployments which last longer than 12 months, all deployments of undercover officers must be authorised by an Assistant Chief Constable, while those lasting more than 12 months must be approved by a Chief Constable.

RECOMMENDED:

That the briefing be received.

JANETTE McCORMICK
DEPUTY CHIEF CONSTABLE