



POLICE AND CRIME COMMISSIONER FOR KENT AND KENT POLICE

Annual internal audit report 2023/24

Draft

21 May 2024

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THE ANNUAL INTERNAL AUDIT OPINIONS

This report provides annual internal audit opinions, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes. The opinions should contribute to the organisation's annual governance reporting.

The opinion

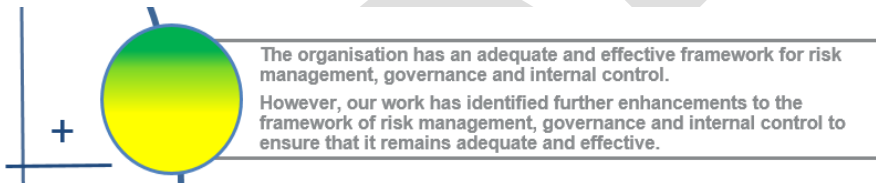
Kent Police and Crime Commissioner

For the 12 months ended 31 March 2024, the head of internal audit opinion for the Kent Police and Crime Commissioner (PCC) is as follows:



Kent Police Chief Constable

For the 12 months ended 31 March 2024, the head of internal audit opinion for Kent Police is as follows:




Please see appendix A for the full range of annual opinions available to us in preparing this report and opinions.

It remains management's responsibility to develop and maintain a sound system of risk management, internal control and governance, and for the prevention and detection of material errors, loss or fraud. The work of internal audit should not be a substitute for management responsibility around the design and effective operation of these systems.

Scope and limitations of our work

The formation of our draft opinions is achieved through a risk-based plan of work, agreed with management and approved by the audit committee, our opinions are subject to inherent limitations, as detailed below:

- internal audit has not reviewed all risks and assurances relating to the organisations;
- the opinions are substantially derived from the conduct of risk-based plans generated from a robust and organisation-led assurance frameworks. The assurance frameworks are one component that the PCC and Chief Constable take into account in preparing the annual governance statement (AGS);
- the opinions are based on the findings and conclusions from the work undertaken, the scope of which has been agreed with the lead individual(s);
- where strong levels of control have been identified, there are still instances where these may not always be effective. This may be due

- 
- to human error, incorrect management judgement, management override, controls being by-passed or a reduction in compliance; and
 - due to the limited scope of our audits, there may be weaknesses in the control system which we are not aware of, or which were not brought to our attention.

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FACTORS AND FINDINGS WHICH HAVE INFORMED OUR OPINIONS

Governance

We have not undertaken any specific governance reviews this year however, our opinions have been based on the governance elements of coverage within the following audits which we have undertaken including; Overtime, Payroll, Vetting, Grants and Commissioning, Firearms and Tasers and General Ledger.

Risk Management

Although we did not undertake any specific audits directly of the OPCC's or Force's risk management arrangements, our internal audit plan is risk-based and included a number of audits designed to allow the PCC and Chief Constable to take assurance that controls covering some of the strategic risks within the OPCC and Force are well designed and operating effectively.

In addition, our annual risk management opinions for both the Force and the OPCC have also been informed from our attendance at the Joint Audit Committee meetings, where risk management is a standing agenda item and where strategic and operational risks are discussed and constructively challenged. We have also used our cumulative knowledge of the risk management processes in place at both organisations to inform our opinions.

Internal Control

We have undertaken seven Kent Police-only (including one review with the OPCC) assurance reviews that contributed to the internal control opinions.

We have not issued any reports as part of this year's internal audit plan where we found that the organisations could take either 'partial' or 'minimal' (negative) assurance. Of the seven Kent only positive assurance reviews, we issued:

- Two where management could take substantial assurance (Payroll and Overtime Overspend);
- Four in which we found that management could take reasonable assurance (Firearms and Tasers, General Ledger, Vetting and Grants and Commissioning), and;
- A follow up audit which concluded that the organisations had made reasonable progress to implement previously agreed management actions.

In terms of joint reviews with Essex Police, we have issued four further reports:

- Two where management could take substantial assurance (Investigative Wellbeing and Recruitment Compliance),
- Two where management could take reasonable assurance (Procurement under £60k and Managed Data Centre Effectiveness)

Please note – the Managed Data Centre Effectiveness (Joint) report is still in draft at the time of preparing the opinions.

A summary of all internal audit work undertaken, and the resulting conclusions, is provided at appendix B.

Key themes

Analysis of our internal audit findings across the seven Kent-only assurance assignment reports which have been finalised for 2023/24 shows that actions were agreed in relation to the design of ten controls. Actions were also agreed in relation to 19 controls which were not being consistently complied with. The largest number of actions were in Grants and Commissioning and Firearms and Tasers. This means that controls in the areas audited were generally well-designed, and that where the majority of improvement is required it relates to ensuring a consistent application of those controls.

Direction of travel

Kent Police and Crime Commissioner and Kent Police Chief Constable have both received our second level opinion for 2023/24. This is the most common level of annual opinion issued by RSM in the sector and represents the fact that while the system of internal control is generally sound, there are improvements that could be made. However, the overall number of negative opinions issued in recent years has improved, with no negative opinions being issued in 2023/24. Our annual report and opinion should also be considered in conjunction with other sources of assurance, such as HMICFRS reports.

Topics judged relevant for consideration as part of the annual governance statement

This report should be used to inform your annual governance statements. We have not issued any negative (partial or minimal) assurance reports in 2023/24, so no work directly from our internal audit plan need to be considered for inclusion in the annual governance statement.

Angiolini Review

The Angiolini review, commissioned by the Home Secretary in the wake of Sarah Everard's murder, highlighted a number of significant concerns about the Metropolitan Police's culture, decision making around police vetting and abuse of powers. In particular, the Part 1 Report states 'Policing needs to grasp fully the extent of the cultural problems it faces and the way that this affects the public it serves. It needs to do more than make further changes to policies, guidance and training, although these are important and worthwhile. All policing leaders need to rethink fundamentally how they lead their organisations to ensure that certain types of behaviour, from the unacceptable to the criminal, are never tolerated.'

As a result, the report makes 16 recommendations, including improving the police response to indecent exposure, reforming police recruitment and vetting practices, and addressing workplace culture in policing.

HMICFRS PEEL Inspection

Kent has received a PEEL (Police effectiveness, efficiency and legitimacy) inspection (2023-25), which has focused on 11 key areas detailed below. The inspection report noted that the Force has taken steps to improve how it communicates with communities to identify problems and gather intelligence. It also stated that the Force continues to work effectively in partnership with a wide range of other organisations on problem-solving, crime prevention and early intervention. However, as seen by the results below, the Force 'requires improvement' in investigating crime and responding to the public.

Outstanding	Good	Adequate	Requires improvement	Inadequate
	Preventing crime	Managing offenders	Investigating crime	
	Police powers and public treatment	Tackling workforce corruption	Responding to the public	
	Protecting vulnerable people			
	Disrupting serious organised crime			
	Developing a positive workplace			
	Leadership and force management			

The organisations should therefore consider when preparing the annual governance statement, any specific significant governance issues, the implementation of those recommendations as part of the Angiolini review and PEEL inspection, and how these are monitored through the organisations' governance arrangements.

THE BASIS OF OUR INTERNAL AUDIT OPINION

As well as those headlines previously discussed, the following areas have helped to inform our opinion. A summary of internal audit work undertaken, and the resulting conclusions, is provided at appendix B.

Acceptance of internal audit management actions

Management have agreed actions to address most of the findings reported by the internal audit service during 2023/24. Please note one report is still in DRAFT at the time of preparing this annual report.

Implementation of internal audit management actions

Where actions have been agreed by management, these have been monitored by management through the action tracking process in place. During the year progress has been reported to the Joint Audit Committee, with the validation of the action status confirmed by internal audit through the follow up review.

We have undertaken a review to follow up progress made to implement previously agreed management actions. The follow up review concluded that the organisation had made **reasonable progress** in implementing the agreed management actions. We were able to confirm that of the 17 management actions under review, 14 had been fully implemented.

In one of the remaining three cases, the implementation of the management actions was on-going, and the action had therefore been partly implemented. We have downgraded the priority of this action to low priority, as the risk had been reduced. We found that the two remaining actions had not yet been implemented, one of which (relating to the Airwave and Emergency Service Network Device was due to a national incident outside of the Force's control).

Working with other assurance providers

In forming our opinions, we have not placed any direct reliance on other assurance providers.

OUR PERFORMANCE

Wider value adding delivery

As part of our client service commitment, during 2023/24 we have added value through the following:

Area of work	How has this added value?
Emergency Services News Briefings	In our regular news briefings, we drew attention to some of the key developments and publications in the sector, such as Police performance and effectiveness.
Emergency Services Risk Register Analysis	In seeking to understand the key risks faced by our emergency services clients, we examined the contents of 38 emergency services' strategic risk registers. 540 individual risks were analysed from across police and fire services. Key observations were provided to the JAC as part of our report.
Emergency Services Benchmarking of Internal Audit Actions	This paper provided a benchmark for our individual clients, allowing for self-assessment against all of our emergency services clients. At the assignment level, benchmarking provided: <ul style="list-style-type: none">• a comparison against the numbers of actions agreed;• the assurance opinions provided across the sector in our client base;• a summary of the key areas where high internal audit management actions were agreed; and• a comparison of Head of Internal Audit (HOIA) opinions.
Best Practice	Shared best practice across the sector through our work.
The NED Network	The role of the Non-Executive Director is crucial. Whilst not typically involved in the day-to-day operations of a firm, they should be influencing policy, culture and accountability. RSM launched The NED network to help non-executive directors stay abreast of key issues, networking with peers and share ideas. Non-executive directors are invited to join free of charge. We have delivered an annual programme of events, along with supporting insights, articles and blogs.
Use of specialists	We have utilised specialists to support the delivery of the Internal Audit plan throughout 2023/24. Such as the use of technology risk auditors in the Outsourced Data Centre Processes review.
RSM's Emerging Risk Radar	We provided our latest Emerging Risk Radar, which analyses the responses from board members and professional advisors in relation to emerging events or threats that could impact a business either negatively or positively.

Conflicts of interest

RSM were commissioned to undertake some advisory work on the PFI project in 2023/24. This review was undertaken through a separate letter of engagement, reporting lines and engagement partner, with the Head of Internal Audit having no involvement in this engagement. Therefore, we do not consider this constituted a conflict of interest and we have actively managed any potential self-review threat ahead of accepting this engagement.

RSM has therefore not undertaken any work or activity during 2023/24 that would lead us to declare any conflict of interest. We are also not aware of any relationships that may affect the independence and objectivity of the team, and which are required to be disclosed under internal auditing standards.

Conformance with internal auditing standards

RSM affirms that our internal audit services are designed to conform to the Public Sector Internal Audit Standards (PSIAS). Under PSIAS, internal audit services are required to have an external quality assessment every five years. Our risk assurance service line commissioned an external independent review of our internal audit services in 2021 to provide assurance whether our approach meets the requirements of the International Professional Practices Framework (IPPF), and the Internal Audit Code of Practice, as published by the Global Institute of Internal Auditors (IIA) and the Chartered IIA, on which PSIAS is based.

The external review concluded that RSM 'generally conforms*' to the requirements of the IIA Standards' and that 'RSM IA also generally conforms with the other Professional Standards and the IIA Code of Ethics. There were no instances of non-conformance with any of the Professional Standards'.

* The rating of 'generally conforms' is the highest rating that can be achieved, in line with the IIA's EQA assessment model.

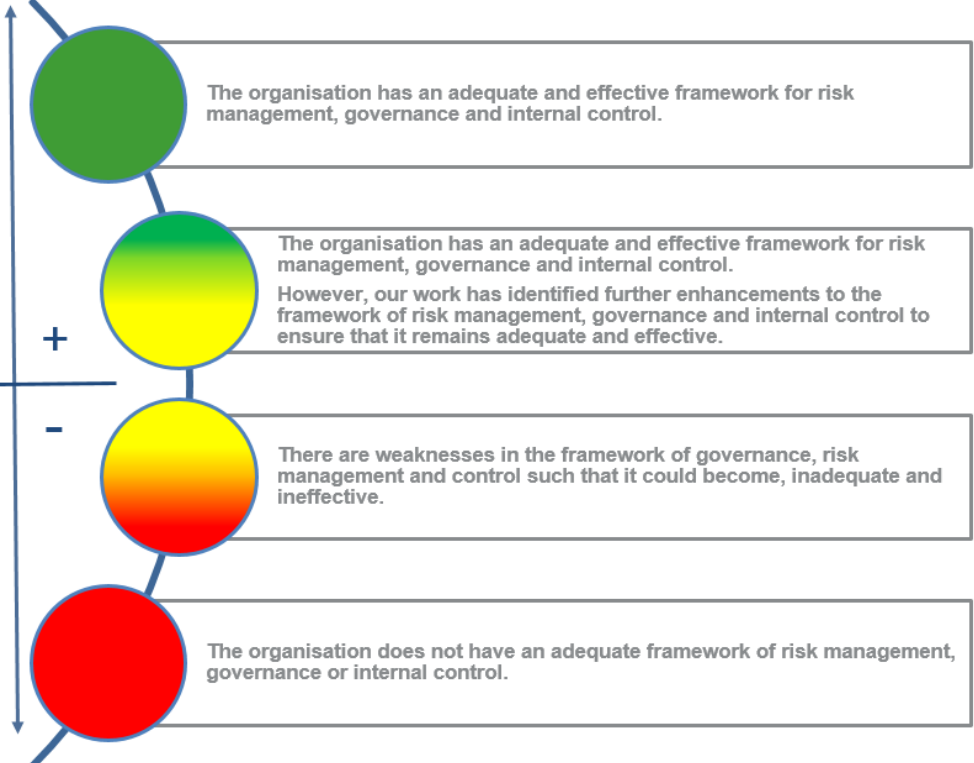
Quality assurance and continual improvement

To ensure that RSM remains compliant with the PSIAS framework we have a dedicated internal Quality Assurance Team who undertake a programme of reviews to ensure the quality of our audit assignments. This is applicable to all Heads of Internal Audit, where a sample of their clients will be reviewed. Any findings from these reviews are used to inform the training needs of our audit teams.

Resulting from the programme in 2023/24, there are no areas which we believe warrant flagging to your attention as impacting on the quality of the service we provide to you. In addition to this, any feedback we receive from our post assignment surveys, client feedback, appraisal processes and training needs assessments is also taken into consideration to continually improve the service we provide and inform any training requirements.

APPENDIX A: ANNUAL OPINIONS

The following shows the full range of opinions available to us within our internal audit methodology to provide you with context regarding your annual internal audit opinion.

Annual opinions	Factors influencing our opinion
 <p>The organisation has an adequate and effective framework for risk management, governance and internal control.</p> <p>The organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.</p> <p>There are weaknesses in the framework of governance, risk management and control such that it could become, inadequate and ineffective.</p> <p>The organisation does not have an adequate framework of risk management, governance or internal control.</p>	<p>The factors which are considered when influencing our opinion are:</p> <ul style="list-style-type: none">• inherent risk in the area being audited;• limitations in the individual audit assignments;• the adequacy and effectiveness of the risk management and / or governance control framework;• the impact of weakness identified;• the level of risk exposure; and• the response to management actions raised and timeliness of actions taken.

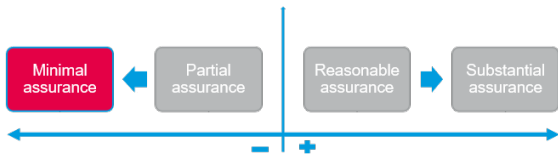
APPENDIX B: SUMMARY OF INTERNAL AUDIT WORK COMPLETED 2023/24

All of the assurance levels and outcomes provided above should be considered in the context of the scope, and the limitation of scope, set out in the individual assignment report.

Assignment	Executive lead	Assurance level	Actions agreed		
			L	M	H
Investigative Wellbeing (Joint)	Richard Leicester (Force)	Substantial Assurance [●]	2	0	0
Overtime Overspend	Ian Drysdale (Force)	Substantial Assurance [●]	2	0	0
Recruitment Compliance (Joint)	Richard Leicester (Force)	Substantial Assurance [●]	4	0	0
Payroll (including OPCC)	Hayley Ryder (Force)	Substantial Assurance [●]	0	0	0
Firearms and Tasers	Simon Alland / Dave Jedrzejewski (Force)	Reasonable Assurance [●]	3	4	0
General Ledger (including OPCC)	Jonathan Castle (Force)	Reasonable Assurance [●]	4	1	0
Vetting	Jon Armory (Force)	Reasonable Assurance [●]	0	2	1
Grants and Commissioning (including OPCC)	Rob Phillips (OPCC)	Reasonable Assurance [●]	8	1	0
Managed Data Centre Effectiveness (Joint) – DRAFT	Fiona Brown (Force)	Reasonable Assurance [●]	2	5	2
Procurement under £60k (Joint) (including OPCC)	David Jedrzejewski (Force)	Reasonable Assurance [●]	3	3	0
Follow Up	Jonathan Castle (Force)	Reasonable Progress [●]	1	2	0
POCA - Cash/Drugs/ Property/Seizures	Audit deferred to 2024/25				

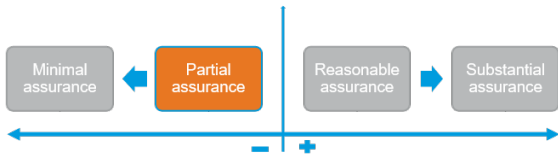
APPENDIX C: OPINION CLASSIFICATION

We use the following levels of opinion classification within our internal audit reports, reflecting the level of assurance the board can take:



Taking account of the issues identified, the board can take minimal assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Urgent action is needed to strengthen the control framework to manage the identified risk(s).



Taking account of the issues identified, the board can take partial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied or effective.

Action is needed to strengthen the control framework to manage the identified risk(s).



Taking account of the issues identified, the board can take reasonable assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

However, we have identified issues that need to be addressed in order to ensure that the control framework is effective in managing the identified risk(s).



Taking account of the issues identified, the board can take substantial assurance that the controls upon which the organisation relies to manage this risk are suitably designed, consistently applied and effective.

YOUR INTERNAL AUDIT TEAM

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The matters raised in this report are only those which came to our attention during the course of our review and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Actions for improvements should be assessed by you for their full impact. This report, or our work, should not be taken as a substitute for management's responsibilities for the application of sound commercial practices. We emphasise that the responsibility for a sound system of internal controls rests with management and our work should not be relied upon to identify all strengths and weaknesses that may exist. Neither should our work be relied upon to identify all circumstances of fraud and irregularity should there be any.

Our report is prepared solely for the confidential use of Police and Crime Commissioner for Kent and Kent Police, and solely for the purposes set out herein. This report should not therefore be regarded as suitable to be used or relied on by any other party wishing to acquire any rights from RSM UK Risk Assurance Services LLP for any purpose or in any context. Any third party which obtains access to this report or a copy and chooses to rely on it (or any part of it) will do so at its own risk. To the fullest extent permitted by law, RSM UK Risk Assurance Services LLP will accept no responsibility or liability in respect of this report to any other party and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in this report.

This report is released to you on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent.

We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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