| | POLICE & CRIME COMMISSIONER FOR LEICESTERSHIRE JOINT AUDIT, RISK & ASSURANCE PANEL | PAPER MARKED C |
|---|---|---|

| Report of | **OFFICE OF THE CHIEF CONSTABLE AND OFFICE OF THE POLICE AND CRIME COMMISSIONER** |
|---|---|
| Subject | **INTERNAL AUDIT PROGRESS REPORT** |
| Date | **WEDNESDAY 31ST JANUARY 2024** |
| Author : | **SARAH KNOWLES, MAZARS** |

## Purpose of Report

1.    This report summarises the work that Internal Audit has undertaken in progressing the Operational Plan for the year ended 31st March 2024

2.    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.

## Recommendation

3.    The Panel is recommended to discuss the contents of the report.

## Background

4.    None

## Implications
Financial:  none.
Legal:  none.
Equality Impact Assessment:  none.
Risks and Impact: as per individual reports.
Link to Police and Crime Plan: as per audit plan

## List of Attachments / Appendices
Internal Audit Progress Report

## Background Papers
None

## Officer to Contact
Kira Hughes - Chief Finance Officer: Office of Police and Crime Commissioner for Leicestershire – kira.hughes@leics.pcc.police.uk

# Office of the Police & Crime Commissioner for Leicestershire & Leicestershire Police

**JARAP – 31 January 2024**
**Internal Audit Progress Report**

Date Prepared:     January 2024

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# Contents

# Snapshot of Internal Audit Activity

Below is a snapshot of the current position of the delivery of the 2023/24 Internal Audit Plan.

| 14% | 36% | 7% | 14% | 14% | 14% |
|---|---|---|---|---|---|
| ■ In Planning | ■ ToR Agreed | ■ Fieldwork | ■ Review | ■ Draft Issued | ■ Final Issued |

**JARAP decisions needed**

⚠️

- Note the progress being reported and consider final reports included separately in **Appendix 1**

**RAG status of delivery of plan to timetable** — **On Track**

**Key updates**

Since the last update provided to the committee, we have issued a final report for the Vetting audit and draft reports for the Payroll and Procurement audits. Additionally, fieldwork has been concluded for the Risk Management and Core Financials audits, with fieldwork ongoing for the Asset Management audit.
An overview of the Internal Audit Plan can be found in Section 2.

Since the last update, the draft report for the EMSOU Capital Programme audit has been issued.
An overview of the Internal Audit Plan can be found in Section 3.

**Assurance opinions to date**

Substantial
Moderate — 2
Limited
Unsatisfactory
Advisory

**Audit recommendations to date**

Low — 5
Medium — 2
High

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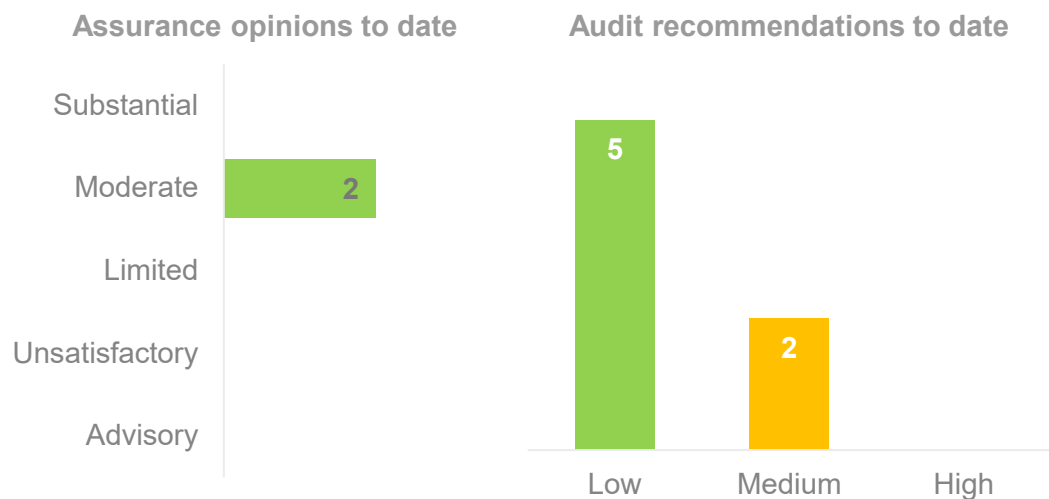
# Overview of Internal Audit Plan 2023/24

The table below lists the status of all reviews within the 2023/24 Plan.

| Review | Original Days | Revised Days | Status | Start Date | AC | Assurance Level | Total | High | Medium | Low |
|---|---|---|---|---|---|---|---|---|---|---|
| Estates Management | 8 | 8 | Final Report | 03-May-23 | Oct-23 | Moderate | 2 | - | 1 | 1 |
| Vetting | 8 | 8 | Final Report | 23-Oct-23 | Jan-24 | Moderate | 5 | - | 1 | 4 |
| Risk Management | 8 | 8 | In Review | 30-Oct-23 | | | - | | | |
| Payroll | 5 | 5 | Draft Report | 06-Nov-23 | | | - | | | |
| Procurement | 10 | 10 | Draft Report | 09-Nov-23 | | | - | | | |
| Core Financials | 10 | 10 | In Review | 13-Nov-23 | | | - | | | |
| Asset Management/Stock Control | 8 | 8 | Fieldwork | 22-Jan-24 | | | - | | | |
| Staff Retention | 8 | 8 | ToR Issued | 01-Feb-24 | | | - | | | |
| Counter Fraud | 8 | 8 | ToR Issued | 19-Feb-24 | | | - | | | |
| OPCC Communication/ Community I | 8 | 8 | In Planning | 26-Feb-24 | | | - | | | |
| MTFP/Budget Control | 8 | 8 | ToR Issued | 27-Feb-24 | | | - | | | |
| Occupational Health Unit | 5 | 5 | ToR Issued | 11-Mar-24 | | | - | | | |
| Portfolio Management | 10 | 10 | ToR Issued | TBC | | | - | | | |
| IT Strategy and Operating Model | 10 | 10 | In Planning | TBC | | | - | | | |
| **Totals** | **114** | **114** | | | | **Totals** | **7** | **-** | **2** | **5** |

# Overview of Collaboration Plan 2023/24

The table below lists the status of all reviews within the 2023/24 Collaboration Plan.

| Review | Original Days | Revised Days | Audit Sponsor | Status | Start Date | AC | Assurance Level | Total | High | Medium | Low |
|---|---|---|---|---|---|---|---|---|---|---|---|
| EMSOU Capital Programme | 7 | 7 | Jon Peatling (Derbyshire) | Draft Report | 04-Sep-23 | | | | - | - | - | - |
| EMSOU Workforce Planning | 7 | 7 | Paul Dawkins (Leicestershire) | Fieldwork | 27-Nov-23 | | | | - | - | - | - |
| EMSOU HMICFRS Action Plan | 7 | 7 | Andrew Dale (Derbyshire) | ToR Issued | 19-Feb-24 | | | | - | - | - | - |
| **Totals** | **21** | **21** | | | | | **Totals** | **-** | **-** | **-** | **-** |

# Key Performance Indicators

| | | | |
|---|---|---|---|
| 1 | Annual report provided to the JARAC | As agreed with the Client Officer | N/A |
| 2 | Annual Operational and Strategic Plans to the JARAC | As agreed with the Client Officer | Achieved |
| 3 | Progress report to the JARAC | 7 working days prior to meeting. | Achieved |
| 4 | Issue of draft report | Within 10 working days of completion of final exit meeting. | 25% (1 / 4) * |
| 5 | Issue of final report | Within 5 working days of agreement of responses. | 100% (2 / 2) |
| 6 | Audit Brief to auditee | At least 10 working days prior to commencement of fieldwork. | 100% (11 / 11) |
| 7 | Customer satisfaction (measured by survey) "Overall evaluation of the delivery, quality and usefulness of the audit" – Very Poor, Poor, Satisfactory, Good, Very Good. | 85% average satisfactory or above | N/A † |

\* 13, 26 and 25 days. This was due to annual leave between end of audit and quality review process.

† Responses have not been received for the two satisfaction surveys issued.

# Key Performance Indicators (Cont.)

| 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) |
|---|---|---|---|---|---|---|---|---|---|---|
| Estates Management | 19-Apr-23 | 03-May-23 | 10 | 13-Jun-23 | 27-Jun-23 | 10 | 06-Jul-23 | 7 | 10-Jul-23 | 2 |
| Vetting | 23-Jun-23 | 23-Oct-23 | 86 | 24-Nov-23 | 13-Dec-23 | 13 | 05-Jan-24 | 17 | 11-Jan-24 | 4 |
| Risk Management | 23-Jun-23 | 30-Oct-23 | 91 | | | | | | | |
| Payroll | 12-Oct-23 | 06-Nov-23 | 17 | 12-Dec-23 | 17-Jan-24 | 26 | | | | |
| Procurement | 17-Oct-23 | 09-Nov-23 | 17 | 22-Dec-23 | 26-Jan-24 | 25 | | | | |
| Core Financials | 09-Oct-23 | 13-Nov-23 | 25 | | | | | | | |
| Asset Management/Stock Control | 12-Oct-23 | 22-Jan-24 | 72 | | | | | | | |
| Staff Retention | 17-Oct-23 | 01-Feb-24 | 77 | | | | | | | |
| Counter Fraud | 16-Jan-24 | 19-Feb-24 | 24 | | | | | | | |
| OPCC Communication/ Community Engagement | | 26-Feb-24 | | | | | | | | |
| MTFP/Budget Control | 23-Jun-23 | 27-Feb-24 | 177 | | | | | | | |
| Occupational Health Unit | 22-Nov-23 | 11-Mar-24 | 78 | | | | | | | |
| Portfolio Management | | TBC | | | | | | | | |
| IT Strategy and Operating Model | | TBC | | | | | | | | |

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# Definitions of Assurance Levels and Recommendation Priority Levels

| Definitions of Assurance Levels | |
|---|---|
| Substantial Assurance | The framework of governance, risk management and control is adequate and effective. |
| Moderate Assurance | Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control. |
| Limited Assurance | There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective. |
| Unsatisfactory Assurance | There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail. |

| Definitions of Recommendations | | |
|---|---|---|
| High | 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. |
| Medium | Recommendations represent significant control weaknesses which expose the organisation to a moderate degree of unnecessary risk. | Remedial action should be taken at the earliest opportunity and within an agreed timescale. |
| Low | Recommendations show areas where we have highlighted opportunities to implement a good or better practice, to improve efficiency or further reduce exposure to risk. | Remedial action should be prioritised and undertaken within an agreed timescale. |

# A1

## Final Reports Issued

# Vetting 23-24

## Your One Page Summary

Audit Objective: To provide assurance that the risks associated with Vetting are being appropriately managed.

| Audit rationale | | |
|---|---|---|
| **Why the Audit is in Your 2023/24 Plan** The subject of vetting has been in the spotlight nationally following some high profile cases of failure. | **Your Strategic Risk** URN: OPCC006 - Delayed recruitment of OPCC staff impairing service delivery. | **Your Strategic Objective** Protecting our Personnel |

### Summary of our opinion

**Moderate Opinion**
See Appendix A1 for definitions

X

#### Summary of Recommendations

| High | - |
|---|---|
| Medium | 1 |
| Low | 4 |

| Actions agreed by you | 100% |
|---|---|
| High Priority completion | N/A |
| Overall completion | August 2024 |

### Summary of findings

**Examples of good practice**
- ✓ For our sample of 30 vetting requests, we noted that all were recorded accurately within CoreVet with supporting documentation available.
- ✓ For a sample of ten vetting requests, we confirmed that the correct income was charged and recorded accurately within the Fee Master Spreadsheet.

**Highest Priority Findings**
- The Force possesses a significant backlog of vetting cases including 167 expired clearances.
- The Force does not have Service Level Agreements (SLAs) in place to monitor the timeliness by which vetting requests are completed.

**Key root causes**
- The decision to check all police officers, staff and volunteers against the Police National Database (PND) as a priority restricted the Force's capacity to process vetting requests in a timely manner.
- Due to the Force's backlog a decision was taken to forgo assigning targets to the processing of vetting requests.

### Direction of travel

**Previous Audit**

2020/2021

**Direction of Travel**

⇨ Previous opinion: Moderate Assurance

**Recurring Findings**

None.

# Vetting 23-24 (Cont.)

| Ref | Recommendation | Priority | Management Comments | Due Date |
|-----|----------------|----------|---------------------|----------|
| 1 | The Force's Vetting Procedure states that all renewal applications should be issued 42 days prior to expiry, other than Developed Vetting (DV) renewals which should be issued six months prior to expiry.<br>Through our review of the Vetting Stabilisation Plan reported to the Chief Superintendent by the Security Vetting Manager on the 25th October 2023, we noted that as of the 19th October 2023, the Force possessed the following backlog:<br>• Cases received and awaiting assignment: 338<br>• Expired clearances: 167<br>• Renewals due 19/10/2023 – 01/01/2024:126<br>Through discussion with the Security Vetting Manager, we were informed that the backlog of cases had arisen due to the decision taken by the National Police Chief's Council (NPCC) for all current police officers, staff and volunteers in England and Wales to be checked against the Police National Database (PND) to identify intelligence or allegations requiring further investigation. This was following the Home Office's announcement that all police forces must check their workforce against national databases.<br>Through further review of the Vetting Stabilisation Plan, we noted that the historical data wash review was completed between the 3rd of April 2023 and | Medium | In February 2023 the Home Secretary directed that all forces conduct a review of the Police National Database for officers and staff, known as the Historical Data Wash. Leicestershire Police received the HDW data March 2023 and commenced the programme 3rd April 2023. The mandatory timeline for completion of the review was 29th September 2023 and therefore the force was obligated to redeploy Vetting resource to completion of the HDW.<br>Consultation between the Force Vetting Manager and Head of PSD agreed that the most appropriate risk-based approach to management of the unplanned demand would be to defer vetting renewals and annual MV. Aftercare, in favour of new officers/staff and completion of the HDW, on the principle that the HDW data return would contain any new or unknown information pertaining to current officers and staff.<br>Following completion of the HDW and review of the backlogs generated by the redeployment of vetting resource, DCC Sandall approved a Vetting Stabilisation plan, whereby it was agreed to defer the vetting renewals due between April 2023 and | 01 April 2024 |

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# Vetting 23-24 (Cont.)

| Ref | Recommendation | Priority | Management Comments | Due Date |
|-----|----------------|----------|---------------------|----------|
| | 26th September 2023 and required inspection of 17,138 lines of data with an additional 1,323 hours of resource expended by the Vetting Team.<br>At the time of audit, the Vetting Security Manager had proposed a recovery plan to the Chief Superintendent to reduce the backlog of vetting cases, however this was yet to be approved.<br>**The Force should ensure that a recovery plan is established and approved which provides the Vetting Team with appropriate resource to clear the backlog of expired vetting clearances.**<br>**In addition, a risk-based approach should be implemented whereby available resource is focused on renewing clearances for Officers in high-risk roles within the Force.** | Medium | February 2024, to the next anniversary date. Again, the rationale being this would balance any risks associated with the decision in that any new information recorded since the last vetting check would have already been assessed as part of the HDW.<br>Backlog (all vetting types): 338 cases in October 2023, reduced 208 in November 2023, reduced to 176 in December 2023 = a reduction of 50%<br>At 5th January 2024, all Vetting renewals due w/c 1st March 2024 have been issued and MV Aftercare checks are to be resumed by March 2024.<br>**Mandy Bogle-Reilly** | |
| 2 | Having clear targets in place in relation to the processing of vetting requests can aid in establishing accountability within the Vetting Team, help the Force to assess the capacity needed to meet its processing targets and monitor the reduction of its backlog of cases.<br>We sought to establish whether Service Level Agreements (SLAs) are in place at the Force in order to assess the timeliness by which vetting requests are processed. | Low | The department's ability to deliver a formal SLA is likely to be impeded by the regularity of unplanned demand and therefore there is a risk that a formal SLAs would set us up to fail. A discussion is to take place between stakeholders on the feasibility of implementing an SLA for Contractor vetting in Jan 2024 and further assessment will be extended to other work streams in due course.<br>Horizon scanning for new and unplanned | 01 August 2024 |

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# Vetting 23-24 (Cont.)

| Ref | Recommendation | Priority | Management Comments | Due Date |
|---|---|---|---|---|
| | We were informed by the Security Vetting Manager that the Force is currently reluctant to assign SLAs to vetting requests due to concerns regarding the Vetting Team's ability to meet the targets assigned given its current backlog of 338 cases at the time of audit. **The Force should develop and implement SLAs for vetting processes that include realistic timelines for different types of requests. As part of this process, the Force should collaborate with the Vetting Team and relevant stakeholders to ensure SLAs are achievable and aligned with organisational objectives.** | Low | demand is to be included in the monthly PSD and Vetting Governance board **Supt Ali Tompkins and Mandy Bogle-Reilly** | |
| 3 | Reviewing and updating policies and procedures helps ensure they remain relevant, effective, and compliant with changes in industry standards. Possessing a schedule for reviews establishes a systematic approach, promoting consistency and timely updates. We reviewed the Force's suite of vetting policies and procedures in order to determine if each document had been regularly reviewed and updated. We noted that the following documents did not contain information relating to last review date and thus we could not determine when each was most | Low | HMI Peel Assessment is owned by HMICFRS The vetting Decision Making Factors framework and Vetting Procedure is to be transferred to formal version control and to be monitored and managed by CCU **Mandy Bogle-Reilly, Counter Corruption Administration** | 01 March 2024 |

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# Vetting 23-24 (Cont.)

| Ref | Recommendation | Priority | Management Comments | Due Date |
|-----|----------------|----------|---------------------|----------|
| | recently reviewed and approved:<br>• HMI PEEL Assessment Framework<br>• Vetting Decision-Making Factors Procedure<br>Additionally, although the Force maintains a Vetting Procedure which was created on 25 October 2023, this document was found to be in draft status at the time of audit.<br>**The Force should ensure that version control is implemented on all key vetting policies / procedures to track changes, updates and the date of the last review.**<br>**The Force should ensure that the Vetting Procedure is finalised, approved and made available for use.** | Low | | |
| 4 | Best practice across the sector is to report on the number of appeals upheld and overturned as this provides an indication of whether vetting requests are being initially assessed correctly.<br>Through our review of the Force's Performance Dashboard, we noted that the Force currently does not have any reporting arrangements in place to monitor its performance in relation to vetting appeals.<br>In addition, reporting on the time taken to complete appeals against the Force's 14 working days target would allow the Force to determine if the target is | Low | Monthly Performance dashboard has updated to record number of appeals received at each level and the current status (in progress, upheld, overturned)<br>Procedure amended to the annotate covering email to the Appeals officer with the 14 working day target date and set up an Outlook reminder for receipt for the response.<br>**Mandy Bogle-Reilly** | 01 February 2024 |

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# Vetting 23-24 (Cont.)

| Ref | Recommendation | Priority | Management Comments | Due Date |
|-----|----------------|----------|---------------------|----------|
| | being consistently met. **The Force should consider enhancing its Performance Dashboard to include performance indicators which allow it to monitor the outcomes and timeliness of appeals.** | Low | | |
| 5 | We selected five performance indicators from the Force's most recent Performance Dashboard (September 2023) and requested the source data behind each figure in order to recalculate and confirm the accuracy of the reported figures. We were informed by the Senior Vetting Officer that the Force does not retain the source data for each performance indicator as the data is derived from CoreVet, a live system which is continuously updated from the point the data is extracted to calculate the performance indicators. This prevents the Force from recalculating previously reported performance indicators and also does not allow it to examine the underlying data behind each reported performance indicator if requested by the Professional Standards Department (PSD) Superintendent or PSD Detective Chief Inspector (DCI) **The Force could consider capturing historical data at the point it is used to calculate performance indicators in order to allow it to** | Low | Version control has been implemented to retain copies of the data source document **Mandy Bogle-Reilly** | 01 February 2024 |

# Vetting 23-24 (Cont.)

| Ref | Recommendation | Priority | Management Comments | Due Date |
|-----|----------------|----------|---------------------|----------|
| | provide the underlying data behind its performance indicators if requested by the PSD Superintendent or PSD DCI. | Low | | |

# Contacts

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