



**Police and Crime Commissioner for Derbyshire**  
**Butterley Hall**  
**Ripley**  
**Derbyshire**  
**DE5 3RS**

**Tel: 03001226000**

**Email: [morgan.poole@derbyshire.police.uk](mailto:morgan.poole@derbyshire.police.uk)**

**Web: [www.derbyshire-pcc.gov.uk](http://www.derbyshire-pcc.gov.uk)**

## **JOINT AUDIT RISK ASSURANCE COMMITTEE**

### **AGENDA**

<b>DATE OF MEETING</b>	23 <sup>rd</sup> November 2023
<b>TIME OF MEETING</b>	10:00
<b>LOCATION</b>	In person
<b>PCC CONTACT OFFICER</b>	Ms M Poole
<b>CONSTABULARY CONTACT OFFICER</b>	Ch/Supt Hayley Barnett
<b>DISTRIBUTION</b>	Commissioner A Foster Chief Constable R Swann Mr A Dale Ms M Romano Ms M Poole Mr J Peatling Mr A Price Mr S Blatchly Mr P Mason Ms S Knowles (Mazars) Ms H Clark (EY) Ms H Lill (EY) Members of the JARAC: Ms S Sunderland (Chair) Ms J Charlton Mr L Harrold Mr A Jenkinson Mr B Mellor Ms S Beecham

*Meeting of the Joint, Audit, Risk and Assurance Committee on 23<sup>rd</sup> November 2023.*

<b>ITEM</b>	<b>SUBJECT</b>	<b>Presented by</b>	<b>Paper or Verbal Update</b>
<b>1</b>	APOLOGIES FOR ABSENCE	<b>CHAIR</b>	<b>V</b>
<b>2</b>	DECLARATIONS OF INTEREST (IF ANY)	<b>ALL</b>	<b>V</b>
<b>3</b>	MINUTES OF THE MEETING OF THE JARAC HELD ON 21 <sup>st</sup> SEPTEMBER 2023	<b>CHAIR</b>	<b>P</b>
<b>4</b>	REVIEW OF ACTIONS	<b>CHAIR</b>	<b>P</b>
<b>5</b>	JARAC BUSINESS ITEMS		
<b>5A</b>	FORWARD PLAN	<b>CHAIR</b>	<b>P</b>
<b>6</b>	EXTERNAL AUDIT		
<b>6A</b>	UPDATE FROM EY 21/22 & 22/23 AUDIT	<b>HC/HL</b>	<b>P</b>
<b>6B</b>	FEES UPDATE	<b>HC/HL</b>	<b>V</b>
<b>6C</b>	UPDATE ON EXTERNAL AUDIT DELAYS	<b>HC/HL</b>	<b>P</b>
<b>7</b>	INTERNAL AUDIT		
<b>7A</b>	INTERNAL AUDIT RECOMMENDATION MONITORING LOG	<b>CHAIR</b>	<b>P</b>
<b>7B</b>	INTERNAL AUDIT PROGRESS REPORT 2023/24	<b>SK</b>	<b>P</b>
<b>8</b>	INTERNAL CONTROL AND GOVERNANCE		
<b>8A</b>	FINANCIAL MONITORING AND PLANNING	<b>JP</b>	<b>P</b>
<b>8B</b>	WORK FORCE AND PLANNING – PUP AND ARR	<b>PM</b>	<b>P</b>
<b>8C</b>	STOCK CONTROL UPDATE	<b>JP</b>	<b>P</b>
<b>8D</b>	ASSURANCE MAPPING	<b>AD</b>	<b>P</b>
	<b>ANY OTHER BUSINESS</b>		

**MINUTES** of the **JOINT AUDIT, RISK and ASSURANCE COMMITTEE** meeting held on 21<sup>st</sup> September 2023.

**P R E S E N T**

Ms S Sunderland – in the Chair  
 Mr B Mellor  
 Mr L Harold  
 Mr A Jenkinson

**OPCC Present:** Mr A Dale, Ms M Romano, Ms M Poole, Ms C Radford  
**Constabulary Present:** Mr S Blatchly, Mr J Peatling, Mr A Fowler, Mr R Cariss, Mr M Euerby  
**Internal Audit:** Ms S Knowles  
**External Audit:** Ms H Lill, Grant Thornton

<b>48/23</b>	<b><u>1 APOLOGIES</u></b>	
	Ms J Charlton Mr A Price	
<b>49/23</b>	<b><u>2 DECLARATIONS OF INTEREST</u></b>	
	No declarations of interest.	
<b>50/23</b>	<b><u>3 MINUTES OF THE MEETING OF THE JARAC HELD ON 4<sup>th</sup> July 2023</u></b>	
	SS asked if any points arising from the minutes.  LH raised a spelling mistake in his name.  <b>ACTION: MP to correct spelling mistake in previous minutes.</b>  Once this has been corrected the minutes will be approved.	<b>MP to correct spelling mistake in previous minutes.</b>
<b>51/23</b>	<b><u>4 REVIEW OF ACTIONS</u></b>	
	SS asked for an update on the first action in relation to mandatory training for the JARAC members to undertake.  LH stated that him and JC was booked on a training but didn't attend as they were later notified it was a two-day course and they could not commit due to work commitments.  MR stated that the data protection training is being pulled together.	

<p><b>ACTION: CR to enquire information for the external training for JARAC members.</b></p> <p><b>ACTION: MR to give update on data protection training at next meeting.</b></p> <p>SS asked CR for an update on the circulation of the CIPFA papers as the JARAC have not seen these.</p> <p>CR is waiting for JC to provide a list of the documents which are available from a meeting she previously attended.</p> <p>SS thinks there is a mis communication as JC was awaiting an email from CR with a list as to what documents were available.</p> <p><b>ACTION: CR to liaise with JC to gather and circulate CIPFA papers.</b></p> <p>SS asked if the action for JP to provide evidence to show the invoices not matched to orders is now closed with the update given from JP.</p> <p>JP gave an update to say on Agresso the suppliers have been identified into categories as to whether a purchase order would be expected or not. The report has been focused on the suppliers who would expect a purchase order. A daily report goes through to the accountants which shows nonmatching invoices for the date and then they are tasked with checking if there should be a purchase order, this then results in purchase orders being raised. This is being run again in another 3-6 months which should result in a reduction.</p> <p>BM said its good to see the decrease in percentage which is a big improvement. The only issue is with the £12 million invoices which shouldn't need a purchase order, it would be good to know why these do not require a purchase order.</p> <p>JP said this can be looked at there is another internal audit on procurement so can see which comes out and on a further meeting can expand on the categories that on Agresso and the categories in which they expect a purchase order from.</p> <p>SS confirmed that this action can be closed.</p> <p>SS confirmed the fee issues is on agenda so can be closed.</p> <p>SS confirmed the discussion was held with External Audit so this action can be closed.</p>	<p><b>CR to enquire information for the external training for JARAC members.</b></p> <p><b>MR to give update on data protection training at next meeting.</b></p> <p><b>CR to liaise with JC to gather and circulate CIPFA documents useful for JARAC members.</b></p>
---	--

	<p>SS confirmed the publication date for 22/23 draft can be closed as on agenda for today's meeting.</p> <p>SS confirmed that rather than have the statement of accounts as a seperate workshop it was being incorporated at the end of the meeting so can be closed.</p> <p>Grant Thornton attended the JARAC therefore, this action can be closed.</p> <p>SS confirmed the EMSOU visit has happened and stated there is some progress on the wellbeing agenda.</p> <p>JP was pleased with the improvements and what had been done since the previous visit. There was a ToR for the board and a wider range of people.</p> <p>BM asked about action 38/23 as there is a part which hasn't been answered in the policy operating instructions as there was nothing which stated that key control policies have to come to JARAC.</p> <p><b>ACTION: MP to liaise with BM to gather wording for the policy operations instructions which states the policies go to JARAC for review.</b></p> <p>SS confirmed the rest of the actions are complete except the meeting with JC has not been arranged about Risk Management.</p> <p>BM stated the format of the document was not accepted by the JARAC so it was discussed JC would sit with the force risk team to discuss the format.</p> <p>SS stated this action is still open therefore will need arranging.</p> <p><b>ACTION: MP to link in with JP to arrange meeting with JC on Risk Management.</b></p>	<p><b>MP to liaise with BM to gather wording for the policy operations instructions which states the policies go to JARAC for review.</b></p> <p><b>MP to link in with JP to arrange meeting with JC on Risk Management.</b></p>
52/23	5 UPDATE ON PEEL INSPECTION HMIC	

	<p>SB stated the force had an inspection last year and the next inspection is due in November 2023, the inspection activity from HMIC has started and a large team will be in force from 20<sup>th</sup> November for two weeks, where they will carry out focus groups and speak to front line officers, some of these are planned but there will also be some unexpected inspection. The force has made the document submission of policies and strategies which they asked for and members of staff are being interviewed as well as the HMIC dialling into calls and meetings which will continue for the upcoming months.</p> <p>The 22 areas of improvement which were given at the last inspection, the force have been working through these and HMIC have now signed 7 of these off and said they are no longer areas of improvement. The rest have been put on hold until they come in November when they will check these.</p> <p>SB has a fortnightly meeting which looks at the HMIC issues, the force is assessed against the PEEL assessment framework. The initial feedback they have had from HMIC is that the force looks like it is in a better place than it was 12 months ago. The force will receive a verbal update immediately once the inspection has been complete and the formal report will come out in March 2024.</p> <p>SS asked if anybody had anything to add and thanked SB for the update.</p>	
<b>53/23</b>	<b>6 FLEET MANAGEMENT STRATEGY UPDATE</b>	
	<p>SS handed over to AF and thanked him for the papers which were provided prior to this meeting.</p> <p>AF presented the draft fleet management strategy for the next five years. There is currently no strategy of upgrading the infrastructure to have the capacity of power to provide it for the vehicles to put into a 'green' fleet. It would cost 7 million to upgrade the infrastructure to supply the capacity of electric vehicles. This strategy looks at what is being done with the vehicles, where they are putting the vehicles. There has been an increase in vehicles on the fleet, with the biggest and most diverse fleet in the East Midlands with around 750 vehicles. This strategy puts in place a replacement plan for the vehicles, factors in procurement routes to market and how vehicles are purchased. This strategy puts as much strategic mentality in place with what is happening as things change all the time including looking at key activities. There are four main priorities which is procurement vehicles, cost effective, efficient transport, and service fighting crime with visible and responsive people.</p>	

AF explained that in the next two years this strategy will look at the future maintenance which includes the force having their own maintenance on site and an in-house workshop which will be a huge undertake. The other priorities are the five-year replacement plan for all the fleet and how the assets are purchased and distributed. The engagement with stakeholders, in the process of converting 5 new armed response vehicles which will be the most technical vehicles with more technology in the vehicle.

AF stated this strategy is only 90% complete as still some things which need adding.  
SS thanked AF for the document and opened this out to questions.

BM thanked for documents and said very professional document. It is good on the principles but what about the implementation of strategy, the beginning of action plan is there but there is no metrics to measure how successful the strategy has been. What the position now and what do you want to achieve in 5 years' time.

AF stated that one metric which has been introduced into the policy is the intention to bring electric vehicles onto the fleet, there is no realistic metric to put in place. AF stated there has been several electric vehicles available on trial although as good as they are and how fast they were advised not to take them on.

LH asked if this is being escalated as the internal combustion vehicles are going to stop being made and there won't be any infrastructure to charge the electric vehicles which doesn't give a lot of time for such a big event.

AF stated that there is a lot of varying factors as Derbyshire is a very rural county, there are charging points locally but in order for the force to have a front line ARV or Roads Policing vehicle to blue light to Glossop it would take 80% of its battery to get there with no charging points on the routes, the infrastructure is holding the force back as it isn't there. AF said it is an estates risk which is something they need to factor in much sooner than the five-year strategy.

BM stated there is a gross underspend of capital plan why can't the money from this be used for the infrastructure.

JP confirmed they don't have the money the underspend is from the slippage from estates buildings. The charging points for electric vehicles is under the environmental strategy but this problem is that things like the custody suites will be prioritised.

	<p>SS stated there is a point as to how the plans are going to be developed to address this high and fast approaching risk with current suppliers not manufacturing electric vehicles.</p> <p>SS stated the JARAC need to flag to the CC there is a tension between fleet and estates around this issue where there is a risk. It needs further discussion and an agreed way forward for the force to be developing.</p> <p>SB stated yes, the force needs to look at this, but it is a problem across forces over the UK.</p> <p>AF gave a demo on the telematics supplier and explained that all of the force's vehicles can be seen on the map, which are active and who is driving the vehicles. Eventually the system will show the collar number of the person driving the vehicle, driver behaviour reports can be produced so can look at how they are being driven. Any car which is on a blue light can be identified and when the sirens are activated and how long they have been activated for. Telematics is currently fitted into 550 vehicles and 350 of these vehicles are marked capacity with a forward-facing dash-cam in the vehicle. This helps to utilise the vehicles and see when/where the vehicles are operating.</p> <p>AF presented the driver management app which adapts to each vehicle and give drivers a checklist as to what should be in the vehicle. This will eliminate logbooks now it has moved onto this and no expectation for people to complete these anymore.</p> <p>SS thanked AF for the presentation and stated that it is a substantial improvement. SS confirmed that all of the fleet management internal audit recommendations can now be closed.</p> <p>SS asked that the risks around electric cars including estate elements and operational impacts are in the risk register.</p> <p>ME confirmed that the Head of Assets and Fleet Manager will have a conversation.</p> <p>SS confirmed she wants a plan around electric cars for the next meeting and MR confirmed with ME that this can be done for the next JARAC.</p> <p><b>ACTION: ME to include the risks around electric cars including estate elements and operational impacts are in the risk register for the next JARAC.</b></p>	<p><b>ACTION: ME to include the risks around electric cars including estate elements and operational impacts are in the risk register for the next JARAC.</b></p>
--	---	---

**JARAC BUSINESS ITEMS**



54/23	<b><u>7A FORWARD PLAN</u></b>	
	<p>SS stated the forward plan has been updated and asked if anybody has any queries.</p> <p>AJ mentioned the HMIC PEEL Inspection update to be put on the forward plan for the March 2023.</p> <p>SB mentioned a verbal update could be given at the next JARAC in closed session.</p> <p><b>ACTION: SB to give a verbal update on HMIC PEEL Inspection at next JARAC in closed session.</b></p> <p>JP mentioned the budget setting process assumptions by the time of the February meeting the budget will already be set so does this need to be moved to the next meeting.</p> <p>SS confirmed this can come to the next JARAC.</p> <p><b>ACTION: MP to update forward plan as per above to move the Budget Setting Process and Assumptions to November meeting.</b></p>	<p><b>SB to give a verbal update on HMIC PEEL Inspection at next JARAC in closed session.</b></p> <p><b>MP to update forward plan as per above to move the Budget Setting Process and Assumptions to November meeting.</b></p>
55/23	<b>7B JARAC ANNUAL REPORT</b>	
	<p>SS asked if anybody has anything to add to the JARAC Annual Report.</p> <p>AJ raised that in the section where the HMIC is discussed a sentence is being added in.</p> <p>SS confirmed that this sentence will be added in and then the approved and final version will be sent over.</p> <p><b>ACTION: SS to amend JARAC Annual Report and send finalised document to MP.</b></p>	<p><b>SS to amend JARAC Annual Report and send finalised document to MP.</b></p>
<b>CORE BUSINESS</b>		
<b>EXTERNAL AUDIT</b>		
56/23	<b>8A UPDATE FROM EY 21/22 &amp; 22/23 AUDIT</b>	
	<p>HL highlighted a couple of areas. The 2021 audit has been formally closed. The fee has been submitted to PSAA and they are awaiting their determination which they will be in contact in due course.</p>	

	<p>The 2022 audit has continued to make progress and should have everything closed except the collaboration work by the end of September 2023 subject to final review. The collaboration work still needs assurances from Leicestershire Police audit which is ongoing.</p> <p>SS asked if there have been any discussions between EY and Grant Thornton.</p> <p>LG stated that there haven't been any discussions at this point as there is an amount of work EY need to get to before assurances can be given to Grant Thornton. There is work that they will be required to start doing in the next few months to commence some risk assessment and initial planning.</p> <p>SS stated that it will tie in with the process in relation to guidance from DHLUC to getting into a closed position on outstanding audits. Closing 21/22 audit and start 22/23.</p> <p>SS asked HL if in the next update can cover each of the years that EY are responsible for even where they haven't been started to ensure the JARAC do not lose anything. SS asked Grant Thornton if there are similar issues with closing down old audits.</p> <p>LG advised there is a small number of audits which are still outstanding but hoping to be done by the end of 2023.</p> <p>SS said it is important we keep having updates on this at each meeting.</p> <p><b>ACTION: EY to continue giving updates at the upcoming JARACS on the outstanding audits.</b></p>	<p><b>EY to continue giving updates at the upcoming JARACS on the outstanding audits.</b></p>
57/23	<b>8B FEES UPDATE</b>	
	<p>SS stated that HL had already mentioned we are awaiting to here from PSAA from the submissions that have gone in.</p>	
58/23	<b>8C UPDATE ON EXTERNAL AUDIT DELAYS</b>	
	<p>JP reported that he has had the scale fees for 23/24. There is a 151% increase in both PCC and CC audit fees. A joint response will be pulled together for that consultation. Scale fees need to represent the values that the audits are adding and recognising the reduction in the fees has contributed to the delay in audits.</p>	
9	<b>INTERNAL AUDIT</b>	
59/23	<b>9A INTERNAL AUDIT RECOMMENDATIONS LOG</b>	

	<p>SS confirmed that all fleet management recommendations are now complete.</p> <p><b>ACTION: MP to close fleet management recommendations.</b></p> <p>BM stated the EMOSU Wellbeing report is missing an update to the wellbeing strategy. SS confirmed that JC has also picked this up.</p> <p><b>ACTION: MP to arrange an update required on 4.1 EMSOU Wellbeing regarding the strategy document to come along to the meeting and present to the JARAC to get this closed off.</b></p> <p><i>Management of policies -</i> MR gave an update on 4.1 Management of policies recommendation and advised all EIAs have been updated and having liaised with Head of Equality for her to review as no one in OPCC specifically in equalities. When polices are reviewed EIAs will be updated.</p> <p>LH asked if a revised implementation date can be put on when they have been passed.</p> <p>SS confirmed 4.2 is still in progress and asked for a further update for the next meeting.</p> <p>SS confirmed 4.3 is now complete.</p> <p><i>Business Continuity –</i></p> <p>SS confirmed both 4.1 &amp; 4.2 can now be complete.</p> <p>SS asked from the 4.3 update whether this is something that can be done.</p> <p>SB confirmed the force do this and an app has been developed to all officer staff so any feedback from the exercises can be tracked.</p> <p><b>ACTION: MP to add in comments on 4.3 Business Continuity recommendation as above and then this recommendation can be closed.</b></p> <p>SS stated the update given for 4.4 shows this is now complete.</p> <p>LH stated he doesn't feel this is complete as the business continuity plan has not been tested.</p>	<p><b>MP to close fleet management recommendations.</b></p> <p><b>MP to arrange an update required on 4.1 EMSOU Wellbeing regarding a strategy document to come along to the meeting and present to the JARAC to get this closed off.</b></p> <p><b>MP to add in comments on 4.3 Business Continuity recommendation as above and then this recommendation can be closed.</b></p>
--	---	--

	<p>AD confirmed that the OPCC business continuity plans were hand in hand with the force. The key areas have been picked up and reflected as to which could affect the staff in their roles. A productive session was had and the risks etc were discussed and scenarios as to what would happen if.</p> <p><b>ACTION: AD to speak with JRO re this recommendation re the clarity on wording and the outcomes on 4.4 Business Continuity.</b></p> <p>SS confirmed 4.5 is now complete.</p> <p><i>Agile Working-</i></p> <p>SS confirmed there is an update on 4.1 in closed sessions.</p> <p><i>Collaboration-</i></p> <p>SS confirmed 4.1 &amp; 4.2 is still open and an update is required for the next JARAC meeting.</p>	<p><b>AD to speak with JRO re this recommendation re the clarity on the wording and the outcomes on 4.4 Business Continuity.</b></p>
<b>60/23</b>	<b>9B INTERNAL AUDIT PROGRESS REPORT 2023/24</b>	
	<p>SK stated this report states the work which has been carried out for the 23/24 internal audit plan since July 2023. There has been two draft reports and they are currently on track as to where they planned to be at this point. The core finance audit is due to commence in few weeks' time and ToR are due to be sent in the next few weeks.</p> <p>SS stated the committee's concerns remain around delivery with reports not coming through until February/March 2024 and asked SK if they are confident the reports will be done by then. SK confirmed that these should be done by then.</p> <p>AJ asked if there were any early insights with the draft reports and SK confirmed there was no high priority recommendations.</p>	
	<b>10 INTERNAL CONTROL AND GOVERNANCE</b>	
<b>61/23</b>	<b>10A REVIEW OF THE DRAFT STATEMENT 22/23</b>	
	<p>JP confirmed the draft statements were published in August both for the PCC and CC. There was no workshop due to the delay.</p> <p>JP stated a workshop can either be done or questions can be taken today.</p>	

	<p>SS asks the committee whether a workshop is required or not.</p> <p>LH &amp; AJ confirmed there was nothing which stood out and they do not feel a workshop is required.</p> <p>SS confirmed that these will be accepted as draft documents.</p> <p>BM picked up two minor points on the CC draft statement on AGS 2.3 talking about keeping the queen's peace this needs to change to 'crown' as AD suggested. On section 17 around standards of behaviour BM mentioned re vetting that there is no reference to this at all with being high profile there is nothing in there.</p> <p>AD mentioned that a Cassey review briefing has been received from Jed Keen which could be given at next JARAC meeting.</p> <p>SS stated to add something in to say what the force are doing around the vetting standards of behaviour.</p> <p><b>ACTION: JP to add in the vetting to the AGS.</b></p> <p>SS thanked JP for this and assured JP the accounts have been considered and the committee is satisfied. SS confirmed that new JARAC member Sam will review draft statement of accounts as part of induction.</p> <p><b>ACTION: AD/JP to liaise with new JARAC members re draft statement of accounts as part of their induction.</b></p>	<p><b>ACTION: JP to add in the vetting to the AGS.</b></p> <p><b>ACTION: AD/JP to liaise with new JARAC members re draft statement of accounts as part of their induction.</b></p>
<b>62/23</b>	<b>10B COMPLAINTS PERFORMANCE – OPCC AND FORCE</b>	
	<p>MR stated there has been an increase in complaint review numbers the information remains the same as the previous year. MR asked if there were any questions the JARAC had. MR confirmed the timescale has gone up to 49 working days from 34 working days, this is due to staffing and training up new members of staff throughout the year.</p> <p>SS raised a query obo JC regarding the proportionate increase between the years is different and whether there are any trends underpinning that.</p> <p>MR confirmed this is correct but there are no trends coming through there has just been an increase in reviews and it looks as if they will increase again next year.</p>	

	<p>AJ asked if the complainants are aware of timescales.</p> <p>MR confirmed the complainants receive an acknowledgement and 28-day updates. MR confirmed we are not out of sync with the other OPCCs in the region.</p> <p>AJ picked up the number of Upheld reviews compared to Not Upheld, ratifying a decision which has already been made.</p> <p>MR stated it is complainants which are not happy with the outcome or decision the force have given rather than the way the complaint was handled which is the reason for the figures.</p> <p>BM picked up that the improvement in the process has been recognised. BM picked up the graph in the papers is wrong.</p> <p><b>ACTION: MR to amend graph in complaints papers.</b></p>	<p><b>MR to amend graph in complaints papers.</b></p>
<b>63/23</b>	<b>10C POLICIES UPDATE</b>	
	<p>SS asked if anybody wanted to raise anything on the Business Continuity policy.</p> <p>BM asked if it was a policy/procedure as it doesn't state policy.</p> <p>SB confirmed it should state policy.</p> <p><b>ACTION: MP to feedback that this should state policy on the documents. Also, a gap analysis needs to be included in the policy and a rationale.</b></p> <p>SS confirmed the Travel and Expense policy was straight forward.</p>	<p><b>MP to feedback that this should state policy on the documents. Also, a gap analysis needs to be included in the policy and a rationale.</b></p>
<b>64/23</b>	<b><u>ANY OTHER BUSINESS</u></b>	
	No AOB.	

## JOINT AUDIT, RISK AND ASSURANCE COMMITTEE

### REVIEW OF ACTIONS

<b>Agenda Item</b>	<b>Report Title and Action Required</b>	<b>Responsible Officer</b>	<b>Progress</b>
<b>ACTIONS FROM MEETING ON 4<sup>th</sup> July 2023</b>			
<b>43/23</b>	<b>8E FORCE RISK MANAGEMENT</b>		
	<b>CB to arrange a meeting between AP, JP, and JC about Risk Management and to agree a more appropriate presentation format for reporting to JARAC.</b>	MP	Risk Management report has been pulled together in the same format as the OPCC. Being brought to September JARAC for JC to give her feedback on this.  Discussed in September JARAC and MP is linking in with JP to arrange this meeting with JC as per action below.
<b>45/23</b>	<b>8G POLICIES UPDATE</b>		
	<b>JP and RA to discuss incorporating BM's aid in the creation of policies.</b>	JP/RA	BM has provided written feedback on the Procurement and Contract Management Policies. These Policies are being reviewed and any appropriate amendments will be made and the Policy's updated.  The Policy's will be shared at the November JARAC meeting for review.
<b>ACTIONS FROM MEETING ON 21<sup>ST</sup> SEPTEMBER 2023</b>			
<b>50/23</b>	<b>3 MINUTES OF THE MEETING OF THE JARAC HELD ON 4<sup>th</sup> July 2023</b>		
	<b>MP to correct spelling mistake in previous minutes.</b>	MP	<b>Complete.</b>
<b>51/23</b>	<b>4 REVIEW OF ACTIONS</b>		

	<b>CR to enquire information for the external training for JARAC members.</b>	<b>CR</b>	<b>MP currently liaising with CIPFA as they are planning a training day for September 2024. Once a date has been confirmed MP will advise the committee of this.</b>
	<b>MR to give update on data protection training at next meeting.</b>	<b>MR</b>	<b>MR advised training needs to be booked in for the new year on the end of a JARAC meeting in Jan/Feb to cover off the training. An hour will need adding on to the end of the JARAC.</b>
	<b>CR to liaise with JC to gather and circulate CIPFA documents useful for JARAC members.</b>	<b>CR</b>	<b>MP has circulated the documents with the JARAC members which were sent over by JP.</b>
	<b>MP to liaise with BM to gather wording for the policy operations instructions which states the policies go to JARAC for review.</b>	<b>MP</b>	<b>MP liaised with BM and KW regarding a policy operations document which is currently under review. This is being considered as part of the review to include some wording re the selected policies going to JARAC for review.</b>
	<b>MP to link in with JP to arrange meeting with JC on Risk Management.</b>	<b>MP/JP</b>	<b>JP advised that ME is currently working to improve the report template for JARAC. JP asked MP to contact JC to arrange a meeting to discuss the JARAC requirements in more detail.</b>

<b>53/23</b>	<b>6 FLEET MANAGEMENT STRATEGY UPDATE</b>		
	<b>ME/AP to include the risks around electric cars including estate elements and operational impacts are in the risk register for the next JARAC.</b>	<b>ME</b>	<b>On agenda for November 2023 meeting.</b>
<b>54/23</b>	<b>7A FORWARD PLAN</b>		



	SB to give a verbal update on HMIC PEEL Inspection at next JARAC in closed session.	SB	On agenda for November 2023 meeting.
	MP to update forward plan as per above to move the Budget Setting Process and Assumptions to November meeting.	MP	Complete.
55/23	<b>7B JARAC ANNUAL REPORT</b>		
	SS to amend JARAC Annual Report and send finalised document to MP.	SS	Complete.
56/23	<b>8A UDATE FROM EY 21/22 &amp; 22/23 AUDIT</b>		
	EY to continue giving updates at the upcoming JARACS on the outstanding audits.	HC/HL	On agenda for November 2023 meeting.
59/23	<b>9A INTERNAL AUDIT RECCOMENDATIONS LOG</b>		
	MP to close fleet management recommendations.	MP	Complete.
	MP to arrange an update required on 4.1 EMSOU Wellbeing regarding a strategy document to come along to the meeting and present to the JARAC to get this closed off.	MP	On agenda for November 2023 meeting.
	MP to add in comments on 4.3 Business Continuity recommendation as above and	MP	Complete.

	then this recommendation can be closed.		
	<b>AD to speak with JRO re this recommendation re the clarity on the wording and the outcomes on 4.4 Business Continuity.</b>	<b>AD</b>	JRO has provided the following wording and MP has added this in to the Internal Audit Recommendation Log.  'The OPCC processes surrounding business continuity follow the same procedures as those within Derbyshire Constabulary. Additionally, the OPCC utilises the same IS platform and infrastructure which is managed by Derbyshire Constabulary. These systems are robustly tested as part of its own business continuity plan which is separate to that of the OPCC.'
<b>61/23</b>	<b>10A REVIEW OF THE DRAFT STATEMENT 22/23</b>		
	<b>JP to add in the vetting to the AGS.</b>	<b>JP</b>	<b>The AGS will be amended to insert a paragraph on Force vetting requirements as part of the Standards of Behaviour Section.</b>
	<b>AD/JP to liaise with new JARAC members re draft statement of accounts as part of their induction.</b>	<b>AD/JP</b>	<b>This will be included with the induction process for any new committee members not familiarised with Police Finances.</b>
<b>62/23</b>	<b>10B COMPLAINTS PERFORMANCE – OPCC AND FORCE</b>		
	<b>MR to amend graph in complaints papers.</b>	<b>MR</b>	<b>Complete. MR has amended report.</b>
<b>63/23</b>	<b>10C POLICIES UPDATE</b>		

	<b>MP to feedback that this should state policy on the documents. Also, a gap analysis needs to be included in the policy and a rationale.</b>	<b>MP</b>	<b>Complete. MP provided the feedback. MP spoken with Head of Policies and the Business Continuity is legislative advise rather than a policy.</b>
--	--	-----------	--

**FORWARD PLAN 2023/24**

<b>February 2024</b>		
	HMIC Value for Money	
	JARAC Member Self-Assessment (CIPFA Checklist)	
	Procurement Briefing- Follow up to IA report	
	EA Report ISA 260	
	Environmental Strategy	
<b>April 2024</b>		
	Strategy for IA and IA Plan 24/25 (Internal Audit- IA)	
	Year End Accounting Arrangements & Accounting Policies 23/24	
	Financial Monitoring and Planning 23/24.	
	HMIC Activity (including VFM profiles)	
	Complaints Performance – Update on meetings with IOPC Rep	
	Force Risk Management	
	OPCC Risk Management	
	External Audit transition and planning for 23/24 audit	
<b>July 2024</b>		
	Accounts sign off 23/24.	
	Draft Letters of Representation 23/24.	
	Internal Audit Progress Report 2024/25	
	Internal audit annual report and opinion 23/24	
	Final PCC & CC Financial Statements for 23/24.	
	EY update	
	Annual Financial Exception Reporting (Any breaches of financial regulations)	
	Financial Outlook (Savings Plan Update)	

	PCC and Force annual governance statement.	
	Policies update	
	Annual Audit Letter 23/24.	
<b>September 2024</b>		
	IA Progress Report	
	JARAC Annual Report	
	Financial Monitoring and Planning	
	Fraud and corruption theme review (themes announces at agenda setting) – anti fraud and corruption policy, whistle blowing policies.	
	Force and OPCC Risk Management Strategy	
	IS Disaster Recovery – RC to attend to update	
	Complaints Performance – OPCC and Force	
	Update on Peel Inspection HMIC	
<b>November 2024</b>		
	IA Progress Report	
	Policy Guidance	
	HMIC Activity	
	Financial Monitoring and Planning	
	Work Force and Planning – PUP and ARR	
	External audit annual report 2023	
	Stock Control Update	
	External Audit plan 23/24	
	Budget Setting Process and Assumptions	
	Force risk management	
	OPCC risk management	

## **Derbyshire Police and Crime Commissioner and Chief Constable Audit Progress Update**

### **Overview**

This brief paper seeks to update members of the JARAC on the progress of the audit of the 2020/21 and 2021/22 Statement of Accounts.

### **2020/21 Financial Statements audit**

We issued our certificate closing the audit in September 2023.

We have submitted our scale fee variation request regarding 2020/21 to the PSAA and this is still with them for review and consideration. We did receive some additional clarification questions and additional information requests from them in November that we have responded to.

### **2021/22 Financial Statements audit**

As part of our reporting to the Committee in January 2023, our Audit Results Report explained that the audit was still ongoing and listed the key outstanding areas to complete. Since then, we provided updates to the Committee in March, June and September and we have had additional resources in the agreed timescales with management and have continued to work to close these areas.

All areas of the audit are now complete subject to review, with the exception of our work over collaboration, going concern and finalising one aspect of our work over the Local Government Pension Fund. We are still waiting for the final confirmations from the auditors of the Derbyshire Pension Fund as set out in our Audit Results Report.

Your going concern assessment is required to cover a period of at least 12 months from the date of the opinion. We have held off performing our procedures over going concern until we have a clearer idea of when we will be able to complete the audit.

## Appendix

Update on the most significant open areas of the audit as indicated in the Audit Results Report taken to the January JARAC:

Audit area	Update
<p><b>Complete our testing of non-significant areas of the audit: Income from grants; expenditure; cashflow statement; unrecorded liabilities; financial instruments and non-significant disclosures</b></p>	<p>All areas of the non-significant areas of the audit are complete, subject to final review.</p>
<p><b>Complete our testing of significant risk and areas of audit focus being management override; cut-off of other income; inappropriate capitalisation of expenditure; Valuation of land and buildings; Group financial statements; Collaborative arrangements; Valuation of the Local Government Pension Scheme and Police Pension Scheme; Accounting for PFI; Minimum Revenue Provision; and Going Concern compliance.</b></p>	<p>Our work over the valuation of the Police Pension Fund; group accounting; accounting for PFI; the Minimum Revenue Provision; cut-off of other income and inappropriate capitalisation of assets is complete subject to review.</p> <p>The main work over management override is our work over journals and estimates. Our work over journals is nearly complete and is expected to be complete by the date of the Committee and our work on estimates is complete subject to review.</p> <p>Our work over the Local Government Pension Scheme is complete subject to review. We have sought and received assurance from Mazars as auditors of Derbyshire Pension Fund with respect to the membership data used in the triennial valuation of the IAS 19 position as at 31 March 2022. We have also sought and received additional assurances from our EY Pensions colleagues regarding the rollforward position of the revised pension fund liability using the triennial valuation.</p> <p>However, we are still waiting for the final response from the Derbyshire Pension Fund auditors with respect to the IAS 19 assurances which they provide.</p> <p>Our work over collaborative arrangements is ongoing. We are waiting for the assurances we gain over certain transactions with respect to the collaboration arrangements.</p> <p>We will complete our work over going concern once we have a reliable estimate of when the audit will be completed.</p>
<p><b>Complete our value for money risk assessment, including assessment of the HMICFRS PEEL report and Annual Governance Statement walkthrough</b></p>	<p>Risk assessment is complete, subject to review. We have not identified any risks of significant weakness in your arrangements in the work performed to date.</p>

---

<b>Review of the revised financial statements</b>	Not able to be completed until the end of the audit
<b>Completion of manager and partner review of work performed</b>	In progress
<b>Subsequent events review</b>	Not able to be completed until the end of the audit
<b>Receipt of signed management representation letter, signed Narrative Report and financial statements</b>	Not able to be completed until the end of the audit

---



## JARAC – INTERNAL AUDIT RECOMMENDATION MONITORING

Recommendation	Responsible party	Priority	Timescale	Update
----------------	-------------------	----------	-----------	--------

Collaboration – EMSOU Wellbeing				
<p><b>4.1 Wellbeing Governance documentation</b></p> <p>The Unit should update the Wellbeing Board Terms of Reference and Wellbeing Strategy to include details of the roles, responsibilities, risk management processes, decision making processes and reporting arrangements relevant to Wellbeing.</p>	<p>Director of Corporate, Forensic and Technical Services</p>	<p>2</p>	<p>Original completion date: May 2022</p> <p>Extended completion date: October 2022</p>	<p>October 2022:</p> <p>Permanent role of EDI/HR Officer recruited, and thematic lead recruited. This will allow for the relevant amendments to ToR and Wellbeing Strategy to be finalised and then appropriately incorporated.</p> <p>January 2023 :</p> <p>EDI HR role recruited and has now started. Thematic lead at Superintendent level also started work in this area.</p> <p>March 2023:</p> <p>The Wellbeing &amp; ID&amp;E HR officer has now commenced in post. The Wellbeing &amp; ID&amp;E strategy is being revamped as we found that the</p>

			<p>previous process of having formal boards for each area worked. An away day was held at the end of January and also in attendance was the National Co-ordinator for Inclusion, Diversity and Equality Gemma Lomas, where it was discussed and agreed that we need to re-look at both the Wellbeing &amp; ID&amp;E strategy, this will include focusing on EMSOU and getting it right at EMSOU. TOR will also be completed. D/Supt Waldram is the Thematic lead for this area and I am the overall lead for Wellbeing &amp; ID&amp;E. We also discussed and agreed that whilst there does need to be a more formal board made up of higher ranks and grades of Police Officers and Police Staff, the drive needs to come from the bottom up. This will be done by holding monthly informal meetings called EMSOU Views, where each month a different topic will be discussed where individuals choose whether or not to attend (so no formal board) and share their experiences on that subject matter, for example The Menopause. The purpose is to listen to our people and see what they require/want. Some</p>
--	--	--	---

suggestions will be quick wins, some suggestions will have to go in front of the formal board and some suggestions won't be able to happen, but it's about informing our people as to why we can't meet their requirements and maybe coming back with an alternative suggestion. We are now working towards being a Disability Committed Organisation, along with becoming a Menopause Friendly organisation, Make the White ribbon promise. All of these also fit in to the Race Action Plan and VAWG. D/Supt Knubley is also leading on the HeForShe campaign.

July 2023:

Level one of the disability confident employer has been achieved and EMSOU are working towards level 2.

September 2023:

A meeting has been held with the EMSOU HR Business Partner to discuss the original recommendation from the Internal Audit report and to establish what progress has been made since the report was issued.

Previously, progress on developing the Wellbeing Strategy had been limited, however with the HR Business Partner now leading on People, Wellbeing and DEI there is now a clearer focus and noticeable progress in developing the Strategy.

The attached report provides a more detailed update in relation to the Unit's progress in developing its People and Wellbeing Strategies, together with the Governance and Processes that have been introduced.

A 'People Board' has been introduced that is a broader approach than just wellbeing and links into other strategic governance meetings. The Board will provide strategic oversight to the delivery of the Unit's People Strategy. The Terms of Reference for the Board are being updated to reflect the wider remit setting out the roles, responsibilities, risk management processes, decision making processes and reporting arrangements.

Project Initiation Documents (PID) and Implementation Plans are now used more regularly for projects and initiatives, setting out the aims and objectives, timescales, benefits, costs and risks – progress against the plans will be reported back to the People Board.

(See Appendix C & D for above attachments)

				November 2023 – On agenda to bring the strategy to the November meeting.
--	--	--	--	--

April 2023				
Management of Policies and Procedures				
4.2 The Force should ensure that Equality Impact Assessments are conducted and reviewed in a timely manner.	Head of Equality and Policy Officer	2	October 2023	July 2023: Equality Impacts Assessments (EIA) are themselves not a legal requirement, however they are Derbyshire Constabulary's chosen tool to help our organisation meet our responsibilities to ensure we comply with the duty to show 'due regard' under the Equality Act 2010 and involves assessing the likely (or actual) effects of the policy, guidance, project or working practice on people in respect of their protected characteristics.

				<p>The EIA should be completed by the policy holder (or nominated person) for the business area the policy, guidance, project or working practice relates to. The process in force in relation to Policy new or existing is that the nominated owner will be contacted by Policy and Strategic Planning Officer to inform around the policy process/review and make them aware of the need to complete an EIA, by forwarding the EIA form and guidance document. On completion the EIA would be forwarded to the Compliance Officer in the Equality Diversity and Inclusion Team (EDI) or Head of EDI for quality assurance, subsequently all EIA's should be signed off by the Head of EDI.</p> <p>It has been identified that nominated policy owners do not always complete the EIA or due to the nature of the policy request that it is published whilst the EIA is being formulated.</p>
--	--	--	--	--

				<p>The previous head of EDI left force in July 2022 and since this time the Compliance Officer has been acting up as Temporary Head of EDI and carrying out dual role with limited capacity. Going forward the force is in the process of recruiting a replacement Compliance officer and once employed reviewing the EIA completion process will be a priority.</p> <p>In the meantime the Policy and Strategic Planning Officer and Head of EDI will be delivering a joint training session with department nominees to ensure they are aware of their responsibilities in the completion of EIA's and to provide additional training in addition to the guidance that is already provided.</p> <p>September 2023: (No change in update) <i>Equality Impacts Assessments (EIA) are themselves not a legal requirement, however they are Derbyshire Constabulary's chosen tool</i></p>
--	--	--	--	---

			<p><i>to help our organisation meet our responsibilities to ensure we comply with the duty to show 'due regard' under the Equality Act 2010 and involves assessing the likely (or actual) effects of the policy, guidance, project or working practice on people in respect of their protected characteristics.</i></p> <p><i>The EIA should be completed by the policy holder (or nominated person) for the business area the policy, guidance, project or working practice relates to. The process in force in relation to Policy new or existing is that the nominated owner will be contacted by Policy and Strategic Planning Officer to inform around the policy process/review and make them aware of the need to complete an EIA, by forwarding the EIA form and guidance document. On completion the EIA would be forwarded to the Compliance Officer in the Equality Diversity and Inclusion Team (EDI) or</i></p>
--	--	--	--



			<p><i>Head of EDI for quality assurance, subsequently all EIA's should be signed off by the Head of EDI.</i></p> <p><i>It has been identified that nominated policy owners do not always complete the EIA or due to the nature of the policy request that it is published whilst the EIA is being formulated.</i></p> <p><i>The previous head of EDI left force in July 2022 and since this time the Compliance Officer has been acting up as Temporary Head of EDI (now substantive in post) and carrying out dual role with limited capacity. Going forward the force is in the process of recruiting a replacement Compliance officer (interviews September 23) and once employed reviewing the EIA completion process will be a priority.</i></p> <p><i>In the meantime the Policy and Strategic Planning Officer and Head of EDI have started to deliver joint training session with department nominees to ensure they are aware</i></p>
--	--	--	--

			<p><i>of their responsibilities in the completion of EIA's and to provide additional training in addition to the guidance that is already provided.</i></p> <p>November 2023: Equality Impacts Assessments (EIA) are themselves not a legal requirement, however they are Derbyshire Constabulary's chosen tool to help our organisation meet our responsibilities to ensure we comply with the duty to show 'due regard' under the Equality Act 2010 and involves assessing the likely (or actual) effects of the policy, guidance, project or working practice on people in respect of their protected characteristics.</p> <p>The EIA should be completed by the policy holder (or nominated person) for the business area the policy, guidance, project or working practice relates to. The process in force in relation to Policy new or existing is that the nominated owner will be contacted by Policy and Strategic Planning Officer to inform around the policy process/review and make them aware of the need to complete an EIA, by forwarding the EIA form and guidance document. On completion the EIA would be forwarded to the Compliance Officer in the Equality Diversity and Inclusion(EDI) or Head of EDI for quality assurance, subsequently all EIA's should be signed off by the Head of EDI.</p> <p>The previous head of EDI left force in July 2022 and since this time the Compliance Officer was acting up as Temporary Head of EDI before becoming</p>
--	--	--	--

				<p>substantive in the role In February 2023. Since this time the Head of EDI has been carrying out dual role with limited capacity. The Force has now interviewed and are in pre employment checks (vetting/drug testing) for a replacement Compliance officer.</p> <p>There is also governance of EIA's via the Policy Advisory Group who ensure that any policy has an accompanying EIA completed. The Policy template has also been redesigned to encompass an EIA completion section.</p> <p>This has ensured we are in a much better position however it is important to ensure that the EIA's are quality assured prior to sign off. Currently EIA's with high impact are being prioritised however once the Compliance officer is in post, reviewing the outstanding EIA's will be a priority.</p> <p>The Policy and Strategic Planning Officer and Head of EDI continue to deliver joint training sessions with department nominees to ensure they are aware of their responsibilities in the completion of EIA's and to provide additional training in addition to the guidance that is already provided.</p>
May 2023				
Business Continuity 22-23				
4.4 The OPCC should perform annual business continuity table-top exercises. Roles and responsibilities in relation to	Business Delivery And Improvement Manager	2	April 2023	<p>July 2023:</p> <p>The OPCC is arranging for a table-top exercise to be conducted later in 2023. This will be in</p>

<p>annual OPCC business continuity tabletop exercises should be made clear.</p>				<p>conjunction with the force Civil Contingencies Manager.</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <p>[Redacted]</p> <ol style="list-style-type: none"> <li>1. Property – arrangements in the event of a flood or fire</li> <li>2. Systems – arrangements in the event of a cyber attack</li> <li>3. People – arrangements in the event of key members of staff absent.</li> </ol> <p>November 2023: AD has action for this awaiting update.</p>
---	--	--	--	--



				<p>November, covering data protection and information management as stated in the curriculum. This comprises of an introductory video and a series of messages to be delivered by trainers as golden thread throughout other training.</p> <p>We are also working through proposals for Cyber security awareness training for all staff.</p> <p>At a national level, the training for all areas of information management is under review. There are advanced plans for the delivery of improved data skills and knowledge to the service through a multi-channel approach, underpinned by the delivery of a Data Literacy Framework. We await timescales for delivery. An updated training strategy for Derbyshire will be produced as soon as more information becomes available.</p>
--	--	--	--	---

March 2023

Collaboration – Performance Management

4.1 Performance Targets	EMSOU	2	September 2023	September 2023:
The Units should ensure that they have clear performance targets that align to their business plans/objectives.	Performance Manager			<ul style="list-style-type: none"> <li>Major Crime, work ongoing in relation to national Homicide reduction. Regional support to forces from MC and RRU in relation to their homicide</li> </ul>

				<p>reduction plans and there is a regional homicide reduction board. There are national targets and information provides data to evidence potential outliers of homicide across the region.</p> <ul style="list-style-type: none"><li>• ROCU – There have been recent changes to national performance framework used to report into ROCU Exec Boards.</li><li>• Work is ongoing to build a regional framework expanding on the national one to cover EMSOU Strategic Priorities. Concerns over duplication raised and there was discussion around the national one becoming the ROCU one for consistency. The framework has a two-year baseline to assess current performance against.</li><li>• Meeting is set up with PCC office to review their requirements moving forward.</li></ul> <p>There are some national targets set by the NCA</p>
--	--	--	--	---

				<p>against strategic threats, we report against the regional position against some of these through an internal performance meeting</p> <p>November 2023: 4.1 – Meeting held with the PCC office to review requirements moving forward. Ran through current reporting and whether that met current requirements. Agreement to provide a couple of other additional documents, which is ongoing and includes elements of the national SOC Performance Framework. To be worked through now whether a duplicate regional ROCU framework is required.</p>
<p>4.2 Benchmarking</p> <p>Benchmarking opportunities should be explored by the Units and the Regional Performance Analyst so that performance can be appropriately measured and compared.</p>	<p>EMSOU Performance Manager</p>	2	September 2023	<p>September 2023:</p> <ul style="list-style-type: none"> <li>• Currently there are too many variables between ROCU's to make effective comparison and benchmarking. Whilst work continues to improve the ability to benchmark, its complicated by not only recording practices but the set up and establishment of other ROCUs.</li> </ul>



				<ul style="list-style-type: none"><li>• The SOC Performance Framework is now embedded across all ROCUs and used by the National Operation Centre to understand impact and performance across the network against SOC.</li></ul> <p>November 2023: No further update.</p>
--	--	--	--	--



Office of the Police & Crime Commissioner  
for Derbyshire & Derbyshire Police

Internal Audit Progress Report

Presented to JARAC: 23<sup>rd</sup> November 2023

## Contents

01	Summary	45
02	Current progress	46
03	Performance 23/24	47
A1	Plan overview	49
A2	Reporting Definitions	51
A3	Collaboration Internal Audit Plan	51
A4	Final Reports	52
A5	Statement of Responsibility	82

### *Disclaimer*

This report (“Report”) was prepared by Mazars LLP at the request of the Derbyshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Derbyshire and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit the Derbyshire Police and the Officer of the Police and Crime Commissioner (OPCC) for Derbyshire and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in Appendix A5 of this report for further information about responsibilities, limitations and confidentiality.

## 01 Summary

The purpose of this report is to update the Joint Audit, Risk & Assurance Committee (JARAC) as to the progress in respect of the Operational Plan for the year ending 31st March 2024, which was presented to the JARAC at its meeting on the 2<sup>nd</sup> March 2023.

The Police and Crime Commissioner and Chief Constable are responsible for ensuring that the organisations have proper internal control and management systems in place. In order to do this, they must obtain assurance on the effectiveness of those systems throughout the year and are required to make a statement on the effectiveness of internal control within their annual report and financial statements.

Internal audit provides the Police and Crime Commissioner and Chief Constable with an independent and objective opinion on governance, risk management and internal control and their effectiveness in achieving the organisation's agreed objectives. Internal audit also has an independent and objective advisory role to help line managers improve governance, risk management and internal control. The work of internal audit, culminating in our annual opinion, forms a part of the OPCC and Force's overall assurance framework and assists in preparing an informed statement on internal control.

Responsibility for a sound system of internal control rests with the Police and Crime Commissioner and Chief Constable and work performed by internal audit should not be relied upon to identify all weaknesses which exist or all improvements which may be made. Effective implementation of our recommendations makes an important contribution to the maintenance of reliable systems of internal control and governance.

Internal audit should not be relied upon to identify fraud or irregularity, although our procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of internal control will not necessarily be an effective safeguard against collusive fraud.

Our work is delivered in accordance with the Public Sector Internal Audit Standards (PSIAS).

## 02 Current progress

Since the last update provided to the committee, we have issued final reports for the Whistleblowing / Counter Fraud, Procurement & Contract Management Follow-Up and Savings Plan audits. Additionally, fieldwork has been completed for the Core Finance audit and fieldwork is ongoing for the Payroll and Transport Follow-Up audits.

Since our last update, audit has communicated regularly with management to agree appropriate dates when the audits can be carried out. In response to concerns about workloads, we have sought to provide an even spread of audit activity throughout the year. At the time of preparing this progress report there is one further audit due to begin during November and four audits are planned to begin during February and March. We have confirmed dates for each audit in the IA plan and will continue to update the committee at each meeting as to the status.

Please see Appendix A1 for full details.

As in previous years the collaboration audit plan for 2023/24 has been agreed by the regional Chief Finance Officers, as discussed at the approval of the Internal Audit Annual Plan, a reduced amount of internal audit time has been allocated due to the reduced amount of regional collaboration. Therefore, the plan for 2023/24 is three audits.

Since our last update, the fieldwork for our EMSOU Capital Programme audit has been completed.

See Appendix A3 for full details.

### 03 Performance 23/24

The following table details the Internal Audit Service performance for the year to date measured against the key performance indicators that were set out within Audit Charter.

Number	Indicator	Criteria	Performance
		As agreed with the Client Officer	N/A
		As agreed with the Client Officer	Achieved
		7 working days prior to meeting.	Achieved
		Within 10 working days of completion of final exit meeting.	60% (3 / 5)*
		Within 5 working days of agreement of responses.	67% (2 / 3)†
		90% within four months. 100% within six months.	N/A
	Follow-up of other recommendations	100% within 12 months of date of final report.	N/A
		At least 10 working days prior to commencement of fieldwork.	86% (6 / 7)
		85% average satisfactory or above	100% (1 / 1)

\* 12 and 17 days, so slightly over the 10 day expectation. This was due to annual leave between end of audit and quality review process.

† 6 days, so slightly over the 5 day expectation. This was due to annual leave between end of audit and quality review process.

See further details below

## Performance Continued.

Audit	Date of ToR	Start of Fieldwork	Days' Notice (10)	Exit meeting	Draft Report	Time from Close to Draft Report (10)	Management Comments Received	Time to Receive Comments (15)	Final Report Issued	Time Taken to issue Final (5)
Whistleblowing / Counter Fraud	25-May-23	26-Jun-23	22	04 Sep-23	07-Sep-23	3	12-Oct-23	25	17-Oct-23	3
Governance	15-Jun-23	26-Jun-23	10	11-Sep-23	11-Sep-23	0				
Procurement & Contract Management Follow-Up	25-Jul-23	01-Aug-23	5	11-Sep-23	04-Oct-23	17	17-Oct-23	9	25-Oct-23	6
Core Finance	07-Sep-23	10-Oct-23	23							
Savings Plan	27-Sep-23	11-Oct-23	10	18-Oct-23	01-Nov-23	10	02-Nov-23	1	07-Nov-23	3
Payroll	12-Oct-23	06-Nov-23	17							
Transport Follow-Up	12-Oct-23	13-Nov-23	22							
Workforce Planning		20-Nov-23								
IT – Key Security Controls		01-Feb-24								
Vetting		19-Feb-24								
Victim Services		19-Feb-24								
Business Continuity Follow-Up		07-Mar-24								
Health & Safety		18-Mar-24								

## A1 Plan overview

Audit area	Fieldwork Date	Draft Report Date	Final Report Date	Target JARAC	Comments
Whistleblowing / Counter Fraud	26-Jun-23	07-Sep-23	17-Oct-23	Nov 23	Final Report Issued
Governance	26-Jun-23	11-Sep-23		Feb 24	Draft Report Issued
Procurement & Contract Management Follow-Up	01-Aug-23	04-Oct-23	25-Oct-23	Nov 23	Final Report Issued
Core Finance	10-Oct-23			Feb 24	Fieldwork Completed
Savings Plan	11-Oct-23	01-Nov-23	07-Nov-23	Nov 23	Final Report Issued
Payroll	06-Nov-23			Feb 24	Fieldwork Ongoing
Transport Follow-Up	13-Nov-23			Feb 24	Fieldwork Ongoing
Workforce Planning	20-Nov-23			Feb 24	
IT – Key Security Controls	01-Feb-24			Mar 24	
Vetting	19-Feb-24			Mar 24	
Victim Services	19-Feb-24			Mar 24	
Business Continuity Follow-Up	07-Mar-24			Jul 24	
Health & Safety	18-Mar-24			Jul 24	



## A2 Reporting Definitions

<b>Substantial Assurance:</b>	governance, risk	The control processes tested are being consistently
<b>Moderate Assurance:</b>	adequacy and effectiveness governance, risk	There is evidence that the some of the control processes may put some of at risk.
<b>Limited Assurance:</b>	There are significant weaknesses in the framework of governance, risk management and  or could become inadequate	objectives at risk.
<b>Unsatisfactory Assurance:</b>	There are fundamental weaknesses in the framework of governance, risk management and  inadequate and ineffective or is likely to fail.	Significant non-compliance with basic control processes leaves the processes/systems open to error or abuse.

Definitions of Recommendations		
Priority	Definition	Action required
<b>High (Fundamental)</b>	Significant weakness in governance, risk management and control that if unresolved exposes the organisation to an unacceptable level of residual risk.	Remedial action must be taken urgently and within an agreed timescale.
<b>Medium (Significant)</b>	Weakness in governance, risk management and control that if unresolved exposes the organisation to a high level of residual risk.	Remedial action should be taken at the earliest opportunity and within an agreed timescale.
<b>Low (Housekeeping)</b>	Scope for improvement in governance, risk management and control.	Remedial action should be prioritised and undertaken within an agreed timescale.

### A3 Collaboration Internal Audit Plan

Audit area	Forces	Status
EMSOU Capital Programme	Five Force	Fieldwork Completed
EMSOU Workforce Planning	Five Force	ToR Issued
EMSOU HMICFRS Action Plan	Five Force	ToR Issued

## A4 Final Reports

Below we provide the final reports issued.



Office of the Police and Crime Commissioner for Derbyshire and  
Derbyshire Police

## **Counter Fraud & Whistleblowing**

October 2023

**Final Report**

## Introduction

As part of the Internal Audit Plan for 2023/24 for the Office of the Police and Crime Commissioner for Derbyshire ('OPCC') and Derbyshire Police ('the Force'), we have undertaken an audit of the controls and processes in place in respect of Counter Fraud and Whistleblowing.

The specific areas that formed part of this review included: Strategy, Roles & Policies, Fraud Training & Communication, Fraud Risk Management, Governance Arrangements and Whistleblowing.

We engaged with several staff members and officers across the Force and OPCC during the review and are grateful for their assistance during the audit.

## Background

The Office of the Police & Crime Commissioner for Derbyshire and Derbyshire Police, along with all other private and public sector organisations, are at risk of losses through fraud, corruption, theft and error. Despite good policies and procedures, fraud and error often happen as a result of non-compliance. The minimisation of losses to fraud and corruption is essential to ensure that resources are used for their intended purposes to provide services to the population of Derbyshire.

The responsibility for Counter Fraud and Whistleblowing management sits with the Counter-Corruption Unit (CCU) within the Professional Standards Department (PSD). 'Theft & Fraud' is named as one of the seven 'Strategic Priorities' for the CCU, with the Force devising a separate set of policies and procedures for each priority.

Audit notes that the Force has recently changed its approach with respect to policies, as they previously only had 'sets of guidance' in place across the Force. The Force has reverted to introducing set policies, and at the time of the audit, all policies were noted as in draft and sitting with the Equality Unit at the Force for equality impact assessing.

## Key Findings

Assurance on adequacy and effectiveness of internal controls for Counter Fraud & Whistleblowing	
	Moderate Assurance

Priority	Number of Recommendations
High (Fundamental)	-
Medium (Significant)	-
Low (Housekeeping)	3

## Performance Dashboard

Based upon the scope and objectives of the review outlined within Appendix A1 of this report we have provided a summary of the results of this audit, categorised into each area of the review undertaken.

Key control area	July 2023	
	Assessment	Level of issue
<b>Strategy, Roles &amp; Policies</b>		
Counter Fraud Strategy	Control effective	No issues noted
Policies & Procedures	Control effective, except for	Low Issue
Roles & Responsibilities	Control effective, except for	Low Issue
Alignment to Strategy	Control effective	No issues noted
<b>Fraud Training &amp; Communication</b>		
Fraud Training	Control effective, except for	Medium Issue
Training Compliance	Control effective, except for	Medium Issue
Fraud Communication	Control effective	No issues noted
<b>Fraud Risk Management</b>		
Fraud Risk Management	Control effective	No issues noted
Fraud Risk Register	Control effective	No issues noted

Key control area	July 2023	
	Assessment	Level of issue
	Control effective	No issues noted
<b>Governance Arrangements</b>		
	Control effective	
<b>Whistleblowing</b>		
	Control effective, except for	Low Issue
	Control effective	No issues noted
Recording of Allegations	Control effective, except for	Low Issue
Action Plans	Control effective	No issues noted

## Examples of areas where controls are operating reliably

### Strategy, Roles & Policies

- The Force has named 'Theft & Fraud' as one of its seven strategic priorities as per the 'Counter Corruption Unit Strategy 2023'. This Strategy is dated December 2022 and has been approved by the Deputy Chief Inspector of the CCU.
- Guidance documents are in place for both 'Covert' and 'Overt' investigations at the Force (dated January and February 2023 respectively) which provide staff with direction in how they should conduct such operations.

### Fraud Training & Communication

- The Force & OPCC use a variety of methods to publish communications to staff regarding fraud and corruption,

including digital communications and face-to-face induction sessions. These communications are generally related to the expectations of staff/officers and the outcomes of misconduct proceedings.

### Fraud Risk Management

- The Force has an 'Anti-Fraud and Theft Control Strategy' in place, dated December 2022, which sub-categorises the strategic priority into four key distinct areas alongside their responsible owners. Each area contains sub-targets which are respectively RAG rated.
- An 'Anti-Fraud and Theft Enquiry Log' is utilised like an action log to record all key updates and required actions relating to this strategic priority. The Log is updated whenever Anti-

Fraud and Theft is discussed at quarterly Strategic Priorities meetings.

- A 'Theft and Fraud Register' is in place, which records the ongoing status of reported instances of fraud and theft at the Force. A register is saved each year to allow for sufficient audit trail. The register is subcategorised into 'Lost & Stolen' and 'Reported Officers': a total of 11 incidents have been recorded within the 'Lost & Stolen' subcategory since January 2023, with no incidents recorded within the 'Reported Officers' subcategory.

#### Governance Arrangements

- Within the Counter-Corruption Unit, a 'Daily Tasking Meeting' occurs which identifies all new investigations and referrals into the CCU. Attendees include the Head of CCU alongside the Deputy of CCU to allow for sufficient oversight. A Terms of Reference is in place for such meetings, which is dated January 2023.
- A 'Case Updates Meeting' occurs fortnightly within the Counter-Corruption Unit, the primary purpose of this meeting is for Detective Sergeants to specifically discuss the ongoing status of current investigations.
- The Force is represented at a 'Quarterly Regional Counter Corruption Meeting' alongside the other four Forces across the region, where investigations are shared and best practice discussed with respect to counter fraud.

#### Whistleblowing

A Whistleblowing Policy, dated October 2022 was approved by the Deputy Head of the Professional Standards Department and is located on the intranet. This clearly outlines the various reporting channels that are available for staff for them to raise concerns.

#### **Risk Management**

From our audit work, we have found that some improvements are required to enhance the adequacy and effectiveness of the risk management framework with respect to counter fraud and whistleblowing.

The Professional Standards Department (PSD) deliver an induction presentation to all new staff joining the Force, educating them on all seven strategic priorities outlined within the Counter Corruption Unit Strategy 2023. Audit notes that there is not a great emphasis placed on 'Theft and Fraud' within the presentation, as it is not deemed a current issue at Derbyshire specifically.

Furthermore, testing highlighted that there is no ongoing specific training delivered with respect to counter fraud and whistleblowing at the Force, with the only coverage of such training achieved through delivery of the initial induction presentation. Audit confirmed that the Force utilise CollegeLearn, an online training platform, which could provide suitable grounds for the Force to roll out periodic training and monitor completion. As such, we have raised a recommendation detailed further in Section 04 (**Rec 4.1**).

Following review of the Professional Standards Department Organisational Chart, testing highlighted that the chart does not



correctly reflect the makeup of the department with respect to covert and overt investigations. We have therefore raised a recommendation for the Force to update its existing organisational structure chart, to clearly reflect the structure of the department and how investigations are assigned dependent on their nature. Further detail is provided in Section 04 (**Rec 4.2**).

A Whistleblowing Policy is available to all staff on the intranet, which is part of a wider Professional Standards Department Policy. Audit established that the handling and management of whistleblowing allegations are dependent on which department the allegation is raised within or against.

Whilst Audit confirmed that there is sufficient detail within the Whistleblowing Policy for staff to raise concerns, review of the Policy shows an outdated reference to the charity Public Concern at Work, which now identifies as Protect. We have therefore raised a recommendation for the Force to update their current policy, to accurately identify the avenues available to staff should they require whistleblowing support (**Rec 4.3**).

Furthermore, Audit established there is a lack of oversight regarding whistleblowing statistics and responsibility. Periodic reporting, for both the type of whistleblowing concern and department it was raised to, would enable the Force to dedicate resource more efficiently as they would have a clear picture on areas to target. Further detail is provided in Section 04. (**Rec 4.4**).

Audit acknowledge that the Force are currently within a transition period regarding their policies; at the time of internal audit, all policies relating to the Anti-Fraud and Theft were not accessible due to them being within the process of being equality-impact assessed. As such,

we have not raised a formal recommendation, but do encourage the Force to ensure the timely ratification and publication of such policies to ensure all staff are aware of their roles and responsibilities.

## Value for Money

Value for money (VfM) considerations can arise in various ways and our audit process aims to include an overview of the efficiency of systems and processes in place within the auditable area.

A tasking meeting occurs daily within the Counter-Corruption Unit (CCU), where all new cases and referrals into the CCU are discussed and assigned for further investigation. Due to the frequency of such meetings, they are not minuted and instead are treated as efficient briefing sessions.

## Sector Comparison

From our experience across our client base, we are seeing that pressure on resources and higher service demands have resulted in challenges and trade-offs within the existing control environment. We noted that quarterly Strategic Priority meetings are not minuted as a whole due to resourcing issues. Instead, further actions that are discussed at each quarterly meeting are simply added to each respective Strategic Priority Enquiry Log, as not all seven Strategic Priorities are discussed at each meeting. This approach means that Derbyshire have to accept a certain degree of risk with respect to record-keeping, as there is a lack of a central record of meeting minutes due to their staffing difficulties.

We have noted that other Forces have specific fraud risk governance bodies to discuss the prevention of fraud and corruption, including any risks/issues and statistics relating to counter-fraud, corruption and whistleblowing. These bodies help to drive the approach to Counter Fraud and work to facilitate the sharing of best practice and raising awareness of any fraud or corruption matters. Other Forces are also part of local partnerships with other public sector organisations, sharing best practice and carrying out horizon scanning in relation to fraud issues.

Derbyshire attend a quarterly Regional Counter Corruption Group meeting, alongside the other four Forces across the region (Nottinghamshire, Northamptonshire, Lincolnshire and Leicestershire), to share best practice and updates regarding counter fraud instances within the region.

## Areas for Further Improvement and Action Plan

Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

We identified an area where there is scope for improvement in the control environment. The matters arising have been discussed with management, to whom we have made recommendations. The recommendations are detailed in the management action plan below.

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
	<u>Ongoing Fraud Training</u>		Medium	<p>Training is being developed with Training and Development regarding training services and the best method to deliver this training.</p> <p>The Force Training Commissioning Group will maintain records of completion and escalate non-compliance accordingly.</p>	<p>January 2024</p> <p>Head of Training &amp; Development</p>
		training, with non-			

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
			Low	The Organisational Chart has been updated in line with this recommendation.	Completed Dep Ch Insp, CCU

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
	misunderstood.				
	<p><b><u>Whistleblowing Policy</u></b></p> <p><i>Observation:</i> The Force currently has a version of its Whistleblowing Policy available on the intranet for all staff to access (as part of a wider Professional Standards Department Policy).</p> <p>However, review of the standalone Whistleblowing Policy document shows an outdated reference to the whistleblowing charity Public Concern at Work, which changed its name to Protect in 2018.</p> <p>Audit was informed that the Whistleblowing Policy is currently in the process of being redrafted.</p> <p><i>Risk:</i> Staff are unaware how to obtain whistleblowing support.</p>	<p>The Force should update its Whistleblowing Policy to correctly reference the various avenues available to staff should they need whistleblowing support.</p> <p>Furthermore, the Force should complete, ratify and publish its Policy for all staff to access. The Policy should be allocated a responsible owner and periodically reviewed (at least annually).</p>	Low	updated.	November 2023 DI Stocks
4.4	<p><b><u>Whistleblowing Oversight</u></b></p> <p><i>Observation:</i> Audit established that the Force currently does not periodically circulate whistleblowing statistics to a specific</p>	<p>The Force should consider annual reporting regarding whistleblowing</p>	Low	is being developed within PSD.	March 2024 Dep Ch Insp, CCU

	Observation/Risk	Recommendation	Priority	Management response	Timescale/ responsibility
	governance forum. This poses a risk that the	statistics to a dedicated			

## Audit Information

Audit Control Schedule	
<b>Client contacts:</b>	Fiona Macdonald, Deputy Chief Inspector Counter-Corruption Unit
<b>Last Evidence Received / Exit Meeting:</b>	18 July 2023 / 04 September 2023
<b>Management responses received:</b>	12 October 2023
<b>Final report issued:</b>	17 October 2023

## Scope and Objectives

Our audit considered the following risks relating to the area under review:

- Inadequate policies and procedures.
- Insufficient training for officers and staff.
- Inadequate risk management.
- Lack of oversight.
- Ineffective whistleblowing procedures.

The objectives of our audit were to evaluate the adequacy and effectiveness of counter fraud and whistleblowing controls with a view to providing an opinion on the extent to which risks in this area are managed. In giving this assessment it should be noted that assurance cannot be absolute. The most an Internal Audit Service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control.

We are only able to provide an overall assessment on those aspects of the counter fraud and whistleblowing controls that we have tested or reviewed. Testing has been performed on a sample basis, and as a result our work does not provide absolute assurance that material error, loss or fraud does not exist.



Office of the Police & Crime Commissioner for Derbyshire  
And Derbyshire Police  
Internal Audit Report

**Procurement & Contract Management (03.2023/24)**

**Audit Sponsor:** Andrew Dale, OPCC Chief Finance Officer / Jon Peatling, Force Chief Finance Officer

**Audit Contacts:** Rob Atkinson, Head of Procurement

October 2023

**Reporting Timetable**

Debrief Meeting: 11/9/23

Draft Report Issued: 04/10/23

Comments Received: 17/10/23

Final Report Issued: 25/10/23



# Your One Page Summary

**Audit Objective:** assess the design and effectiveness of the control framework for managing procurement and contract management.



### Why the Audit is in Your 2023/24 Plan

High risk area with mixed views on performance.

### Your Strategic Risk

SR2: Untimely response to incidents.

### Your Strategic / Tactical Objective

SO4: Caring for our community.

## Summary of our opinion

**Moderate Opinion**  
See Appendix A1 for definitions



### Summary of Recommendations

<b>High</b>	-	<b>Actions agreed by you</b>	
<b>Medium</b>	1	<b>High Priority completion</b>	N/A
<b>Low</b>	1	<b>Overall completion</b>	

## Summary of findings

**Examples of good practice**

- ✓ The Procurement and Contract Management Policy have been recently updated in May 2023.
- ✓ Appropriate performance management requirements have been embedded within contracts.

**Highest Priority Findings**

- The Quarterly Procurement Report contains some inaccurate information.
- A formal contract management training programme is not in place.

**Key root causes**

- Quarterly Procurement Report missing information due to the data transfer to Keto.
- The Contracts & Engagement Officer, who will be responsible for training, has only recently joined the Force.

## Direction of travel

**Previous Audit**  
May 2022

**Direction of Travel**  
 Previous opinion: Limited

**Recurring Findings**

- Lack of formal contract management training programme



## Summary Action Plan

Below is a high level summary of the actions that are intended to support your management of this risk area. Further detail about our findings, which have been discussed with management, are provided in our detailed action plan (see 03 Detailed Action Plan).

Ref	Recommendation	Priority	Owner	Due Date
1	<p><b>Contracts Register</b></p> <p>The contract register should be sample checked on a regular basis to ensure that it contains accurate information, including estimated contract values where possible.</p> <p>Contracts should be promptly published in the contracts register where there is a requirement to do so.</p> <p>The contracts register should be published on a quarterly basis.</p>	Medium	Head of Procurement	Completed October 2023
2	<p><b>Contract Management Training</b></p> <p>Procurement should consider developing a more formal / structured training programme for all staff involved in contract management.</p>	Low	Head of Procurement	March 2024

## Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 <p>Value for money (VfM) considerations can arise in various ways and our audit process aims to include an overview of the efficiency of systems and processes in place within the auditable area.</p> <p>Audit recommendations detailed in Section 03 below have been designed to address weaknesses in the control environment but also to improve the efficiency and effectiveness of the existing control environment. During the audit, we identified that:</p> <ul style="list-style-type: none"><li>• The Force considers collaboration with other agencies and partners where possible.</li><li>• The Force uses a framework agreement which allows it to take advantage of economies of scale, competitive pricing and a more streamlined procurement process.</li></ul>	<p>Procurement within public sector organisations is governed by the Public Contracts Regulations 2015, and as a result of this, there are broad similarities in the procurement process in comparison to other Forces in the region.</p>  <ul style="list-style-type: none"><li>• Procurement and contract management procedures and financial and contract rules are in place, setting out roles and responsibilities and requirements such as obtaining quotations and tenders.</li><li>• Similarly to other Forces, Derbyshire has a central procurement team who provide support to business areas for lower value procurements and take the lead for larger value procurements.</li><li>• From recent reviews of Procurement at other Forces, we have found that the lack of a formal contract management training programme is a common issue.</li></ul>

# Detailed Action Plan

We have identified areas where there is scope to improve the control environment. Our detailed findings are provided below. Definitions for the levels of assurance and recommendations used within our reports are included in Appendix A1.

1 Quarterly Procurement Report	
Finding(s) and Risk	Recommendation(s)
<p>The Force produces a Quarterly Procurement Report which is published on the Derbyshire PCC website and was last updated in June 2023.</p> <p>From discussion with the Head of Procurement we noted that previously, the Contract Register was dealt with by another department for FOI requests but is now kept up to date within the Procurement Department.</p> <p>From review of a sample of 10 contracts we found that nine purchases were included within the Quarterly Procurement Report. However, we found that three of the contracts did not have a contract value noted within the Quarterly Procurement Report where an estimate could have been provided. These contracts are based on daily / callout rates with no predetermined fixed prices, however, in some cases an estimate was included within pre-tender documentation which was not included within the Quarterly Procurement Report. During discussions we also noted that in some cases this may have been a result of the data transfer from Agresso to the Keto system.</p> <p>This recommendation was raised as part of our May 2022 audit and, as part of this audit, we have confirmed that this has been partly implemented.</p> <p><b>Risk and Impact:</b> Contract registers are not accurate and are not published under the organisation's Publication Scheme, as per the Freedom of Information Act.</p>	<ol style="list-style-type: none"> <li>1. The contract register should be sample checked on a regular basis to ensure that it contains accurate information, including estimated contract values where possible.</li> <li>2. Contracts should be promptly published in the contracts register where there is a requirement to do so.</li> <li>3. The contracts register should be published on a quarterly basis.</li> </ol>
	Root Cause(s)
	<p>The transfer of data from the Agresso to Keto financial system may have led to missing values.</p> <p>Some contracts are based on daily / callout rates with no predetermined fixed prices leading to difficulties estimating values.</p>
Management Comments / Agreed Actions	

Contracts register is currently refreshed and reviewed by the Procurement Team on a quarterly basis and sent to Force Comms and OPCC for publishing on websites. The 3 entries without values on the contracts register sample referred to are call out service contracts for Language Services, Boarding Up and Selected Medical Practitioners. These contracts have no pre-determined contract values, and incur costs (charged at tendered rates) dependant on usage of the service. It has not been the practice of the Procurement Team to estimate usage on the contracts register for these entries, but it is something we have now implemented going forward.

Action and change have been implemented

Responsible Person	Head of Procurement	Action Due Date	<i>Completed – October 2023</i>
		Priority Level	<b>Medium</b>

**2 Contract Management Training**

**Finding(s) and Risk**

Contract management training with BlueLight Commercial has been undertaken for the Contracts and Engagement Officer, however, a formal / structured training programme has not yet been rolled out to the wider Force.

From discussion with the Head of Procurement, once the Contracts and Engagement Officer completes training, it is intended that they will assist in training the wider Force.

This recommendation was raised as part of our May 2022 audit and, as part of this audit, we have confirmed that this has been partly implemented.

**Risk and Impact:** Staff involved in purchasing, procurement and contracts are not appropriately trained leading to insufficient or inappropriate contract management taking place and the Force not obtaining best Value for Money from procurements.

**Recommendation(s)**

4. The Procurement Team should consider developing a more formal / structured training programme for all staff involved in contract management.

**Root Cause(s)**

The Contracts and Engagement Officer has only recently joined the Force and has not yet completed contract management training.

**Management Comments / Agreed Actions**

**The Contracts & Engagement officer joined the team in January 2023. Since then she has completed specific contract management training provided via CIPS and Bluelight Commercial, this training is both at foundation (as have all staff) and practitioner levels. These training programmes are being amended to make them Derbyshire specific in their content to assist understanding, and then the process of rolling out around force will gather pace. The Contracts & Engagement Officer is already, and has been from an early stage, attending meetings to lead and support colleagues liaising with suppliers to ensure contract delivery and problem solving.**

**All contracts have been graded to signify level of contract management required and supporting literature around approach and procedure is being developed to assist colleagues Forcewide who may come into contact with suppliers.**

**As reported in the previous audit the Procurement Team have considered and are developing programmes and procedures and have made significant improvements.**

<b>Responsible Person</b>	Head of Procurement	<b>Action Due Date</b>	Forcewide implementation/roll out of Contract Management Training to commence prior to March 2024
		<b>Priority Level</b>	Low

## Previous Audit Recommendations

Recommendation Reference May 2022 Report	Recommendation Details May 2022 Report	Audit Findings September 2023	Outcome
5.1 Policies & Procedures	<p>All out of date policy, procedure and guidance documents should be updated to reflect current practice. They should then be reviewed on an annual basis and updated as needed.</p> <p>Policy, procedure, and guidance documents should include a document control section detailing at minimum the person responsible for the document, the date last reviewed and the date of the next review.</p>	<p>Updated policies and procedures have now been provided:</p> <ul style="list-style-type: none"> <li>• Procurement Policy – Updated May 2023</li> <li>• Contract Management Policy – Updated May 2023</li> </ul>	Implemented
5.2 Contracts Finder	<p>Awarded contracts over the value of £25,000 should be published on Contracts Finder and the Find a Tender service where required.</p> <p>Where the exact value of a potential contract is not known, there should be a consideration of whether the value is likely to exceed £25,000 which would therefore require publishing on Contracts Finder.</p> <p>Guidance should be produced for staff using procurement checklists to ensure that they use the correct template.</p>	<p>We reviewed a sample of 10 contracts and confirmed that the contract advertisement and award had been published appropriately in 3/10 cases.</p> <p>6/10 of the sample related to call-off contracts from a framework agreement where this was not a requirement.</p> <p>1/10 of the sample related to an exception purchase where only a single supplier was available, due to this, the</p>	Implemented



Recommendation Reference May 2022 Report	Recommendation Details May 2022 Report	Audit Findings September 2023	Outcome
		<p>publishing of the advertisement and award was not necessary.</p> <p>Procurement checklists are now integrated within the Keto contract management system, rather than consisting of spreadsheets as per the previous audit.</p>	
5.3 Contract Management	<p>The Contract Management Policy should be updated to specify the exact circumstances where contract management / monitoring is required and how it should be documented.</p> <p>Procurement should have access to contract management related documentation in order to support the monitoring of contract performance</p>	<p>The Procurement and Contract Management Policies were updated in May 2023 and these include details of contract management requirements. For example, it is stated in the Procurement Policy that appropriate contract management and review should be built into all new contracts and undertaken in all high value (£100,000+) or risk contracts.</p> <p>Guidance for Contract Management has also been produced, which sets out the aims and activities of contract management.</p> <p>Contracts are also registered within the new Keto contract management system.</p>	Implemented

Recommendation Reference May 2022 Report	Recommendation Details May 2022 Report	Audit Findings September 2023	Outcome
5.4 Contractor Performance / KPIs	<p>The Force should consider developing a range of standard KPI / performance indicators for contractors to report contract performance against, which may differ depending on the type of contract.</p> <p>Standard KPI / performance indicators should be detailed in contractual documents and agreements, such as the ITT and contract itself.</p>	<p>As discussed above, the Procurement and Contract Management Policies have been updated, and there is now a requirement for contract management to be built into all new contracts and undertaken in high value and high risks contracts.</p> <p>Standard KPI / performance indicators have not been developed, however, we found that details of what contract management should be undertaken was included in 9/10 contracts reviewed, apart from the exception purchase.</p> <p>Generally this included regular meetings and KPI reports, which may vary depending on the type of contract, and we received evidence that this contract management had been undertaken such as meeting notes and agendas.</p>	Implemented
5.5 Purchase Orders & Requisitions	<p>It should be ensured that:</p> <ul style="list-style-type: none"> <li>Orders / requisitions are raised, and the appropriate requisition form used as required.</li> <li>Procurement &amp; Finance should align their processes to allow Procurement to have oversight</li> </ul>	<p>We reviewed a sample of 10 items of expenditure in relation to contracts and found that in all cases, invoices had been approved appropriately.</p>	Implemented

Recommendation Reference May 2022 Report	Recommendation Details May 2022 Report	Audit Findings September 2023	Outcome
	<p>of payments to ensure that the appropriate procurement process has been followed.</p>	<p>Purchase orders were raised in 4/10 cases, although in the case of the exception purchase, the requisition form was not used.</p> <p>In the remaining 6/10 cases, a purchase order was not raised. However, the Derbyshire Financial Handbook notes that exemptions are in place for services where the amount of the usage or time of the requirement can not be predicted, such as appropriate adult service which these payments appeared to relate to.</p>	

# Audit Information

## Agreed Audit Objective and Scope

The objectives of our audit were to assess whether Derbyshire Force and OPCC has in place adequate and appropriate policies, procedures and controls in relation to Procurement & Contract Management with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

- Non-compliance with legislation and regulations
- Contract information is not published in a timely manner and / or accurately
- Payments and expenditure is made inappropriately or without approval
- Insufficient training in place for staff responsible for contract mana
- Contractor performance is not monitored regularly

## Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.



Office of the Police and Crime Commissioner for  
Derbyshire and Derbyshire Police  
Internal Audit Final Report  
**Savings Plan (04.2023/24)**

**Audit Sponsors:** Andrew Dale, OPCC Chief Operating Officer (S151), Jon Peatling, Chief Finance Officer

**Audit Contacts:** Tracy Lewis, Supt - Learning & Development, Tracy Wilson, Senior Operational Management Accountant

November 2023

**Reporting Timetable**

Debrief Meeting: 17/10/23

Draft Report Issued: 01/11/23

Comments Received: 02/11/23

Final Report Issued: 07/11/23

# Your One Page Summary

**Audit Objective:** To provide assurance that the risks associated with the Savings Plan 2023-25 are being appropriately managed.

<p><b>Why the Audit is in Your 2023/24 Plan</b></p> <p>To provide assurance that Derbyshire Police and the OPCC have effective controls in place in respect of Force’s Savings Plan for 2023/24 and work to 2025/26.</p>	<p><b>Your Strategic Risk</b></p> <p>STR1192 – Financial resources insufficient to meet spending and investment plans. STR0067 – Driving efficiencies</p>	<p><b>Your Strategic / Tactical Objective</b></p> <p>Ensuring taxpayer’s money is spent wisely and resources are being managed effectively.</p>
--	---	---

## Summary of our opinion



<div style="background-color: #008000; color: white; padding: 10px; margin-bottom: 5px;"> <p><b>Substantial</b></p> <p>See Appendix A1 for definitions</p> </div> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: #008000; width: 20px; height: 20px; display: flex; align-items: center; justify-content: center; color: white; font-weight: bold; font-size: 12px;">X</div> <div style="background-color: #90EE90; width: 20px; height: 20px;"></div> <div style="background-color: #FFD700; width: 20px; height: 20px;"></div> <div style="background-color: #FF0000; width: 20px; height: 20px;"></div> </div>	<p><b>Summary of Recommendations</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="background-color: #FF0000; color: white;"><b>High Priority</b></td> <td style="text-align: center;">-</td> <td style="border: none;"></td> <td style="border: none;"></td> </tr> <tr> <td style="background-color: #FFD700;"><b>Medium Priority</b></td> <td style="text-align: center;">-</td> <td style="border: none;"></td> <td style="border: none;"></td> </tr> <tr> <td style="background-color: #90EE90;"><b>Low Priority</b></td> <td style="text-align: center;">-</td> <td style="border: none;"></td> <td style="border: none;"></td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 70%;"><b>Actions agreed by you</b></td> <td style="text-align: center;">N/A</td> </tr> <tr> <td><b>High Priority completion</b></td> <td style="text-align: center;">N/A</td> </tr> <tr> <td><b>Overall completion</b></td> <td style="text-align: center;">N/A</td> </tr> </table>	<b>High Priority</b>	-			<b>Medium Priority</b>	-			<b>Low Priority</b>	-			<b>Actions agreed by you</b>	N/A	<b>High Priority completion</b>	N/A	<b>Overall completion</b>	N/A
<b>High Priority</b>	-																		
<b>Medium Priority</b>	-																		
<b>Low Priority</b>	-																		
<b>Actions agreed by you</b>	N/A																		
<b>High Priority completion</b>	N/A																		
<b>Overall completion</b>	N/A																		

## Summary of findings

- |  |  |  |
|--|--|--|
| <p style="text-align: center;"><b>Examples of good practice</b></p> <ul style="list-style-type: none"> <li>✓ The Force Savings Programme has a Terms of Reference outlining strategic links, responsibility, and objectives.</li> <li>✓ Savings proposals were generated for each department, through consultation with the respective Head of Departments (HoD).</li> <li>✓ The savings programme followed a seven-step process, with guidance provided to each HoD to support development of savings proposals.</li> </ul> | <ul style="list-style-type: none"> <li>✓ Savings proposals were subject to challenge sessions with Chief Officers to scrutinise their financial and operational feasibility.</li> <li>✓ Analysis of historical budget performance was conducted to provide sound financial rationale for savings proposals.</li> </ul> | <ul style="list-style-type: none"> <li>✓ The savings programme is reported to the Productivity and Efficiency (P&amp;E) Board monthly.</li> <li>✓ Savings proposals are formally closed out, with confirmations from chief officer or reports taken to the P&amp;E Board.</li> <li>✓ Intermittent updates are provided to the Financial Assurance Board and the Joint Audit Risk and Assurance Committee.</li> </ul> |
|--|--|--|

# 01 Value for Money and Sector Comparison

Within each of our reports, we summarise any observations we have made about the effectiveness, efficiency and economy of your operations. This is to support our portfolio of public and social sector organisations with value for money considerations. We also summarise how you compare to similar organisations, which is intended to bring you the benefit of our insight.

Value for Money	Sector Comparison
 <p>Value for Money (VfM) considerations can arise in various ways and our audit process aims to include an overview of the efficiency of systems and processes in place within the auditable area:</p> <ul style="list-style-type: none"><li>• Savings proposals were scrutinised by Chief Officers, management accountants, and the complete Chief Officer team and Heads of Department at a planning day, which has ensured that savings are feasible, achievable, and will generate significant cashable savings across the Force.</li><li>• The Savings Team worked closely with both HoDs and management accountants, providing efficiencies given the alignment between central support and individual business areas.</li><li>• Savings workstreams are monitored on a monthly basis by the Productivity and Efficiency Board, as well as by the former Programme Lead (now Superintendent – Learning and Development), to ensure that savings are on track and delivered in line with expectations.</li></ul>	 <p>We have taken the findings from this audit and compared them to findings from other audits carried out at similar organisations. Overall, controls are broadly similar to those used across the sector, for example:</p> <ul style="list-style-type: none"><li>• Similarly to other Forces, Derbyshire have adopted an approach to developing savings across a range of targets (2%,5%,10%), which is in line with best practice approaches.</li><li>• The development of a dedicated Savings Team, formed of two full time individuals for a six-month period, is an enhanced approach in comparison to other forces and the wider sector, providing a consistent application of the savings programme over its development.</li><li>• Our work at other forces has found that maintaining a clear audit trail, saved outside of Microsoft Outlook, is a useful approach to ensure a maintenance of that audit trail in light of staff movements. This also facilitates a timely sourcing of information, which is critical to an effective audit trial. Whilst we have not raised a formal recommendation regarding this, as evidence was provided to support each of our sample tests, the Force should consider this approach going forward.</li></ul>

## 02 Detailed Action Plan

We have identified no areas where there is scope for improvement in the control environment.



# A1 Audit Information

## Agreed Audit Objective and Scope

The objectives of our audit were to assess whether the Force and OPCC has in place adequate and appropriate policies, procedures and controls in relation to the Savings Plan with a view to providing an opinion on the extent to which risks in this area are managed. The audit considered the following risks relating to the area under review:

- The savings plan is not aligned to strategic priorities and affects operational performance of the Force.
- The methodology, rationale and/or assumptions used in the development of the savings plan are flawed and/or are not accurate.
- The savings plan is not being monitored to ensure continued performance.

## Scope Limitations

In giving this assessment, it should be noted that assurance cannot be absolute. The most an Internal Audit service can provide is reasonable assurance that there are no major weaknesses in the framework of internal control. Any testing performed was conducted on a sample basis. Our work does not provide any guarantee against material errors, loss or fraud or provide an absolute assurance that material error, loss or fraud does not exist.

## A5 Statement of Responsibility

### Status of our reports

We take responsibility to the Office of the Police and Crime Commissioner for Derbyshire and Derbyshire Police for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or reply for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation amendment and/or modification by any third party is entirely at their own risk.

Registered office: 30 Old Bailey, London, EC4M 7AU, United Kingdom. Registered in England and Wales No 0C308299. Registered in England and Wales No 0C308299.

# Contacts

**David Hoose**

Partner, Mazars

david.hoose@mazars.co.uk

**Sarah Knowles**

Internal Audit Manager, Mazars

sarah.knowles@mazars.co.uk

Mazars is an internationally integrated partnership, specializing in audit, accountancy, advisory, tax and legal services\*. Operating in over 95 countries and territories around the world, we draw on the expertise of 47,00 professionals – 30,000 in Mazars' integrated partnership and 17,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

\*where permitted under applicable country laws.

**[www.mazars.co.uk](http://www.mazars.co.uk)**

# JOINT AUDIT RISK ASSURANCE COMMITTEE

<b>REPORT TITLE</b>	FINANCIAL MONITORING UPDATE 2023/24
<b>REPORT BY</b>	CHIEF FINANCE OFFICER (Jon Peatling)
<b>DATE OF MEETING</b>	23 <sup>RD</sup> NOVEMBER 2023

## PURPOSE OF THE REPORT

To provide an update on the current forecast outturn position for 2023/24, including Revenue and Capital Expenditure and an update on the current Treasury Management performance.

## ATTACHMENTS

Period 6 (April to Sept 23) Monitoring Report



Period%206%20Finance%20Monitoring%2

## DECISIONS REQUIRED

None – update to JARAC members.

## CONTACT FOR ENQUIRIES

Name: Jon Peatling, Chief Finance Officer  
 Tel: 0300 122 5440  
 Email: [Jon.peatling@derbyshire.police.uk](mailto:Jon.peatling@derbyshire.police.uk)

## 1. FINANCIAL UPDATE 2023/24

### 1.1 Chief Constables Account

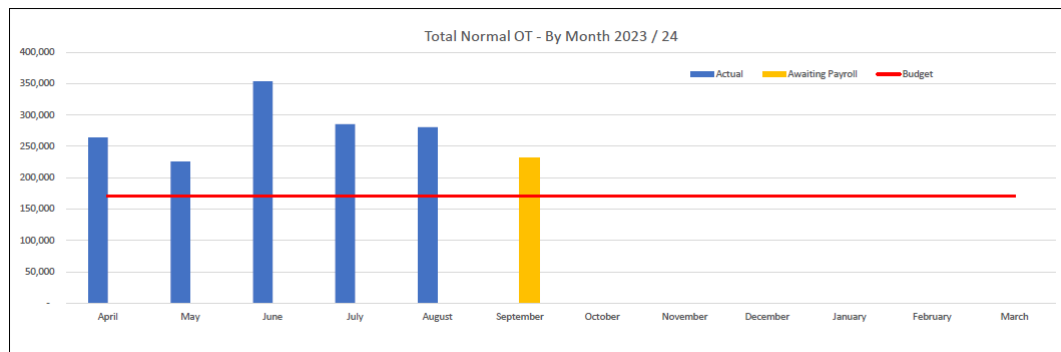
The total forecast spend for the year is **£212.102m** against a budget of **£211.367m**. The forecast overspend is therefore **£0.735m (0.3%)**. Several key areas continue to contribute to this net position:

- Due to over establishment on Police Officers we are forecasting a **£1.835m** net overspend on Police Officer salaries. As a result of the extra uplift in funding, we commenced the year at 2,177 Officers, some 67 above our establishment. 50 of these officers attracted additional Grant funding from the Home Office totalling **£1m** (received in 2022/23).
- Further funding was made available in 23/24 for additional ‘Overshoot’ officers, as part of the continued commitment to maintain Police Officer numbers. If we maintain our overshoot position, the force will receive funding of **£1.215m** (£45k per officer) for an additional **27** Officers, increasing our baseline establishment to **2,137** Officers. We have recently been notified of a ‘secondary’ uplift of an additional **18** officers, increasing our establishment to **2,155**. This further uplift will attract one-off grant funding of **£432k** (£24k per officer).
- Due to a reduction in leavers during 23/24, we have remained above our Uplift establishment of **2,155** Officers. As at the end of September our establishment was **2,169** with only **55** leavers since April, compared with a budgeted assumption of **90**.



- We aim to finish the year as close to **2,155** officers as possible. However, the secondary funding for the extra **18** officers is conditional on being at or above our required establishment. Monthly establishment meetings are taking place to review planned leavers and starters to ensure we meet the Uplift requirement of 2,155 by March 2024. It should be noted however, that starting the 24/25 year **45** officers over establishment will incur additional costs until we fall back to our budgeted establishment of 2,110. It is therefore unlikely that any new recruitment will commence until the Summer of 2024. It is suggested that the extra **£432k** for the secondary uplift is earmarked to fund these additional costs in 2024/25.

- Police Officer Overtime is forecast to be overspent by **£1.019m**. Although monthly overtime costs have reduced for the past three months, the monthly costs remain above the budgeted profile. Improved overtime reporting and financial awareness training to Inspectors has been introduced to try and reduce the overtime spend and monthly scrutiny is taking place through the P&E Board. Further work is taking place to determine the root cause of the increase in overtime working and the budget requirement for 2024/25.



- Staff vacancies continue to be above the 6% vacancy level and we are currently expecting to underspend by **£1.529m** on staff salary costs. The vacancy rate as at the end of September was **7.47%**. Plans are in place to reduce vacancies in key areas including the Force Control Room and PCSO numbers, where the vacancy rate has reduced to **4.38%**

Month	Actual	Establishment	Number of Posts Vacant	% of Posts Vacant	Minimum % Gap	Current Gap % vs Minimum
September 2023 (data to 31/08/2023)	177.90	200.00	22.10	11.05%	4.00%	7.05%
October 2023 (data to 30/09/2023)	191.24	200.00	8.76	4.38%	4.00%	0.38%
VARIANCES	13.34	0.00	-13.34	-6.67%	4.00%	-6.67%

- The net effect of the additional Pay Award grant is expected to generate a saving of **£683k**. The Home Office has agreed to fund the equivalent of 4.5% of the 7% pay increase, leaving forces to fund 2.5% of costs. The force had budgeted for an increase of 2% and provided for a further 1% pay contingency within the budget.
- Operation Safeguard is a contingency plan to deal with prison overcrowding in the United Kingdom; it involves using cells at police stations as accommodation for prisoners when the number of cells in prisons becomes critically low. To date the force has received additional income of **£854k** for the use of custody cells in Derby and Chesterfield.

## 1.2 Police and Crime Commissioners Account

The budget for the Police and Crime Commission was set at **£7.814m**, the current forecast spend is projected to be **£6.8453m**, resulting in a forecast underspend of **£0.969m**. The underspend is mainly attributable to an increase in additional Investment Income of **£0.800m**. This has arisen in part to the slippage in the Capital Plan and therefore surplus cashflow which has benefited from the increase in bank rates.

1.3 The combined underspend is **£0.234m** representing **0.11%** of the Force and PCC Budgets. A more detailed analysis of the budget and forecast outturn is contained within the embedded document. <Period 6 – Finance Monitoring Report>.

## 2.1 Capital Programme Update

The Capital Programme for 2023/24 including slippage from 2022/23 is **£28.546m**. The Capital Programme includes planned investment in our Buildings, Fleet, Information Technology and our share of Capital spend in regional collaboration as set out in the following table:

Capital Programme							
	Buildings £m	Equipment & Vehicles £m	IT £m	Design Board £m	EMCTIU £m	Regional Lead Force £m	Total £m
Revised Capital Programme (Inc Slippage)	17.272	3.222	4.562	3.315	0.175	0.000	28.546
Actual	1.186	0.529	1.780	1.560	0.254	0.077	5.386
Commitments	1.548	2.029	0.864	1.755	0.107	0.000	6.302
<b>Total To Period 6 (29th September 2023)</b>	<b>2.734</b>	<b>2.558</b>	<b>2.644</b>	<b>3.315</b>	<b>0.361</b>	<b>0.077</b>	<b>11.688</b>
<b>Budget Remaining</b>	<b>14.538</b>	<b>0.664</b>	<b>1.918</b>	<b>0.000</b>	<b>(0.186)</b>	<b>(0.077)</b>	<b>16.858</b>

Total contracted spend to date is **£11.688m** (41%) with **£16.858m** of the budget still to be spent. A breakdown of the actual and planned expenditure is shown in the following table.

Detailed Capital Analysis						
Scheme	Total Original Budget £m	Total Revised Budget £m	Actual Commitments & Contracts to be paid £m	Budget Remaining £m	% Spend	
<b>Expenditure</b>						
SNT Building Refurbishment & Replacement	2.550	2.586	0.017	2.569	1%	
Major New/Replacement Buildings	7.700	11.243	1.309	9.934	12%	
Other Building Work/Land	2.663	3.443	1.408	2.035	41%	
IS/Communications	2.575	4.562	2.644	1.918	58%	
Vehicles	2.023	2.665	2.393	0.272	90%	
Equipment	0.397	0.557	0.164	0.393	29%	
Design Board	0.989	3.315	3.315	0.000	100%	
EMCTIU	0.175	0.175	0.361	(0.186)	206%	
<b>Sub Total</b>	<b>19.072</b>	<b>28.546</b>	<b>11.611</b>	<b>16.935</b>	<b>41%</b>	
Regional Projects (to be recharged)	-	0.000	0.077	(0.077)		
<b>Total</b>	<b>19.072</b>	<b>28.546</b>	<b>11.688</b>	<b>16.858</b>		

## 2.2 Treasury Management Update

Based upon the original Capital Programme, our assumed borrowing for the year was **£3.315m**, increasing our total PWLB debt to **£33.764m**. As a result of slippage in the Capital Programme and escalating borrowing rates it is unlikely that this borrowing will now be required during 2023/24. We continue to have surplus cash following the **£20m** borrowing taken out in December 2021 at rates of between **1.38%** and **1.52%**.

Since December 2021, the Bank Rate has increased on 14 consecutive occasions and is currently **5.25%**. Investment income to date is **£1.106mm** and due to the Bank Rate increases is expected to be **£2.0m** by the end of March 2024.

<b>Treasury Management</b>				
	<b>Previous Year £m</b>	<b>Original Budget £m</b>	<b>This Month £m</b>	<b>Last Month £m</b>
LOANS - PWLB	31.263	33.764	30.869	31.101
LOANS - PFI Liabilities	5.029	3.566	4.298	4.419
<b>Total Borrowing</b>	<b>36.292</b>	<b>37.330</b>	<b>35.167</b>	<b>35.520</b>
Total Average Investments	39.396	n/a	44.538	44.909
Total Investment Income	( 0.968)	( 1.200)	( 1.106)	( 0.935)
Average Interest Earned to date	2.142%	n/a	4.805%	4.722%
Average SONIA Rate to date	2.260%	n/a	4.758%	4.680%
Average Base Rate to date	2.325%	n/a	4.820%	4.740%

We will continue to monitor our Capital Programme and the Estates Strategy to determine any future borrowing requirements and explore options to fund Capital expenditure through Revenue contributions whilst interest rates remain high.



# BUDGET MONITORING REPORT

## PERIOD 6 (April 2023 to September 2023)

Produced by: Strategic Finance  
Date of Issue: 17<sup>th</sup> October 2023

### OUR PRIORITIES



Vulnerability



Fighting  
Crime



Our  
People



Prevention and  
Partnerships



Responsive and  
Visible Policing



Service to  
the Public





Trust and  
Legitimacy

Making Derbyshire Safer **Together**



# Revenue Budget – Projected Outturn Position At period 6 (period-ending 29th September 2023)

The current forecast for the year-end position is:

$$\begin{array}{rcccccc}
 & & & \text{Total} & & \\
 & & & & & \% \text{ of budget} \\
 \text{£0.735} & - & \text{£0.969} & = & \text{£0.234} & = & 0.11\% \\
 \text{overspend} & & \text{underspend} & & \text{underspend} & & 
 \end{array}$$

Total Budget £m	Spend To Date £m	Forecast Outturn £m	Variance £m
211.367	109.387	212.102	0.735
			.3%
7.814	2.035	6.845	( 0.969)
			( 12.4%)

What are the headlines in the forecast for the Chief Constable?

- Due to over establishment on Police Officers we are forecasting a £1.835m net overspend on Police Officer salaries (even after allowing for additional grants for the officer uplift)
- Police Officer Overtime is now forecasting an overspend of £1.019m
- Staff vacancies continue to be above the 6% vacancy level and we are currently expecting to underspend by (£1.529m) on staff salary costs
- The net effect of the additional pay award after receipt of the Home Office Grant is (£683k)
- Without the surplus income from Op Safeguard (use of custody cells (£854k)) the forecast would be an overspend of £620k

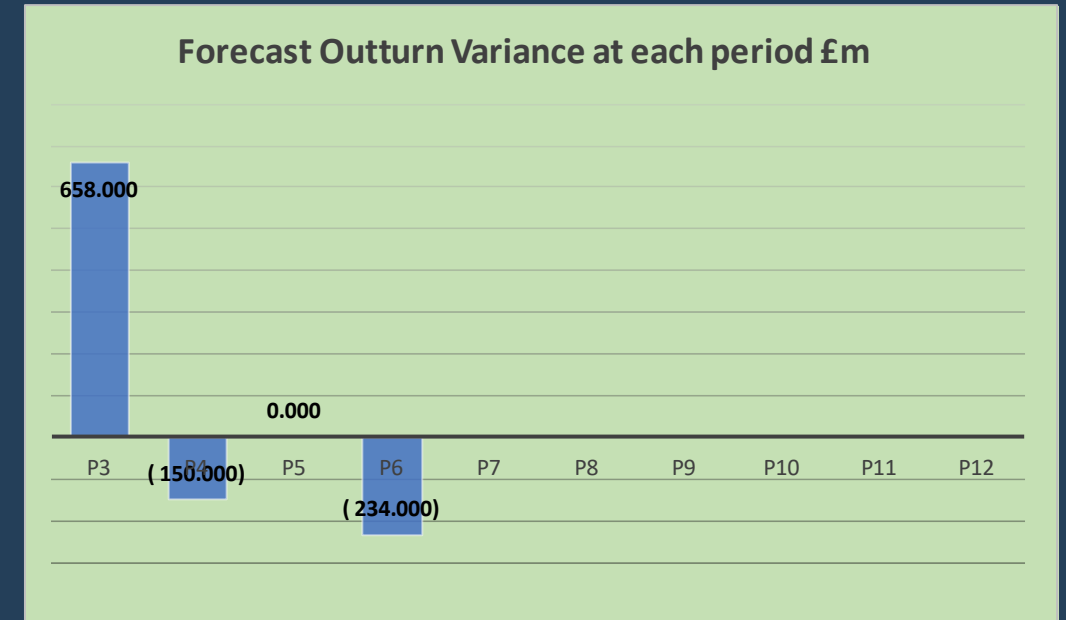
And for the Police and Crime Commissioner?

- Additional income from investment income of £0.800m due to the increase in bank rates

## Chief Constable Variance

What has changed in the forecast outturn position since last period?

AREA	Impact on U/spend	Amount £000's
Police Officers Salaries	↓	-258
Ill Health Retirements	↑	112
Supp & Serv - IS, Consultancy, Legal Pro Fees, Financial Contracts	↑	412
Op Safeguard - Custody Cells Income	↓	-160
Home Office Grant for Additional Officers	↓	-454
Regional Units - Cellmark and overspend on Forensics	↑	278
Investment Income	↓	-100
Other	↓	-64
<b>TOTAL MOVEMENT IN VARIANCE</b>	↓	<b>-234</b>



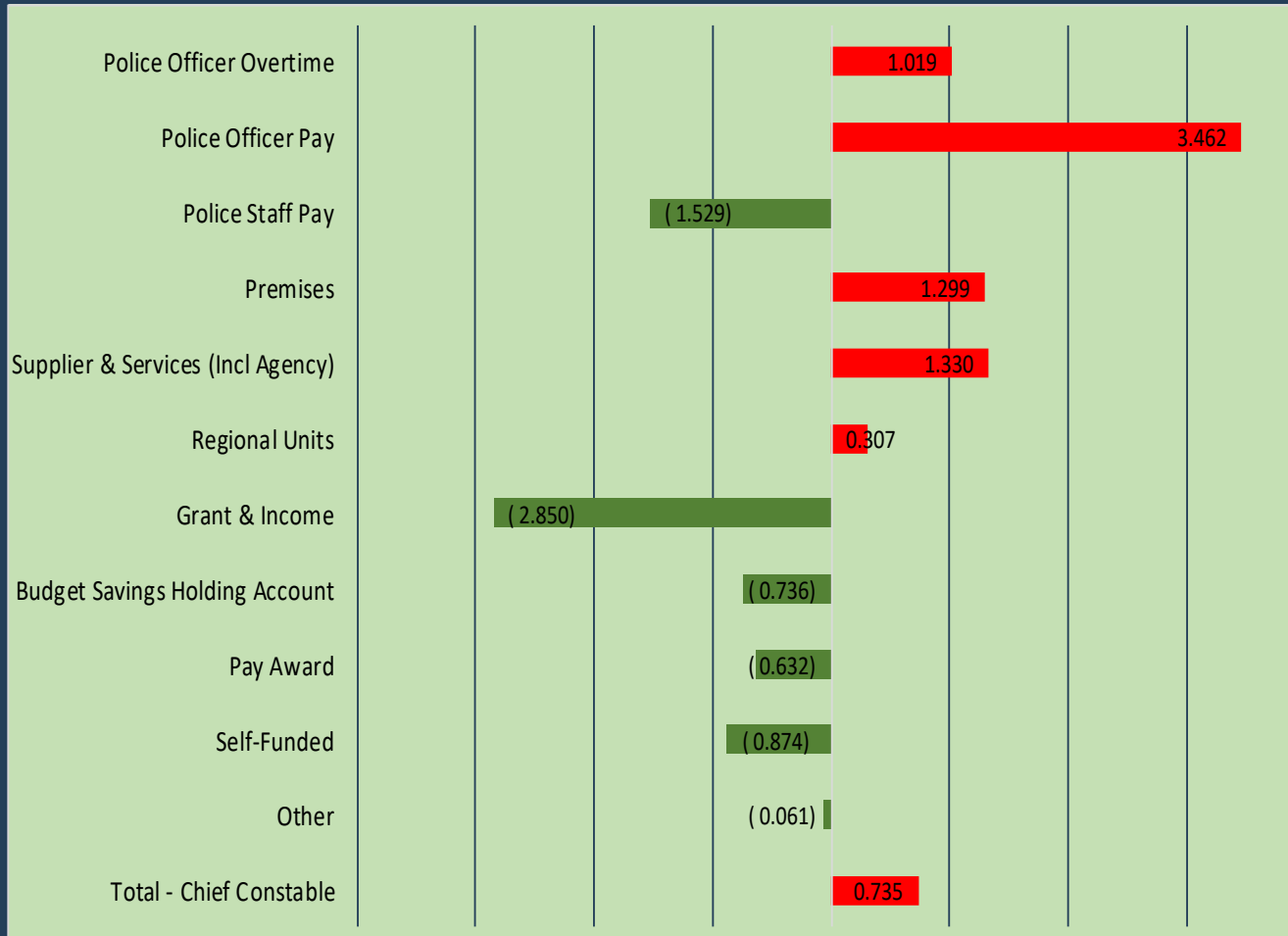
### Comments

Supplies & Services the largest increases are on Productivity Services £91k (IS), Consultancy £59k (Assets Energy & Environmental), Legal Professional Fees £57k and Financial Contracts £54k (Pensions Remedy).

Operation Safeguard is the income we receive from Greater Manchester Police for the use of the custody cells. The operation could cease at any point but confirmation has been received of the September amount.

**Forecast Variances**  
**Chief Constable controlled**

£m



**Variances on Police Officers Pay / Overtime and Staff Pay**

Information on the pay variances are to be found on later slides

**Information on non-pay variances**

**Premises Costs**

- Utilities	£419k
- Rates	£191k
- Unitary Fee PFI	£298k
- Rents	£150k
- Maintenance	£174k

**Supplies & Services**

- Vehicle Recovery *	£474k
- Insurance Premiums	£102k
- Dangerous Dogs	£162k
- Legal Professional Fees	£108k
- Financial Contracts	£148k
- Tasers	(£220k)

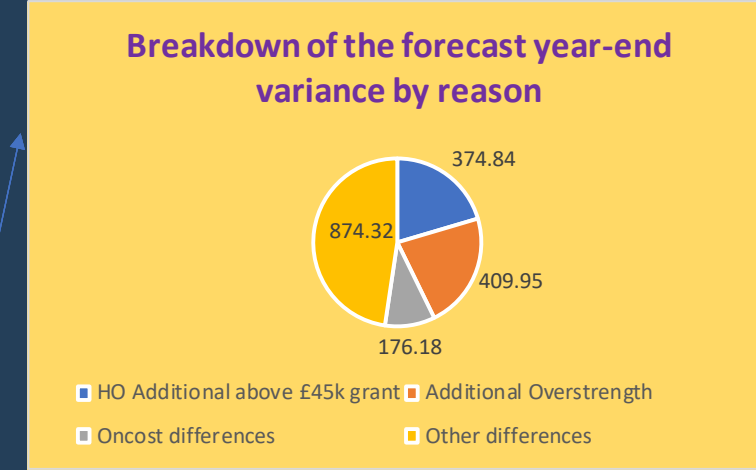
**General Income**

- Vehicle Recovery *	(£476k)
- Court Compensation	(£132k)
- Additional Uplift Grant	(£1,635k)
- Costs Recovered	(£134k)
- Admin Fee	(£89k)
- Special Services	(£118k)

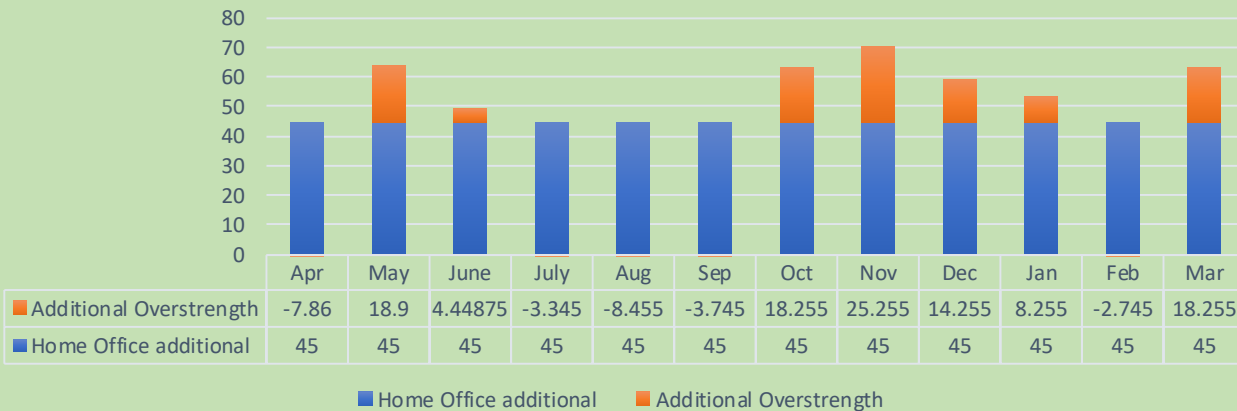
\* current levels of Vehicle Recovery activity means that costs incurred and fees received are expected to exceed the budget, resulting in a net surplus of £2k.

# Police Officer Salaries & Oncosts - Budget Monitoring 2023/24

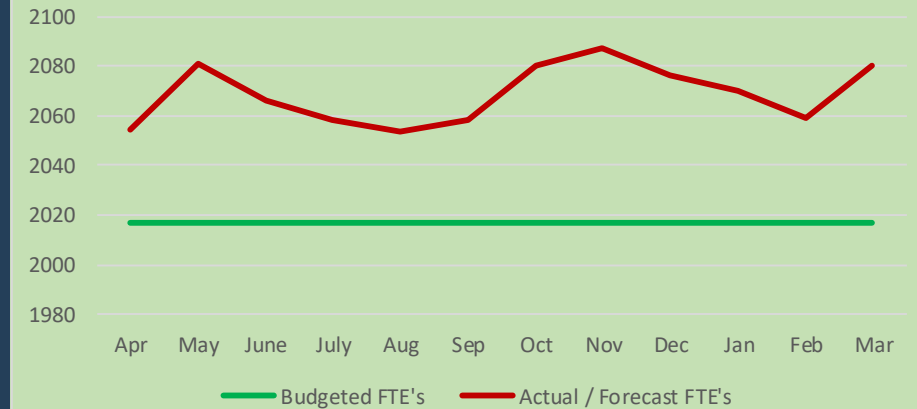
April - Sept		Year-end Forecast		<=== FTE's / Salaries & Oncosts		April - Sept		Year-end Forecast	
fte's		fte's				£'000s		£'000s	
2,017.0		2,017.0		Budget		56,041.3		115,351.7	
2,058.3		2,080.3		Actual / Forecast		57,329.8		118,834.0	
41.3		63.3		Variance		1,288.5		3,482.3	
- 45.0		- 45.0		less Additional Grant		- 823.5		- 1,647.0	
- 3.7		18.3		Remaining Variance		465.0		1,835.3	



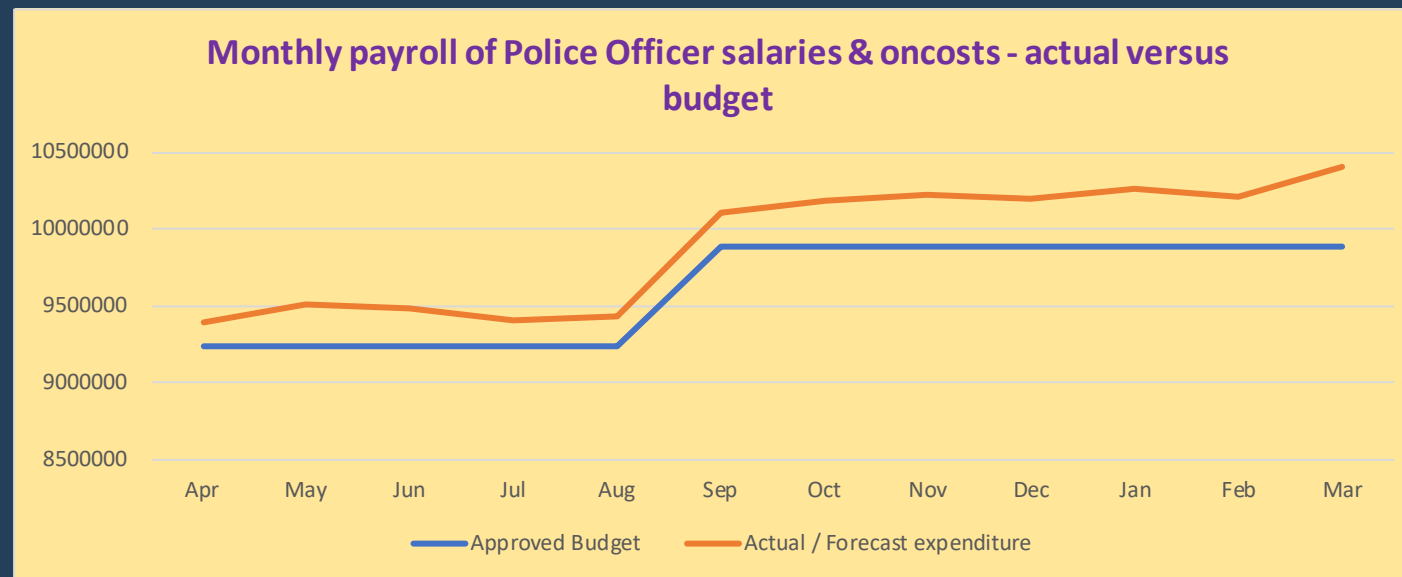
### Actual / Projected FTE'S paid through payroll above the Uplift strength (2017 fte's)



### Total monthly Payroll Strength compared to Budget



# Police Officer Salaries & Oncosts - Budget Monitoring 2023/24



## Commentary

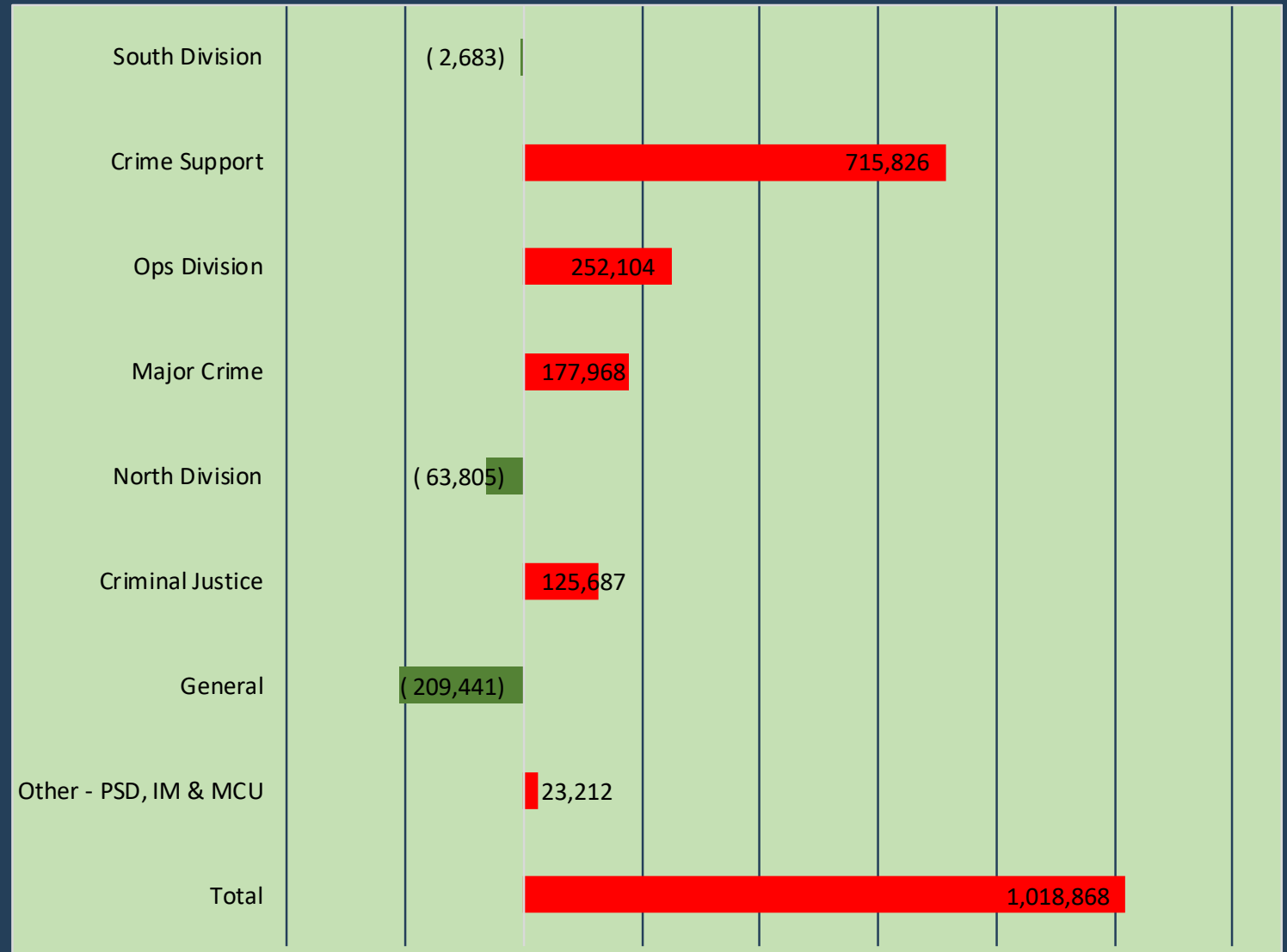
**Crime Support** the forecast is based on the current levels of expenditure continuing for the remaining 7 months. Most significant areas of overspend are PCOT, High Risk Domestic Abuse, RASSO, CID, CIT, Operation Crosstrek £58.5k and Operation Oakridge £35k

**Operational Support** forecast overspend is caused by a requirement for minimum staffing levels overtime as the ARU establishment is currently understrength

**Major Crime** purely demand led with no budget allocated

**Criminal Justice** overtime incurred to cover CDO vacancies, forecast includes reduction in need for overtime from September when the effect of a full CDO establishment is realised

**General** includes remaining (£0.213m) overtime budget to be allocated



## The force's monthly spend on Normal overtime (excluding Bank Holidays, Football and Major Incidents)

Police Officer Normal Overtime - Total Spend v Budget



### Commentary

To date spend on Normal Overtime has been an average of £114k over the monthly amount allowed for in the budget.

The amount for September is the amount of registered overtime and is calculated on an average rate not the actual rates the Officers will be paid.

The number of hours registered in September is around 131 hours higher than the number of hours paid in August.

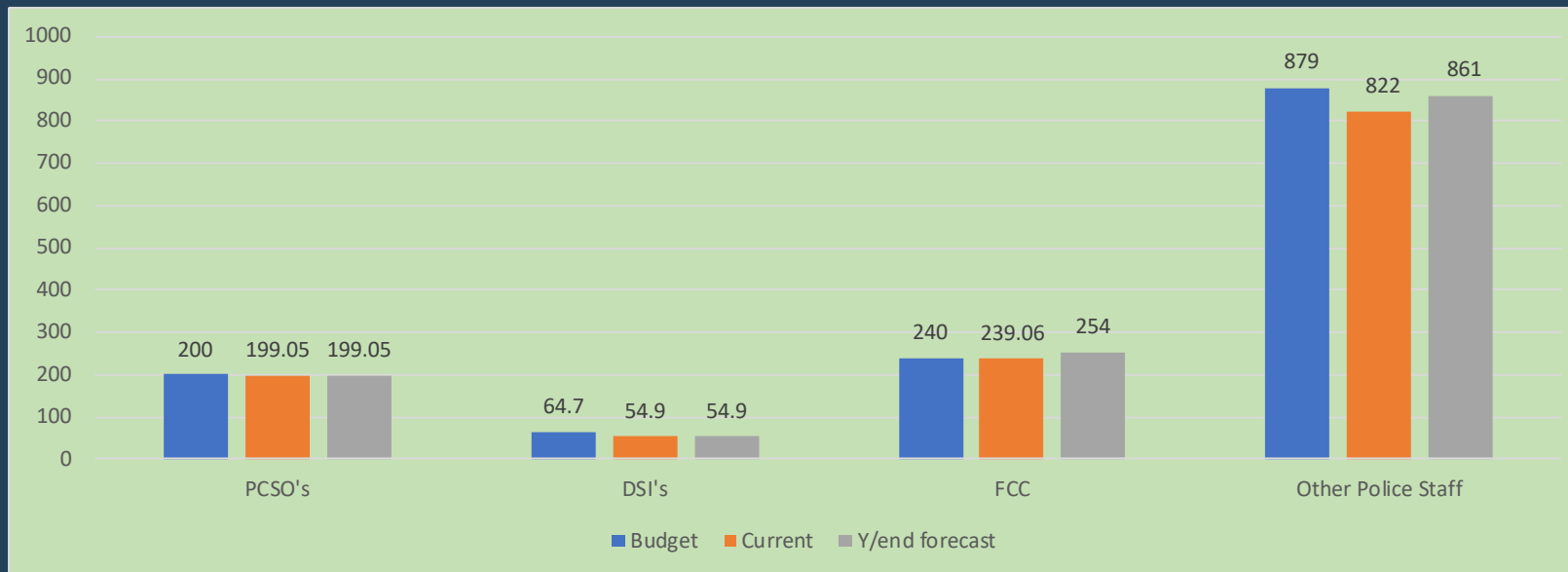
New Overtime reporting and budgetary guidance is being introduced to help Budget Holders improve how overtime is managed in order to bring down the overtime spend.



# Breakdown of the projected underspend against the Police Staff salaries budget (£1.529m) (1)

The number of FTE's paid within the September police staff payroll was 1315.22, 68 FTE's under the number of posts within the budget. This is a vacancy rate of 4.9% compared to the budgeted allowance of a 6% vacancy rate.

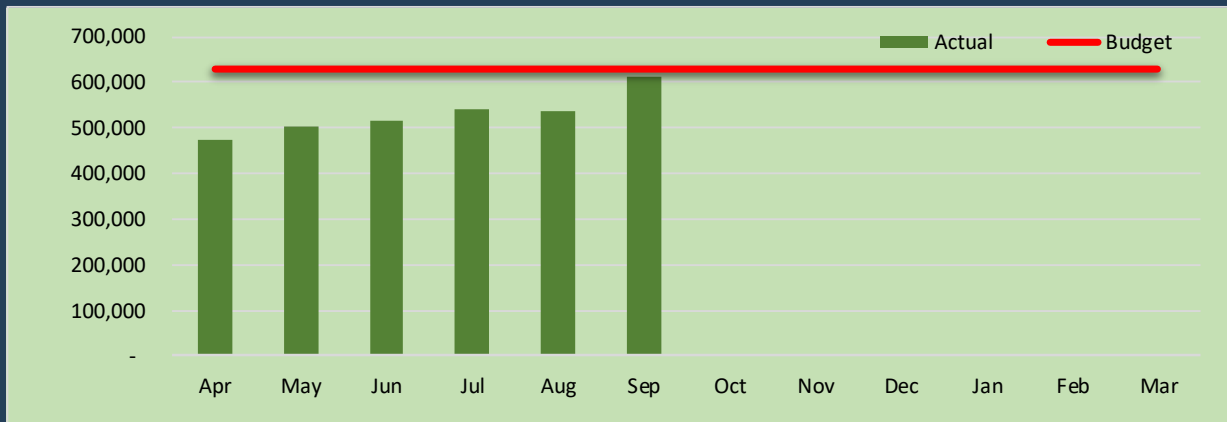
FTE's paid within September's police staff payroll and forecast for March 2024



# Breakdown of the projected underspend against the Police Staff salaries budget (£1.529m) (2)

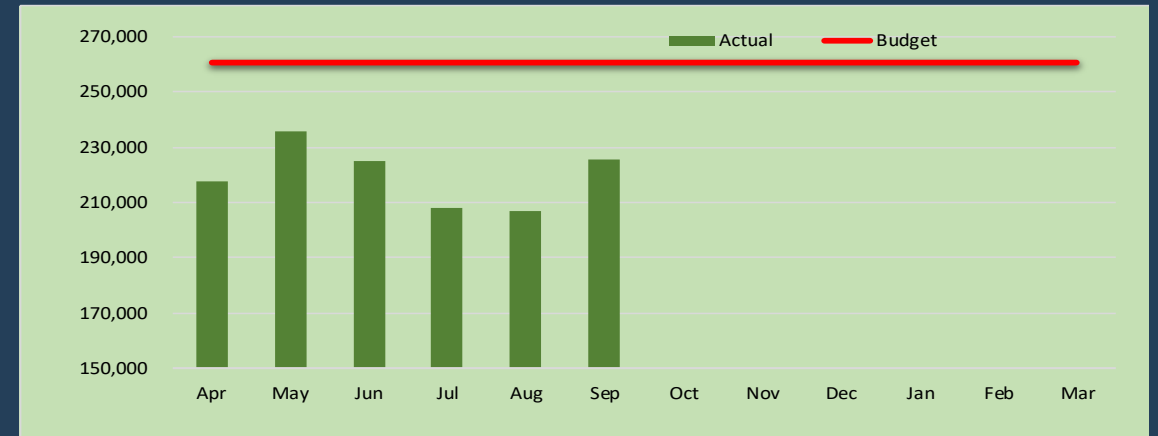
## PCSO Salaries & Oncosts - monthly spend against budget

Budget	Spend to Date	Outturn	Variance
7,524,200	3,181,925	6,945,846	( 578,354)



## DSI Salaries & Oncosts - monthly spend against budget

Budget	Spend to Date	Outturn	Variance
3,129,000	1,318,682	2,708,616	( 420,384)



### Information

PCSO'S	FTE
Budgeted	200.0
Current	199.1
Current vacancies	0.9 0%

Planned intakes	FTE
January 23	20.0

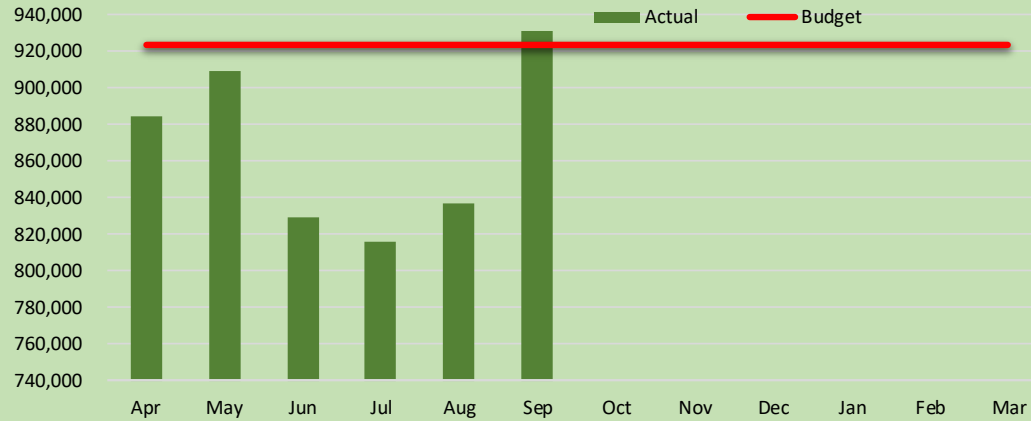
DSI's	FTE
Budgeted	64.7
Current	54.9
Current vacancies	9.8 15%

Planned intakes	FTE
October 23	10.0

# Breakdown of the projected underspend against the Police Staff salaries budget (£1.529m) (3)

## Force Contact Centre Salaries & Oncosts - monthly spend against budget

Budget	Spend to Date	Outturn	Variance
11,087,600	5,206,180	10,907,963	( 179,637)



## Other Police Staff

## FTE

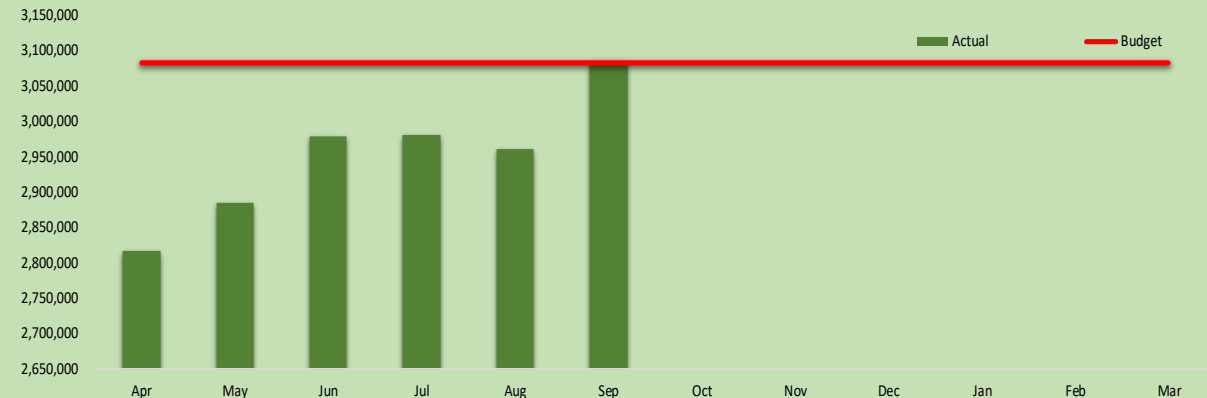
Budgeted	878.5	
Current	822.2	
Current vacancies	56.3	6%

Vacancies are forecast to reduce to 18 by 31 March

A breakdown by formation is on the following slide

## Other Police Staff Salaries & Oncosts - monthly spend against budget

Budget	Spend to Date	Outturn	Variance
36,993,600	17,705,049	36,635,358	( 358,242)



## Contact Centre Staff

## FTE

Budgeted	241.6
Current	239.1
Current vacancies	2.5 1%

## Planned intakes

## FTE

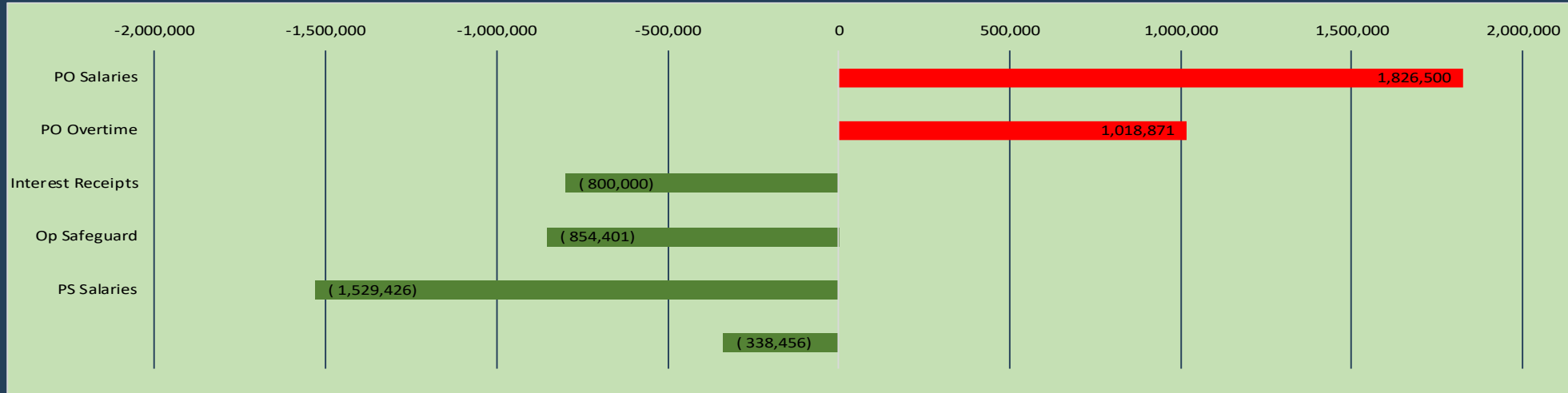
December 23	10.0
-------------	------

### All Other Police Staff - Actual / Projected Spend against Budget

	Budget	Spend to Date	Outturn	Variance	Budgeted	P3 Actual	Current Actual	Current Variance	Year End Variance
North Division	671,700	294,161	614,735	( 56,965)	19.3	20.0	18.0	( 1.3)	( 1.3)
South Division	663,900	330,075	688,391	24,491	19.4	19.0	18.8	( 0.6)	( 0.6)
Crime Support	8,619,100	4,213,837	8,700,449	81,349	206.3	180.0	195.0	( 11.3)	( 3.6)
Major Crime	14,700	16,501	16,901	2,201					
Major Crime Unit	339,900	153,387	324,526	( 15,374)	10.0	8.9	8.8	( 1.2)	( 1.2)
	<b>10,309,300</b>	<b>5,007,961</b>	<b>10,345,002</b>	<b>35,702</b>	<b>255.0</b>	<b>227.9</b>	<b>240.6</b>	<b>( 14.4)</b>	<b>( 6.7)</b>
Operational Support	931,700	471,649	945,920	14,220	23.4	25.4	23.9	0.5	0.5
Contact Management	1,560,900	608,092	1,248,512	( 312,388)	35.7	28.6	25.1	( 10.7)	( 5.7)
Criminal Justice	6,273,100	3,238,329	6,601,191	328,091	167.6	177.7	167.0	( 0.6)	( 1.6)
	<b>8,765,700</b>	<b>4,318,070</b>	<b>8,795,623</b>	<b>29,923</b>	<b>226.7</b>	<b>231.7</b>	<b>215.9</b>	<b>( 10.8)</b>	<b>( 6.8)</b>
Executive Officers	265,600	157,029	287,313	21,713	4.6	3.6	4.6	0.0	2.0
Corporate Services	2,205,800	963,081	2,088,657	( 117,143)	41.6	37.1	36.3	( 5.3)	1.7
Communications & Engagement	1,061,400	524,913	1,043,151	( 18,249)	23.8	23.1	22.2	( 1.6)	( 0.6)
Information Management	1,530,900	753,447	1,430,741	( 100,159)	41.9	37.4	38.5	( 3.4)	( 1.4)
Partnership and Prevention	417,600	205,266	424,448	6,848	14.0	12.5	11.4	( 2.6)	( 3.6)
Professional Standards	907,200	466,776	1,003,966	96,766	25.0	24.0	24.4	( 0.6)	1.0
IS Dept	3,708,600	1,619,762	3,446,155	( 262,445)	69.1	59.5	57.5	( 11.6)	( 6.6)
Human Resources	3,460,300	1,626,057	3,445,239	( 15,061)	78.5	62.7	79.6	1.1	5.2
	<b>13,557,400</b>	<b>6,316,331</b>	<b>13,169,670</b>	<b>( 387,730)</b>	<b>298.5</b>	<b>259.9</b>	<b>274.5</b>	<b>( 24.0)</b>	<b>( 2.3)</b>
Procurement	266,500	137,514	284,965	18,465	5.5	5.9	6.1	0.6	0.6
Assets	1,569,100	644,655	1,409,478	( 159,622)	33.3	24.0	26.0	( 7.3)	( 0.7)
Finance & Business Support	2,263,000	1,158,154	2,338,434	75,434	57.5	56.3	57.0	( 0.5)	( 1.9)
Staff Associations	76,300	40,630	83,880	7,580	2.0	2.0	2.0	0.0	0.0
	<b>4,174,900</b>	<b>1,980,953</b>	<b>4,116,757</b>	<b>( 58,143)</b>	<b>98.3</b>	<b>88.2</b>	<b>91.2</b>	<b>( 7.1)</b>	<b>( 2.0)</b>
General	27,200	1	-	( 27,200)					
Force - Central Purchases	159,100	81,735	208,306	49,206					
	<b>186,300</b>	<b>81,734</b>	<b>208,306</b>	<b>22,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL</b>	<b>36,993,600</b>	<b>17,705,049</b>	<b>36,635,358</b>	<b>( 358,242)</b>	<b>878.5</b>	<b>807.7</b>	<b>822.2</b>	<b>( 56.3)</b>	<b>( 17.8)</b>

The current vacancy factor on all Police Staff posts (including PCSO's, DSI's and Contact Centre staff) is 5.1%.

## Pinch Points / Pressure Areas - Forecast Under / Over Spending

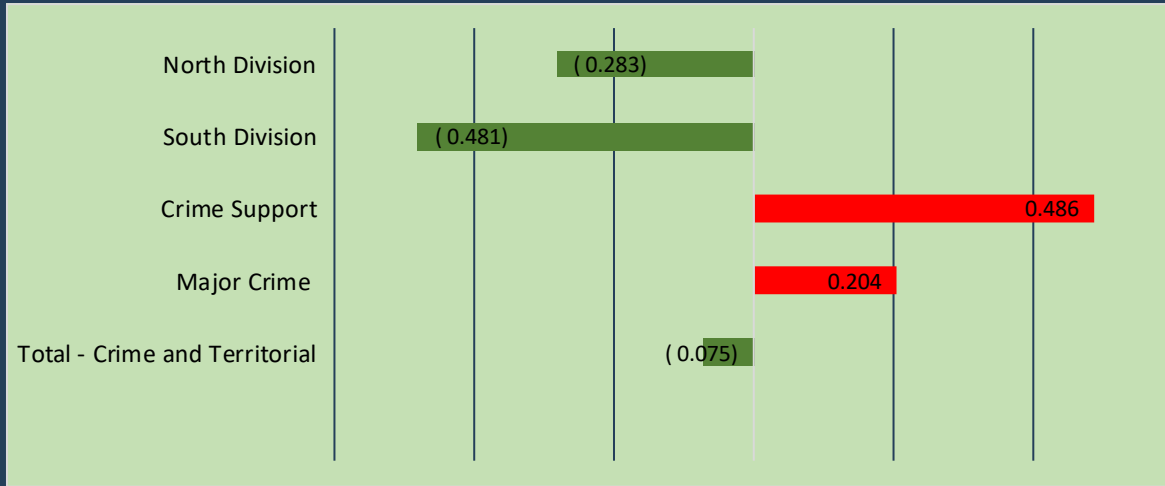


## Useable Reserves

Reserve	Reserve as at 01/04/2023 £	Currently Committed £	Assumed Further Commitments £	Assumed Remaining Balance as at 31/03/2024 £	% Committed to Date
Carry Forward	3,344,100	1,291,500	2,052,600	-	38.62
PCC Investment Fund	1,863,500	117,500	1,746,000	-	6.31
Planning Day Initiatives	492,500	17,200	475,300	-	3.49
P & E Reserves	500,000	-	134,800	365,200	-
Workforce Resilience & Wellbeing	500,000	-	125,000	375,000	-
Design Board Reserve	2,531,000	-	-	2,531,000	-
Covid 19 Funding	118,853	22,400	96,453	-	18.85
PCC Grants & Commissioning	1,181,867	-	100,000	1,081,867	-
Operational Funding & Investment	4,366,818	-	424,079	3,942,739	-
Local Council Tax Support	1,311,401	-	-	1,311,401	-
<b>Total</b>	<b>16,210,039</b>	<b>1,448,600</b>	<b>5,154,232</b>	<b>9,607,207</b>	<b>8.94</b>

# Forecast Variances on Formation Devolved Budgets Grouped by Chief Officer Portfolio

## Forecast Variances - Crime & Territorial - £m



## Crime & Territorial Main Variances

North Staff salaries (£0.102m), PO OT (£0.064m) and fuel (£0.110m)

South PCSO vacancies (0.493m), fuel (£0.069m), stingers £0.033m, travel expenses £0.029m

Crime Support PO overtime costs £0.716m, staff salaries (£0.234m), travel costs £0.067m and income (£0.064m)

Major Crime PO overtime £0.179m,

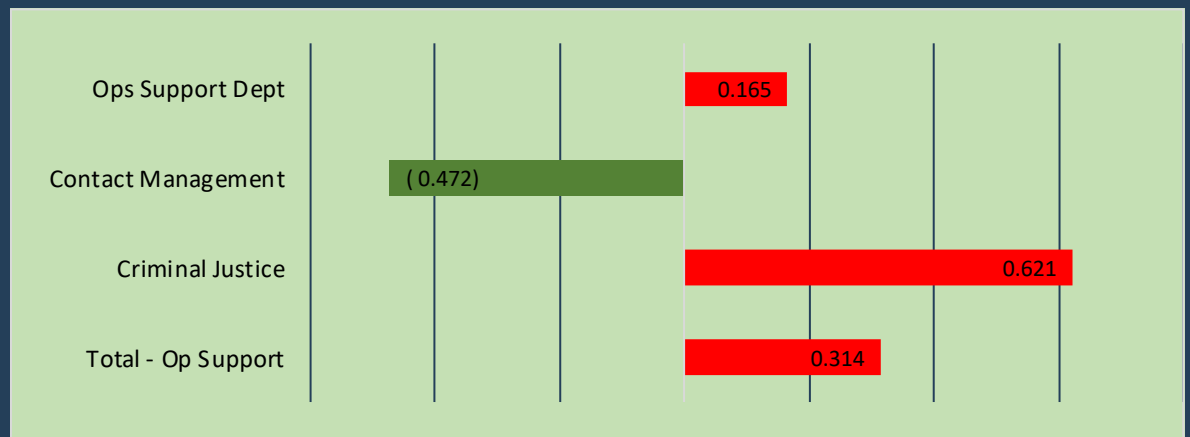
## Operational Support Main Variances

Ops PO Overtime £0.252m, Dangerous Dogs £0.162m and tasers (£220k)

CCMC Staff salaries (£492k)

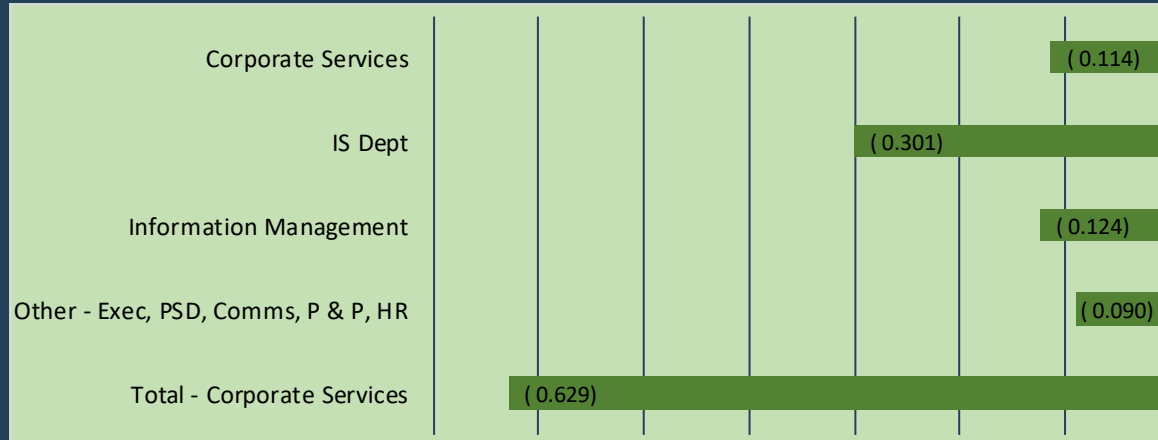
Criminal Justice Staff salaries £0.328m, interpreters £0.054m, medical statements £0.040m, Appropriate Adult Service £0.032m and PO OT £0.125m

## Forecast Variances - Op Support - £m



# Forecast Variances on Formation Devolved Budgets Grouped by Chief Officer Portfolio

## Forecast Variances - Corporate Services - £m



## Corporate Services Main Variances

Corporate Services Staff salaries (£0.187m) and Agency costs £0.070m

IS Dept Staff salaries (£0.370m), Agency costs £110k, IS Systems costs £0.085m and income (£0.148m)

Information Management Staff salaries (£0.100m), income (£0.023m)

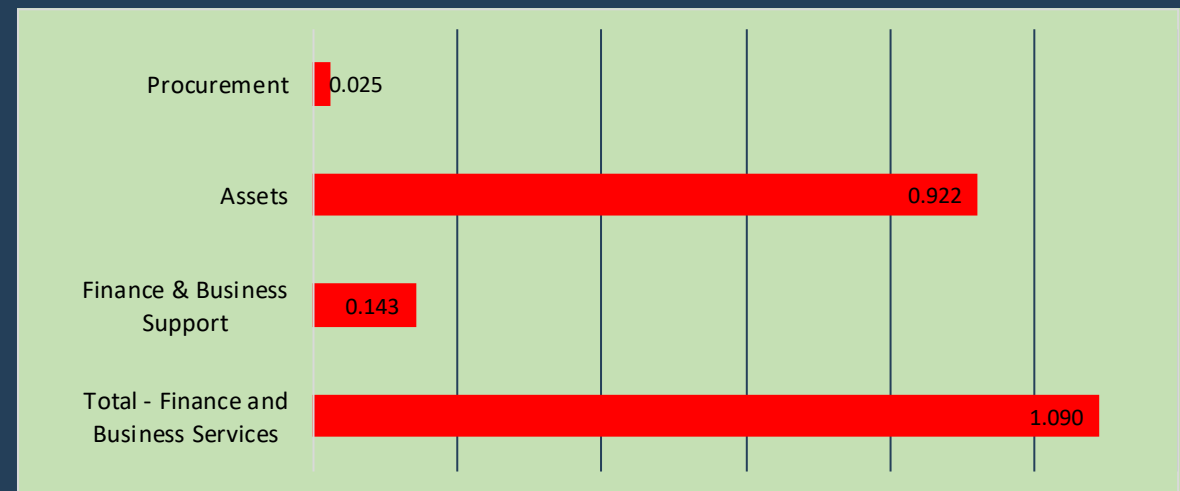
## Finance & Business Services Main Variances

Procurement Staff salaries due to be being fully established

Assets Assets Staff Salaries (£0.160m), utilities £0.419m, rates £0.191m, repairs & maintenance £0.289m, transport costs £0.135m, professional fees £0.180m, £0.120m equipment and recharges and mast income (£0.128m)

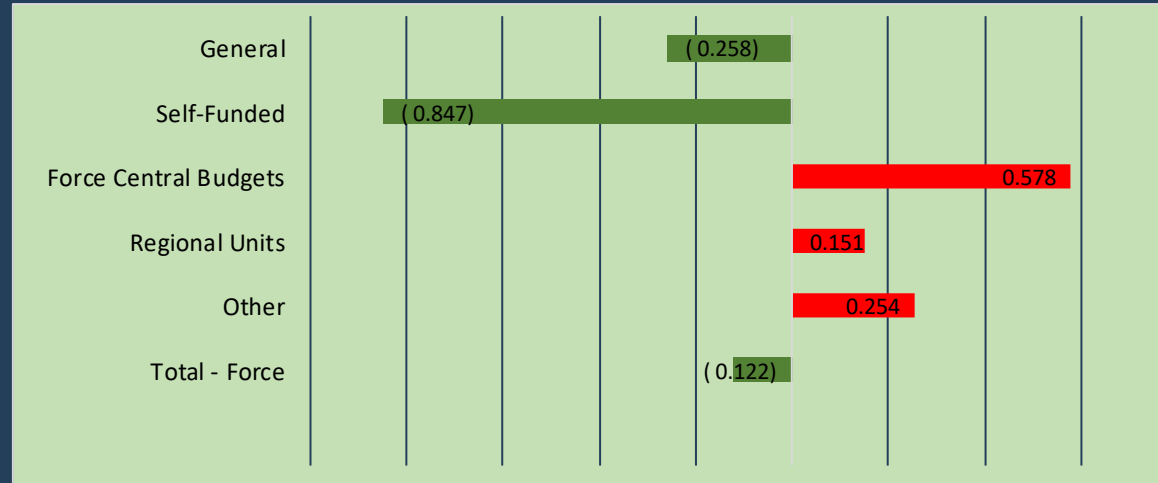
Finance & Business Support Staff salaries £0.072m, pension remedy £0.148m income recharges (£0.089m)

## Forecast Variances - Finance and Business Services - £m



# Forecast Variances on Chief Constables Non-Devolved Budgets

## Forecast Variances - Other - £m



### Other Main Variances

General PO Overtime budget to be allocated (£0.213m)

Self funded Operation Safeguard surplus

Force Central Budgets PO Salary Costs £1.835m, premises £0.303m, budget savings (£0.736m), pay & price increases (£0.632m) and debt charges (£0.142m)

Other Central Purchasing £0.127m uniform and legal services £0.119m



## Capital Programme

	Buildings £m	Equipment & Vehicles £m	IT £m	Design Board £m	EMCTIU £m	Regional Lead Force £m	Total £m
<b>Revised Capital Programme (Incl Slippage)</b>	<b>17.272</b>	<b>3.222</b>	<b>4.562</b>	<b>3.315</b>	<b>0.175</b>	<b>0.000</b>	<b>28.546</b>
Actual	1.186	0.529	1.780	1.560	0.254	0.077	5.386
Commitments	1.548	2.029	0.864	1.755	0.107	0.000	6.302
<b>Total To Period 6 (29th September 2023)</b>	<b>2.734</b>	<b>2.558</b>	<b>2.644</b>	<b>3.315</b>	<b>0.361</b>	<b>0.077</b>	<b>11.688</b>
<b>Budget Remaining</b>	<b>14.538</b>	<b>0.664</b>	<b>1.918</b>	<b>0.000</b>	<b>( 0.186)</b>	<b>( 0.077)</b>	<b>16.858</b>

An Original Capital Budget of £19.072m for 2023/24 was approved at the Policing Budget Meeting on the 18th January 2023. The Revised Capital Programme of £28.546m includes slippage and capital carry forwards which was taken to the Financial Assurance Board (FAB) on 3rd August 2023.

### Detailed Capital Analysis

Scheme	Total Original Budget £m	Total Revised Budget £m	Actual Commitments & Contracts to be paid £m	Budget Remaining £m	% Spend
<b>Expenditure</b>					
SNT Building Refurbishment & Replacement	2.550	2.586	0.017	2.569	1%
Major New/Replacement Buildings	7.700	11.243	1.309	9.934	12%
Other Building Work/Land	2.663	3.443	1.408	2.035	41%
IS/Communications	2.575	4.562	2.644	1.918	58%
Vehicles	2.023	2.665	2.393	0.272	90%
Equipment	0.397	0.557	0.164	0.393	29%
Design Board	0.989	3.315	3.315	0.000	100%
EM CTIU	0.175	0.175	0.361	( 0.186)	206%
<b>Sub Total</b>	<b>19.072</b>	<b>28.546</b>	<b>11.611</b>	<b>16.935</b>	<b>41%</b>
Regional Projects (to be recharged)	-	0.000	0.077	( 0.077)	
<b>Total</b>	<b>19.072</b>	<b>28.546</b>	<b>11.688</b>	<b>16.858</b>	

## Treasury Management

	Previous Year £m	Original Budget £m	This Month £m	Last Month £m
LOANS - PWLB	31.263	33.764	30.869	31.101
LOANS - PFI Liabilities	5.029	3.566	4.298	4.419
<b>Total Borrowing</b>	<b>36.292</b>	<b>37.330</b>	<b>35.167</b>	<b>35.520</b>
Total Average Investments	39.396	n/a	44.538	44.909
Total Investment Income	( 0.968)	( 1.200)	( 1.106)	( 0.935)
Average Interest Earned to date	2.142%	n/a	4.805%	4.722%
Average SONIA Rate to date	2.260%	n/a	4.758%	4.680%
Average Base Rate to date	2.325%	n/a	4.820%	4.740%

### Borrowing

The PWLB budget of £33.764m assumes borrowing of £3.315m to be taken out during 2023/24. It is unlikely that this extra borrowing will be required in 2023/24.

### Investment Income

From December 2021 the Bank Rate increased on 14 consecutive occasions and is currently 5.25%. This has led to an increase in interest on investments.

Investment income to date is £1.106m and due to the Bank Rate increases is expected to be £2.000m by the end of March.

# Information

## Building Schemes

- SNT Building Refurbishments/ Replacement - Deposit for land at Clay Cross was paid in March 2023 and contracts have been exchanged, with purchase subject to receipt of planning consent. Planning application submitted to NEDDC in June 2023, with a decision expected around early October 2023. Killamarsh project, currently out to tender with a return of mid-October - both schemes may need a review depending on a review of the Boythorpe site.
- Chesterfield DHQ and Custody - The scheme for relocation of the whole Divisional HQ function from the Beetwell Street site been subject to site investigations and the results have identified land contamination and significant remedial works which aren't financially viable. This has resulted in a scheme reset to consider alternative options for a smaller Custody suite on a standalone site and refurbishment of the existing Chesterfield DHQ, alongside centralising other functions into existing estate. Budget of £61m had been approved for the whole scheme. The project budget has been reviewed and scheme costs are now estimated at c£45M.
- Old Hall Refurbishment - The consultant design team has been appointed and design team meetings have been held. Design work is in progress and a pre-planning application has been submitted to the local council for feedback. The scheme is currently delayed due to the building being occupied by other departments.
- Ilkeston PFI purchase – A price has been agreed. Hoping to complete in early November 2023.
- Other Schemes – Method of Entry (MOE) Rig works have been completed and is now operational. Vehicle Recovery shed is currently being scoped out. Custody CCTV at Ripley Police Station and St Marys Wharf are now complete. Mast rewire works at Sir William Hill commenced on September 2023 and at Alport in July 2023. Planning consent has been received for a security scheme at HQ, a scheme is currently being prepared for tender. Works to accommodate the PCC at the Joint HQ and resurfacing works have been completed. Tenders have been evaluated and awarded for kitchen refurbishment works at the Contact Management Centre with work expected to start November 2023. The order has been placed for the Driver Training toilets and a start date is awaited. The SARC Millfield House scheme has been designed and is ready to go out for tender.

## Equipment and Vehicles

- Vehicles – orders have been placed for vehicles based on schedule for replacements.
- Equipment – Commitments to date are for vehicle telematics (£66k remaining), covert laptops, Glocks, DEMS kiosk and Health and Safety Equipment. A saving of £15k has been offered on the Health and Safety Equipment budget, with a corresponding amount to reduce on funding from revenue.

## IS Schemes

- IS replacement schemes – 58% of the budget for replacements (laptops, keyboards, monitors, ANPR, servers, communications equipment, switches, routers, firewalls etc) has been committed to date.
- IS Infrastructure Projects – The controls works hardware refresh is nearing completion. Data switches ordered in 2022/23 have been received. Budget is also included for the replacement of the old network, the corporate telephone system, data back up and Locker system.
- ESN and Airwave – Due to the delay in the ESN project further airwave terminals have been ordered. This ESN budget is also for the Despatch Communication Server, Home Office sign off is required before paying the last milestone. Budget has also been spent on Airwave special coverage for Peartree and Swadlincote.
- Design Board IS Capital Projects - This budget is being used for the PCIPS project, command and control system. The contractor for this project has been agreed. Overall capital spend is £9.6m with £3.315m expected to be spent in 2023/24 starting in September 2023. The budget will need to be increased in 2023/24 from £0.989m to £3.315m (an increase of £2.326m). This will be met from a Revenue Contribution for Capital Outlay and the Design Board reserve in 2023/24.
- Changes to Capital Programme 2023/24 – The Capital programme needs to be increased by £2.326m in 2023/24 for the PCIPS project and decreased by £0.015m for the saving on the Health & Safety budget. These 2 changes will increase the capital programme in 2023/24 from £26.235m to £28.546m.

# Financial monitoring to end of period 6 (29<sup>th</sup> September 2023) - Conclusion

## RISKS IDENTIFIED

- Police Officer leavers if they continue to be lower than forecast the overspend in this area will increase
- Police Officer overtime spend in this area continues to increase, a significant area of overspend is on Major Crime which is purely demand led
- Op Safeguard without this surplus income the Force would be £620k overspent

## ACTIONS

- Continue to develop information provided on Police Officer overtime costs
- Propose to vire £1.5m from Contribution to Reserves to RCCO for PCIP costs

## VIREMENTS

- The budgets for the government grants (£4.749m) and salaries (£4.749m for officers and staff) have been increased to reflect the additional funding received for the pay award



AGENDA ITEM

**8B**

# JOINT AUDIT RISK ASSURANCE COMMITTEE

<b>REPORT TITLE</b>	POLICE OFFICER UPLIFT PROGRAMME AND POLICE OFFICER RETENTION
<b>REPORT BY</b>	PHIL MASON
<b>DATE</b>	23 NOVEMBER 2023

## PURPOSE OF THE REPORT

To provide an update on the Police Officer Uplift Programme and the work undertaken to attract and retain police officers.

## ATTACHMENTS

## RECOMMENDATIONS

The committee are asked to NOTE the report.

## CONTACT FOR ENQUIRIES

Name: Phil.mason@derbyshire.police.uk  
Tel: 07712424565  
Email: pccoffice@derbyshire.pnn.police.uk

## 1. **INFORMATION AND ANALYSIS**

### 1.1 Background

At the end of March 2023 we successfully met and exceeded our Uplift target of 2110 officers. We recruited 333 student officers in 2022/23, about 150 more than a standard year.

As a force we have been able to support the national programme and recruit additional officers as part of the 'overshoot' programme. In year 3 of the PUP programme we recruited an additional 50 police officers and for the 2023/24 financial year, we continue to not only maintain our Uplift numbers but again are supporting the national programme by taking on additional 45 new police officers.

At the end of March 2024 we are projected to comfortably meet our temporary overshoot target of 2155 before reverting back to our baseline target of 2110 from April 2024 onwards.

Whilst the additional resource is very welcomed, it will be positive to focus our attraction, recruitment and retention efforts more on skills than numbers.

### 1.2 Attraction and Recruitment

As we will be starting the next financial year with higher numbers of officers already in post, we will be looking to have a break from recruitment until later in the summer.

We are currently working to develop the new Police Constable Entry Programme – PCEP route that will replace the IPLDP programme to ensure as a profession we maintain a non-degree level route into policing. Our short to medium term workforce plan uses the PCEP programme as our primarily entry route with

occasional use of both the PCDA and DHEP routes. This is subject to on ongoing review and evaluation.

We have a very healthy pipeline of candidates at the moment that can be transferred onto the PCEP programme and continue to meet our required workforce numbers.

While we are able to attract a diverse set of candidates to apply as student officers we have been less successful at transferring these candidates into new starters. Specifically, we have not met our targets to recruit an ethnically diverse police officer workforce.

Of the 116 offers made in 2023 so far only 4 (3%) were for B.A.M.E applicants this is part of a clear pattern of on average 4% B.A.M.E. offers across all cohorts. Data shows that fewer B.A.M.E. applicants make it through National Sift and pre-employment checks compared to White applicants. The National Sift consists of two exercises. These reflect the competencies and values relevant to the role of a police constable. Candidates are asked to complete a situational judgement test (SJT) and a behavioural style questionnaire. Pre employment checks includes vetting, medical fitness etc.

The Force Positive Action Team (PAT) continue to work within the diverse communities to promote Derbyshire Constabulary as an employer of choice and encourage applications. They offer one to one support for B.A.M.E candidates. Once a candidate has expressed an interest in joining the PAT will support B.A.M.E candidates from the first initial engagement, through to application. Once they have passed the initial eligibility questions, they will continue to be supported throughout each stage of the application process. They will be provided with information and guidance on National Sift, National Assessment Centre and if successful at those stages support will be given around the final force interview stage and pre-employment checks.

It should be noted that at the onset of any expression of interest candidates are given a clear explanation and guidance of the requirements of the vetting process enabling Derbyshire Constabulary to attract the right candidates. It is accepted that apart from making candidates aware of the process and providing advice on eligibility there is very little impact that can be made in this area.

In view of the attrition rate at National Sift the PAT team are reviewing the support they can provide in supporting candidates to be successful at this stage. However, any information and support they provide has to be in line with Section 158 of the Equality Act 2010 to ensure that the information they provide is proportionate and complies with the requirements of the Act to avoid unlawful discrimination.

The PAT will continue to encourage applications and aspire to maintain an attraction rate of at least 10% B.A.M.E and increase our B.A.M.E workforce representation.

We are actively involved in the Police Race Action Plan Delivery group, where we will continue to monitor, review and implement new interventions to address this issue.

### 1.3 Retention

Our overall attrition levels are lower this financial year than in 22/23. Last year, the average number of leavers per month was 13.6. At this point in time (end of Oct 2023) the average number of leavers per month is 10.9.

Nationally, resignations contributed more to overall attrition levels than retirements for the first time, last year. In Derbyshire, at the end of the financial year 22/23 retirements still contributed more than resignations to overall attrition rates. Due to continued high levels of recruitment, there are indicators that we shall also see resignations being the main leaver reason. Most resignations



come from officers in the first five years of service. Therefore, the larger the 'new-in-service' group is, then higher volumes of resignations can be expected.

We continue to assess why officers are resigning and look at ways we can continue to support students through their training. The Student Officer Hub supports students with their learning & development and wellbeing.

Derbyshire has a slightly lower resignation rate (3.1%) than the national rate (3.2%) for the period 2022/23.

# JOINT AUDIT RISK ASSURANCE COMMITTEE

<b>REPORT TITLE</b>	UPDATE ON THE INTRODUCTION OF A STOCK CONTROL / UNIFORM ORDERING SYSTEM
<b>REPORT BY</b>	CHIEF FINANCE OFFICER (Jon Peatling)
<b>DATE OF MEETING</b>	23 <sup>RD</sup> NOVEMBER 2023

## PURPOSE OF THE REPORT

To provide an update on the progress being made to implement a Stock control and Uniform ordering system.

## ATTACHMENTS

None

## DECISIONS REQUIRED

None – update to JARAC members.

## CONTACT FOR ENQUIRIES

Name: Jon Peatling, Chief Finance Officer

Tel: 0300 122 5440

Email: [Jon.peatling@derbyshire.police.uk](mailto:Jon.peatling@derbyshire.police.uk)

## 2. BACKGROUND

2.1 The Internal Audit report issued in March 2022 highlighted ineffective control assessments in relation to the following areas:

- Stock Takes
- Stock Reporting
- Management Information

In response to the Audit and the report recommendations, the Force agreed to introduce a Stock Management System that would improve stock control measures and assist with stock taking arrangements. Furthermore, a uniform ordering process would improve management information to gain a better understanding of our uniform requirements and aid future ordering quantities.

## 3 UPDATE

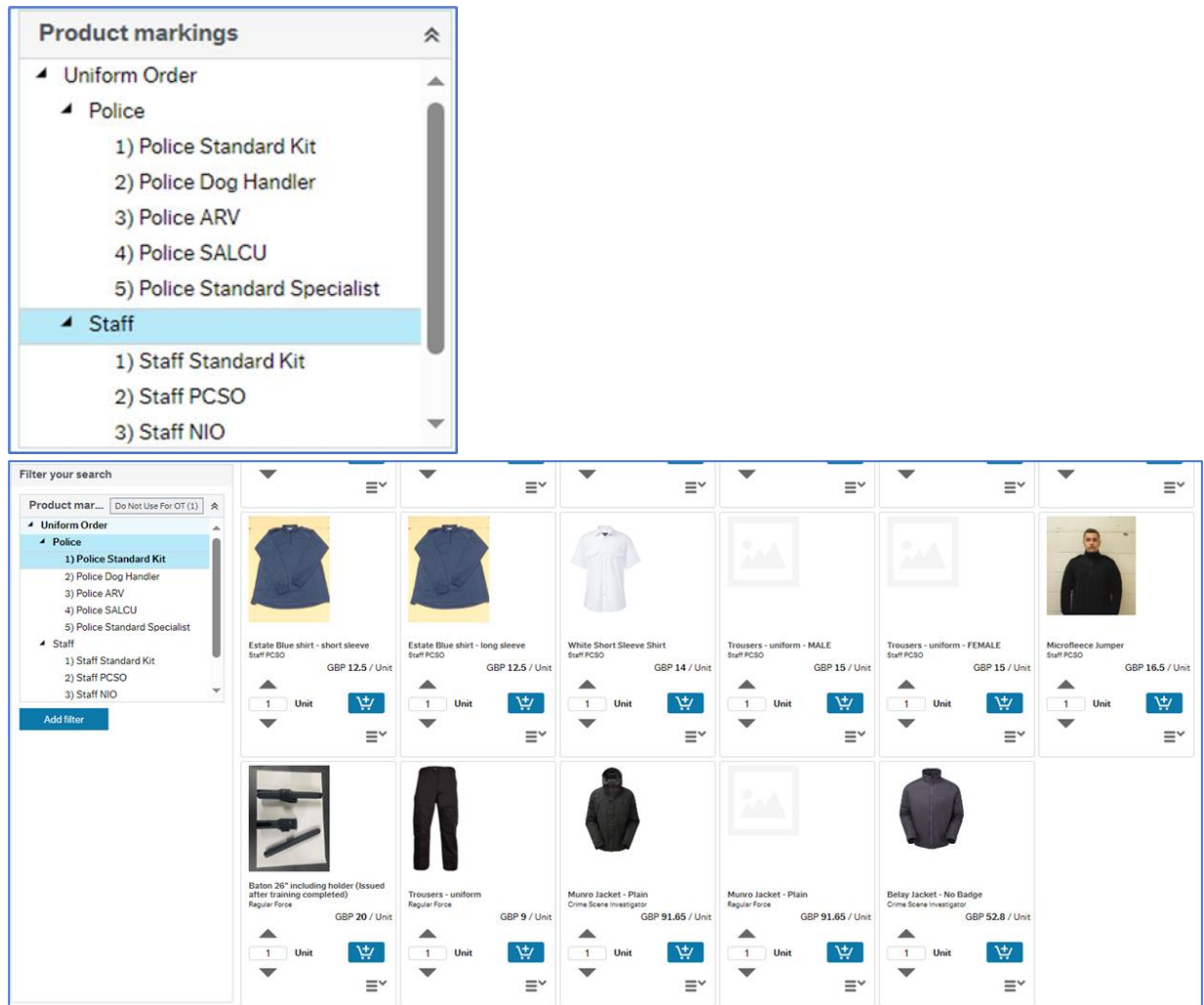
3.1 The previous update provided to the Committee highlighted the move into the 'System Design' phase of the Project. This was completed in the Spring of 2023 and the project progressed into a 'System Build' phase. Progress was delayed whilst we focused our limited resources on the automation of Staff Overtime claims, also on Agresso. This was successfully rolled out across the organisation in April / May 2023.

The System Build process has been progressing well and has highlighted a number of new process and controls. One key issue was the need to establish Uniform Requirements for each Officer and Staff role. This was assigned to the Uniform and Equipment Group and standard uniform requirements are currently being reviewed.

Other considerations that the Project encountered included:

- Uniform Entitlements
- Treatment of Stocked and Non-Stocked Items
- Treatment of Price and Product Changes.
- Re-Order Levels
- Uniform Images
- Uniform Orders for New Starters / Volunteers
- Stock Valuations
- Dispatch Processes and Delivery Addresses
- Reports and Enquiries
- Accounting Entries

Images from the System Build:



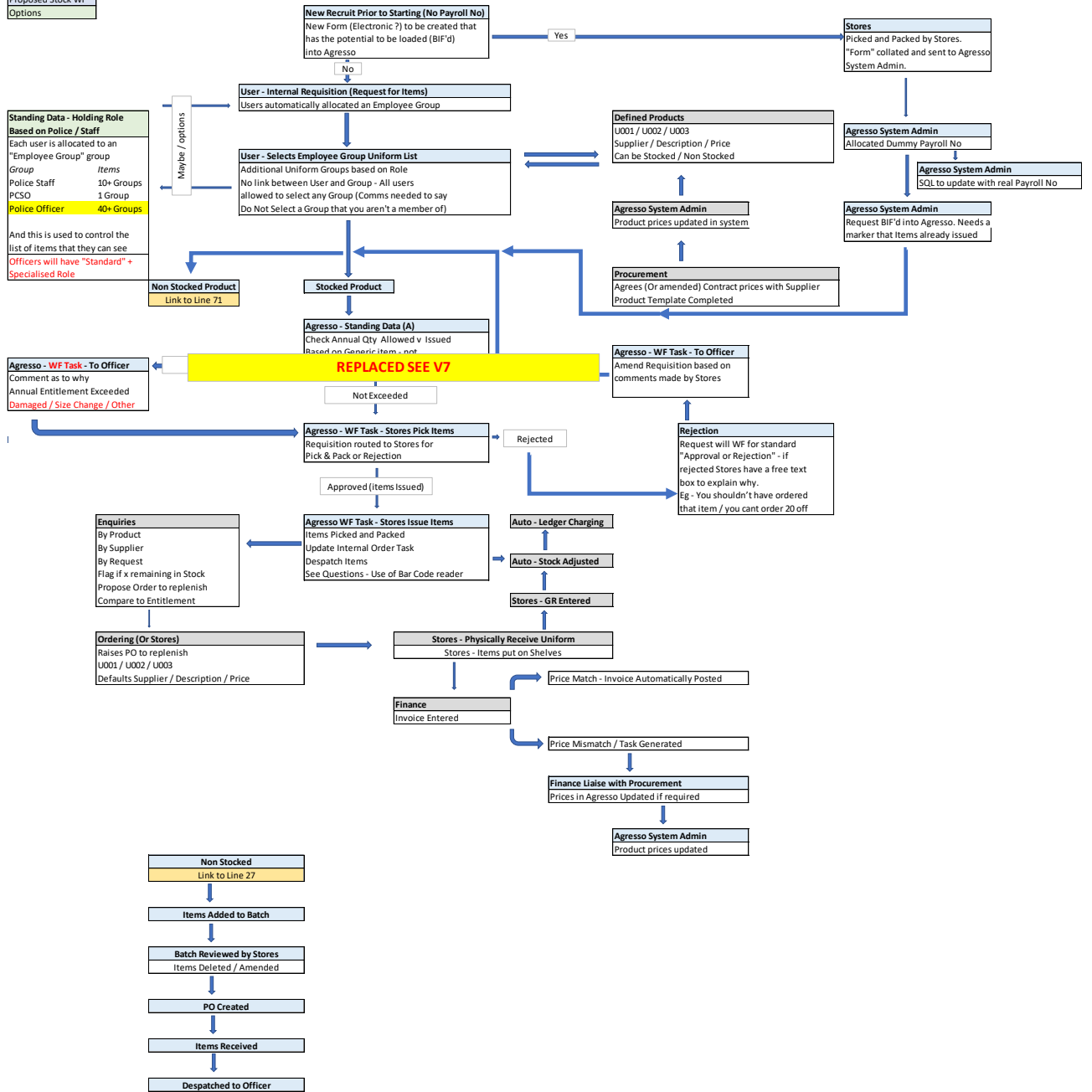
3.2 Weekly project meetings are taking place and additional resources have been brought into the Project. A revised Go-Live date of April 2024 has now been agreed which will provide an Opening Stock valuation to be included within the year end process and inclusion within our Accounts.

3.3 There is full engagement across the Project Team and the Go-Live date is considered to be realistic and achievable. The introduction of the system is expected to significantly improve the ordering workflow, stock control measures, management information and address the recommendations raised in the previous Internal Audit Report.

Stores/Uniform Ordering Workflow:

V6 24/08/22

KEY
Outside Stock WF
Proposed Stock WF
Options



# OPCC Assurance Map

