



**POLICE AND CRIME
COMMISSIONER FOR NORTH
YORKSHIRE**

Community Safety Partnership Funding

FINAL

Internal Audit Report: 1.17/18

31 August 2017

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1 EXECUTIVE SUMMARY

1.1 Background

A review of the Community Safety Partnership Funding has been undertaken as part of the 2017 / 2018 approved audit plan.

In each local council area, there are statutory partnerships established under the Crime and Disorder Act called Community Safety Partnerships (CSPs). They bring together local organisations with the shared goals of reducing crime and the fear of crime, anti-social behaviour (ASB), alcohol and drug misuse and reducing re-offending. The CSPs coordinate key services to local areas, working in partnership with the Police and Crime Commissioner (PCC), to solve local problems, which also contribute to the delivery of the Police and Crime Plan.

In October 2014, the Commissioner approved the formal merger of six Community Safety Partnerships in North Yorkshire into one North Yorkshire CSP, supported by District / Borough based Local Delivery Teams (LDT), and the retention of the Safer York Partnership.

The PCC's CSP funding is used to support the delivery of coordinated community safety services at a local level, supported by Service Level Agreements (SLAs) with each relevant District, Borough, City Council. The funding enables responsible authorities to react to emerging local community safety needs and demands for target hardening services, respond to emerging local community safety concerns or immediate crime and ASB reduction requirements and conduct planned targeted communications and social marketing interventions.

The PCC's CSP funding is also used to support community safety issues through the use of commissioned services which included the following in 2016 / 2017 continuing into 2017 / 2018:

- Early Intervention Domestic Abuse Service, delivered by Independent Domestic Abuse Services (IDAS);
- Voluntary Domestic Abuse Perpetrator Programme, delivered by the Humberside, Lincolnshire and North Yorkshire Community Rehabilitation Company (CRC);
- Respect Young People's Programme, delivered by IDAS; and
- Anger Management and Mediation Service, delivered by lead provider UNITE then Yorkshire Mediation.

The Community Safety Services Fund (CSSF) is available to any local community group or organisation in North Yorkshire or City of York. The CSSF is for projects that aim to prevent individuals from committing crime or ASB in their communities, by providing diversionary or positive activity which engages individuals at risk and delivers measurable outcomes. The CSSF can also support Community Based Volunteer Services that address local Community Safety priorities such as the night time economy.

The following table provides an overview of the CSP funding and the providers:

CSP budget/funding - Commissioned Services	Provider	2016/17 budget	2017/18 budget
Community Safety - DA Vol. Perpetrator Programme	CRC	£25,000.00	£25,000.00
Community Safety - DA Early Intervention	IDAS	£50,000.00	£50,000.00
Community Safety - DA RESPECT Programme	IDAS	£75,000.00	£75,000.00
Community Safety - Mediation and Anger Management	UNITE then Yorkshire Mediation	£30-50,000.00	£20,000.00
Community Safety - Reactive and Target Hardening	CSPs / LDTs	£38,000.00	£38,199.40 (including local Communications and Marketing)
Community Safety - Services Fund	Multiple	£100-120,000.00	£100,000.00
Community Safety - Communications and Marketing	CSPs / LDTs	£43,994.00 (strategic CSP level and local LDT level)	£18,794.60 (strategic CSP level only)
Community Safety - Mental Health	Multiple	£-	£55,000.00

1.2 Conclusion

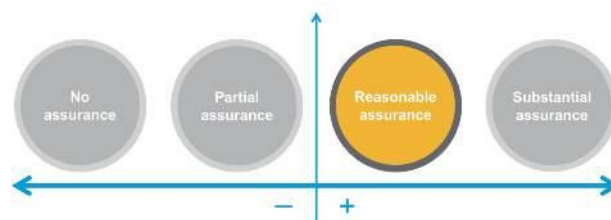
Our review has concluded that there are processes in place to ensure reporting of expenditure in relation to the District, Borough, City funds and the commissioned services. However, we identified three areas of improvement which have resulted in one high and one medium (relating to two issues) priority management actions detailed as following:

- Testing of five CSSF projects identified two instances where a grant return had not been completed and received by the PCC's Commissioning and Partnership Service. **(High)**
- Testing of four commissioned services identified two instances where the contracts in place had not been signed in a timely manner. These had been signed six and four months after the service provider had signed the contract and after the contract had commenced. **(Medium)**
- Testing of six CSP / LDT SLAs also found two instances where the contract had been signed after the service had commenced. **(Medium)**

Internal audit opinion:

Taking account of the issues identified, the **Police and Crime Commissioner for North Yorkshire** can take **reasonable assurance** that the controls in place to manage this risk are suitably designed and consistently applied.

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.



1.3 Key findings

The key findings from this review are as follows:

- Review of documentation for 2016 / 2017 and 2017 / 2018 confirmed that there had been a comprehensive consultation undertaken with key stakeholders including both CSPs, local councils, health teams, youth offending teams and national probation services. We reviewed meeting notes, presentations and emails relating to the consultation process.
- Our testing of the four commissioned services has confirmed that they each had a contract in place.
- Testing of six SLAs relating to the Community Safety Communications and Social Marketing Fund and Target Hardening and Reactive Fund made with Harrogate, Selby and Scarborough councils, two from each, confirmed in all instances that there were signed SLAs in place.
- Testing of five CSSF projects confirmed in all instances that a grant agreement was in place and had been signed by the grant recipients and the PCC's Chief Finance Officer.

- Our review has confirmed that the grant agreements, SLAs and contracts in place had clear and measurable objectives set out.
- Our testing of a sample of 10 payments confirmed that they were all appropriately approved.
- The PCC's Commissioning and Partnership Service received monthly or quarterly returns from commissioned providers and quarterly returns from District, Borough, City councils.
- Services were linked to the priorities set out either in the Community Safety Funding consultation document and / or the PCC's Police and Crime Plan.
- Our testing found no instances where the funds had been recovered; however, in instances where there had been an underspend it was confirmed that there was documented justified evidence and reason in place.

1.4 Additional information to support our conclusion

The following table highlights the number and categories of management actions made. The detailed findings section lists the specific actions agreed with management to implement.

Area	Control design		Non-Compliance with controls		Agreed actions		
	Low	Medium	High	Low	Medium	High	
Commissioned Services by the Police and Crime Commissioner	0	(10)	3	(10)	0	2	1
Total	0				0	2	1

2 DETAILED FINDINGS

Categorisation of internal audit findings

Priority	Definition
Low	There is scope for enhancing control or improving efficiency and quality.
Medium	Timely management attention is necessary. This is an internal control risk management issue that could lead to: Financial losses which could affect the effective function of a department, loss of controls or process being audited or possible regulatory scrutiny/reputational damage, negative publicity in local or regional media.
High	Immediate management attention is necessary. This is a serious internal control or risk management issue that may lead to: Substantial losses, violation of corporate strategies, policies or values, regulatory scrutiny, reputational damage, negative publicity in national or international media or adverse regulatory impact, such as loss of operating licences or material fines.

This report has been prepared by exception. Therefore, we have included in this section, only those areas of weakness in control or examples of lapses in control identified from our testing and not the outcome of all internal audit testing undertaken.

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management
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Area: Commissioned Services by the Police and Crime Commissioner

1	<p>Commissioned Services</p> <p>The commissioned services under the Community Safety Partnership funding are subject to appropriate procurement exercises.</p> <p>All commissioned services have a contract</p>	Yes	No	<p>Testing of four commissioned services from the Community Safety Partnership budget: DA Respect; DA Early Intervention; Mediation and Anger Management; and Voluntary DA Perpetrator Programme confirmed two instances where the contracts had not been counter signed in a timely manner by a PCC representative.</p> <p>This related to Mediation and Anger Management which was signed by the provider in March 2016 but only counter signed six months after in September 2016. The second instance related to the Voluntary DA Perpetrator Programme which was signed by the provider in May 2016 but only counter signed four months later in September 2016.</p>	Medium	The Commissioning and Partnership Services department will ensure that all contracts and SLAs are signed in a timely manner. The signing of Community Safety related contracts will now be delegated to the Head of Commissioning and
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Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management																								
	in place which has been signed by the provider and a PCC Chief Officer.			<table border="1"> <thead> <tr> <th colspan="3">Risk Exposure</th> <th colspan="3">Root causes</th> </tr> </thead> <tbody> <tr> <td colspan="3">Contracts will not be legally binding if they are not signed in a timely manner, which could result in disputes arising leading to financial loss and potential lack of accountability to the agreed terms and conditions.</td> <td colspan="3">Untimely signing of the contracts.</td> </tr> <tr> <th>Probability</th> <th>Financial</th> <th>Reputational</th> <th>Operational</th> <th>Legal</th> <th>Rating</th> </tr> <tr> <td>Unlikely</td> <td>Negligible</td> <td>Negligible</td> <td>Negligible</td> <td>Minor</td> <td>6:5</td> </tr> </tbody> </table>	Risk Exposure			Root causes			Contracts will not be legally binding if they are not signed in a timely manner, which could result in disputes arising leading to financial loss and potential lack of accountability to the agreed terms and conditions.			Untimely signing of the contracts.			Probability	Financial	Reputational	Operational	Legal	Rating	Unlikely	Negligible	Negligible	Negligible	Minor	6:5		<p>Partnership Services up to £250,000. Those above £250,000 still require sign off by the PCC's CEO and will be progressed on a monthly basis as required as part of JN one to ones with CEO.</p> <p>Responsible Officer: Head of Commissioning and Partnership Services for North Yorkshire PCC</p> <p>Implementation date: 31st August 2017</p>
Risk Exposure			Root causes																											
Contracts will not be legally binding if they are not signed in a timely manner, which could result in disputes arising leading to financial loss and potential lack of accountability to the agreed terms and conditions.			Untimely signing of the contracts.																											
Probability	Financial	Reputational	Operational	Legal	Rating																									
Unlikely	Negligible	Negligible	Negligible	Minor	6:5																									
2	District, Borough, City Local Delivery Teams	Yes	No	<p>Testing of six district SLAs identified two instances where they had not been signed in timely manner. These related to the following:</p> <ul style="list-style-type: none"> Harrogate Reactive Services where the SLA had been signed by the provider in April 2016 but had not been counter signed by a PCC representative until July 2016. Selby Communications and Social Marketing where the SLA had been signed by the provider in October 2016 but had not been counter signed by a PCC representative until July 2017. 	Medium	See management action one																								
	Districts, Boroughs, and City are allocated the Community Safety Funding in accordance with a set formula relative to need and demand to provide community safety services across local council areas.																													

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications	Priority	Action for management				
	SLAs are in place which are signed by the relevant District, Borough, City authority and a PCC Chief Officer.									
3	<p>At the end of each Community Safety Services Fund (CSSF) project, an end of project return is submitted to the NYP Finance Team* to demonstrate how the funds have been used in accordance with the agreed outcomes.</p> <p>Evidence of how the funding has been spent may also be submitted if required and scrutinised.</p> <p>Client comment: *(This return is now submitted to the Commissioning and Partnerships Manager in Commissioning and Partnership Services)</p>	Yes	No	<p>Testing of five CSSF grant payments identified two instances where the end of project return, as required in the grant agreement, had not been submitted. This related to the following:</p> <ul style="list-style-type: none"> • Knaresborough Community Centre STARC project for £6,370 awarded in June 2016. This project was due to end on 27 March 2017, however at the time of the audit we noted that the return had not yet been submitted. Further investigation by the Commissioning and Partnership Manager noted that the grant had not yet been spent by the grant recipients; however, the amount was due to be spent for the purposes set out in the initial approved grant application. • YMCA Be Safe Be Sound project amounting to £9,334 awarded in January 2017. As per application form, this project was due to be completed in May 2017 however at the time of the audit a grant return was yet to be received. <p>It was also noted that the grant agreements were sent to the Force's Finance Team, there was no evidence that the outstanding returns had been escalated.</p> <table border="1"> <thead> <tr> <th>Risk Exposure</th> <th>Root causes</th> </tr> </thead> <tbody> <tr> <td>Risk of the Community Safety Services Funds being inappropriately used by recipients.</td> <td>Failure to monitor and question the lack of end of project returns.</td> </tr> </tbody> </table>	Risk Exposure	Root causes	Risk of the Community Safety Services Funds being inappropriately used by recipients.	Failure to monitor and question the lack of end of project returns.	High	<p>The department will:</p> <ul style="list-style-type: none"> • Review all the grants to ensure that a grant return has been received with a view to take action against any outstanding ones. • Ensure grant returns are monitored / returned on a regular basis. • Review receipts and evidence of expenditure on a sample basis every year. <p>Responsible Officer: Commissioning and Partnerships Manager</p> <p>Implementation date: 31st October 2017</p>
Risk Exposure	Root causes									
Risk of the Community Safety Services Funds being inappropriately used by recipients.	Failure to monitor and question the lack of end of project returns.									

Ref	Control	Adequate control design (yes/no)	Controls complied with (yes/no)	Audit findings and implications						Priority	Action for management
				Probability	Financial	Reputational	Operational	Legal	Rating		
				Highly Improbably	Negligible	Negligible	Negligible	Negligible		5:7	

APPENDIX A: SCOPE

The scope below is a copy of the original document issued.

Scope of the review

The scope was planned to provide assurance on the controls and mitigations in place relating to the following area:

Objectives of the area under review

To ensure there is a transparent approach to the commissioning of services by the Police and Crime Commissioner in relation to Community Safety Partnership funding.

Sufficient reporting is undertaken to ensure funds have been spent appropriately and linked to the priorities of the Police and Crime Plan.

When planning the audit, the following areas for consideration and limitations were agreed:

Areas for consideration:

In October 2014, the Commissioner approved the formal merger of six Community Safety Partnerships in North Yorkshire into one North Yorkshire Community Safety Partnership, supported by district / borough based Local Delivery Teams, and to retain the Safer York Partnership. Our review will consider the Community Safety Partnership budget spend during 2016/17, including services commissioned by the Police and Crime Commissioner. In particular, we will focus on the following areas:

- Key stakeholders are consulted on an annual basis as part of the commissioning process.
- Contracts are in place for services commissioned by the Police and Crime Commissioner. Contracts are signed by all parties prior to the commitment of expenditure.
- Clear and measurable objectives have been set for the commissioned services.
- Payment of funds are appropriately authorised.
- Outcomes can be directly linked to the priorities of the Commissioner's Police and Crime Plan.
- The Police and Crime Commissioner's, Commissioning & Partnership Services Department (Head of Commissioning & Partnerships Services) receive regular returns to demonstrate how funds have been spent and contribute to the Commissioner's objectives.
- The Police and Crime Commissioner's, Commissioning & Partnership Services Department receives regular updates on performance and spend.
- Funds have been recovered where appropriate.

Limitations to the scope of the audit assignment:

- This review has not confirmed compliance with the Crime and Disorder Act (1998) for statutory bodies.
- We have not validated the commissioned service provider's spend or visited their premises to confirm services had been delivered.

- We have not confirmed that value for money had been achieved or spent in accordance with the particulars of the grant agreement.
- Testing was completed on a sample basis.
- Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

APPENDIX B: FURTHER INFORMATION

Persons interviewed during the audit:

- Head of Commissioning and Partnership Services for North Yorkshire Police and Crime Commissioner
- Commissioning and Partnership Manager
- Commissioning and Partnership Manager
- Commissioning and Partnership Manager

Documentation reviewed during the audit:

- Commissioned services signed contracts
- District / Borough / City CSP funding signed SLAs
- Grant agreements
- End of project returns
- Decision panel documentation
- Contract meeting notes
- Consultation presentations and emails

FOR FURTHER INFORMATION CONTACT

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