

Independent Office for Police Conduct – Annual report and statement of accounts 2020/21

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Section 1: performance report

Overview

About us – who we are and what we do

We are the Independent Office for Police Conduct (IOPC). We oversee the police complaints system and investigate the most serious incidents and complaints involving the police. We use learning from our work to influence changes in policing. All our work is done independently of the police, government and interest groups.

Police forces deal with the majority of complaints against police officers and police staff. Police forces must refer the most serious cases to us – whether or not someone has made a complaint.

Specialist police forces, such as the Ministry of Defence Police, Civil Nuclear Constabulary and the British Transport Police, also come under our jurisdiction. Likewise, we oversee the complaints system for some additional organisations, such as Her Majesty's Revenue and Customs (HMRC), the National Crime Agency (NCA), and the Gangmasters and Labour Abuse Authority (GLAA). We investigate certain serious complaints and conduct matters relating to staff from these organisations.

We also investigate criminal allegations against police and crime commissioners (PCCs) and their deputies and contractors working for the police.

Our mission and values

Our mission is to improve public confidence in policing by ensuring police officers are accountable for their actions and lessons are learnt. Our work in investigating complaints and death and serious injury matters can have a broader impact in identifying systemic issues. This can help inform and influence changes not only to policing, but across the criminal justice system and other sectors.

Our values, developed in consultation with our staff and external stakeholders, are:

- seeking truth
- being inclusive
- empowering people
- being tenacious
- making a difference

Our leadership and structure

We are led by a Director General, Michael Lockwood. Michael leads the executive team and he chairs the Board of the IOPC, which includes six non-executive directors.

Michael is also supported by two Deputy Director Generals – the Deputy Director General (Operations) who leads an operational team including regional directors and a Director for Wales and the Deputy Director General (Strategy and Corporate Services) who is responsible for all of the IOPC's non-operational functions.

By law, our Director General can never have worked for the police. Also none of our executive team, regional directors or our Director for Wales have worked for the police.

You can read more about our senior leaders and regional structure on our website.

Director General's foreword

I am pleased to present our 2020/21 annual report. We are coming to the end of our first three-year strategy in which we have sought to improve confidence in policing by ensuring police are accountable for their actions and lessons learnt.

The past 12 months were challenging as we all dealt with the COVID-19 pandemic. I am therefore proud our organisation was able to have finished the year with our best ever performance in many areas.

In terms of timeliness we are now performing at our highest level ever. We completed 91% of core investigations within 12 months against a target of 85% and over three years have improved this from a starting point of 68%.

We received over 4,600 referrals from forces – a 7% increase on 2019/20. Despite this increase, we decided the mode of investigation within our three working day target in 82% of cases. In terms of our casework function, we independently reviewed over 1,500 investigation appeals and reviews, of which over half were determined within 35 working days. In addition, we also scrutinised over 1,000 locally investigated death and serious injury investigations, with 77% determined within 30 working days.

Our focus on improving policing practice by identifying and sharing learning saw us make 216 learning

recommendations to police forces and other policing bodies during the year. Since our establishment in 2018, we have now made over 400 learning recommendations which has changed or improved policing practice in areas ranging from tactical pursuits, stalking and harassment to search warrants. This focus on learning is designed to help stop things going wrong in the first place and forces have responded positively to our learning recommendations.

Through our thematic work, we are focusing on the issues that are of most concern to the public – mental health, abuse of power for sexual purposes, road traffic incidents and discrimination. We continue to look at stop and search and TASER use to help improve policing practice.

The new legislative reforms introduced in February 2020 have shown positive early signs. Complaints handling by forces and complainants' satisfaction have all improved. Encouragingly the number of reviews (appeals) we have dealt with from forces has fallen by nearly 40%. We will continue to monitor this progress.

Working with our stakeholders remains an important focus for us. Results from our 2020/21 stakeholder survey show that favourability/confidence towards the IOPC has further improved. Positive feedback was given to our greater focus on learning, better stakeholder engagement/outreach work and leadership that listens to stakeholders' views.

Awareness of us from young people and those from a Black, Asian and minority Ethnic (BAME) background who have least confidence in the police complaints system continues to improve, although there is still more to do. Awareness of us from young people has improved from 22% to 38% and those from a BAME background from 32% to 53%. To support this work, we have undertaken some 300 community meetings during the year to talk about our role and the work we do and importantly, to listen to their issues or concerns.

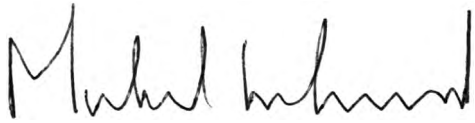
Our ambition to be an efficient and effective organisation, driven by strong governance, people and financial management continued. Our people transitioned effectively to working remotely, and our pulse surveys showed they felt well supported by the organisation during this period. Looking to the future, we want to capture the learning identified as we agree new ways of working for the organisation.

My management team and staff deserve much recognition for the significant progress we have made during the last year. Their hard work, commitment and dedication through what has been an unprecedented year has been excellent.

Importantly, could I also thank our non-executive directors for their support and constructive challenge over the last year. As their three-year term of office came to end we said goodbye to some of them. We welcomed new appointments who will bring fresh ideas and experience

to help us develop our next three-year strategy and ongoing ambition.

We are not complacent and recognise there is still more to do. We therefore look forward to the continuing help and advice of all our stakeholders to ensure that public confidence in policing is further strengthened in the coming year.

A handwritten signature in black ink, appearing to read 'Michael Lockwood', written in a cursive style.

Michael Lockwood

Director General

Key issues and risks

Our work is organised into four priorities:

- to work with others to improve the police complaints system
- to improve policing by identifying and sharing learning
- to improve confidence in police accountability
- to be an efficient and effective organisation

We identify significant strategic risks that could prevent us achieving these priorities, assess these and manage them through mitigation and risk-reduction activities. We present regular updates on the strategic risks to both our Audit and Risk Assurance Committee (ARAC) and our Unitary Board.

We manage lower-level risks within directorates, programmes and projects as appropriate. An escalation and de-escalation process is in place to ensure that risks are managed at the correct level.

The performance analysis section of the report (see page 41) explains the major risks we faced in 2020/21 and the mitigation measures we put in place. These risks included the following:

- our staff needed to remain home based or observe strict social distancing in our offices for the foreseeable future owing to the COVID-19 pandemic

- the impact of COVID-19 on our business plan, and our ability to achieve our performance targets, the commitments set out in our strategic plan and planned efficiencies
- difficulties with delivering our strategy if our funding was significantly reduced following a Comprehensive Spending Review
- the planned benefits not being realised after our move from a single supplier outsourced ICT arrangement to one that used multiple suppliers and our own staff
- the IOPC may have been subject to civil compensation claims or claims of misfeasance in a public office against staff, which could damage public confidence and increase financial risk
- high profile cases may have attracted significant negative national media attention
- the IOPC may have remained in lockdown or strict social distancing due to the COVID-19 pandemic for the foreseeable future

Summary of our performance during 2020/21

We published our first three-year Strategic Plan in November 2018. In addition, we produce an annual Business Plan, which sets out what we intend to deliver and the impact we hope to have each year in implementing our Strategic Plan.

This performance report reflects what we have delivered against our Business Plan for 2020/21, giving an overview of our performance against our priorities. We are currently working on developing our next Strategy, which will be put into practice in April 2022 and will cover our work for the next three years. We will engage with stakeholders in the coming months to understand their thoughts on the activities we should prioritise.

What we aimed to do	2019/20 actual	2020/21 target	2020/21 actual
Priority – to work with others to improve the police complaints system			
Decide on the mode of investigation for 80% of cases referred to us within three working days	83%	80%	82%
Complete 82% of investigations within 12 months (excluding major investigations ¹)	83%	85%	91%

¹ Major investigations are complex and large-scale cases, such as investigating police actions in the immediate aftermath of the Hillsborough disaster and the police response to non-recent allegations of child sexual abuse in Rotherham.

What we aimed to do	2019/20 actual	2020/21 target	2020/21 actual
Review 75% of locally investigated death or serious injury cases within 30 working days from the date all background papers are received by the IOPC	N/A	75%	77%
Decide 65% appeals of all investigation or local resolution appeals within 35 working days	63%	65%	58%
Decide 80% of appeals against a police force decision not to record a complaint within 25 working days	58%	80%	38%
Decide 65% of all reviews within 35 working days	N/A	65%	45%
Priority – to improve policing by identifying and sharing learning from our work*			
Publish an annual Impact Report providing evidence of the difference we have made in improving policing and the police complaints system. ²	N/A	N/A	N/A
Increase to 95% the proportion of stakeholders who agree that our Learning the Lessons magazine is a helpful tool to drive change in police policy.	97%	95%	91%
Priority – to improve confidence in police accountability			
Young people who are confident that the police deal with complaints fairly	52%	N/A	37%
The proportion of people from a Black, Asian and ethnic minority (BAME) background who are aware of us	48%	N/A	53%

2 This is not a statistical measure.

What we aimed to do	2019/20 actual	2020/21 target	2020/21 actual
Priority – to be an effective and efficient organisation			
Achieve a staff engagement score of 63% (as measured by our annual staff survey)	65%	63%	N/A
Ensure that 80% of our investigators achieve accreditation within 24 months	82%	80%	90%
Maintain staff turnover between 8% and 10%	5.8%	8-10%	7.0%
Not exceed 2.9% staff sickness absence	2.8%	<2.9%	1.5%

Impact of COVID-19 on performance

The COVID-19 crisis forced a sudden change in the way we operate as an organisation. It had a significant impact on our available operational resources in 2020/21. Initially, this required us to prioritise our resources on the most serious cases over our thematic work. We focused on investigations such as deaths and serious injuries ensuring that they were independently investigated and our investigators were present to preserve evidence.

Given the challenges presented by COVID-19 and having to maintain business continuity over the past year, our performance has been impressive. This contributed to us exceeding our target for investigations completed within 12 months, which was the highest level of performance we have achieved.

In certain areas, operational demand increased, which meant that we were unable to deploy operational resources allocated to that area. For example, referrals received from appropriate authorities increased by 8 percentage points during 2020/21. Despite this increase, we achieved our three working-day target for 82% of referrals, which was on par with last year's performance.

In areas where our resources were depleted, this had a notable impact. For example, we aimed to decide 65% of all investigation or local resolution appeals within 35 working days. These appeals were affected by a combination of factors, including new legislation and resource availability due to COVID-19. As a consequence, in 2020/21 we fell short of our 65% target.

Even with reduced operational resource available, we were still able to exceed our target for timeliness of investigations completed within 12 months. This was achieved through our improved ways for working and closing down older IPCC cases.

Despite the challenges posed by COVID-19, we were still able to progress our major investigations closing all but one of the IPCC legacy investigations. This included closing the remaining investigations of the 91 that will be reported on under Operation Linden, the second largest investigation we have ever undertaken.

Results from our stakeholder survey conducted in 2020/21 showed that favourability towards the IOPC has improved again. The progress first noticed

by stakeholders in 2019 has continued, with our additional focus on sharing learning and engaging more openly continuing to drive positivity among all stakeholder groups.

During the crisis, our Director General, Michael Lockwood, and NPCC lead on Complaints and Misconduct, Chief Constable Craig Guildford, put out joint communications and advice to forces about the handling of matters under the police complaints and discipline systems. This initiative shows joint working and also involved constructive input from the Police Federation and Police Superintendents' Association representatives. The communications advised a proportionate and pragmatic approach.

Financial review

The IOPC's first Strategic Plan, published in November 2018, set out our four strategic priorities. These are described elsewhere in this report. Each year our annual budgeting and planning cycle helps us to develop affordable business plans that provide the resources necessary for these priorities. We start planning for the following year in early summer, reviewing, and refreshing our rolling two-year efficiency and investment plan, through which we track financial constraints and develop plans to mitigate those. Through this process we identify areas of the business requiring additional investment and develop plans to create capacity to invest where needed.

Our main source of funding is grant in aid, which is dependent on Home Office prioritisation decisions. The table below shows that grant in aid for near cash expenditure has been reduced each year since the IOPC was created by the *Policing and Crime Act 2017*. This reduction reflects the challenging fiscal pressures in central government.

Grant in aid £000's	2020/21	2019/20	2018/19
Near cash grant in aid	69,645	71,114	71,343
<i>Percent (decline) in near cash</i>	<i>(2.1%)</i>	<i>(0.3%)</i>	

Efficiencies

With a decline in funding, an important part of our planning and budgeting cycle is to examine our cost base to identify opportunities for efficiencies and investment. Our efficiency planning has delivered £3.7m in savings over 2019/20 and 2020/21. We have used these savings to manage pressures from an increase in pension contributions, annual pay awards and inflation. We have also used part of these savings to invest in our priorities as described elsewhere in this report.

A significant proportion of the savings we have delivered have been realised through our ICT disaggregation programme – a multi-year programme to disaggregate our ICT services away from a single supplier towards a more flexible arrangement combining multiple smaller suppliers and increased in-house capability. Remaining savings have been realised through better procurement

and staffing reductions, which have been achieved without compulsory redundancies.

Outturn

We allocate budgets to the senior executive best placed to take expenditure decisions and ensure value for money.

Throughout the year we forecast our financial outturn to enable timely reporting and strategic decision making on in-year resource allocation. The tables below show the trend in outturn and trend in average FTE.

Outturn £000's	2020/21	2019/20	2018/19
Revenue from customers	91	78	127
Staff	53,950	50,938	48,165
IT	7,160	8,484	9,571
Estates	5,442	4,300	5,633
Travel	408	1,564	1,664
Training and recruitment	569	964	1,246
Legal services	1,408	995	901
Other costs	2,058	1,929	1,732
Near cash expenditure	70,995	69,174	68,912
Non-cash	2,911	4,800	3,715
Net expenditure for the year	73,815	73,896	72,500
Average FTE	987	993	994

The outturn table shows that expenditure on staff has increased compared to 2019/20. This is attributable to

the annual pay review, and an increase in accrued leave. This was affordable because the COVID-19 restrictions resulted in much lower expenditure than usual on travel, training, and recruitment.

On non-staff, our ICT expenditure has declined as result of savings achieved by our on-going ICT disaggregation programme. Estates expenditure has returned to expected levels after last year's write back of old accruals. Legal costs have risen because of a need to seek increased expert advice on certain cases. Other costs includes COVID-related reductions in spending on external events, stationery, postage, etc. This has been offset in part by extra third-party costs to support our ICT disaggregation work.

Non-cash expenditure has declined because we reduced our dilapidation provisions and had lower depreciation charges following revisions to the economic lives of the estates and ICT assets.

Capital expenditure

ICT

Investing in technology is a key element of designing our business for the future. The focus of our plan for the year under review was to:

- make best use of data, information and knowledge
- protect authenticity, integrity and confidentiality of records

- store information so that it is secure, but can be found and used easily
- make information available to staff and stakeholders when they need it and dispose of it properly when our responsibilities end

The two main projects to address these issues were the development of a new SharePoint Online records depository, plus build of a new Enterprise Data Warehouse. Additionally, as part of moving our data centres to Crown Hosting, we purchased servers to improve networking capability, which supports future modernisation plans.

Estates

One of our priorities is to be an efficient and effective organisation, which includes the aim of being “a great place to work”. This involves attracting and retaining a highly skilled, diverse workforce and providing them with a good working environment while continually providing value for money.

This year we refurbished our Cardiff and Wakefield offices to ensure the environment best supports our work and the well-being of our people, creating a flexible and agile working environment.

Car fleet

We need a car fleet to enable our investigators to attend scenes and interviews. The fleet consists of 79 cars purchased in 2016. Most are ultra-low emission and have

mileage of between 50,000 and 80,000. Our experience with homeworking and our plans to improve operational efficiency indicate that we may be able to reduce fleet requirements in the future. This year we decided to replace the vehicles with highest mileage and will replace the remaining older models in the future as business requirements change.

The Financial Statements tables for assets show that at 31 March most of our 2020/21 capital expenditure is classified as under construction. This includes recently delivered cars and servers, and ongoing software development.

The table below shows our capital expenditure compared to the last two years. The expenditure on assets under construction has been disaggregated.

Capital expenditure £000's	2020/21	2019/20	2018/19
Estates	458	653	307
Fleet	611	-	-
ICT	1,936	1,370	2,764
Total capital expenditure	3,005	2,023	3,071

Statement of financial position

Total assets have declined because we reduced the amount of cash held at the Government Banking Service. We are unable to borrow funds and as a result our policy is to hold a cash balance equivalent to one month's expenditure, which gives us a target range for cash £5m to £7m. Cash held at the end of the year is £5.817m (2019/20 £7.050m).

Total liabilities increased because we expanded our accrual for staff benefits. This increase is because COVID restrictions have resulted in a doubling of the amount of untaken leave.

The decline in assets and the increase in liabilities has resulted in a £2.8m fall in General Reserves. However, we retain £4.7m reserves and our Going Concern basis is not at risk.

Purchase to pay

Procurement delegation from the Home Office is given on the basis that we follow best practice, achieve best value, and we comply with Home Office procurement policies and legal and regulatory requirements. For most categories of expenditure, we use CCS frameworks and for legal services, we use Chamber frameworks.

The table below provides an analysis of the procurement routes by percent for 2020/21 and previous years.

Procurement route	2020/21	2019/20	2018/19
Chambers	5%	7%	3%
CCS	61%	62%	53%
Other	34%	31%	44%

We abide by the British Standard for Achieving Good Payment Performances in Commercial Transactions (BS 7890). We aim to pay all valid invoices in accordance with contract terms or 30 days after receipt of a valid invoice where no terms are agreed. The table below show the trends in supplier payments.

Payment of suppliers	2020/21	2019/20	2018/19
Paid within 10 days	88%	90%	92%
Paid within 30 days	99%	99%	99%

Financial impact of COVID-19

We incurred £174,000 of expenditure, mainly for equipment to enable staff to safely use their homes for regular work. We managed this from our own resources and did not need to request supplementary funding. A small number of staff have had to attend one of our offices on occasion to undertake activities that cannot be done remotely or for wellbeing purposes. We created a safe environment for those staff whose personal circumstances meant they could not work effectively from home or whose work needed to be office based.

In keeping with the wider public sector approach, none of our staff were furloughed.

Outlook for 2021/22

As set out elsewhere in this report, our focus for 2021/22 is to conclude delivery of the commitments set out in our three-year strategy, focusing on operational delivery and learning. This means we need to find efficiencies and savings to invest in better operational practice and better support systems.

Create efficiencies

We will continue to find efficiencies and plan to achieve £3.6m savings in the coming year. This will mainly be the result of the final phase of our ICT disaggregation

programme as well as savings from smarter working and reduced travel.

Invest in our operational delivery

We will invest in redesigning our operational processes to improve both the timeliness and quality of our work. Our service users will benefit from a more dynamic investigative approach – one that is more proportionate to the circumstances and makes better use of evidential opportunities, such as the increasing availability of body-worn video.

Invest in systems

To future-proof the level of performance achieved in 2020/21 we will complete work to enhance our capability to process digital evidence. We will also develop a new case management system that is more efficient and provides greater analysis for learning from cases.

Risk profile

The IOPC has been exposed to a significant amount of risk during the financial year. The strategic risk register, which documents the highest-level risks across the organisation, began the year reflecting 11 risks. As the year progressed, four risks were added (three in the last month of the year), two risks were mitigated to such a level that they could be removed and an additional risk was added to the register with temporary mitigation and subsequently removed in year when it was no longer considered to be a risk. As a result, the IOPC ended the

year with 13 strategic risks of which nine were identified before the start of the year.

The table on page 32 details those risks, their principal mitigations, the related appetite for risk and the direction of travel. An updated risk appetite statement was approved by Unitary Board in the last week of the financial year and work has begun to ensure our risk management activity is aligned with the revised statement. This work includes reviewing the strategic risks to identify those areas where our current targets do not reflect our recently agreed risk statement, which could potentially result in the organisation operating outside its risk appetite. Where this is found to be the case the targets will be reviewed. The current and future mitigating activity will be reassessed to ensure it is effective and appropriate to the level of risk identified and to prevent over or under mitigation.

Review against the new risk appetite statement will be embedded into the strategic risk management process as we progress through the coming year and will be included in relevant reporting.

The unusual circumstances of the year 2020/21 have produced some unique risks to the delivery of our objectives. The restrictions implemented in response to the COVID-19 pandemic have reduced our ability to engage in person with communities. Many of those with low confidence are the so-called 'hard to reach' communities, so reducing the ways in which we can

interact with them affected our ability to engage with them. For example, we were unable to work directly with homeless people. However, by embracing the new ways of communicating via various forms of technology, we were able to meet and engage with many more groups than ever before, including some local communities with low confidence and seldom heard groups.

Having to shift to near 100% home-based working overnight risked negatively impacting our objective to be a great place to work as we no longer have the ability to control or influence a colleague's place of work in the same way. Regular engagement with staff has allowed us to provide appropriate support, including a streamlined procurement process for the purchase of ergonomic equipment while maintaining financial controls. Learning from this period will be factored into decisions we make about how we work going forward.

Significant changes in police powers during the past 12 months as a result of the COVID-19 restrictions was unprecedented in recent times. This posed risks for police in using those powers and risks for us in needing to be operationally ready to respond to incidents and complaints. The potential negative impact on public confidence from the pockets of civil unrest that arose in response to the use of those COVID-19 powers also had the potential to impact on our work in this area.




By May 2020, and for the first time since October 2018, we opened more investigations than we closed as the




result of the increased number of referrals. As the year progressed, the factors listed below had the potential to impact on our operational delivery, however, our mitigating activity and changed ways of working resulted in improved performance:

- staff sickness owing to COVID-19
- the impact of carer's plans to support staff with caring responsibilities and children who were not in school
- delays in the wider system caused by the pandemic



When the COVID-19 restrictions are lifted and there is a swing back to normal policing in areas such as large-scale sporting events and the night-time economy, it is likely these will bring additional complaints that potentially affect both public confidence and our delivery objectives. We will need to manage these risks as the year progresses.



The following table outlines our strategic risk and the key at the end explains our definitions of risk appetite.



Risk description	Principle mitigation	Appetite	Risk trend
<p>(A) The IOPC may be subject to civil compensation claims or claims of misfeasance in a public office against staff.</p> <p>(Strategic priority 4)</p>	<p>High quality operational decision-making and standard of work supported by extended training, accreditation of investigation staff, use of subject matter networks and comprehensive quality assurance processes. Services of specialist civil claims counsel engaged for High Court advocacy and use of specialist civil litigation firms to conduct claims.</p>	<p>Moderate</p>	
<p>(B) High-profile case(s) may attract significant negative national media attention.</p> <p>(Strategic priority 3)</p>	<p>Continued operation of the Critical Case Panel and ongoing engagement with ministers & Home Office officials.</p>	<p>Open</p>	
<p>(C) The IOPC may remain on lockdown or strict social distancing due to the COVID-19 pandemic for the foreseeable future.</p> <p>(Strategic priority 4)</p>	<p>New working processes were introduced including the use of significant technology to ensure that business as usual investigation work and other corporate activity could continue through the pandemic on a remote basis.</p>	<p>Open</p>	

Risk description	Principle mitigation	Appetite	Risk trend
<p>(D) There may be a serious data breach.</p> <p>(Strategic priority 4)</p>	<p>All staff are required to undertake annual information security training & security briefings.</p> <p>The terms of reference of the Information Assurance Board which meets on a regular basis, includes oversight of data breaches.</p>	Open	
<p>(E) The IOPC may not be fully compliant with the new General Data Protection Regulations.</p> <p>(Strategic priority 1)</p>	<p>The Data Protection Officer works closely with the Information Commission Office keeping them updated on what we are working on and any plans to seek early input on any potential problems, including the GDPR project which focused on improving processes across the IOPC.</p>	Averse	
<p>(F) Continuity of evidence may not be appropriately maintained.</p> <p>(Strategic priority 1)</p>	<p>New exhibits handling policy developed and rolled out to all offices and new case management system is being developed to improve the tracking of off-site exhibits.</p>	Averse	

Risk description	Principle mitigation	Appetite	Risk trend
<p>(G) An ineffective information assurance culture may lead to a lack of understanding and control of the information we process.</p> <p>(Strategic priority 4)</p>	<p>Removed from the register in September 2020 following a range of mitigation activities.</p>	<p>Moderate</p>	<p>↓</p>
<p>(H) Disclosure failures result in an organisational failure to comply with our statutory obligations.</p> <p>(Strategic priority 4)</p>	<p>A disclosure project was established with the objective of transforming the IOPC’s approach to managing disclosure by working in tandem with operational stakeholders</p>	<p>Open</p>	<p>↓</p>
<p>(I) We may not be able to deliver our strategy if our funding is significantly reduced following a Comprehensive Spending Review.</p> <p>(Strategic priority 4)</p>	<p>A draft response was prepared based on a range of scenarios. We are refreshing our two-year efficiency plan and extending it for a further year to March 2023, while also carrying out longer-term strategic planning through to March 2025. This work is being aligned with the development of our next strategy to avoid similar risks in future years.</p>	<p>Cautious</p>	<p>↑</p>

Risk description	Principle mitigation	Appetite	Risk trend
<p>(J) The planned benefits of ICT disaggregation may not be delivered.</p> <p>(Strategic priority 4)</p>	<p>A specialist third party was engaged to review our disaggregation strategy and two Senior Project Managers were assigned to manage remaining stages of the Sopra Steria Ltd exit and re-contracting for services currently delivered by them.</p> <p>A single ICT programme was developed which is overseen by the Digital Programme Board.</p>	Moderate	
<p>(K) The implementation and transition to the new legislation may produce unexpected complications which have not been adequately covered by the guidance or training.</p> <p>(Strategic priority 3)</p>	<p>This risk was removed in December 2020 following the six-month review of the Statutory Guidance, the Home Office review of their statutory guidance, and feedback received from police forces and appropriate authorities on the quality of our statutory guidance.</p>	Moderate	

Risk description	Principle mitigation	Appetite	Risk trend
<p>(L) Due to the impact of COVID-19 on the organisation’s business planning processes and assumptions, we may be unable to achieve our performance targets, deliver our commitments and achieve the planned efficiencies within the anticipated timescales. (Strategic priority 4)</p>	<p>The draft budget for 2021/22 has been finalised reflecting our agreed efficiency plan.</p> <p>The Business Plan for 2021/22 has been agreed and approved by the Unitary Board.</p>	<p>Moderate</p>	
<p>(M) We may not have a statutorily compliant body corporate in existence after 7 January 2021. (Strategic priority 4)</p>	<p>Added as a new risk in December 2020 because of delays in the appointment of new Non-Executive Directors. Existing terms were extended to mitigate, new appointments were subsequently made, and the risk removed in February 2021.</p>	<p>Averse</p>	

Risk description	Principle mitigation	Appetite	Risk trend
<p>(N) Delays in the wider criminal justice system where the IOPC only has limited direct influence, can cause delays to IOPC activities.</p> <p>(Strategic priority 1)</p>	<p>Added as a new risk in March 2021.</p> <p>We are working with key stakeholders (i.e. Crown Prosecution Service and coroners) to improve both performance where possible and their understanding of the IOPC role.</p> <p>Systemic issues with key stakeholders are also highlighted via Home Affairs Select Committee, reports, and communication activity.</p>	Moderate	
<p>(O) IOPC ICT services, equipment, data assets or suppliers may be breached or compromised.</p> <p>(Strategic priority 4)</p>	<p>Added as a new risk in March 2021 to accompany an ongoing annual programme of countermeasures to be delivered during 2021/22.</p>	Moderate	

Risk description	Principle mitigation	Appetite	Risk trend
<p>(P) We may be subject to regulatory action and civil litigation because our current records management capability requires improvement.</p> <p>(Strategic priority 4)</p>	<p>Added as a new risk in March 2021. An initial corporate record management project was delivered and the ICT team continue to work with system owners to ensure that records management requirements are factored into the design of new or upgraded systems.</p>	<p>Moderate</p>	

Key for risk appetite definitions

Seeking	Will take justified risks.
Open	Will take strongly justified risks.
Moderate	Preference for safe delivery.
Cautious	Extremely conservative.
Averse	Avoidance of risk is a core objective.

The following table shows the 13 risks remaining on our strategic risk register at the end of the year (the letters relate to the table above) and illustrates the impact of the mitigating actions on those risks. The white letters reflect the gross or original level of risk and the black letters show the net or remaining risk once effective mitigation has been applied. Risks that have the same gross and net risk score will also be further examined as part of the update of the risk appetite to identify additional activity and a review of the current scoring.

		B	H	B D H	
Impact	A F	D	C P I I E C	A L L P	J O
	F		E J	O	N
				N	
	Likelihood				

Key

White letters reflect the gross or original level of risk. Black letters show the net or remaining risk once effective mitigation has been applied.

- A** The IOPC may be subject to civil compensation claims or claims of misfeasance in a public office against staff
- B** High-profile case(s) may attract significant negative national media attention.
- C** The IOPC may remain on lockdown or strict social distancing due to the COVID-19 pandemic for the foreseeable future.
- D** There may be a serious data breach.
- E** The IOPC may not be fully compliant with the new General Data Protection Regulations.
- F** Continuity of evidence may not be appropriately maintained.

- H** Disclosure failures result in an organisational failure to comply with our statutory obligations.
- I** We may not be able to deliver our strategy if our funding is significantly reduced following a Comprehensive Spending Review.
- J** The planned benefits of ICT disaggregation may not be delivered.
- L** Due to the impact of COVID-19 on the organisation's business planning processes and assumptions, we may be unable to achieve our performance targets, deliver our commitments and achieve the planned efficiencies within the anticipated timescales.
- N** Delays in the wider criminal justice system where the IOPC only has limited direct influence, can cause delays to IOPC activities.
- O** IOPC ICT services, equipment, data assets or suppliers may be breached or compromised.
- P** We may be subject to regulatory action and civil litigation because our current records management capability requires improvement.

Performance analysis

We published our Strategic Plan 2018-22 in November 2018 and each year publish an annual business plan. This section describes our progress against the priorities set out in our 2020/21 Business Plan.

Priority: to work with others to improve the police complaints system

WHAT WE SAID WE WOULD DO

We will work to improve all parts of the complaints system – both our own work and that carried out by others.

WHAT WE HOPED TO ACHIEVE

The police complaints system delivers impartial, fair and evidence-based outcomes in a timely way.

Measuring progress against our aims

- decide on the mode of investigation for 80% of cases referred to us within three working days

We received 4,674 referrals from appropriate authorities in 2020/21 – a 7% increase on 2019/20. Despite this increase, we achieved our three working day target for 82% of referrals, on par with last year's performance.

- complete 85% of investigations within 12 months (excluding major investigations)

Our target in 2020/21 was to complete 85% of investigations within 12 months (excluding major investigations). We achieved this in 91% of these investigations, which is an increase of 8 percentage points on the 83% of investigations completed within 12 months last year.

The statistics on reviews and appeals in this section report on performance against our key performance indicators. They include all appeals including those on local resolution, non-recording, disapplication and discontinuance. They differ from the statistics presented in the Director General's foreword on page 8, which only cover appeals and reviews on investigations.

- review 75% of locally investigated death or serious injury cases within 30 working days from the date all background papers are received by the IOPC

All death or serious injury matters (DSI) that involve police officers or staff must be referred to the IOPC. If we decide that the matter should be locally investigated by the police force, and the force decides that there was no evidence of criminality or indication of behaviour justifying disciplinary proceedings, they must send a copy of their investigation report to us for review. We are only able to start a review when all supporting material has been received from the police force.

In 2020/21, we reviewed 1,204 police force investigation reports following their investigation into a death or serious

injury. We completed 77% of these within 30 working days of receiving the supporting documents.

- decide 65% appeals of all investigation or local resolution appeals within 35 working days

The number of appeals we received against a police force investigation or local resolution of a complaint continued to decrease. We received 764 appeals – a significant 45% decrease compared with 2019/20.

We completed 833 appeals against a police force investigation or local resolution of a complaint. Our target was to complete 65% of these appeals within 35 working days. We completed 58% of appeals within the 35-day target. Of the 833 appeals we completed, we decided 74% within 50 working days (ten weeks) and 88% within 70 working days (14 weeks). The average time taken to complete investigation and local resolution appeals was 41 working days – two working days more than our average time in 2019/20. By the end of 2020/21, our open appeals caseload had reduced to 88 – down from 152 at the start of the year.

- decide 80% of appeals against a police force decision not to record a complaint within 25 working days

In 2020/21, we received 172 appeals against a police force decision not to record a complaint compared to 1,584 in 2019/20. This is a significant reduction and is the result of legislative changes, which removed this right of appeal.

By the end of 2020/21 we had processed 269 appeals, with 38% of these appeals completed within 25 working days. The average time taken to complete the appeals was 65 working days. This was due to the impact of the COVID-19 pandemic.

During 2020/21 we reduced our open appeals caseload by more than half to 24 appeals.

- decide 65% of all reviews within 35 working days

In 2020/21, we received 1,000 reviews. Following legislative changes, the number of reviews we received gradually increased over the year. Our target was to complete 65% of investigation and other handling reviews within 35 working days. We achieved a figure of 45 per cent. The average time taken to complete investigation reviews was 55 working days. For other reviews, the average time was 41 working days.

We monitored and responded to:

- the proportion of appeals or reviews we uphold when members of the public are unhappy with how police forces have handled their complaint

Under the new system of reviews, we assess whether the handling or final outcome of a complaint was reasonable and proportionate. Reasonable and proportionate means doing what is appropriate in the circumstances, taking into account the facts and the context in which the complaint has been raised, within the framework of legislation and guidance.

In 2020/21, we decided that the outcome of 31% (201 out of 652) of reviews was not reasonable and proportionate.

We continued to deal with appeals from people who are unhappy with how police forces have handled their complaint. These involve complaints made under the previous legislative system. In 2020/21, we upheld 33% (325 out of 990) of all appeals.

In total, we upheld 29% of the valid reviews and appeals we completed in 2020/21.

- the proportion of policing stakeholders who believe the IOPC has an impact on improving the way the police deal with complaints
- Figures from our 2020/21 survey showed that 55% of policing stakeholders; 54% of police accountability framework stakeholders; and 52% of non-police stakeholders believe the IOPC has an impact on improving the way the police deal with complaints.

Background to this priority

We work with others to ensure that our work has the greatest possible impact and this priority reflects our commitment to improving the police complaints system. Our mission is to improve public confidence in policing by ensuring the police are accountable for their actions and lessons are learnt. To have confidence in the police service, the public must have trust in the police complaints system.

When complaints are made, people should feel assured that they will be dealt with robustly and fairly. It must also be understood that serious incidents and complaints about the conduct of police officers will be investigated impartially, that officers will be held to account for poor conduct, and that the police service will learn and improve.

Our work in 2020/21

Operational work

To future-proof our progress on timeliness, we are re-designing the way we undertake our investigations to make them more efficient and effective. We are working with policing and non-policing partners to make these improvements. The re-design of our processes is being informed by best practice from other organisations, as well as our stakeholders and service users. This engagement aims to help ensure that those directly affected by our work can influence and have confidence in the changes we are making.

Some highlights of our redesign work this year include:

- implementing a new process to redetermine MOI appeal decisions
- improving knowledge sharing across our casework function
- tightening processes between our casework and oversight teams

- reducing inconsistent working practices
- introducing a comprehensive checklist to ensure effective closure and archiving of major investigations

After assessing a number of potential suppliers, we developed a new Digital Evidence Management System (DEMS), which is due to go live shortly. The new system will enable our people to work with digital media remotely, securely and efficiently.

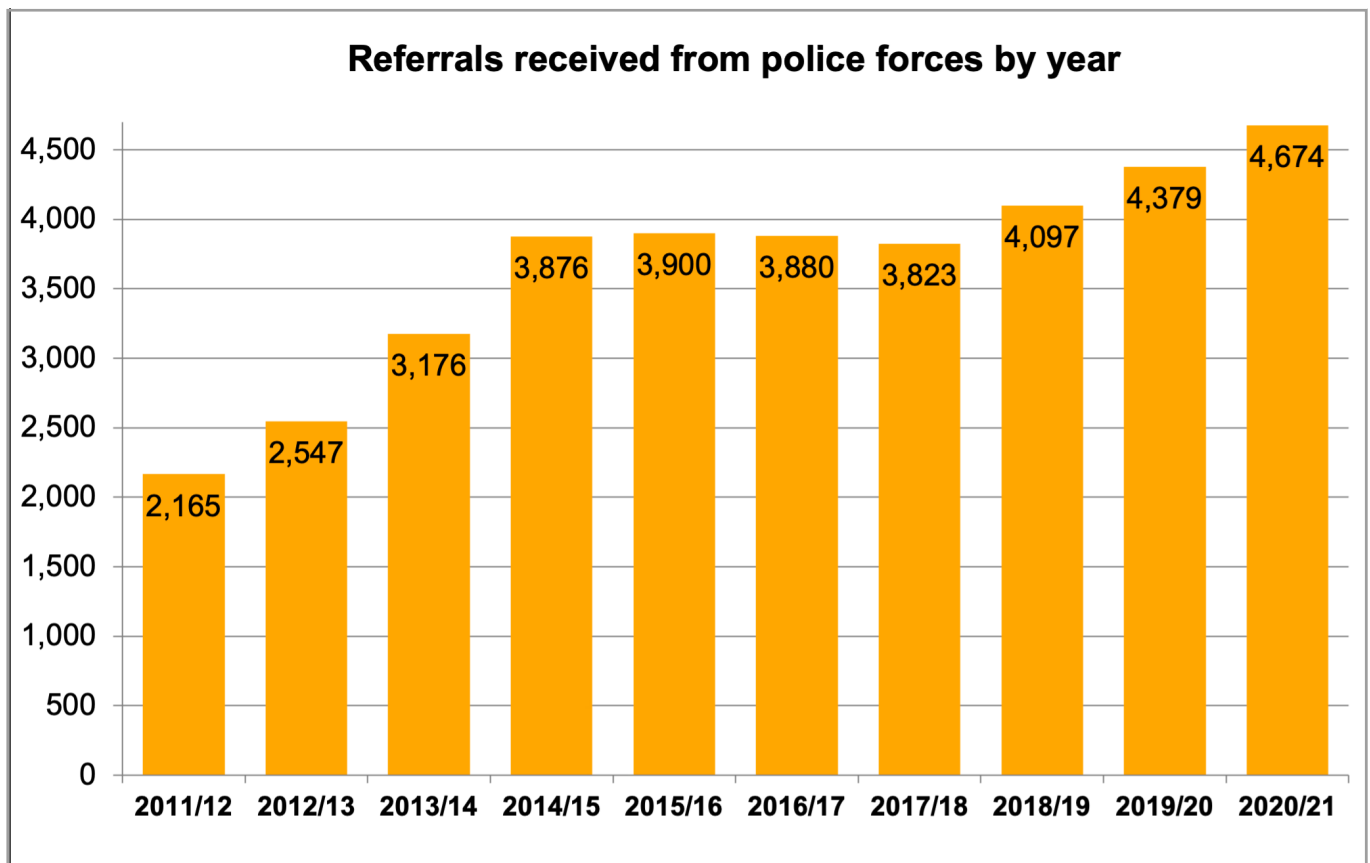
During 2020/21, we continued to independently investigate the most serious incidents involving the police, including those where Article 2 of the European Convention on Human Rights may be engaged. New legislative reforms took effect on 1 February 2020, which gave us greater powers. For example, the power to treat matters as having been referred (‘power of initiative’) enables us to treat any complaint, conduct matter or DSI matter which comes to our attention other than via a referral from the appropriate authority, as though it has been referred. This applies regardless of whether the matter has been recorded. In 2020/21, we used this power three times to look at matters that were serious or might be in the public interest. We assessed them and decided that two investigations – one by us and one by a force – were needed.

Referrals

We reviewed over 4,600 cases referred to us by police forces and determined whether, and how, these should

be investigated. Since 2017/18, the number of referrals we receive increased steadily each year, with this year marking the highest volume yet.

Of the referrals we received this year, 4,382 (94%) were mandatory, 286 (6%) were voluntary and six were matters that we called in. Fifty-four of the referrals we received were from local policing bodies and concerned the actions of a chief officer. You can find out more about the matters that must be referred to us on our website.



Independent investigations

This year we separated the way we report on the duration of core and major investigations given that they are of a different nature and complexity. Our aim this year was to complete 85% of our core investigations within

12 months. We achieved 91% – an increase of eight percentage points on core investigations completed within 12 months in 2019/20 (83%).

We started the year with an open caseload of 294 core investigations. The average duration of these core investigations was less than six months (123 working days) old.

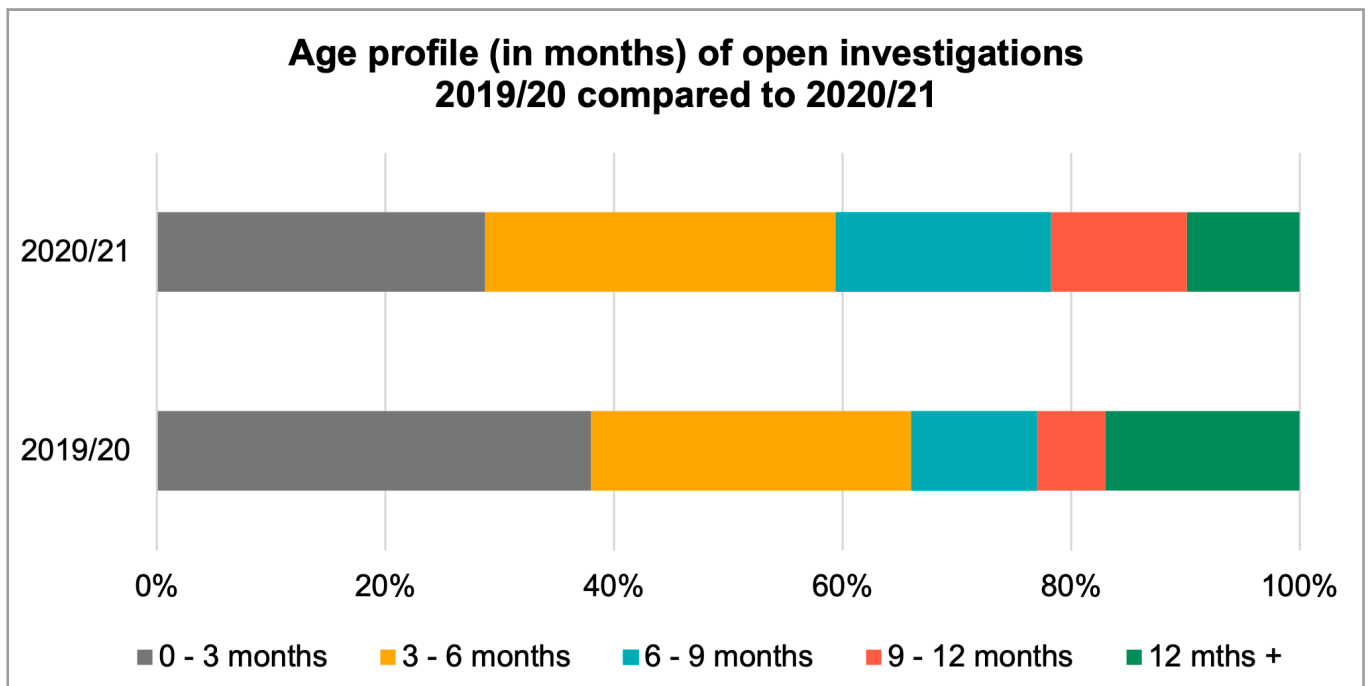
For the third consecutive year the number of core and major investigations that we started reduced. This year we started 465 core and major investigations; a reduction of 8% from the 508 started in 2019/20. This reduction was due to refocussing our work on the cases that matter most to the public and where there were opportunities for learning to improve police practice.

When we became the IOPC on 8 January 2018 we inherited an open caseload of 538 investigations from the IPCC, our predecessor. Closing these has been one of our main priorities and by the end of 2020/21, only three remained open.

We completed 426 core investigations in 2020/21, 258 fewer than the 718 we completed in 2019/20 and similar to our completion rate in 2016/17 when we completed 446 investigations. At the end of 2020/21 our open caseload was 312 investigations, 304 of these were core investigations.

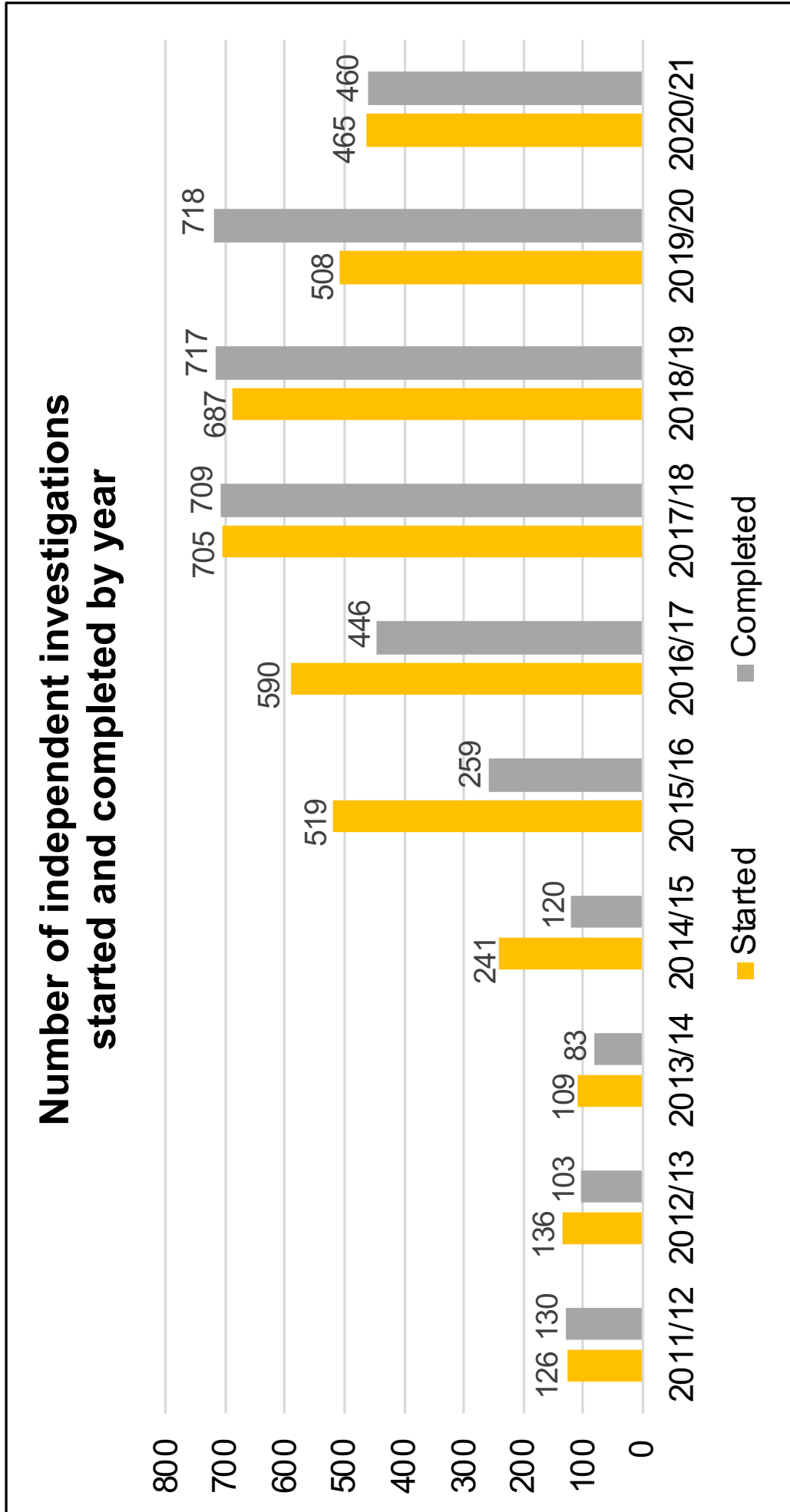
Age of open caseload

By the end of 2020/21, 90% of our open caseload had a duration of less than 12 months. The proportion of the open caseload less than six months old had decreased slightly from 66% at the end of 2019/20 to 60%. In contrast, the proportion of cases that were open for between 6 and 12 months had increased from 17% to 31% indicating a more even spread of the caseload younger than 12 months old. However, the proportion of the open caseload older than 12 months had decreased from 17% at the end of 2019/20 to 10% by the end of 2020/21.



The average time to complete core investigations during 2020/21 was just over eight months (177 working days). We have seen an improvement on 2019/20 average durations, which were over nine months (195 working days).

Thematic areas are areas of public interest where our involvement is likely to have an impact on improving confidence in policing. We continue to investigate serious and sensitive cases that fall outside of our chosen thematic areas, but identified these thematic areas as being of particular concern to both the public and forces. In selecting these cases we consider if there are opportunities for learning, any force specific concerns, or if there is potential for good practice to be identified. As we carry out more independent investigations involving these areas, it enables us to identify wider patterns, build up a body of evidence about where improvements are needed, and make learning recommendations.



The Hillsborough investigations

On 15 April 1989, more than 50,000 men, women and children travelled to Sheffield to watch the FA Cup Semi-Final between Liverpool and Nottingham Forest at Hillsborough Stadium, the home ground of Sheffield Wednesday Football Club.

Just minutes after kick-off, news of a fatal crush in the Leppings Lane end terraces emerged, which remains to this day the worst disaster in British sporting history.

Ninety-six Liverpool supporters died, hundreds were injured and countless more were left traumatised by the events that unfolded that afternoon.

In October 2012, alongside Operation Resolve, we began the biggest independent investigations into police misconduct ever undertaken in England and Wales.

There are two Hillsborough investigations. Operation Resolve investigated the disaster itself, including all of the organisations involved. Our role with this investigation has been to provide independent oversight of the elements that relate directly to the actions of South Yorkshire Police (SYP).

The second investigation is our independent investigation into the police's actions following the disaster and whether there was an attempt to deflect blame from SYP.

The trial relating to our investigation into the actions of SYP concluded on 26 May 2021 after the judge

ruled that there was no case to answer for the three defendants. Peter Metcalf, a solicitor acting on SYP's behalf, former Chief Superintendent Donald Denton, and former Detective Chief Inspector Alan Foster had all been charged with perverting the course of justice in relation to the amendment of statements prepared for the Taylor Inquiry in 1989. The judge dismissed the case on the basis that the Taylor Inquiry was an 'administrative' proceeding, rather than a legal one, and therefore the defendants could not have perverted the course of justice.

We will publish a comprehensive final report covering both Hillsborough investigations once all processes surrounding the investigation have been completed.

The report will include findings for approximately 160 individual complaint and conduct investigations, along with details of the lessons learned from carrying them out. Significant progress has been made with these individual investigation reports over the last year and a dedicated decision-maker has been appointed to oversee all decisions related to each one of them.

Operation Linden – Rotherham child sexual abuse

Operation Linden is investigating South Yorkshire Police's response to historical reports of child sexual abuse in Rotherham.

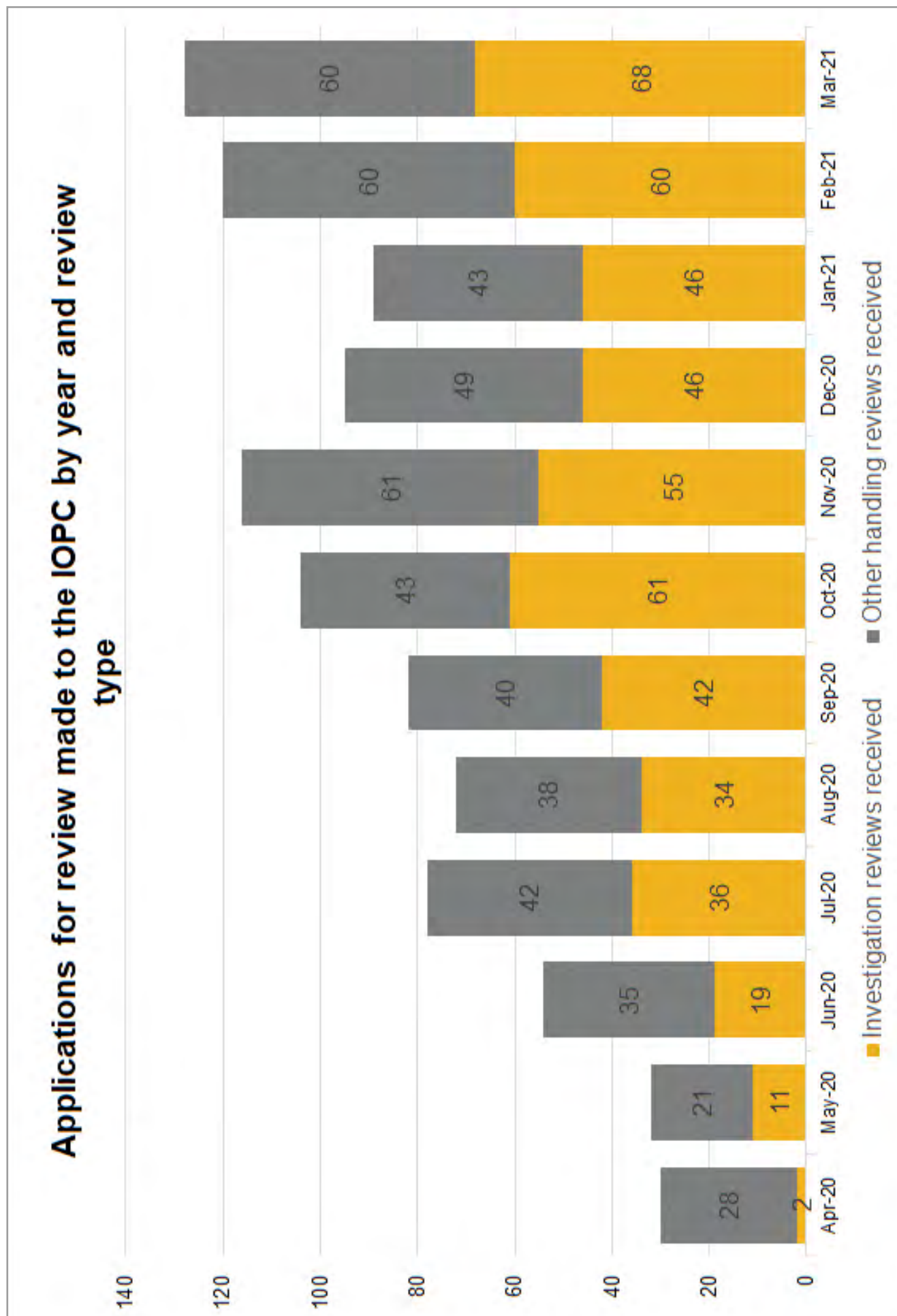
This investigation has involved a significant amount of work with relevant evidence dating back as far as the 1990s. We have maintained a ‘survivor first’ approach throughout and have continued to update those directly affected by our work.

The 91 investigations that make up Operation Linden are now complete. One gross misconduct case remains outstanding and we are awaiting a hearing in South Yorkshire Police. Our full investigation report will be published once all proceedings have been concluded.

Reviews

Where a complaint has been recorded under Schedule 3 of the *Police Reform Act 2002*, the complainant has a right to apply for a review of the outcome of the complaint. Reviews consider whether the outcome of the handling of the complaint is reasonable and proportionate.

These reforms were implemented from 1 February 2020. Since then, the number of reviews we receive has been increasing as complaints handled under the new regime start to work their way through the system. In total, we received 1,000 reviews during 2020/21.



Where we do not have enough information to decide on a review of a police force investigation, we can request that the force undertakes further work to gather additional evidential material. During the year we sought further work in nine investigation reviews.

Given reviews are new, we had no indication of how much time it would take to process them. Although the process is similar to appeals in some ways, different considerations and actions are available.

Our target was to complete 65 per cent of reviews relating to complaint investigations and other forms of complaint handling within 35 working days. We achieved a figure of 45 per cent. The average time taken to complete investigation reviews was 55 working days and other handling reviews was 41 working days.

Because the reviews were a new right introduced in February 2020 as part of legislative reform, we had no baseline for setting the target. The reviews target was based on the appeals target, but reviews are different to appeals because they have different grounds and processes for handling.

We found that in many cases, reviews took longer to complete. They are often more complex to process because we moved from the rigid grounds of appeals to a more customer focused approach of a reasonable and proportionate outcome. Timeliness was also affected by the challenges of the pandemic, needing to process cases under two sets of legislation (appeals and reviews)

and creating and delivering a training programme so that staff had the knowledge to process reviews. For the 2021/22 year, we changed the target to 50 working days from the point when background papers are received to reflect the baseline year.

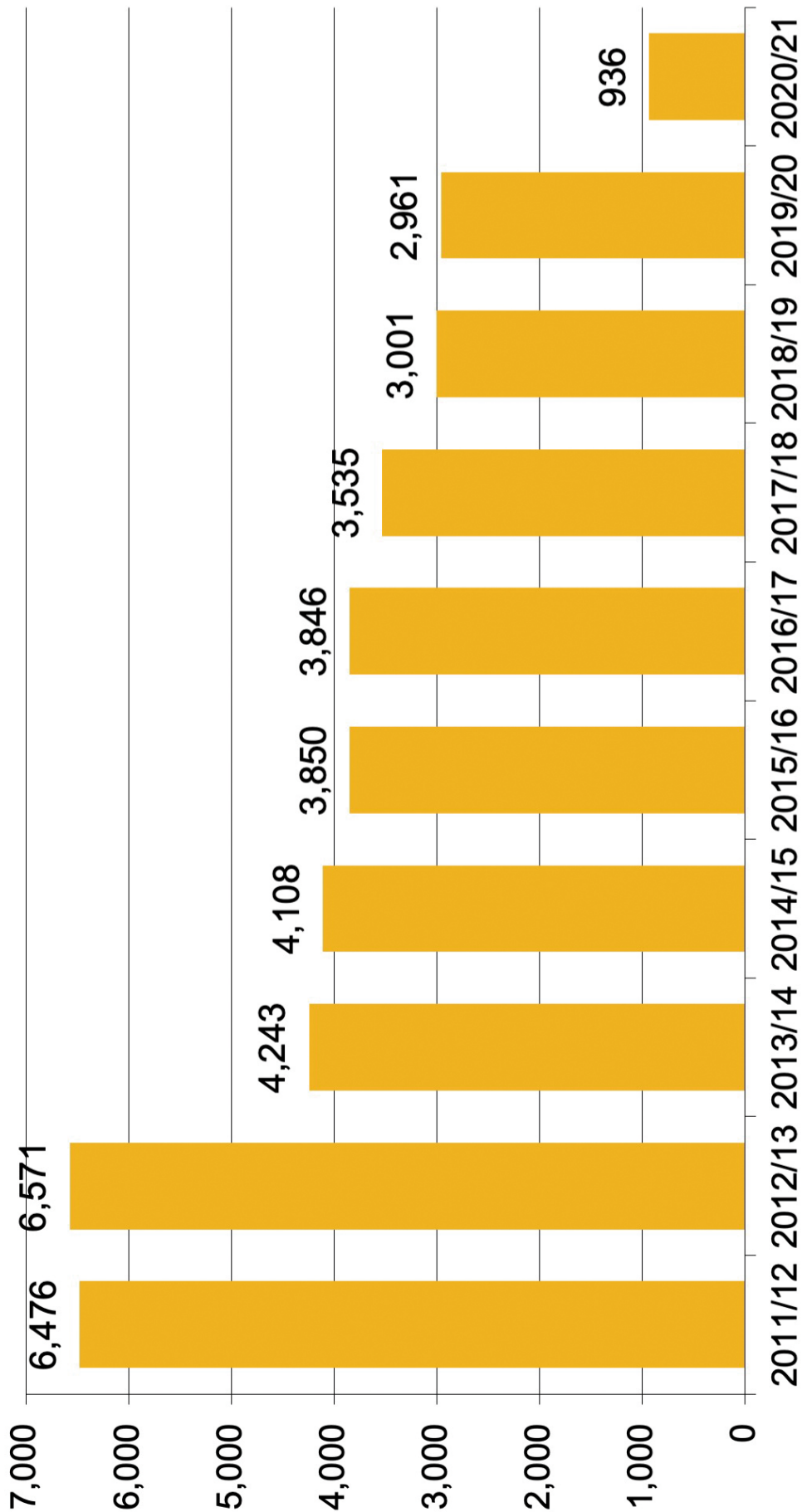
Appeals

The number of appeals we receive has gradually been decreasing since 2013/14. We received 936 appeals this year – 68% fewer than in 2019/20. This was anticipated following legislative changes introduced on 1 February 2020, which replaced the former right of appeal with the right of review. The reduction was largely due to the fall in non-recording appeals.

Our target was to complete 65 per cent of investigation and local resolution appeals within 35 working days. We achieved a figure of 58 per cent. A number of factors had an impact on appeals performance in 2020/21. Many legacy appeal cases received towards the second part of the year were often more complex and took longer to process, given their historic nature. Working within, and appropriately resourcing, two sets of legislation has also been a challenge given fluctuating volumes of work received week by week. COVID-19 had a significant impact on our available operational resource in 2020/21, which affected our performance.

The average time taken to complete investigation and local resolution appeals was 41 working days – three working days more than our average time in 2019/20.

Appeals made to the IOPC by year



Oversight of the police complaints system

Following the launch of the legislative changes to the police complaints system in February 2020, we carried out significant oversight work to ensure the changes around complaint handling were embedded. We have constructive relationships with police force professional standards departments (PSDs) and monitor their performance and hold them to account for their performance in complaint handling.

In advance of the legislative changes, we began building relationships with Local Policing Bodies (LPBs), which now have an enhanced role in the police complaints system. LPBs oversee the way their police force handles complaints at a local level, as well as having a review function. We have worked with them to develop our mutual oversight roles, share learning and promote consistency.

To support this, we introduced a programme of interventions in 2020/21 concentrating on three key areas of complaint handling:

Mutual oversight workshops

We hosted six regional mutual oversight workshops with LPBs. The purpose of the workshops was to discuss and develop ideas around sharing national and local intelligence and oversight issues. They also provided an opportunity to discuss how we can monitor and ensure consistency in the organisational learning recommendations made to forces by us and LPBs.

One positive outcome from the workshops has been the creation of a standard agenda for meetings between us and LPBs. We also reviewed the frequency of our meetings. We are looking at options for setting up regional LPB practitioner groups to encourage collaboration and share knowledge around oversight matters.

Reviews workshops

We hosted eight workshops for both our staff and LPS staff with responsibility for handling reviews. Through discussions and exercises, the workshops identified the elements of effective review handling, and provided an opportunity to share learning.

Using information gathered during the workshops, we developed a set of frequently asked questions. We shared quick time learning identified from the workshops in our monthly newsletter as well as guidance documents on certain areas of complaints handling. The workshops were well received and we are looking at ways to continue this type of engagement in the year ahead.

Initial handling file sampling

We sampled complaint files from eight police forces and one PCC's office to identify good practice in the early stages of handling expressions of dissatisfaction. The sample included 322 cases from complaints handled during the first eight months of the new legislation taking effect. We also held professional discussions with complaint handlers from five forces to understand their

experiences of the new system. We will share the positive practice we identified with police forces and LPBs.

Referrals from other organisations under our remit

We are responsible for the way that certain complaints and conduct matters about chief officers, PCCs, and some non-police organisations are handled.

This includes:

- complaints or conduct matters referred to us by PCCs about the conduct of a Chief Officer (or Deputy Commissioner of the Metropolitan Police Service)
- serious complaints and conduct matters about PCCs, the Mayor's Office for Policing and Crime and their respective deputies which constitute or involve the commission of a criminal offence. Police and crime panels (PCPs) are required to refer these to us
- serious complaints against the National Crime Agency (NCA), including complaints relating to proceeds of crime activity
- certain types of serious complaints against Home Office staff carrying out some border and immigration functions (including those against staff contracted by the Home Office to carry out certain functions on their behalf)
- serious complaints against Her Majesty's Revenue and Customs (HMRC) staff

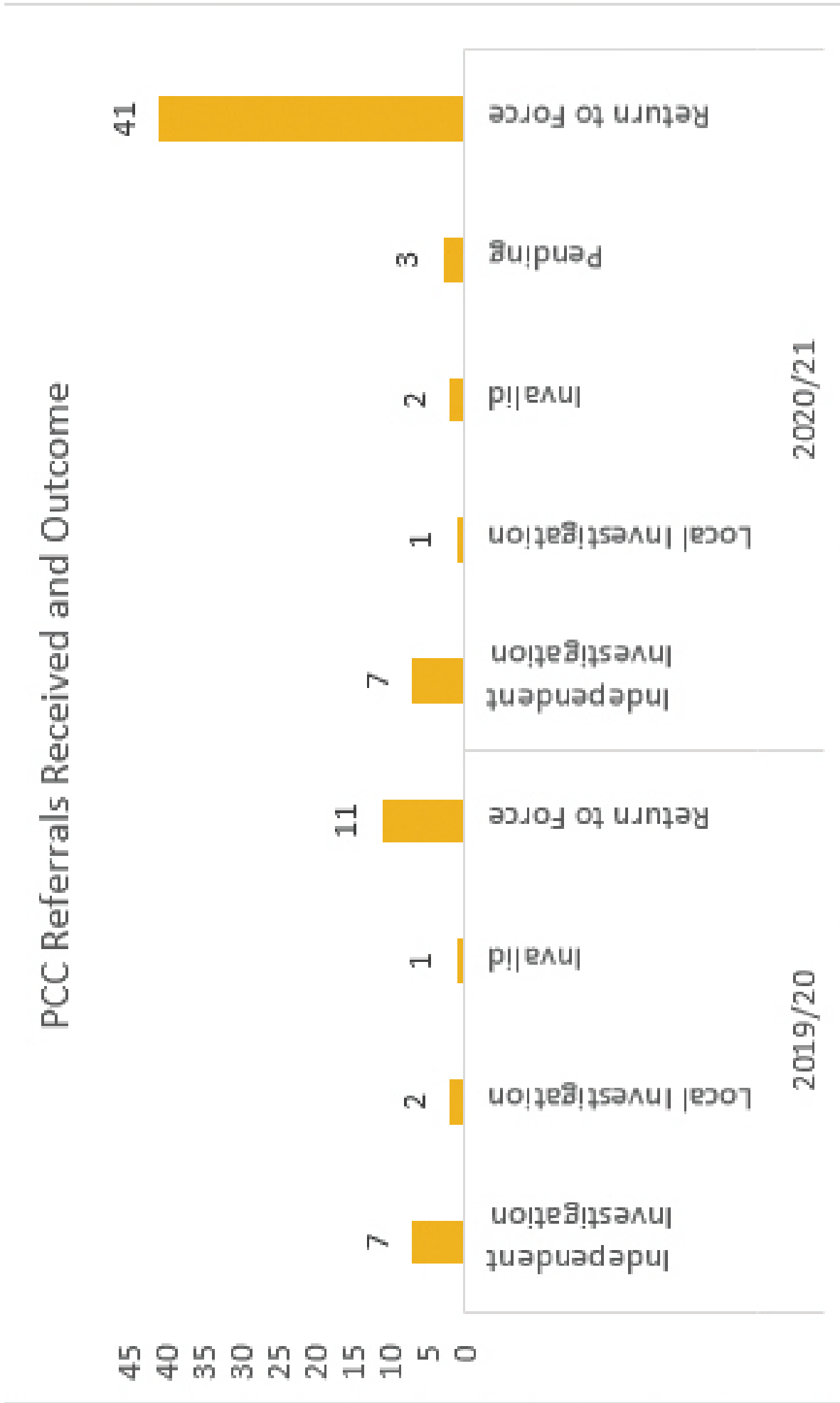
- people acting as labour abuse prevention officers (LAPOs) at the Gangmasters Labour Abuse Authority (GLAA)

After receiving a referral or complaint, we assess whether to investigate the matter. We may decide that it does not need to be dealt with under the regulations, in which case the organisation can deal with it through internal processes or take no further action.

We aim for these organisations to learn from our work and improve their practice as a result.

Referrals from PCCs in 2019/20 and 2020/21

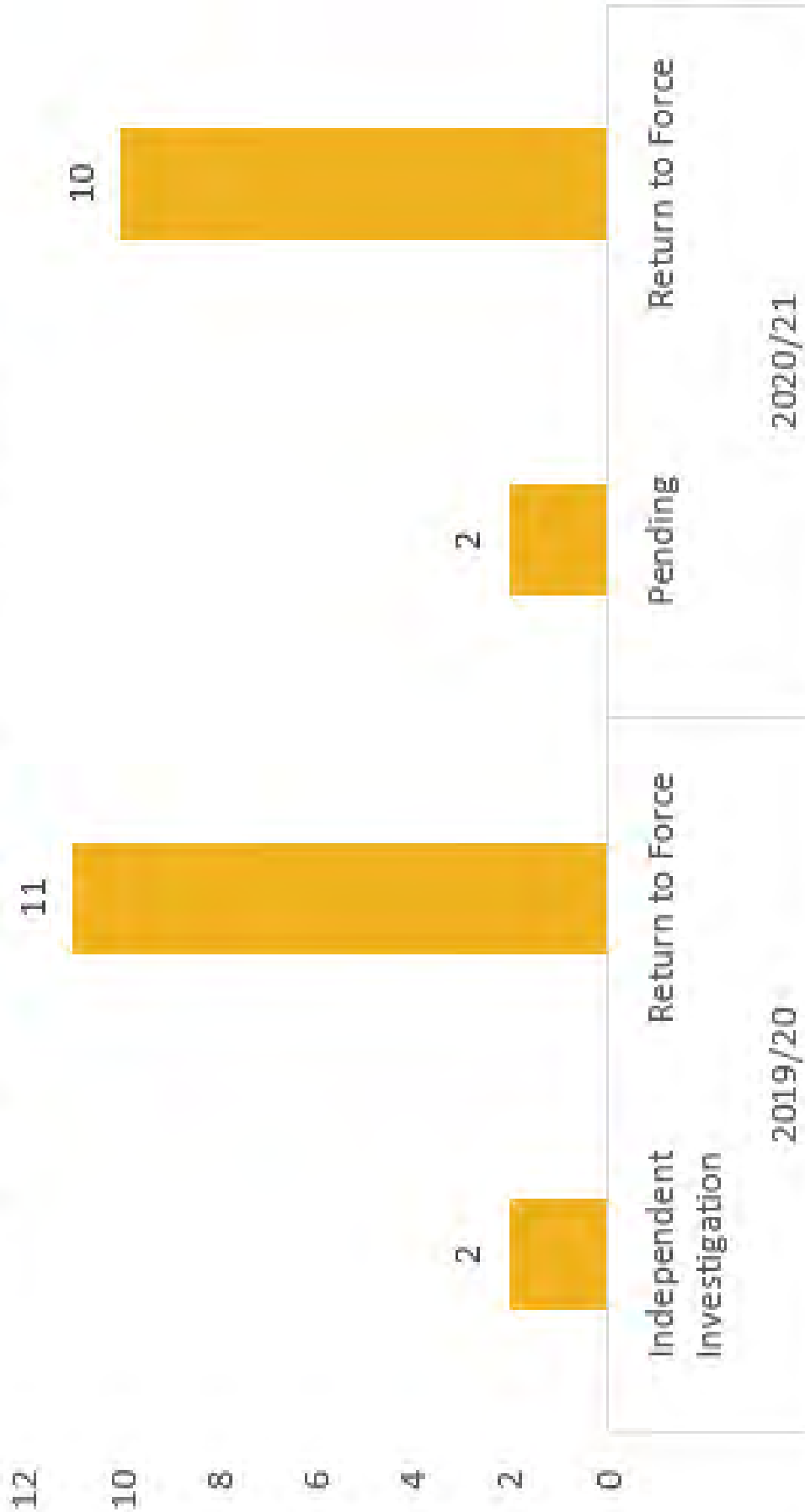
When referrals to the IOPC relate to a chief officer, different tests apply depending on whether the referral involves a complaint or a conduct matter. The chart below shows the number of PCC referrals and their outcome. There has been minimal change in performance from 2019/20 with the exception of those returned to force, which increased to 41 in 2020/21 compared to 11 in the previous year.



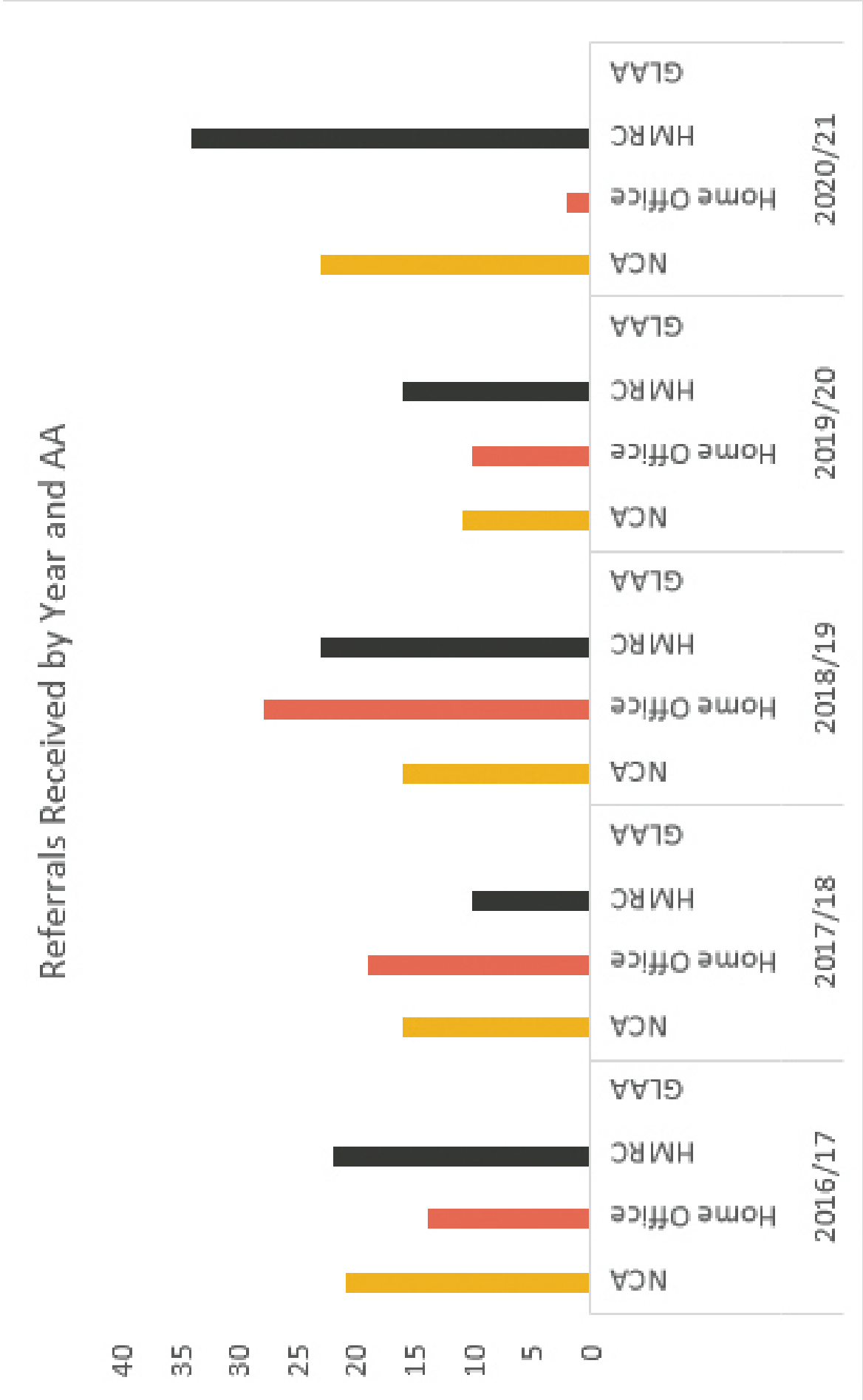
Referrals from PCPs in 2019/20 and 2020/21

The chart below shows the number of PCP referrals received and their outcome.

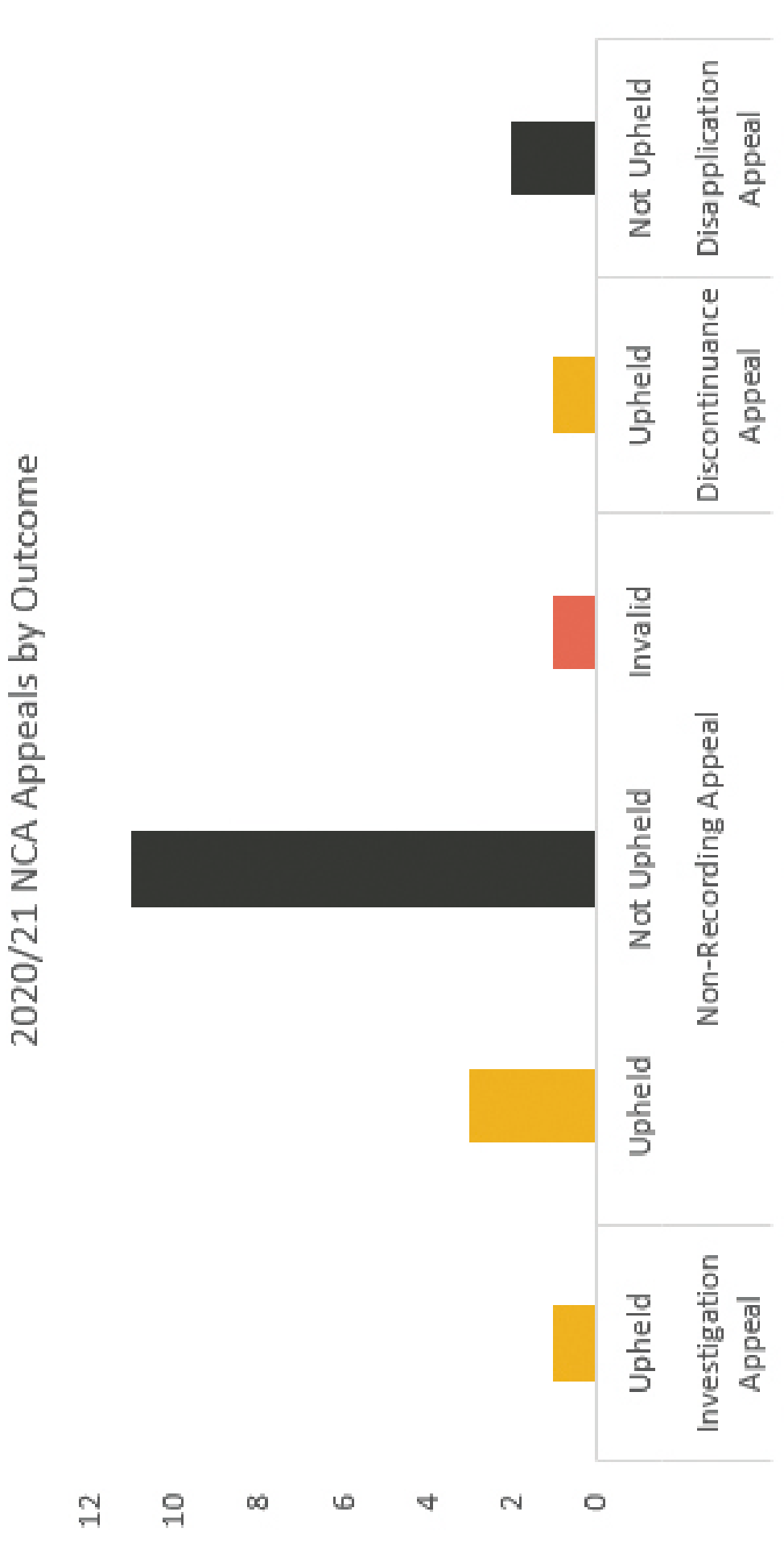
Number of PCP Referrals Received and Outcome



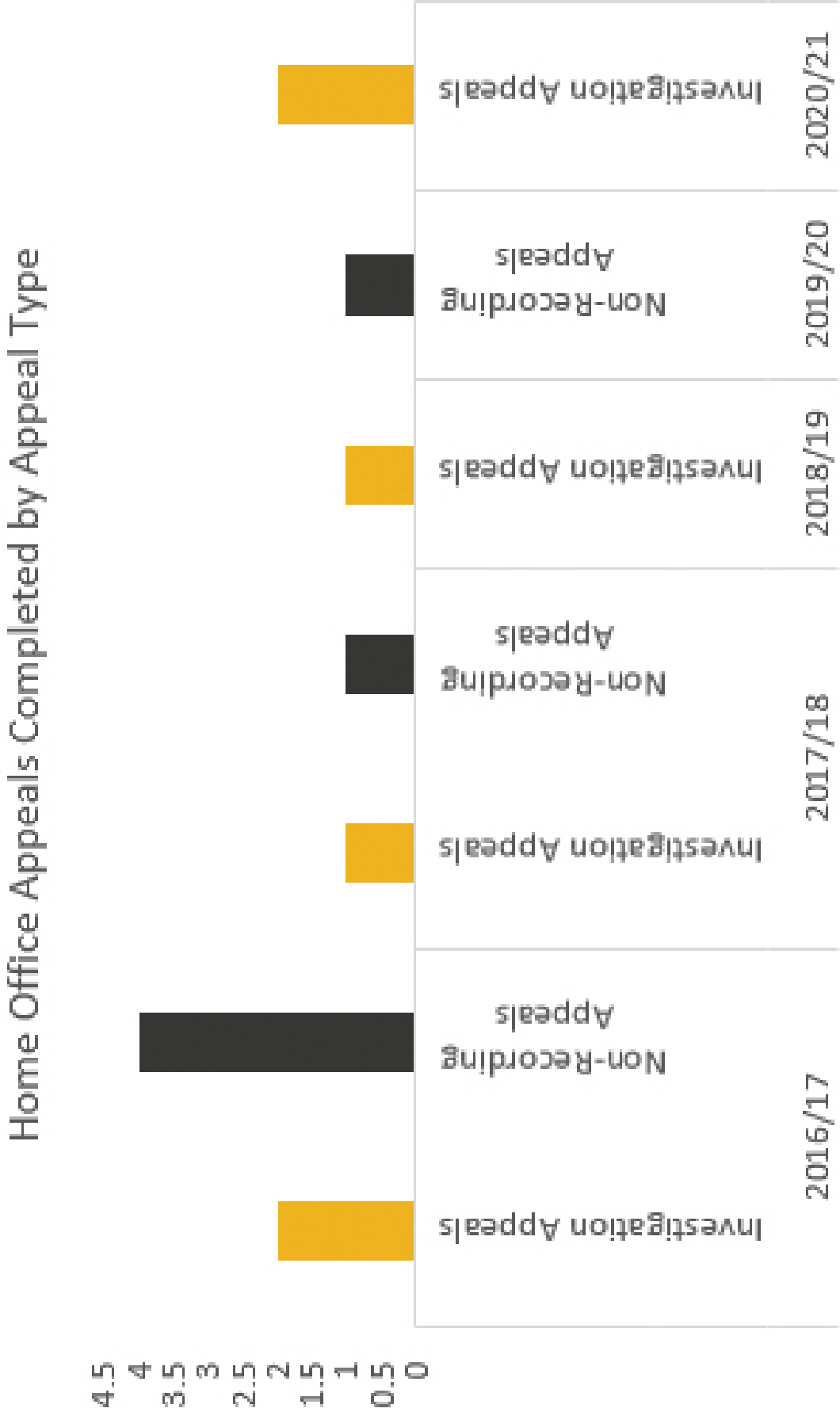
89 The chart below shows the number of referrals received over the last five years, broken down by year and organisation.



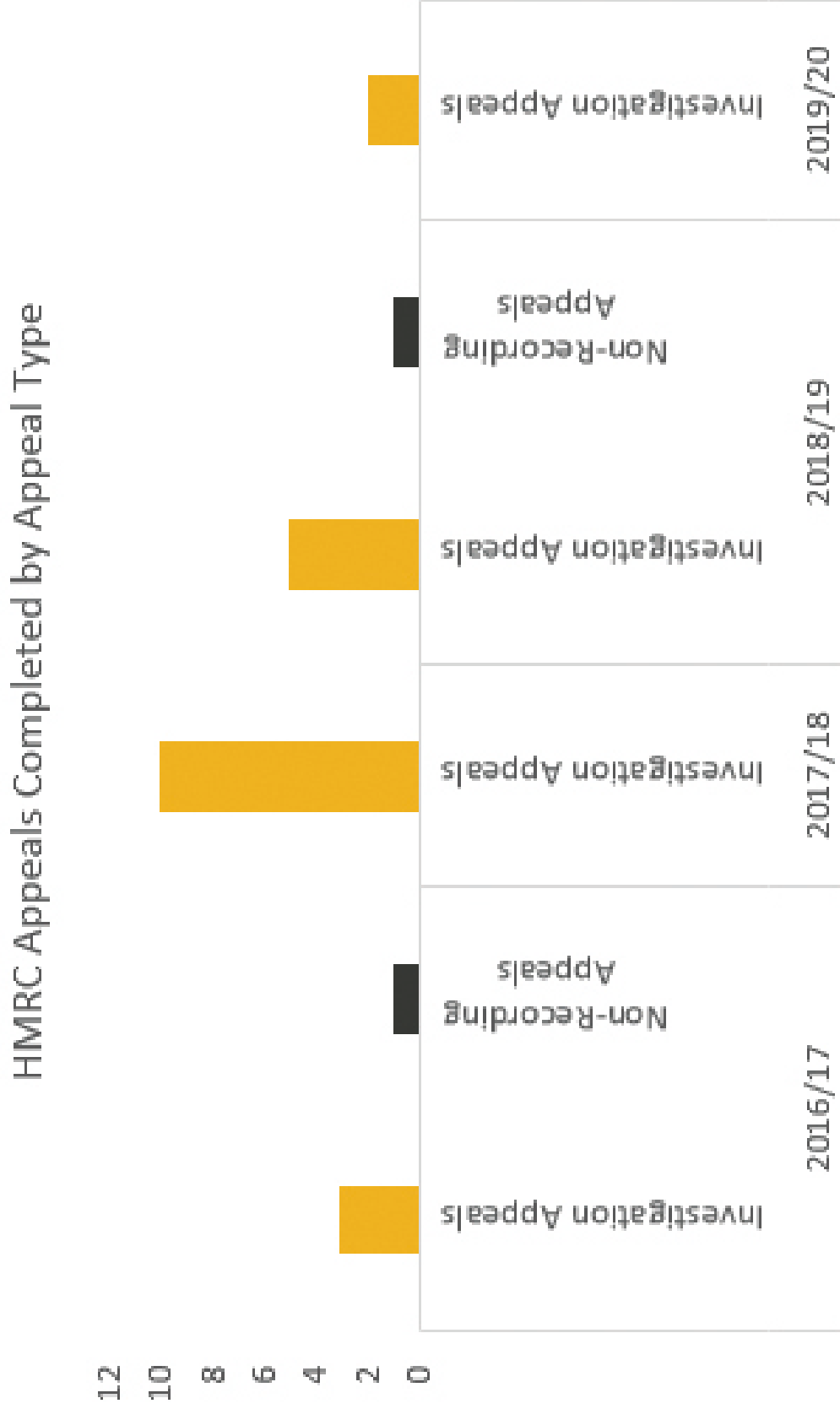
The chart below shows the outcomes of NCA appeals completed in 2020/21 broken down by appeal type.



88 The chart below shows Home Office completed appeals data broken down by appeal type. We completed two Home Office appeals in 2020/21, both of which were not upheld.



The chart below shows five years of HMRC completed appeals data broken down by appeal type. We did not complete any HMRC appeals in 2020/21, so there is no data for this year. There were no referrals from the Gangmasters and Labour Abuse Authority in 2020/21.



Priority: to improve policing by identifying and sharing learning from our work

WHAT WE SAID WE WOULD DO

We will focus our work on areas of concern to both the public and police and work with partners to share our learning to improve policing and protect the public from harm.

WHAT WE HOPED TO ACHIEVE

Our recommendations lead to improvements in policing and prevent harm to the public.

Measuring progress against our aims

We aimed to:

- publish an annual Impact Report providing evidence of the difference we have made in improving policing and the police complaints system

We published our second Impact Report in September 2020, outlining how our work makes a difference and improves public confidence in policing. The report includes many examples of how we use learning from our work to influence changes in policing, ensure accountability and support best practice. Our 2019/20 Impact Report has received 435 unique views on our website.

- increase to 95% the proportion of stakeholders who agree that our Learning the Lessons magazine is a helpful tool to drive change in police policy

Ninety-one percent of respondents to our reader survey said the magazine is a useful tool to help drive change to policy and practice. Information about our Learning the Lessons magazine is provided on page 43-44.

We monitored and responded to:

- the proportion of learning recommendations that are accepted by police forces

Information about our learning recommendations is provided on page 42.

- the proportion of stakeholders that think the IOPC is effective in raising standards in police forces

The data below shows the results of our 2020/21 stakeholder research. Of those who participated, 61% of police stakeholders, 62% of police accountability stakeholders, and 49% of non-police stakeholders thought that the IOPC was effective in raising standards in police forces.

- the proportion of stakeholders that think the IOPC is effective at ensuring police forces learn from complaints

The data below shows the results of our 2020/21 stakeholder research. Of those who participated, 61% of police stakeholders, 67% of police accountability

stakeholders, and 50% of non-police stakeholders thought the IOPC is effective at ensuring police forces learn from complaints. There has been improvement on key measures, particularly in the way police deal with complaints and ensuring the police learn from complaints. For these percentages to increase further, stakeholders are keen to see that more is done to embed learning throughout police forces and when engaging with the public.

Background to this priority

We continued to focus on identifying and sharing learning during 2020/21. Complaints from the public and the serious incidents we investigate offer opportunities to understand how policing can be improved to prevent these issues happening again. Changes made as a result of learning ultimately improve the police service for everyone and protect the public from harm. We work closely with others such as Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS), the College of Policing (CoP) and PCCs to develop collective priorities, share learning, and create collaborative work programmes that promote improvements.

Our work in 2020/21

Making an impact through sharing learning

Making recommendations during the course of our investigations and casework is one way in which we help

to improve policing practice and public confidence in policing, both locally and nationally.

During 2020/21 we made 216 recommendations. We shared 31 of these with all forces in England and Wales, or directed them to national organisations, such as the National Police Chiefs' Council (NPCC) and the CoP. Of these, 132 were issued under Paragraph 28A of Schedule 3 of the *Police Reform Act 2002*. Where a recommendation is issued under this power the recipient is required to provide a response. Where a response has been received, 104 recommendations were accepted, and 14 were not accepted.

Throughout the year, we continued to support our people to develop in this area. Some highlights of this work include:

- continuing to grow and develop our network of recommendations champions, and our recommendations operations practitioner group (OPG), both of which provide expertise around recommendations
- refreshing and relaunching our guidance for staff on the recommendations process, including new hints, tips and resources to help improve the quality of recommendations and their impact on policing
- developing new e-learning packages for staff (due to launch in early 2021/22) to help develop

their knowledge of the process for identifying and developing effective learning recommendations

- delivering a series of virtual sessions for staff to help improve their use of our organisational learning recommendations tracker (OLRT) – an internal tool used to record and track the development of recommendations
- beginning a programme of ongoing data cleansing work to help improve the quality of data recorded in the OLRT
- launching a new recommendations dashboard to help managers track the number of recommendations in development and being issued

Our 2020/21 Impact Report will include more information about the recommendations we made during this year and their impact. We expect to publish this in autumn 2021.

Our report on Deaths during or following police contact, Statistics for England and Wales 2019/20 was published last autumn. We expect to publish the report for 2020/21 this summer.

Anonymised investigation summaries published on our website also provide details about our investigations, including the evidence we gathered, outcomes for the officers and staff, and details of any learning identified. Investigation summaries help to increase public

confidence by showing we are transparent about what we investigate, and about the outcomes of our investigations.

Our Learning the Lessons magazines support police forces to improve police policy and practice. Short, anonymised case studies and questions about real-life cases help readers to consider whether they need to make any changes in their own force.

This year we adjusted our publication schedule as a result of COVID-19. Many of the stakeholders involved in developing and using the magazine have been experiencing reduced capacity or working in different ways as a result of the pandemic.

In December 2020, we published Learning the Lessons 38, our first to focus on roads policing. This issue included ten new cases, as well as articles on:

- the IOPC's Subject Matter Network on roads policing
- the role of the NPCC's lead for roads policing
- changes in driver training over the past decade in response to changes in roads policing
- Brake's national road victim service
- the key messages emerging from HMICFRS's recent roads policing inspection
- the roads policing academic network and some of its recent research

Issue 38 was downloaded 1,297 times by 31 March 2021.

We seek contributions and input from a range of contributors and have an advisory panel of more than 91 members. Panel members make an important contribution to the magazine, providing feedback on drafts, and suggesting articles and features. During 2020/21, we added 15 new members to the Panel, bringing the total number of members to 91.

Throughout the year we have been working to develop issues on child sexual abuse (CSA), and abuse of powers. The CSA edition was published in May 2021.

You can read all our Learning the Lessons content on our website.

Responses to our Learning the Lessons magazine readers' survey

- 100% of respondents (22) said the structure of the magazine felt about right
- 95% of respondents (21) said the mix of cases and feature articles felt about right
- 91% of respondents (20) said the case summaries were clear and easy to understand
- 91% of respondents (20) said the magazine is a useful tool to help drive change in police policy and practice

- 90% of respondents (20) said the magazine provides them with useful knowledge to supplement information they receive from training, briefings or practical experience
- 91% of police drivers responding to Q7 (11) said that after reading issue 38 they would reflect on their experience and consider whether they need to do anything differently
- 50% of police drivers responding to Q7 (5) said that reading issue 38 has prompted them to change their behaviour in one or more areas where learning has been identified in the cases featured
- 95% of respondents (19) said that they intend to share issue 38 with colleagues to help share the learning it contains

(Please note – response rates for each question vary.)

Race discrimination thematic

In September 2020 we launched race discrimination as a thematic area of focus to establish the trends and patterns which might help drive real change in policing practice in this area. Our work on discrimination comes at a time of intense public scrutiny following the tragic death of George Floyd in America, the Black Lives Matters movement, and heightened concerns around racial disproportionality and discrimination in policing in the UK. Our thematic work around race discrimination will

allow us to have a strong evidence-based voice in the current conversations.

We prioritised work to develop guidance for operational decision-makers. The guidance addresses how we can draw conclusions from the evidence collected in discrimination cases. We followed this up with targeted training. We also looked at recent race discrimination cases to identify themes and trends to inform thematic learning recommendations.

Our work in Wales

The IOPC works across Wales with the same responsibilities for Welsh and English police forces. Our Director for Wales, Catrin Evans, is a Welsh speaker and has led regular engagement with police forces and the wider policing sector, including PCCs, HMICFRS, the Crown Prosecution Service and the Probation Service.

We are committed to identifying and sharing learning from our work to help improve policing in Wales. Our Wales Stakeholder Forum held in January 2021 brought together policing and non-policing representatives. This virtual, interactive workshop focused on the themes of discrimination and disproportionality. Delegates instigated some insightful, challenging and constructive discussion. The event shared learning from our investigations around improving policing practice, as well as facilitating constructive discussion on our own work and performance. Feedback from participants was very positive, particularly around an interactive

session where we presented case studies of some of our discrimination work.

We extended our working relationships with Members of the Senedd with responsibility for the interface between policing and devolved matters. For instance, we held separate meetings with Jane Hutt and John Griffiths, chair of the Cross-Party Group on Policing. We also widened the scope and reach of our stakeholder engagement this year and met with the Wales Commissioners for Children and for Older People, and with the Future Generations Commissioner to discuss collaboration work. We are considering proposals for engagement between the IOPC's Youth Panel and the Commissioner's Advisory Panel.

We have continued to ensure that we meet our Welsh language commitments under the *Welsh Language Act 1993* and the *Welsh Language Measure 2011*. We have maintained our good working relationship with the office of the Welsh Language Commissioner and continued work to build on our compliance with the Welsh Language Standards, ensuring that we provide a service to Welsh-speaking members of the public. Our Management Board has approved our Welsh Language Strategy and work is ongoing to implement the Delivery Plan. Key information is available in Welsh on our website.

Priority: to improve confidence in police accountability

WHAT WE SAID WE WOULD DO

We will engage with a range of stakeholders and communities, focusing on those with the least confidence in policing, so they understand their right to complain and expect fair and just treatment in response to complaints and serious incidents.

WHAT WE HOPED TO ACHIEVE

Those with low confidence in policing access and value the police complaints system.

Measuring progress against our aims

We aimed to:

- improve performance on the following key measures in our public perceptions tracker:
 - the proportion of young people who are confident that the police deal with complaints fairly
 - the proportion of the public from a BAME background who are aware of us

We regularly survey members of the public to assess their perceptions and awareness of the police, the police complaints system, and the IOPC. Our public perceptions tracker collects this data allowing us to track our performance throughout the year. In 2020/21 we ran

three surveys across England and Wales. The results showed:

- 37% of young people surveyed were confident that the police deal with complaints fairly. This compares to 52% the previous year
- 53% of people from a BAME background surveyed said they are aware of the IOPC. This compares to 48% the previous year

The proportion of young people who are confident that the police deal with complaints fairly dropped in 2020/21. Recent news stories are likely to have had some impact on public opinion about policing and police accountability. Although this has affected overall confidence in the police dealing with complaints fairly, the evidence from our Public Perceptions Tracker suggests that it is the confidence of young people that has been particularly affected.

We monitored and responded to:

- the proportion of stakeholders who think we are improving public confidence in the police complaints system

Figures from our 2020/21 survey show that 42% of police stakeholders, 56% of police accountability stakeholders and 40% of non-police stakeholders think we are improving public confidence in the police complaints system.

These figures have increased from the previous survey carried out in 2019, which showed that 28% of police stakeholders, 38% of police accountability stakeholders and 30% of non-police stakeholders thought we were improving public confidence in the police complaints system.

Improving public confidence is an area where stakeholders believe there is room for improvement. They generally believe that the IOPC could do more to engage with the public to improve public confidence, including doing more to engage with communities.

We are not able to provide the percentage of complaints made by young people and Black, Asian and minority ethnic people because the data for the full financial year is not yet available. We expect this information to be available and published on our website by March 2022.

Background to this priority

Independent oversight of the police complaints system is vital. A police complaints system that is trusted by the public and the police is key to maintaining confidence in policing. Police officers have significant powers that can impact on people's liberty and lives and when trust and confidence is strained, crime is less likely to be reported and people are less likely to provide intelligence to the police.

It is important we demonstrate our independence by making impartial, fair and evidence-based decisions.

This means we listen and consider the views of all those involved carefully, but our decisions are based solely on facts and available evidence.

An important part of our role is to provide community reassurance when a critical incident happens that might affect public confidence in policing or cause community tensions. In these situations, we provide a range of support – from talking to local community leaders to issuing media releases and engaging with the local police force or PCC. Our Stakeholder Engagement Strategy 2019-22 sets out how we listen to and build relationships with voluntary, community sector and advocacy groups representing the public, complainants and families, as well as engaging with our statutory and policing stakeholders. We have dedicated stakeholder engagement teams across England and Wales and continue to focus resources on building local and national relationships.

Our work in 2020/21

Building awareness of the IOPC

In March 2019, research told us that 40% of respondents said they had heard of the IOPC. While there is still more to do to ensure the public understand our role and work, recent research indicates an increase, with 51% of respondents saying they had heard of the IOPC.

We know that we still need to do more to raise awareness of the IOPC's role and impact and in 2019 developed a new three-year communication strategy to drive this.

In 2020/21 we worked with our youth panel to develop a range of resources to build young people's awareness of the police complaints system, worked to improve the accessibility of our website and commenced work on redevelopment of a new website by mapping user requirements with internal and external stakeholders.

Media is an important conduit for building public confidence and helps raise awareness of our work, and the outcomes that follow our investigations. Last year we issued just over 200 proactive media releases about our investigations, thematic work and reports and we handled more than 1,600 media inquiries

Our website is an important source for information about our work, and also a key channel for making a complaint. Our website includes information about both our own performance and outcomes from the police complaints system. Unless there are exceptional reasons, we publish each investigation report or an investigation summary on our website. During the year we had 470,324 unique visits to our website.

Social media also provides a key channel for engaging with audiences. Through Twitter, we currently connect with more than 33,232 followers and we have 2,559 followers on LinkedIn.

Our Monthly Roundup newsletter, our media releases and investigation summaries commonly include examples of the learning we have identified and the outcomes of our work. These channels promote transparency and show how our work is making a difference.

In 2021/22, we will launch a regular corporate e-newsletter to inform and engage with broader audiences.

Victims' Right to Review scheme launched

At the end of our investigations we produce a report setting out what happened, what evidence our investigators found and our analysis of the evidence. We also make decisions about:

- whether the police officers/staff involved should face any disciplinary action or action to improve their performance
- whether, in certain circumstances, to refer matters to the Crown Prosecution Service (CPS). The CPS is responsible for deciding whether anyone should be charged with a criminal offence

In December 2020, we launched our Victims' Right to Review, publishing our policy and information explaining how it operates. Under the scheme, victims and their family members may seek a review in certain cases where we decide not to refer an investigation to the CPS. The policy sets out full details of when this right applies.

We introduced the scheme in response to feedback from victims. It brings us in line with similar schemes operated by the CPS and police forces. We updated our guidance for staff and provided training for those involved. We anticipate that around 45 cases will be eligible for review each year under the scheme and will monitor the number of requests we receive.

Our research on public perceptions

Our 20/21 public perceptions survey results showed that the percentage of the public who are confident that the police deal with complaints fairly dropped slightly to 49%, from 53% in 2019/20. Recent news stories – on ‘Kill the Bill’ protests and Sarah Everard, along with Black Lives Matter and the COVID-19 pandemic – are likely to have had some impact on public opinion about policing and police accountability. Each of these stories has been widely noticed, and coincide with a slight fall in the proportion who think that the UK police respond in a fair and proportionate way when dealing with incidents involving members of the public.

There appears to have been a particularly strong effect on young people aged 18-24, who are much less likely to feel positive towards the police than a year ago and less likely to be confident in its complaint handling. Thirty-seven per cent of young people surveyed confident that the police deal with complaints fairly, compared to 52% the year before.

Public perceptions data shows that confidence in the IOPC doing a good job is stable at around 43% (44% in 2019/20).

Our research on stop and search

While stop and search is a necessary part of the policing toolkit, it also needs to be used with care. Its practice provokes a range of different opinions and emotions. Some may come from lived experience, from being subject to a stop and search or from working in a related area.

Our national survey in November 2020 showed that just 28% of respondents from a Black, Asian or Minority Ethnic (BAME) background think the police should continue using stop and search as they are.

Of those surveyed who said stop and search is not applied as it should, 63% do not believe the police apply it in the same way to all groups. Close to half (47%) of the same category of people said they believe the police apply stop and search when there are not reasonable grounds to do so.

Stakeholder engagement

Listening to stakeholders and communities is a key part of our work to increase our understanding of the communities we serve. Despite the challenges of the pandemic on our engagement work, we placed an even greater emphasis on working with people from diverse communities. Building the trust and confidence of all

groups, but particularly those with the lowest levels of trust in policing and the complaints system, is vital in a society where we police by consent.

Our Stakeholder Engagement team has implemented bespoke community engagement plans in each of our regions and in Wales to raise awareness of the IOPC and provide opportunities for communities to share their experiences of policing. We held over 300 community-focused meetings with diverse stakeholders, including independent advisory groups, local government, religious groups, schools, community and advocacy groups, youth groups, Black, Asian and minority ethnic groups, Members of Parliament, equality councils, police forces, and staff from the offices of police and crime commissioners.

Within the context of the Black Lives Matter protests and COVID-19, community tensions with police over the last 12 months have been heightened. We increased our engagement with Black, Asian and minority ethnic communities affected by serious police incidents by setting up Community Reference Groups to listen, share information, and increase the accessibility and transparency of the IOPC. We held over 30 Community Reference Group meetings and a further seven meetings on high-profile cases with affected members of the local community. We listened to concerns, provided people with clear information about how the investigation was undertaken and kept the stakeholders informed of what was happening.

We also worked to improve understanding of the police complaints system among organisations that deal with people who may come in to contact with the police, so their staff can support and advise the clients they work with. For example, we trained over 100 frontline caseworkers at Victim Support on how to make a complaint and how to support or advise someone who wishes to make a complaint about their interaction with the police.

Engaging with people who have lower levels of confidence

Research tells us that young people and those from BAME backgrounds have lower levels of confidence in the police complaints system. We are striving to make changes in this area.

The killing of George Floyd in May 2020 sent shock waves across the world and triggered Black Lives Matter protests throughout England and Wales. The protests helped to shine a spotlight on the policing of BAME communities, and the low confidence that BAME communities have in the police and in the system holding police to account.

During 2020/21, we connected with youth groups, panels and parliaments to hold online sessions to raise awareness of our work and the police complaints system and provide opportunities for questions and answers. Our Youth Panel worked both with us and directly with forces to help improve policing practices that disproportionately

affect BAME communities. Panel members took part in a consultation on a group of stop and search recommendations we made to the Metropolitan Police Service (MPS). The recommendations followed five investigations involving the stop and search of Black men by MPS officers. We reviewed the collective evidence gathered to consider disproportionality, legitimacy and how force was used. The force accepted all our recommendations. Panel members also took part in training on stop and search for City of London Police and the MPS, which has been well received.

We value the ongoing support, advice and challenge that the Youth Panel brings to our work. Highlights during the year under review include:

- creating a podcast to improve staff awareness of the Panel's work
- setting up a Youth Panel Equality, Diversity and Inclusion Advisory Board to advise on our EDI work. This work covers our approach to recruitment, training, talent and leadership development of our people
- undertaking reverse mentoring with members of our Management Board

You can read more about our Youth Panel members and their inspiring work in our latest Impact Report, which is due to be published in autumn 2021.

Our External Stakeholder Reference Group (ESRG)

Our ESRG includes external statutory and non-statutory stakeholders, such as representatives from charity and campaigning organisations, policing organisations and the Home Office. The group provides challenge and constructive feedback on our performance and key projects, and acts as an informal sounding board to discuss specific pieces of work and themes to help improve policing practice.

The group held two online meetings this year, with excellent attendance at each. Some key highlights of their work include providing helpful feedback on our draft Equality, Diversity and Inclusion Strategy, and a review of delivery of our overall strategy so far. This included a look ahead to our priorities as we began the third year of implementing the strategy.

Providing a quality service

Our service users include police officers, complainants and bereaved families, as well as a range of other interested parties. While each group may have different perspectives and often competing needs, the service standards we are committed to apply to all equally. Last year, we attained our first Customer Service Excellence® accreditation and we are proud that after an annual reassessment, we achieved reaccreditation earlier in 2021.

Use of our report line

We operate a report line for police officers and staff to report concerns of wrongdoing in their workplace. It is for situations where wrongdoing reveals or suggests that a criminal offence has been committed, or where there is evidence of conduct that would justify disciplinary proceedings. The CoP also produces guidance on reporting concerns.

In 2020/21 our report line was contacted 38 times compared to 60 times during 2019/20. The majority of the concerns raised were about either corruption, discrimination or a police PSD failing to investigate a complaint. We have various options for dealing with calls to our report line. The action we take depends on the seriousness of the concerns raised, but we must obtain the caller's consent before passing any information to a police force.

When someone contacts our report line, we assess the information they provide. Most of the reports we received in 2020/21 were suitable for the relevant force to handle.

Public interest disclosures

By law we are required to publish information about qualifying disclosures. A qualifying disclosure describes a situation in which a police officer or staff member passes on information, which they believe is in the public interest, that another police officer or staff member is doing, or is likely to do, something wrong or criminal. You can

read about qualifying disclosures in the *Public interest Disclosure Act* guidance under point 6.

Item	Information for 2020/21
Number of qualifying disclosures	4
Number of qualifying disclosures where we took further action	4
Summary of action taken	<p>For two disclosures, we asked for consent to forward the relevant information provided to the police forces.</p> <p>Two disclosures were passed to our Intelligence Unit. The unit assessed the information and liaised with other teams about whether any action should be taken.</p> <p>None of the disclosures resulted in us conducting an independent investigation.</p>
Summary of the impact these disclosures had on our ability to perform our functions or meet our objectives	No impact

Priority: to be an effective and efficient organisation

WHAT WE SAID WE WOULD DO

We will attract and retain a highly skilled, diverse workforce and provide them with a good working environment while continually improving to provide value for money.

WHAT WE HOPE TO ACHIEVE

Our highly skilled, diverse workforce delivers an excellent service, which is value for money.

Measuring progress against our aims

We aimed to:

- achieve a staff engagement score of 63%

In 2020 we were advised at short notice that arms-length bodies would no longer be included in the Civil Service staff survey. This meant we were not able to conduct a staff survey in 2020. This is now planned for 2021.

In the interim, we have conducted a number of all-staff pulse surveys to determine the impacts of coronavirus, morale and working remotely. These surveys showed that staff felt engaged, supported, well informed and had clarity on our priorities. Of the staff who responded to the December 2020 pulse survey, 91% agreed they received timely communications about changes to the way the

IOPC worked during the COVID-19 pandemic and 90% felt somewhat or very supported at work.

- ensure that 80% of our investigators achieve accreditation within 24 months

Successful investigator accreditations for those in post over two years has exceeded target and is 84%. This is an improvement on last year when 81% investigators were accredited.

Of the 273 investigators who have been in post for two years or more, 231 are accredited. Of the 43 investigators who are not yet accredited, six have completed and are awaiting accreditation, 23 are working towards completion and 14 are currently paused due to secondment, parental leave or long-term absence.

- maintain staff turnover between 8% and 10%

For most of the year, turnover was under the lower end of the target. For the year overall, it was 6.97% – higher than the 5.77% turnover we saw last year, but still below the lower end of the target.

- not exceed 2.9% staff sickness absence

Despite the pandemic, staff sickness absence in 2020/21 stood at 1.52%, achieving our aim to keep absence below 3%. It was also below the 2019/20 absence rate of 2.80%.

We monitored and responded to:

- the proportion of our people, including managers and leaders, from a BAME background, including (as measured by our annual staff survey) managers and leaders

In 2020/21, 16% of our people were from a Black, Asian or minority ethnic background. This is a small decrease on the 16.3% in 2019/20. This is due to a decrease of 19 in the total employee headcount between the two years, 6 of which were from a Black, Asian or minority ethnic background.

- the proportion of applicants from a BAME background who are shortlisted for interview

In 2020/21, 9.13% of applicants from a BAME background were shortlisted for interview. This compares to 16.83% of applicants from a White background – a gap of 7.71%. This compares to last year when 14.88% of applicants from a BAME background were shortlisted for interview, against 23.26% of applicants from a White background and a slightly larger gap of 8.38%.

Background to this priority

We are committed to providing an inclusive workplace and an environment in which our people are supported and engaged so they can achieve their full potential. We also recognise how important it is that our staff reflects the diverse population we serve. Attracting and retaining a highly skilled, diverse workforce and ensuring our staff

receive the training and development they need is an important part of ensuring that the IOPC is a great place to work.

As a publicly funded organisation we use our resources effectively to deliver the greatest impact and provide value for money – both to our service users and taxpayers. We continue to seek efficiencies and improve delivery of our services using modern technology where suitable.

Our work in 2020/21

Supporting staff health and wellbeing

Our people have been under considerable pressure in the last year with COVID-19 creating unprecedented uncertainty and limiting access to the sources of support many people usually rely on. We did a number of things to support our people during this stressful time, including providing COVID wellbeing resources, bringing together government advice and guidelines and internal information. Our wellbeing guides cover topics such as mental health, bereavement, and working from home healthily.

With the strain of lockdown in mind and knowing that workplace support can be a lifeline for people experiencing domestic abuse, we fast-tracked work to provide internal domestic abuse guidance. The guidance is aimed at people who may be experiencing domestic abuse as well as those who are concerned that someone

else may be. We also trained seven staff to act as domestic abuse ambassadors.

Our Café Connect sessions, which were facilitated by an external NLP practitioner, provided staff with a confidential safe space to discuss anything that might be impacting on their wellbeing. We also offered virtual lunches with themed topics of conversation to help staff stay connected.

We enhanced our STREAM peer support provision and arranged continuing professional development (CPD) training for all our STREAM practitioners. Recognising that line managers are often the first port of call when colleagues need support, we also created a toolkit for managers to assess their own wellbeing, and to monitor and support the wellbeing of their teams.

Equality, diversity and inclusion

Colleagues from Black, Asian and ethnic minority (BAME) backgrounds told us that they didn't feel supported at the IOPC, and that their development opportunities were limited. This meant they were leaving to work for other organisations, were not progressing in their careers, and in some cases, it was affecting their health. We want our culture to be one in which everyone has the same opportunities, and the same feeling of belonging so we took a number of steps in response.

Every day, our BAME colleagues experience micro-aggressions, racial inequalities, ignorance, and

even deliberate racist attacks. It is not only people of colour who need to challenge these behaviours so we introduced an allyship programme this year. Being an ally involves a person from a non-marginalized group – an ally – using their privilege to advocate for a marginalized group. The 12-month programme, co-ordinated by our Equality, Diversity and Inclusion (EDI) team, provides learning and development opportunities that enable colleagues to develop as allies.

In light of the particular stresses on our BAME colleagues, we also arranged specialist support for staff affected by racism or racial inequality. The death of George Floyd and the Black Lives Matter protests shone a spotlight on racial inequality, and we recognised the importance of providing a forum in which colleagues could speak honestly about racism and race discrimination. We also consulted BAME colleagues to understand what support they needed with applications for our Aspiring Managers' Programme. As a result of this, successful applications from BAME colleagues rose from 0% in 2019 to 38% in 2020.

After creating a new post of Equalities Delivery Manager and setting up an EDI Advisory Group led by our DG, we have developed an EDI strategy and policy.

Developing our people

Early in 2021, we introduced a new learning management system to increase access to on-demand learning. The system, called Bridge, enables us to design and deploy

bespoke learning across our organisation quickly. Bridge is user-friendly and intuitive and allows our people to learn flexibly. We are working across the organisation to make sure that all content on the system addresses a real learning need.

We introduced a number of new apprenticeships during 2020/21, supporting our people to professionalise. We now offer a legal apprenticeship, which enables our legal assistants to train and qualify as a solicitor. We also worked with whole teams, including Learning and Development, to upskill them and bring their knowledge and experience in line with industry standards. This approach improves individual performance and opportunity, as well improving the performance of teams and the overall organisation.

In response to feedback from staff on our performance and development process, we introduced a new framework that sets out a three-monthly cycle of consistent, regular conversations between staff and their manager. The process is based on the principle that there is a clear distinction between performance and personal development conversations. We published a range of new templates, toolkits and guidance, including 'how to' videos.

Changes to our recruitment processes

After listening to staff feedback on our recruitment process and conducting a successful pilot, we moved away from solely competency-based interviews and

introduced a more flexible framework called Success Profiles. Success Profiles enable candidates to give a more rounded picture of themselves and their experience at interview. For each role we advertise, we consider what candidates will need to demonstrate to be successful. This gives us the best possible opportunity to find the right person for the job.

The new approach is underpinned by an updated Recruitment and Selection Policy. We will evaluate the changes to ensure they are working effectively and are embedded across the organisation.

Establishing future ways of working

Following the introduction of lockdown measures in response to COVID-19, the IOPC transitioned almost entirely to homeworking with very limited access to our offices and limited travel. This business continuity approach was a radical change to our way of working. The last 12 months have also changed people's perception of the workplace and work flexibility.

We are therefore considering how we transition and learn from our experiences over the last year. We have created a working group to consolidate what our future way of working might look like. The working group has agreed a series of design principles to steer this ongoing work and assist decision making. We intend to develop a number of possible models for consideration and a clear vision of what our workplaces should look like in three years' time. This will inform our estates strategy and technology requirements.

Transforming our ICT

We achieved significant financial savings after implementing a new operating model for our ICT service. This has improved the stability and flexibility of our ICT platform. Staff are reporting a high degree of satisfaction with the new mix of in-house and third party contracted services after we moved away from our contract with a single ICT supplier.

Our ICT service continued to respond well to the challenges of homeworking during the COVID-19 pandemic and the transition of our systems lays the foundations for further transformation in this area. We will continue with our flexible approach to adopting modern digital systems in the years to come.

Complaints about us

Many people who interact with us are dealing with stressful events, which means our staff often operate in difficult circumstances. Despite our best efforts, we recognise that things sometimes go wrong. To manage this, we have a complaints procedure.

During 2020/21 we received a total of 305 complaints compared with 351 complaints last year. This includes seven complaints against our Director General (DG). We dealt with 260 complaints within 20 working days and our average response time was 17 working days. We upheld 46 complaints with one complaint investigation still in progress at year end.

Our Complaints and Feedback team handles complaints about us in line with our Complaints and Feedback Policy. Complaints about our service are assessed under this policy and, where appropriate, forwarded to the relevant line manager(s). The manager is asked to review the complaint and respond within 20 working days.

Where we assess a complaint as being sufficiently serious, we investigate it in line with our Disciplinary and Dismissal Policy. The outcome is then reviewed by the appropriate senior manager who decides on the most suitable course of action.

Where we identify learning from complaints, we share this internally to help shape and improve our service. Where the complaint relates to our Service Standards and we can do better, we make a record and take appropriate action.

Complaints against the Director General, Senior Independent Director and non-executive directors are dealt with under our Making Complaints about the IOPC Director General, Senior Independent Director and Non-Executive Directors Policy. These complaints are managed by the Head of the Private Office, who allocates an appropriate person to deal with the complaint, in line with the policy.

During 2020/21 we received seven complaints under this policy. These related to the Director General. This compares with four complaints under this policy in the previous year (three against the Director General

and one against a non-executive director). All seven complaints were not upheld and we are continuing to investigate one. We dealt with six of these complaints within 20 working days and our average response time was 14 days.

Sustainability report

This section sets out the IOPC's current impact on the environment taking into account greenhouse gas emissions, waste minimisation and management, water consumption, and sustainable procurement. This information meets the requirements of HM Treasury Guidance 2020/21, Sustainability Reporting Guidance. There is no biodiversity action plan as this does not apply to our functions.

The impact of the pandemic

COVID-19 has had an impact on our sustainability data this year. The majority of our staff have continued to work from home and only attended the office for essential business tasks or on welfare grounds.

Due to low occupancy levels, both paper consumption and the amount of waste produced in our offices have reduced considerably.

While electricity consumption increased, probably as a result of the requirements for COVID-19 secure offices (i.e. with windows open, heating ventilation and air conditioning on 100% fresh air, and some buildings still

running on full HVAC systems), the use of fleet vehicles and other travel has reduced.

Greenhouse gas emissions*			2019/20	2020/21
Non-financial indicators (CO₂)	Gross emissions scope 1	291	313	153
	Gross emissions scope 2	1,020	662	861
	Gross emissions scope 3	385	285	126
	Total emissions	1,696	1,260	1,140
Gas (kwh)			1,089,547	999,183
Non-financial indicators (kg)	Total waste	64,245	43,778	6,977
	Sent to landfill	6,518	6,567	40.2
	Recycling	54,219	36,771	6,906.8
	Incineration	3,508	440	-
	Incineration energy recovery	-	-	-
Non-financial indicators (m3)	Water consumption	11,553	6,462	8,236

Greenhouse gas emissions*			2019/20	2020/21
Financial indicators (£)	Expenditure on energy purchased, including travel	£1,223,816	£1,081,445.37	£417,952.32
	Expenditure on waste disposal, including:			
	Sent to landfill	n/a	n/a	n/a
	Recycling	£23,957	£16,685	£4,498
	Incineration	-	-	-
	Expenditure on water consumption	£17,444	£9,758	£12,437
Paper purchased				
	A4 (boxes)	1,408	660	143
	A3 (boxes)	26	14	2

*Scope 1 emissions are from sources owned or controlled by the IOPC, such as vehicles and boilers.

Scope 2 emissions are from energy consumed by the IOPC, but purchased from external suppliers, such as electricity.

Scope 3 emissions relate to official business travel, but exclude international rail and air travel, which is negligible.

Sustainable procurement

Our sustainable procurement policy is to ensure we meet our needs for goods, services, works and utilities in a way that achieves value for money on a whole-life basis. By this we mean generating benefits not only for the IOPC, but also for society and the economy, while minimising damage to the environment. We use Crown Commercial

Services framework contracts for the majority of our procurement.

Action taken to improve the IOPC's sustainability performance

The nature of our investigative work means that there is rarely an alternative to using a vehicle and we know that they contribute to our greenhouse gas emissions.

- We purchased 30 new vehicles, 29 of which are hybrid/petrol cars.
- Through our service provider's fuel card, Allstar EcoPoint scheme, trees are planted based on consumption and this year we have contributed 939 trees.

Our future strategy

We are committed to reducing our impact on the environment in line with the Greening Government Commitments and will continue our efforts to limit our greenhouse gas emissions.

Our main key performance indicator for sustainability is to keep in line with Greening Government Commitments and report on the levels set by HM Treasury Guidance. We aim to keep our level of CO₂ generated per employee at its current level or reduce it.

Section 2:

Accountability report

Corporate governance report

The Directors' report

The role of the Unitary Board, Committees and the Management Board are explained in the Governance statement elsewhere in this report.

The Unitary Board

The members of the Unitary Board during 2020/21 are shown in the table below.

Name	Title	Notes
Michael Lockwood	Director General	
Claire Bassett	Deputy Director General, Operations	Joined Board on 23/09/20
Kathie Cashell	Director, Strategy and Impact	
Tom Whiting	Deputy Director General, Strategy and Corporate Services	
Geoffrey Podger	Senior Independent Director	Term extended on 08/02/21*
Deborah Bowman	Non-Executive Director	Joined Board on 08/02/21
Christine Elliott	Non-Executive Director	Joined Board on 15/02/21
Manjeet Gill	Non-Executive Director	Left 07/02/21

Name	Title	Notes
Andrew Harvey	Non-Executive Director	Left 07/02/21
Catherine Jervis	Non-Executive Director	Re-appointed on 08/02/21
Mary Lines	Non-Executive Director	Left 07/02/21
Bill Matthews	Non-Executive Director	Re-appointed on 08/02/21
Rommel Moseley	Non-Executive Director	Joined Board 08/02/21

Geoffrey's term was extended until 6 May 2021 to cover the period between the end of his original term as Senior Independent Director and start of Julia Mulligan's term in this post.

The Management Board

The members of the Management Board during 2020/21 are shown in the following table.

Name	Title	Notes
Michael Lockwood	Director General	
Claire Bassett	Deputy Director General, Operations	Joined Management Board on taking up post on 01/09/20
Liz Booth	Director, People	
Kathie Cashell	Director, Strategy and Impact	
David Emery	General Counsel	
Tom Whiting	Deputy Director General, Strategy and Corporate Services	

Register of interests

A register with details of company directorships or other significant interests held by members of the Unitary Board and all the IOPC Directors is available on our website. It may be obtained in writing from the IOPC Governance Secretary at 10 South Colonnade, London, E14 4PU.

Freedom of information and data protection

The IOPC complies with *the Freedom of Information (FOI) Act 2000*, the *General Data Protection Regulation* and the *Data Protection Act 2018*.

We have a well-established information rights team, which is the central point of contact for processing all requests for information. The team ensures that all requests are processed in accordance with current statutory obligations, internal policies and procedures. The team also provides advice, guidance and assistance to staff and managers about all aspects of FOI and data protection work.

The tables below show the trends in IOPC performance against the statutory deadlines.

FOI requests	2018/19	2019/20	2020/21
Number completed	229	240	226
Statutory deadline met	94%	95%	93%

Data losses and information assurance

IOPC Information Asset Owners are responsible for managing and operating assets in compliance with our policies and for ensuring that controls are in place to manage risks appropriately. Data-related incidents involving the loss, theft or inappropriate disclosure of our information are investigated by business areas. The incident reports are reviewed by the data protection team, which decides whether they meet the threshold for reporting to the Information Commissioner (ICO). The Senior Information Risk Owner is briefed regularly on these issues and on the risks to be addressed through additional controls.

The tables below show the trends in IOPC performance.

Subject access requests	2018/19	2019/20	2020/21
Number completed	160	239	225
Statutory deadline met	92%	90%	79%

In 2020/21 we experienced delays throughout the COVID-19 pandemic in relation to office access for hard copy materials, and redaction of media. We also saw an increase in the complexity of subject access requests, notably those on independent investigations which invariably take more time to complete. We adopted

new processes as part of our new ways of working and performance in 2021/22 is steadily increasing.

Data-related incidents	2018/19	2019/20	2020/21
Number of incidents reported to ICO	2	1	3
Regulatory action required	-	-	-

Charitable donations

Our staff organised fundraising events in support of a range of charities. Staff also made personal donations to charities as a result of gifts received during 2020/21. These are published in the Gift and Hospitality register [available on our website.](#)

Statement of the accounting officer's responsibilities

Under paragraph 17(1) of Schedule 2 to the *Police Reform Act 2002*, the IOPC is required to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction issued by the Secretary of State. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the IOPC and its income and expenditure, Statement of Financial Position, and cash flows for the financial year.

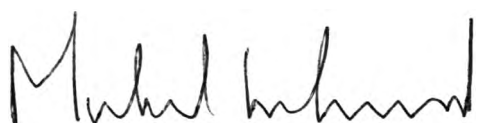
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State, with the consent of the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;

- prepare the financial statements on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

For the year under review, the Home Office designated me, as Director General, the Accounting Officer of the IOPC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the IOPC's assets are set out in Managing Public Money published by HM Treasury.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the IOPC auditors are aware of that information. As far as I am aware, there is no relevant audit information of which the auditors are unaware.



Michael Lockwood
Accounting Officer

Accounting Officer's personal governance statement for the financial year ending 31 March 2021

This Governance Statement relates to the Independent Office for Police Conduct (IOPC). I was appointed as the first Director General (DG) of the IOPC, and as its Accounting Officer, on 8 January 2018.

Governance framework

The governance framework comprises the systems and processes by which the organisation is directed and controlled. It enables the Unitary Board as the governing body to fulfil its statutory functions:

- to have in place appropriate arrangements for good governance and financial management (to encourage efficient and effective use of resources)
- to determine and promote the strategic aims and values of the IOPC
- to provide support and advice to me as the DG in carrying out my functions
- to monitor and review the carrying out of such functions

The framework assists me as the DG and the Unitary Board in preparing a joint strategy for the carrying out of

our respective functions. These functions are reviewed annually. The framework also includes a jointly prepared Code of Practice. This addresses the relationship between my role and the Unitary Board, which must reflect the principle that the DG acts independently when making decisions in connection with carrying out his functions.

The system of governance, internal control and risk management is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can, therefore, only provide high, rather than an absolute assurance of effectiveness.

I act in accordance with the IOPC Standing Orders and I am accountable to ministers and to Parliament. I have had meetings with the Home Secretary and Minister of State for Policing and the Fire Service throughout the year to date. The effectiveness of the organisation has been kept under regular review during these meetings. Bilateral meetings were established with the Home Office's Sponsorship Unit to discuss strategic, budgetary, and operational matters. No matters are discussed that could present a risk to the organisation's independence of operational decision-making.

The organisation's internal control framework is based on the review of regular management information, administrative procedures (including the segregation of duties), and a system of delegation and accountability.

It is designed to manage risks to the achievement of objectives efficiently and economically.

The Unitary Board was supported by two Committees, each chaired by a non-executive director (NED). The Governance structure that operated in the period covered by this statement is shown in figure 1 and described in figure 2. The terms of the NEDs appointed at the creation of the IOPC were due to expire on 8 January 2021. However, due to the COVID-19 pandemic, recruitment of replacements was delayed, and the existing NEDs had their terms extended until sufficient new appointees were confirmed. The attendance table (figure 3) reflects these changes.

Figure 1

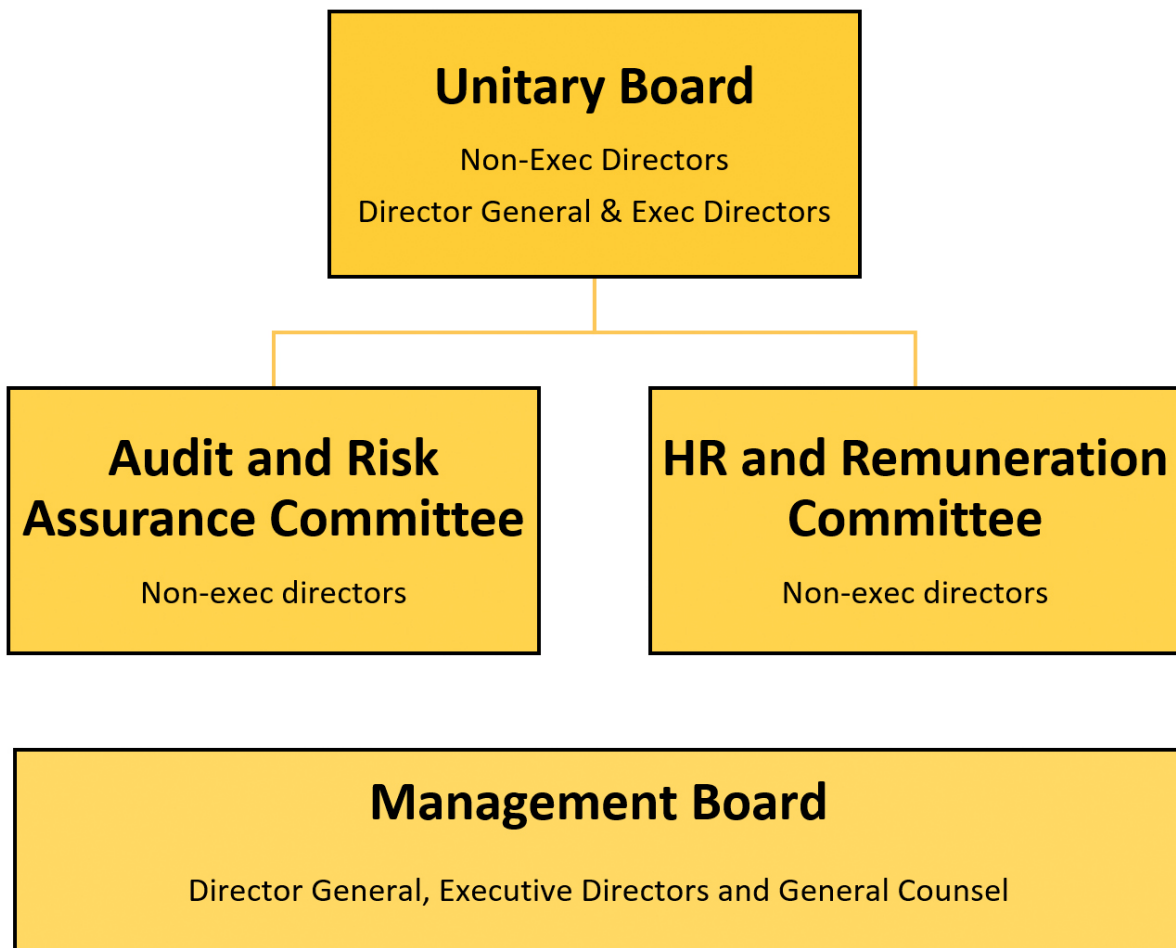


Figure 2

Forum (Frequency)	Chair	Attendance	Role
Unitary Board	Michael Lockwood (DG)	Members: DG, all six NEDs, Deputy DG (Ops), Deputy DG (Strategy & Corporate Services), Director of Strategy and Impact	Unitary Board is responsible for agreeing strategies and plans and determining the allocation of resources. Meetings of Unitary Board enable the regular review of strategic plans and reporting against their achievement. Unitary Board also periodically reviews the internal and external challenges facing the organisation and how it might best meet those challenges. There are standing agenda items on our performance and financial position.
		In attendance: General Counsel, Head of Finance, Head of Private Office Group, Governance Secretary, Lead Regional Director ³	

³ This role was in place until September 2020 to cover aspects of the DDG (Ops) role prior to the new incumbent taking up post.

Forum (Frequency)	Chair	Attendance	Role
Audit and Risk Assurance Committee (ARAC)	Catherine Jarvis (NED)	Members: three NED members (Catherine Jarvis, Bill Matthews and Mary Lines)	The ARAC supports the organisation and the Accounting Officer in their responsibilities for issues of risk, control and governance, and associated assurance. The Committee also scrutinises the Annual Report and Accounts on behalf of the Unitary Board.
		In attendance: DG, Deputy DG (Strategy & Corporate Services), Head of Finance, Government Internal Audit Agency (GIAA) and National Audit Office (NAO). External audit (BDO) and Home Office Sponsorship as observers. Other relevant directors and staff as necessary, including the Governance Secretary	

Forum (Frequency)	Chair	Attendance	Role
<p>HR and Remuneration Committee</p>	<p>Andrew Harvey (NED), replaced by Deborah Bowman (NED), February 2021</p>	<p>Members: three NED members (Andrew Harvey, Manjeet Gill and Geoffrey Podger)</p>	<p>The HR&R Committee agrees, on behalf of Unitary Board, the pay and reward strategy. It also agrees the annual staff pay remit and the pay remit submission that is sent to the Secretary of State for approval. The Committee also considers and advises on the DG's proposals regarding pay progression awards for each director and makes recommendations on an annual equal pay audit.</p>
		<p>In attendance: DG, Deputy DG (Strategy & Corporate Services), Director of People, Governance Secretary</p>	

Forum (Frequency)	Chair	Attendance	Role
Management Board	Michael Lockwood (DG)	Members: DG, Deputy DG (Operations), Deputy DG (Strategy & Corporate Services), Director of Strategy and Impact, Director of People, General Counsel In attendance: Head of Finance (monthly), Head of Communications (weekly), Head of Private Office Group, Lead Regional Director	Management Board is responsible for the operational delivery of the organisation's business. It meets formally each month with informal meetings held each week. It receives regular reports on finance, performance, business planning and risk. These inform its decision-making. The Board has held twice-weekly touchpoint meetings since COVID-19 restrictions began.

Board performance

Our Unitary Board came into existence on 8 January 2018. Terms of reference and membership have been agreed and Unitary Board begun its annual process of evaluating its effectiveness over its third year. In accordance with the Standing Orders, meeting agendas and papers were made available in a variety of formats five working days before meetings. Papers provided

sufficient information and evidence for sound decision-making. They included information about any risks – for example, financial or legal – as well external stakeholder and diversity implications.

Highlights of Board's committee activities

The committees of the Unitary Board fulfil their responsibilities by receiving and considering reports. The key areas considered by the committees in the year to date are listed below.

Audit and Risk Assurance Committee (ARAC)

- Internal audit plan, reports and annual opinion
- Annual report and accounts
- External audit planning and reports
- Counter fraud policy and strategy
- Risk management
- Complaints about the IOPC
- COVID-19 risk update
- Raising Concerns policy and usage
- ICT transformation and disaggregation
- Learning report – improving the quality of our investigations
- Data Protection Officer's annual report

- Quality of financial reporting
- Procurement report

HR and Remuneration Committee

- HR information systems
- Equalities governance arrangements
- COVID-19; impact on policy and practice
- New recruitment policy and guidance
- Disclosure and Barring Service policy and update
- Report on non-standard departure
- Aspiring managers programme
- Health and safety annual report
- Review of work completed in the people directorate since the committee was established and planned next steps

Each committee evaluates its work and produces an annual effectiveness report.

Figure 3 shows the attendance of executive and NEDs at Unitary Board and committee meetings⁴.

⁴ Greyed-out areas indicate that the named individual is not a member of the listed committee. They may, however, attend in their capacity as director. I attended every meeting of ARAC and HR and Remuneration Committee in my capacity as DG.

Figure 3

Unitary Board and committee attendance		Unitary Board	ARAC	HR and Remuneration Committee
Michael Lockwood	DG	10 / 10		
Geoffrey Podger	Senior Independent Director	10 / 10		4 / 4
Bill Matthews	NED	10 / 10	4 / 4	
Mary Lines	NED	9 / 9	3 / 4	
Manjeet Gill	NED	9 / 9		3 / 4
Andrew Harvey	NED	9 / 9		4 / 4
Catherine Jervis	NED	10 / 10	4 / 4	
Deborah Bowman	NED	1 / 1		
Christine Elliott	NED	1 / 1		
Rommel Moseley	NED	1 / 1		
Kathie Cashell	Director	9 / 10		
Tom Whiting	DDG (Strategy & Corporate Services)	10 / 10		
Amanda Rowe	Lead Regional Director (until September 2020)	3 / 4		
Claire Bassett	DDG (Operations) (from September 2020)	6 / 6		

Conflicts of interest

The IOPC Conflict of Interest Policy requires all staff to declare any potential conflicts as they arise (note that our

NEDs are subject to the Cabinet Office Code of Conduct). In addition, our operational staff are precluded from working on investigations where they have prior interests. Our Conflict of Interest Policy is deemed proportionate to the perceived risk to our impartiality.

A standing agenda item for Board and committee meetings makes provision for attendees to declare any such interests. No such declarations were made in the year.

The register of interests for the members of the Unitary Board, General Counsel, Director for Wales, and regional directors is published on our website.

Corporate governance

I have reviewed the Corporate Governance Code in place for central government departments. While being directed at ministerial departments rather than non-departmental public bodies, the Code provides best practice on corporate governance arrangements. Where they are considered to apply, the organisation has complied with the principles of the code.

Issues

For the whole of the financial year we have responded to the volatile national position arising from the COVID-19 pandemic. We implemented measures to make our offices COVID secure, accommodated staff working from home wherever possible, and supported them in facing

the challenges of a prolonged lockdown. We managed our on-call rotas and external work and responded to any concerns about the police handling of the pandemic. Overall, we are pleased with how we have handled the pandemic. Our operational performance has remained strong and we have progressed many key projects. However, like many employers, we remain concerned about the impact on the welfare and wellbeing of our staff and therefore conducted several 'Pulse' surveys to gauge how staff were feeling. The surveys aimed to identify any issues with current ways of working, and to identify any additional support that we could provide. In addition, we have also used the opportunity to review what can be learned from the pandemic in our transition back to more normal working arrangements.

Public sector finances remain uncertain. We remain concerned about our long-term funding, the impact on our work and the resulting impact on public confidence. We have planned for a number of scenarios and made returns to the Home Office as requested in support of the Comprehensive Spending Review (CSR).

Our externally facing work responded to the global shock and concern surrounding the death of George Floyd in the USA. We saw a significant increase in referrals relating to discrimination and launched this as a major area of thematic work.

Internally, we continue to disaggregate our ICT service from Sopra Steria Ltd. This is a resource intensive piece

of work, which has been complicated by the restrictions of COVID-19. Progress is reported to every ARAC meeting. Any issues of concern regarding the commercial relationship are escalated as necessary. Cyber Security also remains an ongoing threat to our organisation and is an area of significant ongoing work and potential risk.

Assurance framework and risk assessment

Our assurance framework is made up of the following elements:

- structured risk identification linked to business objectives
- assessment and management of significant risks
- monitoring and effectiveness of the assurance framework
- external review and monitoring

The assurance process is designed to satisfy ourselves that the appropriate arrangements are in place for managing risk and securing a robust system of internal control – by which we mean one that is functioning and effective. Our assurance framework includes an annual business cycle that establishes clear objectives for the organisation and identifies the risks to achieving these.

Following the creation of the IOPC, new strategic priorities were identified following a significant listening exercise with all our key stakeholders. This led to the development of our three-year strategy; a comprehensive

plan encompassing all activity across the organisation. We have now completed two years of this plan and progress is on track. We have taken the opportunity to review this strategy and identify lessons learnt. This has enabled us to simplify our governance as well as prioritise the important changes we need to focus on for the final year. We continue to improve project management practices focusing on risk management and benefits realisation. This has been supported by a strategic efficiency and investment plan, which has enabled us to plan further ahead to meet the fiscal challenges expected in the CSR.

Our risk management framework seeks to ensure that risks relating to the achievement of our objectives are identified, monitored, and managed. We assess risks based on their impact and likelihood using a scale agreed by the Unitary Board. A strategic risk register is maintained, and each portfolio of work set out in our three-year strategy has an operational risk register. Risks and relevant mitigating activity are identified and reported to Management Board, ARAC and the Unitary Board, in line with our reporting cycles.

We have conducted work to ensure that the risk appetite is reflected appropriately in risk management activity, and Unitary Board has agreed an updated risk appetite statement.

Following a fraud risk assessment conducted by the GIAA in 2019/20, we created a fraud risk register, which was subsequently reviewed by ARAC.

A review of our controls is undertaken by both internal and external audit to reflect their respective responsibilities. In addition, specific consideration was given to internal controls, which have the potential to be impacted by changes in working practices arising from COVID-19. Any significant issues will be highlighted to Unitary Board.

Internal audit

Internal audit services are provided by the GIAA under a Memorandum of Understanding with the Home Office. A new Head of Internal Audit for the IOPC was appointed in May 2020.

Internal audit assists us with the continuous improvement of procedures and controls. Actions are agreed in response to recommendations, and we follow these up to make sure they are implemented.

A monitoring report on the implementation of recommendations is provided to each ARAC meeting.

During 2021/22 the ARAC received an internal audit report on procurement with Limited assurance.

The recommendations have been accepted and an improvement plan has been developed to ensure delivery. None of the findings in the report have had a material impact on the 2020/21 Financial Statements.

The table below summarises the key findings from the internal audit report undertaken during the 2020/21 year, along with our response.

Figure 4

Audit and opinion	Key findings	Management response
<p>Fraud controls</p> <p>Substantial</p>	<p>Sound controls in place in scope areas tested. Minor improvements needed to maximise the effectiveness of the fraud controls.</p>	<p>Recommendations accepted and completed.</p>
<p>Operational performance</p> <p>Moderate</p>	<p>There is significant improvement activity currently underway. Activities have been reviewed and improvements identified to ensure they are designed to address the needs of the organisation.</p>	<p>Recommendation accepted and completed.</p>
<p>Cyber security</p> <p>Limited</p>	<p>The IOPC is part way through its journey to transform its IT infrastructure as it seeks to develop its IT operating model and build internal capability after years of reliance on a third-party supplier. Since the previous review, there have been improvements to manage cyber risks, but there are still weaknesses across several of the requirements of the Cabinet Office Security Policy Framework Cyber Security Standard.</p>	<p>Recommendations accepted. The majority and are due to be implemented by the end of Q2 2021/22. The remainder will take longer due to the size and complexity of the tasks.</p>

<p>Data governance</p> <p>Moderate</p>	<p>The IOPC Information Management Strategy and governance arrangements provide the necessary foundation, direction, and structure needed to ensure that data is managed appropriately so that the organisation can meet its corporate objectives, customer needs and regulatory obligations. Areas were identified where improvements are required to enhance data governance controls.</p>	<p>All recommendations accepted and due to be implemented by the end of 2021/22.</p>
<p>ICT disaggregation</p> <p>Moderate</p>	<p>The IOPC ICT disaggregation programme has broadly effective governance and control arrangements in place. There are, however, some areas where improvements could be made to enhance its success, including:</p> <ul style="list-style-type: none"> • ensuring there is regular monitoring and reporting of benefits through the existing governance structure • specifying individual benefit costs and measures • allocating specific benefit owners to increase openness and transparency 	<p>Recommendations accepted and due to be implemented by the end of Q2 2021.</p>

<p>Disclosure</p> <p>Moderate</p>	<p>The Disclosure Project has an appropriate governance structure in place and is supported by appropriate documentation and governing bodies. Roles and responsibilities are clearly defined and the project links to the IOPC’s strategic priorities. Management oversight arrangements are proportionate and effective.</p>	<p>Four audit recommendations were agreed. Two should be complete within the first six months of 2021/22. The others are longer-term pieces of work and will be implemented by the end of the year.</p>
<p>Exhibits management</p> <p>Follow-up, no opinion given</p>	<p>Activities have improved the control environment. However, full implementation of some of the improvements has been significantly hindered by the impact of COVID-19, making it difficult to measure and assess their effectiveness. Further improvements of assurance checks and management reporting were identified and new recommendations in these areas have been made.</p>	<p>Recommendations accepted. Two are dependent upon the procurement of a replacement case management system, the remainder will be implemented by the end of 2021/22.</p>

Health and safety

Health and safety has been critical to our response to COVID-19. It has helped to ensure our core business objectives were maintained while the health and safety of our staff was given top priority. As a result, we took several measures, including the closure of offices, and made decisions about which police incidents our investigations staff responded to. Throughout the year almost all our staff were working from home and

continued to do so into the start of the new financial year, in accordance with Government guidance.

Our Health and Safety Manager continues to provide expertise and advises the senior management team on appropriate responses to the fast-changing landscape of the pandemic. Advice is based on how to incorporate recommendations from Government, the Scientific Advisory Group for Emergencies, the New and Emerging Respiratory Virus Threats Advisory Group, Public Health England, and the Health and Safety Executive into our business processes. As a result of such advice, we created COVID-secure workplaces, provided appropriate PPE, and developed safe systems of work to control the transmission and infection of COVID-19. These systems consider the safety of both our staff and have been embedded into our key activities.

In response to the recommendations in our 2018/19 internal audit of health and safety, we completed and closed all significant findings. In addition, other priority actions in relation to identified risks have progressed through the pandemic and been concluded. Our health and safety team has been in post throughout the year to deliver these improvements.

Effectiveness of the Raising Concerns Policy

Two concerns were raised under the Raising Concerns policy in the year.

The IOPC Raising Concern policy was reviewed, updated, and publicised to staff, together with accompanying guidance documents for staff and managers.

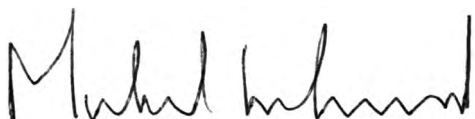
Accounting Officer

As the Accounting Officer, I have personal responsibility for maintaining a sound system of governance, internal control and risk management to support the discharge of the organisation's functions under the *Police Reform Act 2002* and other relevant legislation, while safeguarding public funds and organisational assets.

My review is informed in part by the work of our internal auditors, who have provided an assurance level of moderate based on the work they have undertaken for the year.

Moderate assurance is defined by them as: Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

I support this opinion and believe that we will continue to make further improvements in controls going forward.



Michael Lockwood

Accounting Officer

28 March 2022

Remuneration and staff report

Remuneration policy

The IOPC aims to provide competitive remuneration packages to recruit and retain staff of an appropriate calibre. We operate a 16-grade system backed by an analytical job evaluation scheme. Any changes to our pay policy or pay remit require formal approval from our Human Resources and Remuneration Committee.

We are subject to the Civil Service pay guidance produced by the Cabinet Office and HM Treasury and submit an annual pay remit to the Home Office, which is within that guidance. Remuneration for directors for current and future years adheres to the work and recommendations of the Senior Salaries Review Body.

Service contracts

On 8 January 2018 Michael Lockwood was appointed Director General by Her Majesty the Queen, as provided for in the *Policing and Crime Act 2017* on the recommendation of the Secretary of State for the Home Department.

The Director General appoints directors. Their contracts normally have no fixed period and are terminable with up to six months' notice by the IOPC. Early termination of directors, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Staff engagement data

The IOPC is not eligible to take part in the 2020/21 Civil Service People Survey. Alternative measures are being developed for use from 2021/22.

People with disabilities

The IOPC gives full and fair consideration to applications for employment from people with disabilities, where the nature of the employment makes this appropriate. We are similarly committed to enabling any members of staff who may become disabled during their period of employment to continue in their role.

Equality, diversity and inclusion (EDI)

The People Directorate has accountability for the equality, diversity and inclusion (EDI) agenda. The HR and Remuneration Committee, led by a non-executive director, provides governance for EDI performance, and monitors and challenges workforce data. The Director General chairs our Equality, Diversity and Inclusion staff group, which meets quarterly.

We have six staff networks. Each is supported by a senior manager and meets regularly. The networks focus on each of the nine protected characteristics set out in the *Equality Act 2010*, as well as Welsh speakers. The networks are involved across all aspects of our business.

Our gender pay gap information is available on our [website](#).

Staff turnover data

During 2020/21 staff turnover percentage was 6.97% (2019/20: 5.77%)

Sickness absence data

During 2020/21, our staff incurred an average of 3.7 days sick leave. This compares to an average of seven days in 2019/20. The impact of COVID restrictions has resulted in reduced reported sickness. We are committed to the health and wellbeing of our staff and a comprehensive sickness absence policy is in place. We provide an Occupational Health Service and an Employee Assistance Programme.

Staff composition

The IOPC is committed to ensuring that all colleagues can reach their full potential in the organisation. We monitor the diversity of the organisation through both HR data and the experience of staff – for example, through surveys, and by listening to feedback from our Staff Council and staff networks.

The table below provides staff composition by gender at 31 March 2021. Other data on staff composition is available on our website.

Headcount	Male	Female	Total
Directors*	10	10	20
Staff	373	623	996
Total	383	633	1,016

**Directors includes the Director General, 13 SCS grades and 6 non-executive directors*

Compensation on early retirement or loss of office

This section has been audited.

None (2019/20: none).

Payments to past directors

This section has been audited.

None (2019/20: none).

Senior civil service staff numbers by band at 31 March

Band	2020/21	2019/20
SCS 2	2.0	1.0
SCS 1	11.0	9.6
Total	13.0	10.6

The Director General is a Crown appointment and is not included in the table above.

The increase in senior civil service staff is a result of filling vacancies and reclassification of a staff member previously not included.

Fair pay disclosure

This section has been audited.

In the reporting year, the highest paid director of the IOPC is the Director General. His full-time equivalent

banded remuneration in 2020/21: £185,000 – £190,000 (2019/20 was £185,000 – £190,000). This is 5.4 times (2019/20: 5.6 times) the median remuneration of the workforce, which was £34,470 (2019/20: £33,187).

In 2020/21, no employee received remuneration more than the highest paid director (2019/20: none).

Excluding the Director General, the ranges for staff including SCS grades are linked directly to job evaluation ranges. Full-time equivalent remuneration is in the range £18,000 to £137,000 (2019/20 £15,000 to £137,000).

The salaries for the Director General and non-executive directors are set by the Home Office and details can be found in the Remuneration Report.

A London weighting allowance of £4,438 applies to staff and apprentices based in our London and Croydon offices. Salary ranges do not have spinal points aligned to them. Salaries are set within a pay range with annual pay progression determined by percentage increases agreed each year. Most salary ranges are revalorised each year. The next date of revalorisation is 1 July 2021.

Exit packages

This section has been audited.

Comparative data is shown (in brackets) for 2019/20.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	- (-)	- (1)	- (1)
£10,000 - £25,000	- (-)	2 (3)	2 (3)
£25,000 - £50,000	- (-)	- (2)	- (2)
£50,000 - £100,000	- (-)	1 (1)	1 (1)
Total number of exit packages by type (total cost)	- (-)	3 (7)	3 (7)
Total resource cost (2020/21) in £000	-	133	133
Total resource cost (2019/20) in £000	-	161	161

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the IOPC has agreed early retirements, the additional costs are met by the IOPC and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Staff numbers and costs

This section has been audited.

The following table shows the average number of full-time staff employed during the last two years. Permanent staff includes staff on fixed-term contracts, generally of 12 months' duration. Other staff includes people who have been seconded into the organisation and contingent labour.

Average number of staff (FTE)	2020/21	2019/20
Permanent	979	972
Other	8	21
Total	987	993

The following table shows the cost of staff employed during the year. Permanent staff includes staff on fixed-term contracts, generally of 12 months' duration. Other staff includes temporary workers and staff who have been seconded into the organisation. Costs are after recoveries in respect of outward secondments.

Staff costs	2020/21	2020/21	2020/21	2019/20
	Permanent staff	Other	Total	Total
	£'000	£'000	£'000	£'000
Salaries and emoluments	39,263	1,174	40,437	38,298
Social security cost	4,141	-	4,141	3,825
Pension contributions	9,629	-	9,629	9,114
Sub total	53,033	1,174	54,207	51,237
Less: recoveries in respect of outward secondments	(257)		(257)	(299)
Net costs of all other staff	52,776	1,174	53,950	50,938

Expenditure on consultancy

There was no expenditure on consultancy during 2020/21 (2019/20: none).

Contingent labour

The IOPC engages contingent labour in accordance with a robust control process set by the Home Office. Expenditure is reported each month to Management Board to provide scrutiny and review. The contingent labour engaged for our Hillsborough investigation has declined as we are at a different stage of the inquiry.

Contingent labour costs	2020/21	2019/20
	£'000	£'000
Hillsborough	133	329
Other directorates	1,041	939
Total	1,174	1,268

Off-payroll engagements

None of the IOPC directors were paid by means of payments to a limited company or third party in lieu of a salary. All the directors are paid through the IOPC payroll.

These tables show the number of off-payroll engagements for £245 or more per day.

Number of existing off-payroll engagements as of 31 March 2021	
Type of engagements	Number
Engagements that have existed for less than one year at the time of reporting	5
Engagements that have existed for between one and two years at the time of reporting	2
Engagements that have existed for between two and three years at the time of reporting	-
Engagements that have existed for between three and four years at the time of reporting	-
Engagements that have existed for four or more years at the time of reporting	2
Total off-payroll engagements	9

All temporary off-payroll workers engaged at any point during the year ended 31 March 2021	Number
No. of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	5
Of which...	-
No. determined as in-scope of IR35	5
No. determined as out-of-scope of IR35	-
No. of engagements reassessed for compliance or assurance purposes during the year	2
Of which: no. of engagements that saw a change to IR35 status following review	-
No. of engagements where the status was disputed under provisions in the off-payroll legislation	-
Of which: no. of engagements that saw a change to IR35 status following review	-
For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021	Number
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year	-
Total no. of individuals on payroll and off-payroll that have been deemed “board members”, and/or, “senior officials with significant financial responsibility”, during the financial year	14

Trade union facility time information

Table 1: relevant union officials

The total number of employees who were union officials during 2020/21	
Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
20	20

Table 2: percentage of time spent on facility time

Percentage of time	Number of employees
0	996
1 – 50	20
51 – 99	-
100	-

Table 3: percentage of pay bill spent on facility time

	£000
The total cost of facility time	136
The total pay bill	53,033
The percentage of the total pay bill spent on facility time	0.26%
calculated as: (total cost of facility time ÷ total pay bill) x 100	

Table 4: paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were union officials during 2019/20 on paid union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	-
<i>Calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100</i>	

Single total figure of remuneration for non-executive directors

This table has been audited.

Non-executive directors	Salary ⁵	Salary	Benefits in kind ⁶	Benefits in kind	Total	Total
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
			to nearest £'00	to nearest £'00		
	£'000	£'000	£'000	£'000	£'000	£'000
Geoffrey Podger	5-10 (5-10)	10-15 (10-15)	-	0.5	5-10 (5-10)	10-15 (10-15)
Bill Matthews	5-10 (5-10)	5-10 (5-10)	-	6.3	5-10 (5-10)	15-20 (15-20)
Mary Lines <i>Left 07/02/21</i>	5-10 (5-10)	10-15 (10-15)	-	0.5	5-10 (5-10)	10-15 (10-15)
Manjeet Gill <i>Left 07/02/21</i>	5-10 (5-10)	5-10 (5-10)	-	4.8	5-10 (5-10)	10-15 (10-15)
Andrew Harvey <i>Left 07/02/21</i>	5-10 (5-10)	10-15 (10-15)	-	5.6	5-10 (5-10)	15-20 (15-20)
Catherine Jervis	5-10 (5-10)	5-10 (5-10)	-	-	5-10 (5-10)	5-10 (5-10)

5 Figures in brackets are whole-year equivalent.

6 Non-executive directors are not eligible for bonus or pension benefits. Benefits in kind are the reimbursement of travel expenditure to attend meetings where it was subject to taxation.

Non-executive directors	Salary ⁵	Salary	Benefits in kind ⁶	Benefits in kind	Total	Total
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
			to nearest £'00	to nearest £'00		
	£'000	£'000	£'000	£'000	£'000	£'000
Rommel Moseley <i>Started 08/02/21</i>	0-5 (5-10)	- (-)	-	-	0-5 (5-10)	- (-)
Deborah Bowman <i>Started 08/02/21</i>	0-5 (5-10)	- (-)	-	-	0-5 (5-10)	- (-)
Christine Elliott <i>Started 15/02/21</i>	0-5 (10-15)	- (-)	-	-	0-5 (10-15)	- (-)

Single total figure of remuneration for senior managers

This table has been audited.

Senior managers	Salary ⁷	Benefits in kind	Pension benefits	Total remuneration
	2020/21	2020/21	2020/21	2020/21
		to nearest £'00		
	£'000	£'000	£'000	£'000
Michael Lockwood	185-190 (185-190)	-	-	185-190 (185-190)
Kathie Cashell	115-120 (115-120)	-	45	160-165 (160-165)
David Emery	115-120 (115-120)	-	48	165-170 (165-170)
Liz Booth	120-125 (120-125)	-	47	165-170 (165-170)
Tom Whiting	135-140 (135-140)	-	53	185-190 (185-190)
Claire Bassett <i>Started 01/09/20</i>	75-80 (130-135)	-	31	110-115 (165-170)

⁷ Figures in brackets are whole-year equivalent.

Single total figure of remuneration for senior managers (continued)

This table has been audited.

Senior managers	Salary ⁸	Benefits in kind	Pension benefits	Total remuneration
	2019/20	2019/20	2019/20	2019/20
		to nearest £'00		
	£'000	£'000	£'000	£'000
Michael Lockwood	185-190 (185-190)	-	-	185-190 (185-190)
Kathie Cashell	105-110 (105-110)	-	43	150-155 (150-155)
Kevin Woodrow <i>Left 14/04/2019</i>	10-15 (100-105)	4.8	-	15-20 (105-110)
David Emery	95-100 (95-100)	-	51	145-150 (145-150)
Liz Booth	95-100 (95-100)	-	39	135-140 (135-140)
Tom Whiting	130-135 (130-135)	-	53	185-190 (185-190)
Jonathan Green <i>Left 20/12/2019</i>	130-135 (135-140)	-	-	130-135 (135-140)

Bonuses

Bonuses are not payable to the Director General and other senior managers of the IOPC.

Payments made to directors under the civil service compensation scheme

⁸ Figures in brackets are whole-year equivalent.

During 2020/21 there were no payments made to directors under the civil service compensation scheme. There were no payments in 2019/20.

Benefits in kind

Non-executive directors and senior managers regularly travel to various IOPC offices in order to perform their duties. Where, by nature of the tasks performed and the frequency of travel, these are deemed a permanent workplace, then the cost of travel is a taxable benefit. The reported figures include tax on the cost of travel.

Pension benefits

Certain former commissioners and staff who served as members with the Police Complaints Authority (PCA) participate in a 'broadly by analogy' (BBA) pension scheme as an alternative to membership of the Civil Service pension scheme. The IOPC is responsible for funding future pension benefits. These are further described in Note 3.1 of the Financial Statements.

During the period under review, the IOPC Director General, and all staff are eligible for membership of the Principal Civil Service pension scheme. However, the Director General was not a member during the period under review. The tables below provide details of the pension benefits for senior managers.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015, a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**. This provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). Since 1 April 2015, all newly appointed civil servants and the majority of those already in service joined **alpha**. Before this, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (**classic, premium or classic plus**) with a normal pension age of 60; and one providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic, premium, classic plus, nuvos** and **alpha** are increased annually in line with pensions increase legislation. Existing members of the PCSPS who were within ten years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between ten years and 13 years and five months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those

with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a ‘money purchase’ stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 4.6 per cent and 8.05 per cent for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid, with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in premium. In **nuvos**, members build up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the member’s earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and the

accrued pension is uprated in line with pensions increase legislation. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32 per cent. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the *Finance Act 2004*.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill-health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or state pension age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the

two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at

www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement, which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do

not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

This table has been audited.

Senior manager	Accrued pension at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2021	CETV at 31 March 2020	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Kathie Cashell	25-30	2.5-5	277	239	20
Claire Bassett <i>Started 01/09/20</i>	30-35	0-2.5	387	355	15
David Emery	30-35	2.5-5	430	387	21
Liz Booth	5-10	2.5-5	93	50	31
Tom Whiting	5-10	2.5-5	76	39	25
Kevin Woodrow <i>left 14/04/2020</i>	-	-	-	802	-

Parliamentary accountability report

Auditors

Arrangements for external audit are provided under paragraph 17 (2) of Schedule 2 to the *Police Reform Act 2002*. This requires the Comptroller and Auditor General (C&AG) to examine, certify and report on the statement of accounts, and to lay copies of it (together with his report) before each House of Parliament. The National Audit Office (NAO) conducts the audit on behalf of the C&AG. The fees for these services for 2020/21 were £63,200 (in 2019/20 the audit fee was £52,000). The NAO did not undertake any non-audit work.

Internal audit services are provided under contract by the Government Internal Audit Agency.

Events after the reporting period

None.

Regularity of expenditure

This section has been audited.

There are no regularity issues to report.

Losses and special payments

This section has been audited.

Total losses and special payments made were below the threshold that requires reporting. (2019/20: none.)

Gifts

This section has been audited.

No gifts were made. (2019/20: none.)

Fees and charges

This section has been audited.

Income generated is immaterial to the IOPC and therefore has not been assessed for the impact of IFRS 15 Revenue from Contracts with Customers.

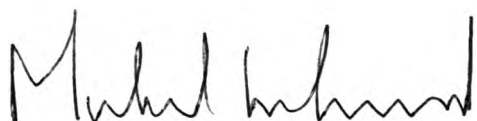
The IOPC received income from HMRC for investigations carried out under section 28 of the Commissioners for *Revenue and Customs Act 2005*. Income was received from Immigration Enforcement for investigations undertaken into appropriate referrals. The IOPC financial objective for income from other government bodies is full cost recovery in accordance with the Treasury Fees and Charges Guide. This financial objective was achieved. The analysis below is provided for fees and charges purposes and not for IFRS 8 purposes as directed by the FReM.

Fees and charges	2020/21 Income £'000	2020/21 Costs £'000	2020/21 (Deficit) £'000	2019/20 Income £'000	2019/20 Costs £'000	2019/20 (Deficit) £'000
HMRC income	22	(22)	-	28	(28)	-
Immigration Enforcement	14	(14)	-	5	(5)	-
Income from activities	36	(36)	-	33	(33)	-
Sundry income	55	(55)	-	45	(45)	-
Other income	55	(55)	-	45	(45)	-
Total	91	(91)	-	78	(78)	-

Remote contingent liabilities

This section has been audited.

None (2019/20: none).



Michael Lockwood

Accounting Officer

28 March 2022

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of the Independent Office for Police Conduct for the year ended 31 March 2021 under the Police Reform Act 2002. The financial statements comprise: Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as interpreted by HM Treasury's Government Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion, the financial statements:

- give a true and fair view of the state of the Independent Office for Police Conduct's affairs as at 31 March 2021 and of the Independent Office for Police Conduct's net expenditure for the year then ended;

- have been properly prepared in accordance with the Police Reform Act 2002 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the Independent Office for Police Conduct in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Independent Office for Police Conduct's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Independent Office for Police Conduct's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Independent Office for Police Conduct is adopted in consideration of the requirements set out in International Accounting Standards as interpreted by HM Treasury's Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the annual report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Secretary of State directions made under the Police Reform Act 2002; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Independent Office for Police Conduct and its environment obtained in the course of the audit, I have not identified material misstatements in the performance and accountability report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Report Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or

- the Governance Statement does not reflect compliance with HM Treasury’s guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of the Accounting Officer’s Responsibilities, the Accounting Officer, is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing the Independent Office for Police Conduct’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Independent Office for Police Conduct will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Police Reform Act 2002.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included the following:

- Inquiring of management, the Independent Office for Police Conduct's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the

Independent Office for Police Conduct's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Independent Office for Police Conduct's controls relating to the Police Reform Act 2002 and Managing Public Money;
- discussing among the engagement team and involving relevant internal and or external specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals and accounting estimates;
- obtaining an understanding of the Independent Office for Police Conduct's framework of authority as well as other legal and regulatory frameworks that the Independent Office for Police Conduct operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the

Independent Office for Police Conduct. The key laws and regulations I considered in this context included the Police Reform Act 2002, Managing Public Money and Employment, Taxation and Pension Laws.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or

non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General
29 March 2022

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

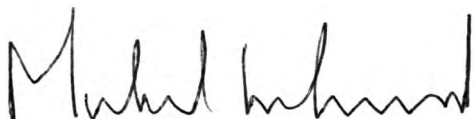
Section 3: Financial statements

Statement of comprehensive net expenditure for the year ended 31 March 2021	Note	2020/21	2019/20
		£'000	£'000
Revenue from contracts with customers		91	78
Total operating income		91	78
Staff costs	4	(53,950)	(50,938)
Purchase of goods and services	4	(17,045)	(18,236)
Depreciation and amortisation charges	4	(3,447)	(3,896)
Loss on disposal of non-current assets	4	(263)	-
Provision reversals (expense) and other non-cash	4	799	(904)
Total operating expenditure		(73,906)	(73,974)
Net expenditure for the year		(73,815)	(73,896)
Other comprehensive net expenditure			
Items that will not be reclassified to net operating expenditure			
Actuarial loss on pension scheme liabilities	3.1	(128)	(180)
Total comprehensive net expenditure for the year		(73,943)	(74,076)

There were no discontinued operations, acquisitions, or disposals during the period.

The notes on pages 175-200 form part of these accounts.

Statement of financial position as at 31 March 2021	Note	31 March 2021	31 March 2020
		£'000	£'000
Non-current assets			
Property, plant and equipment	5	6,925	7,017
Intangible assets	6	3,282	3,895
Total non-current assets		10,207	10,912
Current assets			
Trade and other receivables	9	1,768	1,280
Cash and cash equivalents	8	5,817	7,050
Total current assets		7,585	8,330
Total assets		17,792	19,242
Current liabilities			
Provisions	11	-	(841)
Trade and other payables	10	(9,426)	(7,081)
Total current liabilities		(9,426)	(7,922)
Total assets less current liabilities		8,366	11,320
Non-current liabilities			
Provisions	11	(3,431)	(3,191)
Pension liabilities	3.1	(2,470)	(2,371)
Other liabilities	10	(189)	(539)
Total non-current liabilities		(6,090)	(6,101)
Total assets less total liabilities		2,276	5,219
Taxpayers' equity and other reserves			
General reserve		4,746	7,590
Pension reserve		(2,470)	(2,371)
Total equity		2,276	5,219



Michael Lockwood

Accounting Officer

28 March 2022

The notes on pages 175-200 form part of these accounts.

Statement of cash flows for the year ended 31 March 2021	Note	2020/21	2019/20
		£'000	£'000
Cash flows from operating activities			
Net expenditure for the year		(73,815)	(73,896)
Adjustment for non-cash transactions	4	2,911	4,800
Increase in trade and other receivables	9	(488)	(468)
Increase/(decrease) in trade and other payables	10	2,345	(513)
(Decrease)/increase in other liabilities	10	(350)	448
Pension benefits paid	3.1	(71)	(70)
Net cash outflow from operating activities		(69,468)	(69,699)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(1,836)	(1,218)
Purchase of intangible assets	6	(929)	(152)
Net cash outflow from investing activities		(2,765)	(1,370)
Cash flows from financing activities			
Grants from the Home Office		71,000	71,500
Capital element of payments in respect of on SoFP service concession arrangements	10	-	(65)
Net financing		71,000	71,435
Net (decrease)/increase in cash and cash equivalents in the period	8	(1,233)	366
Cash and cash equivalents at the beginning of the period	8	7,050	6,684
Cash and cash equivalents at the end of the period		5,817	7,050

The notes on pages 175-200 form part of these accounts.

Statement of changes in taxpayers' equity for the year ended 31 March 2021	Note	General reserve	Pension reserve	Total reserves
		£'000	£'000	£'000
Balance at 31 March 2019		9,993	(2,198)	7,795
Changes in taxpayers' equity for 2019/20				
Grant from the Home Office received for revenue expenditure	17	70,087	-	70,087
Grant from the Home Office received for capital expenditure	17	1,413	-	1,413
Transfers between reserves		(7)	7	-
Net expenditure for the year		(73,896)	-	(73,896)
Actuarial loss in year		-	(180)	(180)
Balance at 31 March 2020		7,590	(2,371)	5,219

Changes in taxpayers' equity for 2020/21	Note	General reserve	Pension reserve	Total
		£'000	£'000	£'000
Grant from Home Office received for revenue expenditure	17	68,235	-	68,235
Grant from Home Office received for capital expenditure	17	2,765	-	2,765
Transfers between reserves		(29)	29	-
Net expenditure for the year		(73,815)	-	(73,815)
Actuarial loss in year		-	(128)	(128)
Balance at 31 March 2021		4,746	(2,470)	2,276

The notes on pages 175-200 form part of these accounts.

Notes to the accounts

1 Statement of accounting policies

The financial statements have been prepared in accordance with the 2020/21 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the circumstances of the IOPC for the purpose of giving a true and fair view has been selected. The policies adopted by the IOPC are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000).

1.1 Accounting conventions

These accounts have been prepared on an accruals basis under the historical cost convention modified for revaluation of property, plant and equipment and intangible assets, except where depreciated historic cost is used as a proxy for current value in existing use for short-life or low-value assets.

1.2 Going concern

The IOPC has had to adapt the way it works to meet the unprecedented challenges of the COVID-19 pandemic. Our priority is to maintain our key statutory functions during the pandemic so public confidence in policing can be maintained. The pandemic has not had a material impact on our statutory role. The activities of the IOPC are primarily funded by the Home Office. Grant in aid for 2020/21, taking into account the amount required to meet the IOPC's liabilities falling due in the year, has already been included in the Home Office's supply estimates for that year. These have been approved by Parliament. There is no reason to believe that the Home Office's future sponsorship and future parliamentary approval will not be forthcoming. It has, therefore, been considered appropriate to adopt a going concern basis for the preparation of these financial statement.

1.3 Grant in aid

Grant in aid received is used to finance activities and expenditure that support the statutory objectives of the IOPC.

1.4 Property, plant and equipment

Property plant and equipment (PPE) is recognised initially at cost and thereafter at current value in existing use less depreciation and impairment.

Cost comprises the amount of cash paid to acquire the assets and includes any cost directly attributable to

making the asset capable of being operated as intended. The capitalisation threshold for expenditure on PPE is £5,000.

The IOPC does not own any property. All plant and equipment is reviewed annually for impairment and is carried at current value in existing use. The IOPC has elected to adopt depreciated historic cost as a proxy for current value in existing use for short-life or low-value PPE assets.

Expenditure on the fitting out of buildings financed by operating leases is capitalised as a tangible non-current asset if the works add value to the building. Fitting out cost of buildings may include the costs of new furniture and equipment which individually costs less than £5,000 where the Accounting Officer considers it more appropriate to capitalise the costs. Future replacement costs of furniture and equipment will be funded from the resource budget subject to the costs being below the capitalisation threshold at the time of replacement.

1.5 Intangible assets

Intangible assets are measured on initial recognition at cost and thereafter at current value in existing use less amortisation and impairment. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Comprehensive Net Expenditure in the year in which the expenditure is incurred.

Expenditure on intangible assets that are software licenses and the associated costs of implementation is capitalised where the cost is £5,000 or more.

At each financial year end the intangible assets are assessed for impairment and the amortisation period and method are also reviewed. The IOPC has elected to adopt amortised historic cost as a proxy for current value in existing use for short-life or low-value intangible assets.

1.6 Depreciation and amortisation

Depreciation or amortisation is provided on all non-current assets in use on a straight-line basis to write off the cost or valuation over the asset's useful life as follows:

Asset type	Useful life
Furniture and fittings	Duration of lease or anticipated useful life
Vehicles	7 years
Information technology	3 to 5 years
Intangible assets	5 years or anticipated useful life

1.7 Pensions

a) Principal Civil Service Pension Scheme

Pensions are ordinarily to be provided by the provisions of the Principal Civil Service Pension Scheme (PCSPS), which is described more fully in the remuneration and staff report. There is a separate scheme statement for the PCSPS as a whole. Employer pension contributions are

accounted for on an accruals basis. Liabilities rest with the PCSPS and not the IOPC.

b) Broadly by analogy

In the case of some former members of the Police Complaints Authority, pensions are provided by a Broadly By Analogy pension arrangement. In these cases, the annual cost of the pension contribution is recognised in the Statement of Comprehensive Net Expenditure. Amounts relating to changes in the actuarial valuation of scheme liabilities are adjusted via the Statement of Changes in Taxpayers' Equity. Liabilities for the Broadly By Analogy scheme rest with the IOPC. These are recognised in the Statement of Financial Position. These financial statements are fully compliant with IAS 19: Employee Benefits.

1.8 Staff costs

In accordance with IAS 19 Employee Benefits, the IOPC recognises the expected costs of short-term employee benefits in the form of compensated absences, as follows:

- (a) in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and
- (b) in the case of non-accumulating compensated absences, when the absences occur.

Compensation is based on contractual holiday pay only and excludes accumulated flexi-leave.

1.9 Provisions

In accordance with IAS 37, provisions are disclosed in the Statement of Financial Position for legal or constructive obligations in existence at the end of the reporting period if the payment amount to settle the obligation is probable and can be reliably estimated. The amount recognised in provisions takes into account the resources required to cover future payment obligations.

Measurement is based on the settlement amount with the highest probability or if the probabilities are equivalent, then using the expected value of the settlement amounts. Expected cash flows are not discounted as the effect would not be material. To the extent that reinstatement claims exist within the meaning of IAS 37, they are recognised as a separate liability if their realisation is virtually certain.

1.10 Leases

The costs of operating leases held by the IOPC are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term. The significant operating leases are for office accommodation where purchase options are not available.

The IOPC does not have any finance leases.

1.11 Value added tax

The IOPC is registered for VAT, but can only recover VAT on purchases when undertaking non-statutory activities.

Any input tax recoverable is credited to the Statement of Comprehensive Net Expenditure.

1.12 Corporation tax

The IOPC is registered for corporation tax as part of the Home Office corporation tax group.

1.13 New standards adopted

None.

1.14 Standards in issue, but not yet effective

IFRS 16: Leases as adapted and interpreted by the FReM will be effective from 1 April 2022. The standard will change the way the IOPC recognises, measures, presents and discloses the leases that it holds. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is short term (fewer than 12 months) or the underlying asset has a low value. The impact on the 2022/23 financial statements has not been evaluated.

Other new standards in issue or amendments not yet effective will have no impact on the IOPC.

1.15 Management estimates

Management have made material accounting estimates that affect the reported financial statements for the IOPC. These include the requirements for provisions for reinstatement of office property, and the economic lives of

our non-current assets, including our case management system and the associated software.

2 Statement of operating costs by operating segment

The operating segments are based on the management board reporting structure at 31 March 2021. This places financial responsibility with the senior executive best placed to take expenditure decisions and ensures that value for money is achieved.

	2020/21	2020/21	2020/21
Segment	Gross expenditure	Income	Net expenditure
	£'000	£'000	£'000
Corporate Services	18,848	(55)	18,793
Operations	32,752	(36)	32,716
Private Office Group	1,143	–	1,143
Legal Services	3,625	–	3,625
Strategy and Impact	9,665	–	9,665
People	4,962	–	4,962
Non-cash	2,911	–	2,911
Total	73,906	(91)	73,815

	2019/20	2019/20	2019/20
Segment	Gross expenditure	Income	Net expenditure
	£'000	£'000	£'000
Corporate Services	17,916	(45)	17,871
Operations	32,677	(33)	32,644
Private Office Group	1,207	–	1,207
Legal Services	2,892	–	2,892

	2019/20	2019/20	2019/20
Segment	Gross expenditure	Income	Net expenditure
	£'000	£'000	£'000
Strategy and Impact	9,324	–	9,324
People	5,158	–	5,158
Non-cash	4,800	–	4,800
Total	73,974	(78)	73,896

3 Pensions

3.1 Broadly by analogy pension scheme

Certain IPCC commissioners and staff who served as members with the Police Complaints Authority (PCA) receive pension benefits broadly by analogy (BBA) with the PCSPS.

The BBA pensions are unfunded, with benefits being paid as they fall due and guaranteed by the IOPC. There is no fund and therefore no surplus or deficit.

The scheme liabilities for service have been calculated by the Government Actuary's Department using the following financial assumptions:

Assumptions	2020/21	2019/20
Rate used to discount scheme liabilities	1.25%	1.80%
Rate of CPI inflation assumption	2.22%	2.35%
Rate of increase in pensions payment and deferred pensions	2.22%	2.35%

The mortality assumptions use 2016 PCPS valuation assumptions with Office for National Statistics 2018 (2016

for prior year) based UK principal population projections, which give the following life expectancies at retirement.

Current pensioners	31 March 2021		31 March 2020	
	Men	Women	Men	Women
At age 60	26.9	28.6	26.8	28.4
At age 65	22.0	23.7	21.9	23.5
Future pensioners				
At age 60	28.6	30.2	28.5	30.2
At age 65	24.1	25.7	24.0	25.6

The actuary has considered the potential implications of the COVID-19 pandemic on the actuarial calculations.

The assumptions for the discount rate and pension increases are specified by HM Treasury in the PES (2020) 12 paper, dated 18 December 2020, and remain unchanged for these accounts. The PES assumptions reflect market conditions as at 30 November 2020 and are typically not amended for any changes between November and the accounting date.

The current population mortality projections make no specific allowance for the impact of COVID-19 or any other pandemics. The starting rates of mortality improvement are based on projections of past trends in UK mortality and the effects of past pandemics will already be reflected in these trends. In general, the effects of pandemics on mortality rates are usually expected to be short term. Rates tend to go back to what

they would have been before the pandemic after a year or two unless the pandemic remains over several years.

The liabilities associated with members are as follows	31 March 2021	31 March 2020
	£'000	£'000
Pension provision		
Balance at 1 April	2,371	2,198
Increase in provision	99	173
Present value of liabilities	2,470	2,371

Other amounts to be disclosed in order to understand the change in provision	31 March 2021	31 March 2020
	£'000	£'000
Scheme liability at the beginning of the year	2,371	2,198
Movement in the year		
Interest cost	42	63
Actuarial loss	128	180
Benefits paid	(71)	(70)
Increase in scheme liability	99	173
Scheme liability at the end of the year	2,470	2,371

Expense to be recognised in the Statement of Comprehensive Net Expenditure	2020/21	2019/20
	£'000	£'000
Interest costs	42	63
Total expense	42	63

Actuarial loss/(gains) to be recognised in Changes in Taxpayers' Equity	2020/21	2019/20
	£'000	£'000
Experience gain arising on the scheme liabilities	(32)	(11)
Change in assumptions underlying the present value of the scheme liabilities	160	191
Net total actuarial loss on taxpayers' equity	128	180

There are no employee and employer costs payable in 2021/22.

Present value of scheme liabilities	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
	£'000	£'000	£'000	£'000	£'000
Liability in respect of:					
Deferred pensioners	629	583	512	515	513
Current pensions	1,841	1,788	1,686	1,736	1,823
Total present value of scheme liabilities	2,470	2,371	2,198	2,251	2,336
History of experience (gains)/ loss	(32)	(11)	7	(7)	(17)
Percentage of scheme liabilities at the end of the year	-1.3%	-0.5%	0.3%	-0.3%	-0.7%

Sensitivity of the defined benefit obligation (DBO) to changes in significant actuarial assumptions			
Change in assumption	Impact on DBO		
		%	£'000
Rate of discounting scheme liabilities	+ 0.5% a year	-7%	(176)

Sensitivity of the defined benefit obligation (DBO) to changes in significant actuarial assumptions			
Change in assumption		Impact on DBO	
		%	£'000
Rate of increase in CPI	+ 0.5% a year	8%	190
Life expectancy: each member assumed one year younger than actual age		3%	71

3.2 Civil Service pensions

The PCSPS is an unfunded multi-employer defined benefit scheme, but the IOPC is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2020/21, employers' contributions of £9,366k were payable to the PCSPS (2019/20 £8,830k) at one of four rates in the range 26.6% to 30.3% (2019/20 26.6% to 30.3%) of pensionable pay, based on salary bands. The scheme actuary reviews employer contributions, usually every four years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2020/21 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £254k (2019/20 £274k) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% of pensionable pay.

Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £9k (2019/20 £10k), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees.

4 Expenditure

		2020/21	2019/20
	Note	£'000	£'000
Staff costs			
Salaries and emoluments		40,437	38,298
Social security cost		4,141	3,825
Pension contributions		9,629	9,114
Less: recoveries from outward secondments		(257)	(299)
Total net costs of staff		53,950	50,938
Purchase of goods and services			
IT		7,160	4,781
Service concession service charges		–	3,703
Accommodation rental		2,282	2,366
Accommodation non-rental		3,160	1,934

		2020/21	2019/20
	Note	£'000	£'000
Travel and subsistence		408	1,564
Training		377	649
Forensics		365	447
Recruitment		192	315
Stationery		32	94
Postage		45	59
Research		73	131
Legal services		1,408	995
Guidance for police and public		86	190
Professional fees		1,042	524
Audit fee – external		63	52
Service concession interest charges		–	1
Other costs		352	431
Total purchases of goods and services		17,045	18,236
Non-cash items			
Depreciation	5	1,905	2,034
Amortisation	6	1,542	1,862
Provisions net (reversals)/expense	11	(841)	841
Loss on disposal of non-current assets		263	–
BBA pension expense interest	3.1	42	63
Total non-cash items		2,911	4,800
Total operating expenditure		73,906	73,974

The fee for the external audit of the Statement of Accounts was £63,200 (2019/20 £52,000). The external auditors did not undertake any non-audit work.

5 Property, plant and equipment

	Payments on account and assets under construction	Information technology	Vehicles	Furniture and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2020	1,378	5,505	853	11,333	19,069
Reclassifications	(807)	807	–	–	–
Additions	1,731	94	–	251	2,076
Disposals	(263)	(550)	–	(116)	(929)
At 31 March 2021	2,039	5,856	853	11,468	20,216
Depreciation					
At 1 April 2020	–	2,938	522	8,592	12,052
Charge for the year	–	1,229	110	566	1,905
Disposals	–	(550)	–	(116)	(666)
At 31 March 2021	–	3,617	632	9,042	13,291
Net book value at 31 March 2021	2,039	2,239	221	2,426	6,925

	Payments on account and assets under construction	Information technology	Vehicles	Furniture and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2019	1,633	6,058	853	10,946	19,490
Reclassifications	(1,442)	651	–	265	(526)
Additions	1,187	31	–	653	1,871
Disposals	–	(1,235)	–	(531)	(1,766)
At 31 March 2020	1,378	5,505	853	11,333	19,069
Depreciation					
At 1 April 2019	–	3,213	411	8,506	12,130
Reclassifications	–	(346)	–	–	(346)
Charge for the year	–	1,306	111	617	2,034
Disposals	–	(1,235)	–	(531)	(1,766)

	Payments on account and assets under construction	Information technology	Vehicles	Furniture and fittings	Total
	£'000	£'000	£'000	£'000	£'000
At 31 March 2020	-	2,938	522	8,592	12,052
Net book value at 31 March 2020	1,378	2,567	331	2,741	7,017

6 Intangible assets

	Payments on account and assets under construction	Information technology	Total
	£'000	£'000	£'000
Cost or valuation			
At 1 April 2020	74	12,589	12,663
Reclassifications	(74)	74	-
Additions	913	16	929
Disposals	-	(764)	(764)
At 31 March 2021	913	11,915	12,828
Amortisation			
At 1 April 2020	-	8,768	8,768
Reclassifications	-	-	-
Charge for the year	-	1,542	1,542
Disposals	-	(764)	(764)
At 31 March 2021	-	9,546	9,546
Net book value at 31 March 2021	913	2,369	3,282

	Payments on account and assets under construction	Information technology	Total
	£'000	£'000	£'000
Cost or valuation			
At 1 April 2019	342	11,654	11,996
Reclassifications	(324)	850	526
Additions	56	96	152
Disposals	-	(11)	(11)
At 31 March 2020	74	12,589	12,663
Amortisation			
At 1 April 2019	-	6,571	6,571
Reclassifications	-	346	346
Charge for the year	-	1,862	1,862
Disposals	-	(11)	(11)
At 31 March 2020	-	8,768	8,768
Net book value at 31 March 2020	74	3,821	3,895

7 Financial instruments

The IOPC does not hold any complex financial instruments. The only financial instruments included in the accounts are receivables and payables. Trade receivables are recognised initially at fair value less provision for impairment. A provision for impairment is made when there is evidence that the IOPC will be unable to collect an amount due in accordance with agreed terms.

The IOPC's resources are mainly met through grant in aid from the Home Office through the supply process and from income for work carried out on a repayment basis. The IOPC has no powers to borrow money or to invest surplus funds other than the financial assets and liabilities generated by day-to-day operational activities. As a result the IOPC is exposed to little or no credit, liquidity, foreign currency, or inflation risk.

8 Cash and cash equivalents

	2020/21	2019/20
	£'000	£'000
Opening balance	7,050	6,684
Net change in cash balances during the year	(1,233)	366
Closing cash balance	5,817	7,050

Only cash is held and is available immediately from the Government Banking Service.

9 Trade and other receivables

	31 March 2021	31 March 2020
	£'000	£'000
Amounts falling due within one year		
Contract assets	13	13
Trade receivables	45	37
Staff advances	134	142
Prepayments	1,576	1,088
Total falling due within one year	1,768	1,280

10 Trade and other payables

	31 March 2021	31 March 2020
	£'000	£'000
Amount falling due within one year		
VAT	23	15
Other taxation and social security	2,061	2,089
Trade payables	52	88
Staff benefits	2,621	1,331
Retentions	415	-
Other payables	3	1
Accruals and deferred income	4,251	3,557
Total falling due within one year	9,426	7,081
Amounts falling due after more than one year		
Other payables, accruals and deferred income	189	539
Total falling due after one year	189	539
Total trade and other payables	9,615	7,620

11 Provisions for liabilities and charges

For property provisions the IOPC recognises a dilapidation provision for all leased properties where it has an obligation to bring the property into a good state of repair at the end of the lease. The provision is based on the estimated costs of reinstatement of modifications the IOPC has made and the repair obligations required during the lease. The estimated cost of reinstating modifications made to the buildings is £3,431,000 (£3,777,000 for 2019/20). In line with IAS 37 Provisions,

Contingent Liabilities and Contingent Assets, the costs of reinstatement have been recognised as part of the fit-out assets and will be depreciated over the lease terms. The value of dilapidations provisions is based on expert assessment obtained during 2017/18 and updated by indexing and revaluations as necessary.

	Property	Other	Total
	£'000	£'000	£'000
Balance at 1 April 2020	3,777	255	4,032
Provided in the year	240	-	240
Provisions not required written back	(586)	(13)	(599)
Provisions utilised in the year	-	(242)	(242)
Decrease in provisions	(346)	(255)	(601)
Balance at 31 March 2021	3,431	-	3,431
Represented by:			
Non-current element of provision	3,431	-	3,431
Analysis of expected timing of discounted flows			
Later than one year and not later than five years	2,659	-	2,659
Later than five years	772	-	772
Balance at 31 March 2021	3,431	-	3,431

	Property	Other	Total
	£'000	£'000	£'000
Balance at 1 April 2019	2,583	-	2,538
Provision expense in year	586	255	841
Provision for reinstatements	653	-	653
Increase in provisions	1,239	255	1,494
Balance at 31 March 2020	3,777	255	4,032
Represented by			
Current element of provision	586	-	586
Non-current element of provision	3,191	255	3,191

12 Commitments under leases

Operating leases

As at 31 March the IOPC had the following total future minimum lease payments under non-cancellable operating leases for each of the following periods

	31 March 2021	31 March 2020
	£'000	£'000
Obligations under operating leases comprise		
Buildings:		
Not later than one year	2,357	2,489
Later than one year and not later than five years	7,155	6,080
Later than five years	5,481	7,694
Total operating lease obligations	14,993	16,263

13 Contingent liabilities disclosed under IAS 37

The IOPC has contingent liabilities in respect of a number of legal claims or potential claims against the IOPC, the outcome and timing of which cannot be estimated with certainty. Full provision is made in the financial statements for all liabilities that are expected to materialise.

The dilapidations provisions in note 11 are based on the estimated costs of reinstatement and do not include possible consequential losses. Estates exit costs are settled by negotiation, the outcome and timing of which cannot be estimated with certainty and the IOPC may be liable for further costs. Full provision is made in the financial statements for all liabilities that are expected to materialise.

14 Related-party transactions

The Home Office is a related party of the IOPC. During the year ended 31 March 2021 the Home Office provided grant in aid, as disclosed in note 17.

Central government bodies are related parties. The income from these bodies is shown in the Accountability Report. The amounts owed by these bodies to the IOPC are classified as trade and other receivables and amount to £20k (£7k at March 2020).

The PCSPS and the Cabinet Office are also related parties. Further information on the transactions with these bodies can be found in the pensions section of the remuneration report.

During the year ended 31 March 2021 none of the non-executive directors, executive directors or key managerial staff undertook any material transactions with the IOPC.

The IOPC has adopted a Code of Conduct based on the Cabinet Office Code of Practice for Board Members of Public Bodies. The IOPC maintains a register of interests for non-executive directors and all staff who are required to declare interests. The register of interests for non-executive and executive directors is available to the public and is on our website. Where any decisions are taken that could reasonably be seen as giving rise to a conflict of interest individuals are required to declare the relevant interest and, when appropriate, withdraw from participating in taking the decision. IOPC procedures also ensure that investigators are not engaged on investigations in which they would have an interest.

15 Third-party assets

On occasion, the IOPC holds third-party assets when required to facilitate investigations. These are stored securely and are normally returned to the lawful owner when no longer required. Reliable estimates of their value cannot be made.

Third-party assets are not included in the financial statements because the IOPC does not have a beneficial interest in them. As at 31 March 2021 no monetary assets were held (2019/20 £Nil).

16 Events after the reporting period

The Annual Report and Accounts were authorised for issue by the Accounting Officer on the same date that the Accounts were certified by the Comptroller and Auditor General.

17 Grant in aid

The IOPC is funded by grant in aid received from the Home Office.

	2020/21	2019/20
	£'000	£'000
Received for revenue expenditure	68,235	70,087
Received for capital expenditure	2,765	1,413
Total grant in aid received	71,000	71,500

18 Hillsborough

The Home Office has agreed to provide additional grant in aid when the IOPC incurs additional expenditure as result of the investigation into the aftermath of the Hillsborough disaster. This note shows the expenditure incurred during 2020/21 and 2019/20.

	2020/21	2019/20
	£'000	£'000
Staff costs		
Salaries and emoluments	3,012	2,702
Social security cost	310	279
Pension contributions	715	635
Temporary staff	133	329
Total staff costs	4,170	3,945
Other expenditure		
Accommodation rental	259	500
Accommodation non-rental	405	508
IT	533	671
Legal services	72	48
Other costs	148	100
Recruitment	4	24
Stationery	7	9
Training	11	31
Travel and subsistence	17	107
Total other expenditure	1,456	1,998
Non-cash		
Depreciation	136	199
Total non-cash	136	199
Total revenue expenditure	5,762	6,142

This document is also available in Welsh.
Mae'r ddogfen hon ar gael yn y Gymraeg hefyd.

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