



Annual report and statement of accounts

2017/18

Independent Office for Police Conduct Annual report and statement of accounts 2017/18

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Performance report



Overview

About us – who we are and what we do

We are the Independent Office for Police Conduct (IOPC), formerly the Independent Police Complaints Commission (IPCC). We oversee the police complaints system in England and Wales 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, complainants 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 – regardless of whether someone has made a complaint. We also oversee the complaints system for certain other 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.

Becoming the IOPC

On 8 January 2018, the IPCC became the IOPC. This change was set out in the Policing and Crime Act 2017. The change was made because the IPCC had doubled in size since 2013, taking on more than six times as many investigations. We therefore asked the Government for structural changes to better suit our much-expanded organisation.

Transition to the IOPC was a major undertaking by the organisation during the year under review (read more on page 20). Work is underway to develop a strategic plan for our new organisation, which will build on the work of the IPCC, but set a new vision and strategic objectives for the next three years. This will include a greater focus on learning and further developments to

our engagement with stakeholders. We anticipate that this will enable us to better demonstrate our impact. We will also develop new values that will be led by our staff and underpin all aspects of our work.

Apart from a new name, the other significant change has been to the governance structure of the organisation. Previously, staff had two reporting lines: through their managers to the Chief Executive and also to the relevant commissioner in their role as decision-maker. We now have a single line of accountability running up to the Director General. The separation of operational decisions made by staff on behalf of the Director General and governance decisions, which are made by members of the Board, allows for a clearer distinction of roles going forward.

While we complete this work, we have retained the vision, mission and values of the IPCC.

These values are:

- justice and respect for human rights
- independence
- diversity
- integrity
- openness

Our mission is to improve public confidence in the police complaints system.

Our vision is that we are trusted to seek the truth and hold the police to account.

Our structure and leadership

Since becoming the IOPC on 8 January 2018, we now have a single line of accountability running up to our Director General, Michael Lockwood. He is ultimately responsible for the work of the organisation and its decisions. Investigative decisions are delegated to six teams covering Wales and the regions. These are each led by a director. Other decisions are delegated to other parts of the organisation, as appropriate. The Home Office has also recruited six new non-executive directors, who form part of our Unitary Board. Responsibilities of the Board include ensuring that the organisation has in place appropriate arrangements for good governance and financial management, agreeing our strategic aims and values, and providing support to the Director General in the carrying out of his 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 structure and our senior leaders on our website.



Director General's foreword



This has been an important year for the organisation. In January 2018 the Independent Police Complaints Commission (IPCC) became the Independent Office for Police Conduct (IOPC). I started as its first Director General at the same time as six new non-executive directors appointed by the Home Secretary. With three of the existing executive directors, we make up the Unitary Board, which is now charged with responsibility for oversight of the organisation. This arrangement replaced the previous Commission structure, which had been in place since the IPCC began work in 2004.

As well as organisational changes, we have also seen improvements to the police complaints system as a whole, as some of the legislative changes arising from the Policing and Crime Act have come into force. These changes are the start of a package of reforms that we hope will both simplify and strengthen the system going forward.

Much of our work in the year was preparing for transition to the new organisation in January. However, despite this, we managed to ensure continued commitment to our six strategic objectives and performed very well against all our targets.

We opened 705 independent investigations into the most serious and sensitive matters. Importantly, our investigation closure rate increased by almost 60 per cent from the previous year and, for the first time since expansion in 2011/12, we closed more investigations than we opened.

We have also continued with the Hillsborough investigation, the biggest criminal inquiry into alleged police misconduct ever undertaken. Much of our work in this period has been supporting the disclosure requirements for the upcoming criminal trials.

Sadly, we saw a number of terror attacks take place in Britain during the year.

We carried out investigations into two incidents where police officers fatally shot attackers during the terrorist atrocities at Westminster and at London Bridge respectively in 2017. These investigations were required by law, and at no point were police officers under investigation. We completed our investigations swiftly and with the full co-operation of the police. I am grateful to everyone involved in the efficient investigations of these tragic incidents.

Improving public confidence in the police complaints system is not just about the investigations we undertake. An increasing number of people come into contact with us through our appeals work and, this year, we completed over 3,500 appeals about the way in which police forces handled complaints. We continued to work with forces to improve how they handle complaints and this has seen some good results.

Moving away from our operational work, we have also undertaken work to increase confidence, particularly among groups who we know have lower levels of confidence in the complaints system. We have commissioned research to understand more about how people with mental health concerns engage in the system. We have also, alongside Leaders Unlocked, established a Youth Panel, which is providing valuable insight into how young people view our organisation, the complaints system and how we can better engage them as a group.

In addition, we continue to contribute to making improvements to policing in general. We have published recommendations to improve police practice, update policy or change the way that police officers and staff are trained. We have also shared the learning from our work through our Learning the Lessons magazine and continue to work with other stakeholders such as Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services and the College of Policing to effect change in the service more widely. Maximising learning opportunities is an area that I am really keen to develop over the coming years and our Strategic Plan, to be launched in the autumn, will set out some of the ways in which we will achieve this.

As indicated at the start of this foreword, I was in post only for the final quarter of 2017/18. I would therefore like to thank the IPCC's Chair, Chief Executive and all of its senior leaders for steering the organisation through the major challenges of transition while maintaining performance. Importantly, I would also like to thank all of the organisation's staff for their continued commitment and dedication to the difficult but vital work that we do.



Director General



Key issues and risks

We have six objectives, which we report on in this publication. We identify significant strategic risks to the achievement of these objectives, assess these and then manage them through a range of mitigation and risk-reduction activities. Regular updates on the strategic risks are presented to both the Audit and Risk Assurance Committee and the Unitary Board (under our former IPCC structure, these updates were provided to the Audit and Risk Committee and the Commission). Lower-level risks are managed 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 Governance Statement on page 74 describes the major risks we face and explains the mitigation measures in place. These risks include:

- the introduction of legislative change, which continues into 2018/19 (see pages 48/49)
- the potential for data breaches (see page 80)
- the implementation of the General Data Protections Regulations (see page 49)
- risks around implementation of the Government's property strategy, which may impact on our costs and delivery of our workload (see page 82)



Summary of our performance during 2017/18

Much of our work during the year under review was done to prepare us for our transition to become the IOPC. We explain more about this throughout this report.

Further information about the projects we carried out during 2017/18, and our performance against our targets, is included in the performance analysis section of this report (see page 14).

We worked to increase public confidence in the police complaints system by:

- opening 705 investigations into the most serious and sensitive matters – within our 650–750 target
- considering 3,677 appeals about how the police handled complaints from members of the public
- working with forces to improve the way they handle complaints, including publishing guidance on how to deal with vexatious complaints and

persistent complainants (see page 39)

- commissioning new research to explore the confidence of people with mental health concerns in the police complaints system, and their likelihood and ability to engage with it (see page 17)
- working with Leaders Unlocked¹ to launch our Youth Panel (see page 16)
- forming a network of advocates to support vulnerable people and those with low levels of confidence in the system to be heard (see page 18)
- continuing to work with the Home Office to implement a range of reforms that aim to make the police complaints system simpler to use and more focused on resolving issues for the public, and that promote learning and improvement in the police service

We helped improve policing by:

- publishing recommendations² relating to 31 investigations.

¹ Leaders Unlocked provides young people with a stronger voice on issues that affect their lives. Find out more on their website: <http://leaders-unlocked.org/>

² We make learning recommendations to the police, or other relevant organisations, after our investigations. Our recommendations can be made to individual police forces or to all police forces. We also make recommendations after making decisions on certain types of appeals.

Our recommendations improve police practice, update policy or change the way that police officers/ staff are trained

- sharing learning from our work through a range of channels, which supports forces to avoid adverse incidents and deal with complaints effectively
- providing data from our work to inform Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspections

Referrals

- We received 3,823 referrals³ from police forces in 2017/18.
- We aimed to process 72 per cent of these within three working days and exceeded this, dealing with 83 per cent within this timeframe.
- The average time we took to process referrals was four working days.

Independent investigations

- We planned to open between 650 and 750 investigations and achieved this, opening 705. This is almost 20 per cent more than we started in 2016/17.
- On average, it took 223 working days to complete independent investigations during 2017/18. This is over three weeks less than our average of 239 working days in 2016/17.

- Our closure rate increased by almost 60 per cent (263) and, for the first time since we started expansion, exceeded the number of investigations started.
- Our Hillsborough investigations continued. Deputy Director General, Operations – Ian Todd – took over overseeing the investigations following our transition to the IOPC. These are the biggest criminal inquiries into alleged police misconduct ever undertaken. The trials of the people who have been charged began with legal arguments in June 2018. We expect them to run until at least the summer of 2019.

Appeals

- We received 3,535 appeals in 2017/18.
- We completed 3,677 appeals in 2017/18, of which 3,449 were valid.
- We reduced the number of open appeals by more than 25 per cent, from 505 at the start of the year to 375 by the end.
- Our target was to complete 60 per cent of all investigation and local resolution appeals within 35 working days by the end of quarter four 2017/18. We exceeded this, achieving a figure of 68 per cent.

Our online Monthly roundup includes information about our cases and appeals, as well as updates on our work with stakeholders. Please visit our website to read past issues.

³ Further information about how we deal with referrals is available on our website – www.policeconduct.gov.uk



Performance analysis

On 8 January 2018, we ceased to be the IPCC and became the IOPC, with a revised structure. Since 2013, we have doubled in size and now take on more than six times as many investigations. We asked for changes to our structure to better suit our much-expanded organisation. The new structure should make our processes more efficient.

The changes, which mean we are no longer a Commission, were set out through the Policing and Crime Act 2017. During the year under review, we wound down our former Commission structure. Our former commissioners made significant contributions to the preparations for implementing our new name and structure. This included preparing cases to be handed over to the incoming Regional Directors and Director for Wales, and communicating with families and stakeholders about the changes to our organisation.

We now have a single line of accountability running up to our Director General, Michael Lockwood. He is ultimately responsible for the work of the organisation and its decisions. Investigative decisions are delegated to the six teams covering Wales and the regions – all led by a director. Other decisions are delegated to other parts of the organisation, as appropriate. Six new non-executive directors were also appointed under the public appointments process. They form part of our Unitary Board and are a key element of the organisation's new governance structure. You can read more about our senior leaders on our website.

This section describes our progress against the work set out in our 2017/18 Business Plan.



Strategic objective one

Improve the confidence of those groups who have the least confidence in the police complaints system.

Since January 2018, our new Regional Directors and Director for Wales have been meeting local stakeholders to engage with them and introduce themselves.

These meetings formed part of a comprehensive induction to their new roles. In our new structure, these staff are a vital part of improving our understanding of the needs of local communities, enabling us to respond to concerns.

We also worked with stakeholders to develop our new website, which is more user-friendly and streamlined. By carrying out workshops with a variety of representatives from policing and non-policing bodies, we received feedback that enabled us to ensure that the site meets the needs of our various audiences. The site also meets government accessibility standards. Since it launched in January 2018, we have averaged approximately 30,000 visitors a month, who have been visiting



more pages and spending more time on the site compared with the IPCC website.

Young people

We carried out a range of work during 2017/18 to develop confidence levels and give a voice to vulnerable people whose insights can help us in our work. Working with Leaders Unlocked, we launched our Youth Panel in March 2018. The Panel will help to improve awareness of the IOPC among young people – who we know, through research and feedback, have low confidence in the police complaints system and less understanding of our work. The Panel members are from diverse backgrounds and bring different perspectives to the project. They will meet regularly and shape how we communicate with young people and ensure we are responsive to their concerns.



We've worked proactively with grassroots organisations to recruit a highly motivated team of young adults from across England and Wales to join the IOPC Youth Panel. We are very excited to see what this Panel achieves.



Rose Dowling, Director of
Leaders Unlocked

Mental health

Mental health is an underlying theme in many of the cases that we investigate, especially where a death has occurred during or after someone has had contact with the police. We commissioned new research this year to explore the confidence of people with mental health concerns in the police complaints system, and their likelihood and ability to engage with it. Through this research, we hope to improve our data and understanding of the experiences of this group of people, including how confident they are in the system and in us, and how the complaints system could be made more accessible for them.

The research, conducted for us by the Institute of Mental Health, uses a mix of methods, including a series of focus groups across England and Wales. The findings will contribute to our ongoing improvement programmes across the organisation.

Developing relationships with police staff associations

It is important that those working in the police service are aware of our role and have confidence in what we do. As part of our work to engage with stakeholders, we have been liaising with the Police Federation to include them in the conversations around changing practice, producing statutory guidance and other issues of learning for policing and the police complaints system. This

has helped to broaden the perspectives of both organisations and increase understanding.

We have attended all the conduct leads regional seminars over the last year – listening to concerns about our work and increasing our understanding of the issues that Police Federation members face during our investigations. As we have started to put in place plans to address these, we have tested these ideas with the conduct leads, leading to helpful discussions. This has also increased transparency around how we work, allowing us to explain our processes and procedures.

We have also sought to build day-to-day operational relationships. We have a named operational contact for each force who the federation can contact to raise issues or escalate points of concern, and help to keep our investigations moving. Regular regional meetings that include groups of staff association representatives and operational staff are providing a forum for us to share learning. This is gradually being rolled more widely after we received positive feedback in trial areas.

We have started similar conversations with Unison, and spoke at a conference after listening to concerns raised.



Sharing our learning with practitioners

During 2017, we gave a presentation about policing and mental health at the College of Policing. It highlighted the fact that there were mental health concerns with eight of the 14 people who died in or following police custody between 2016 and 2017.

The presentation is available on our website – www.policeconduct.gov.uk/sites/default/files/Documents/research-learning/IPCC_policing_and_mental_health_presentation_2017.pdf

- create advocates among service providers that direct people to the police complaints system and support them to access it

The network includes community and voluntary sector representation for young people, religious and minority ethnic communities, disabled people, those with mental health issues, vulnerable migrants and the LGBT community. Organisations that campaign on thematic issues, such as human rights and gender-based violence, have also agreed to be involved.

Community advocates

Our Stakeholder Engagement team has led on work to create a network of advocates to ensure that the views of all low confidence and vulnerable groups are heard.

The network will:

- provide a gateway to communities
- improve access to the IOPC outside the formal complaints system
- give us access to more direct communication channels, helping us to overcome barriers and improve perceptions of the IOPC



Case study 1

Network of advocates



We worked with two of the organisations involved in our network of advocates (Suzy Lamplugh Trust and Women's Aid) to run awareness sessions. These involved staff from our Customer Contact Centre, and advisors from the National Stalking Helpline and the National Domestic Violence Helpline.

The sessions aimed to discuss best practice, provide an opportunity for professional development, and promote awareness about difficult

and sensitive topics related to helpline callers. They also allowed us to explain our role and how the wider police complaints system operates.



We shared a reference guide that helpline staff can refer to in their work.

Assessing our performance against strategic objective one

We introduced our public perceptions tracker during 2017/18. The tracker collects data about public perceptions and awareness of the police, the complaints system, and the IOPC. This allows us to measure our performance against objective one.

In 2017/18, 70 per cent of young people said that they were likely to make a complaint if they were unhappy about how a police officer behaved towards them, and 70 per cent of black and minority ethnic (BME) groups said that they would be likely to complain, which means we achieved our targets of 67 per cent and 70 per cent respectively. We set these targets as they represented an increase on what we achieved the previous year.

Our transition from the IPCC to the IOPC, and the associated rebrand, presented a challenge in terms of maintaining awareness of our organisation and the work we do. However, our public perceptions tracker showed that we achieved an increase in awareness of our new brand (from 33 per cent to 39 per cent) between January 2018 and March 2018. We anticipate further increases as the IOPC becomes more established and we continue to develop and share information about our work and its impact. We are also hopeful that our new regional structure will provide an opportunity for greater local/community awareness and impact.

Ongoing work under strategic objective one

We will continue to work with a range of stakeholders to raise awareness of the IOPC and our role. This in turn will help to support and inform what we do to further develop confidence in the police complaints system. Other work planned for the coming year under this objective includes revising and then implementing our Communications Strategy. This will help us make the most of opportunities to communicate in a way that improves public confidence.



Strategic objective two

Deliver an increased number of timely and high-quality independent investigations.

The majority of our investigations are delegated from the Director General, via the Deputy Director General, Operations, to a network of five Regional Directors and a Director for Wales, who manage local operational teams⁴.

Within the regional teams, investigators carry out the tasks and processes that

form our investigations. Investigators are overseen by team leaders and operations managers, who are also responsible for making key decisions about the terms of reference for, and outcomes of, investigations. All operational teams adhere to the same operating policies and standards to ensure consistency.

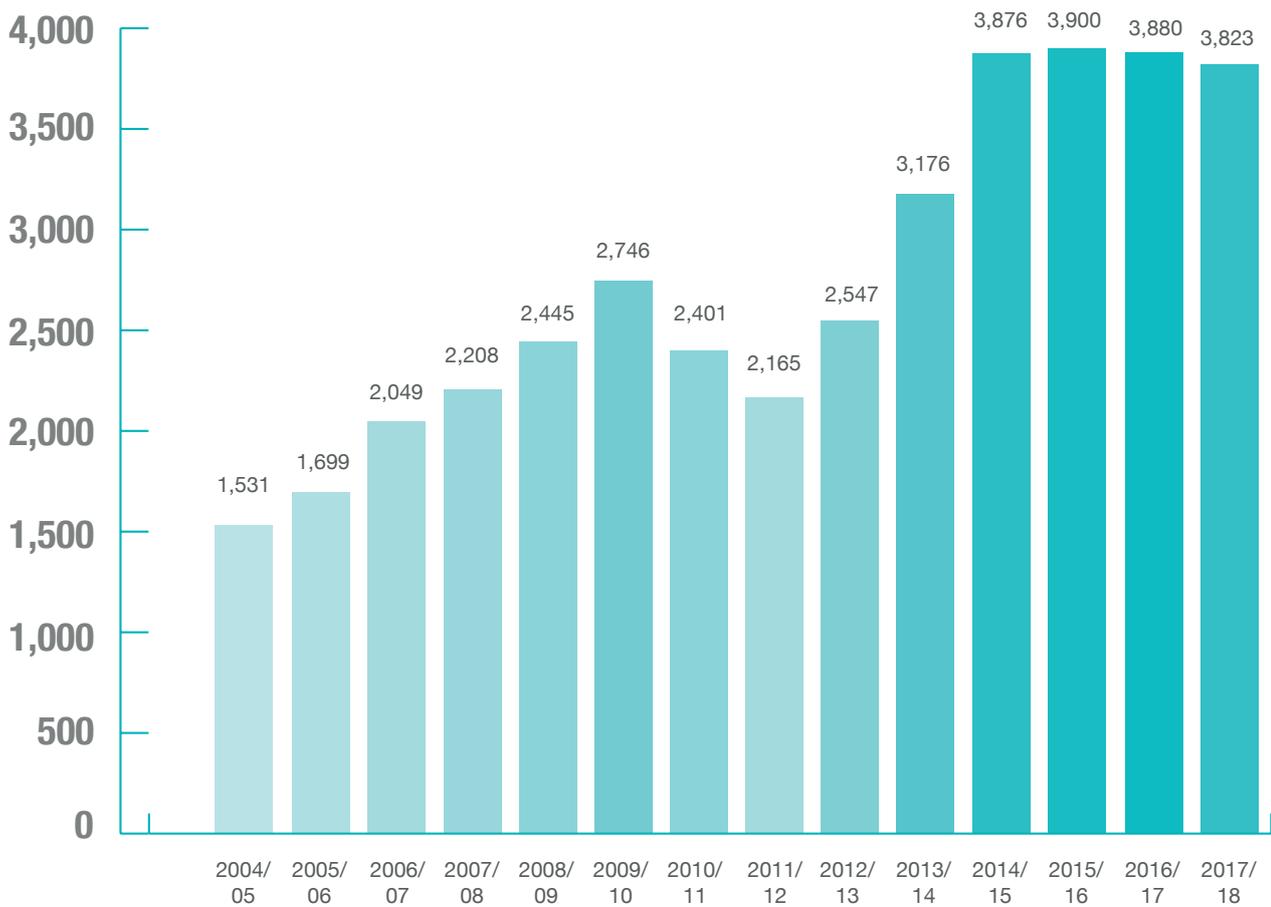
⁴ Please refer to IPCC annual reports to find out about our previous structure and processes.

Referrals

The number of referrals received each year has been comparable over the last four years. During 2017/18, we received 3,823 referrals and completed 3,847. Our target was to communicate our

decision about the referral within three days in 72 per cent of cases. We exceeded this with a figure of 83 per cent. The average time taken to process referrals in 2017/18 was four working days, a one-day reduction on the previous year.

Figure 1: Referrals received by year



Our investigations

We started 705 independent investigations. This is almost 20 per cent more than we started in 2016/17 and is within our target to open between 650–750.

Our closure rate increased by almost 60 per cent (263) and, for the first time since we started our expansion, we closed more investigations than we opened during the year.

On average, it took us 223 working days to complete an investigation during 2017/18. This is over three weeks less than our average of 239 working days in 2016/17.

Our target in 2017/18 was to complete 80 per cent of independent investigations within 12 months. This was a challenging target, given our expansion and legacy cases, and we completed 68 per cent of cases within 12 months. This is an improvement on 2016/17, when the figure was 66 per cent, and we are in a strong position to improve further in 2018/19.

Our closures within six and nine months increased in 2017/18. We completed 31 per cent of investigations within six months – an increase from 17 per cent in 2016/17. We completed 52 per cent

of investigations within nine months compared to 45 per cent in 2016/17.

Before beginning work to draft our investigation reports, we carry out a review to check that our investigations meet our quality standards. Our target in 2017/18 was for 87 per cent of these reviews to achieve a green health assessment⁵. We achieved this in 95 per cent of reviews.

⁵ A green health assessment indicates that the investigation has met our quality standards up to this stage. Any recommendations that are made will relate only to minor matters.



Case study 2

Investigating whether police action could have prevented women's murders



We received separate referrals following the murders of three young women when police action was brought into question.

We investigated following the death of 33-year-old Melinda Korosi, who was murdered by her ex-partner in September 2016. Our investigation looked at how Cumbria Constabulary responded to reports from Ms Korosi. In August 2017, we concluded that the force did not complete all lines of enquiry available to them. They had, however, provided appropriate safeguarding measures. The force agreed that a detective constable and a detective sergeant had a case to answer for misconduct, and both received management action⁶.

Our investigation highlighted the importance of protecting those most at risk in society by pursuing every possible

avenue when it comes to serious criminal allegations.

Sinead Wooding, 26, was murdered by her husband in May 2017. We became involved after it emerged Ms Wooding had contacted West Yorkshire Police with concerns about his behaviour in the days before her death. Our investigation found that call-handlers offered advice and checked on her welfare, and police officers made a number of attempts to speak to her and visit her home.

Miranda Biddle, Regional Director said:



Our investigation concluded that West Yorkshire Police followed all policies and procedures appropriate to the circumstances at the time, and did not cause or contribute to Ms Wooding's death.



⁶ Management action refers to a manager dealing with the way someone has behaved through non-disciplinary action. It can include showing the police officer or staff member how their behaviour fell short of expectations set out in the Standards of Professional Behaviour, identifying expectations for future conduct or addressing any underlying causes of misconduct.

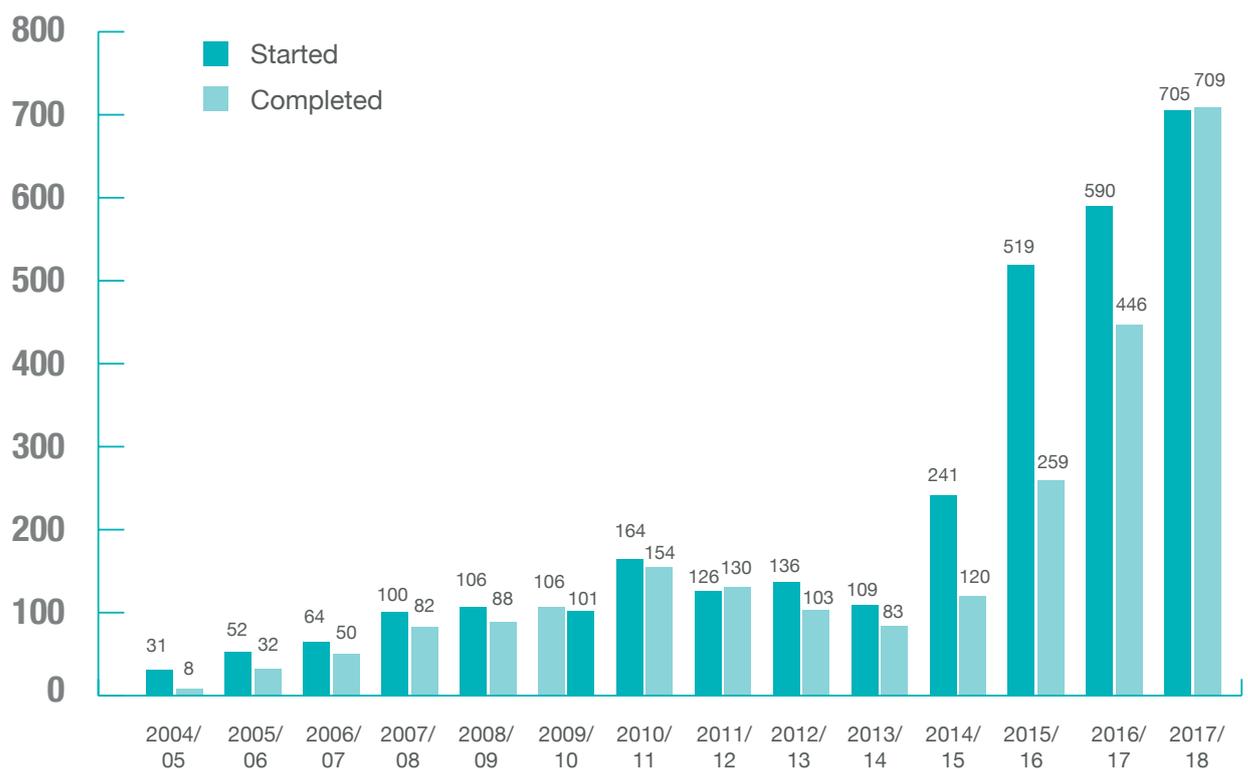
Case study 2 *continued*

The much-publicised murder of Ellen Higginbottom, an 18-year-old student, was brought to our attention when Greater Manchester Police (GMP) referred concerns that the report that Ellen was missing wasn't properly escalated. We did find that there had been 13 delays, over four hours, in sending officers to search for Ellen because no officers were available. GMP's

criminal investigation found that Ellen had died before police received the report that she was missing.

Clearly, resource was a problem the day Ellen was reported missing. After looking at the facts, we hope that the findings of our investigation may help the force to manage resource and ultimately prevent delays like this in the future.

Figure 2: The volume of independent investigations started and completed by year





Case study 3

Our investigations into fatal police shootings of attackers during terrorism incidents in London



We carried out investigations into two incidents where police officers fatally shot attackers during the terrorist atrocities at Westminster and at London Bridge in 2017. These investigations were required by law under Article two of the European Convention on Human Rights, which states that an effective and proper investigation must be carried out into all deaths caused by the State.

On 22 March 2017, a Metropolitan Police officer shot and killed Khalid Masood at the Palace of Westminster. Masood had driven a vehicle into pedestrians on Westminster Bridge, killing four members of the public. He then gained entry to the grounds of the Palace of Westminster, where he fatally stabbed PC Keith Palmer.

Our investigation was completed by July 2017.

The speed of our investigation was assisted by the availability of extensive CCTV footage of the attack, as well as body-worn video footage from the officers who attended the scene. We also received detailed accounts from the officers within 48 hours of the incident.

All parties were treated as witnesses throughout – no officer was under investigation at any stage. Our investigation report has been provided to the Metropolitan Police and to HM Coroner ready for the inquest. We also investigated the fatal shooting of three attackers on 3 June 2017 by City of London and Metropolitan Police officers at Borough Market.

During the terror attack, a van left the road and struck a number of pedestrians on London Bridge. After the van crashed, its three occupants entered the nearby Borough Market area and began

Case study 3 *continued*

stabbing people in and around restaurants and pubs.

Eight members of the public were killed and 48 were injured, including four unarmed police officers who attempted to stop the assailants.

As part of our investigation into the deaths of Khuram Butt, Youssef Zaghba and Rachid Redouane, we also looked at the circumstances in which a member of the public in the

immediate vicinity received a serious but non-fatal gunshot wound from a police firearm. Aside from awaiting the evidence from the pathologist, our investigation report was completed by late September 2017. Again, no officer was ever under investigation. The final report has been passed to both the police forces involved and to HM Chief Coroner ready for the inquests into the deaths of the three attackers.

Hillsborough investigations

In June 2017, the Crown Prosecution Service (CPS) announced that it would be charging six people following our independent investigation into the alleged police cover-up after the Hillsborough tragedy, and Operation Resolve's investigation⁷ into the causes of the tragedy itself. In December 2017, after reviewing a separate evidence file, the CPS announced that it would not charge a former South Yorkshire Police officer and an individual contracted to work for this force. In March 2018, it also announced it would not bring charges against two former senior West Midlands Police officers for the way they conducted the original criminal inquiry into the tragedy in 1989.

Three separate trials will now take place in Preston Combined Court. The trial of former South Yorkshire Police lawyer Peter Metcalf, former police officers Chief Superintendent Donald Denton and Detective Inspector Alan Foster – charged with perverting the course of justice – will take place in January 2019. Sir Norman Bettison's trial – charged with misconduct in public office – will begin in May 2019.

The Match Commander, former Chief Superintendent David Duckenfield, will be charged with 95 counts of gross negligence manslaughter, pending a successful application to overcome legal restrictions preventing a prosecution.

This application was heard, along with the other defendants' applications to dismiss the prosecutions, in June 2018. Mr Duckenfield is expected to stand trial with former Sheffield Wednesday Club Secretary Graham Mackrell (charged with health and safety offences) in September 2018.

Our staff are supporting the prosecution team as they prepare for this next phase of court hearings. This includes the disclosure exercise. Due to the size and complexity of the Hillsborough investigations, this will be one of the biggest ever undertaken. Investigations into misconduct allegations continue, alongside the criminal aspects of our work, and are almost complete. Findings on whether there would have been a case to answer for misconduct for these former officers, along with supporting evidence, will be set out in the final investigation report. We expect to publish this once ongoing criminal proceedings have concluded.

⁷ The IOPC oversees Operation Resolve's enquiries into police actions.



Case study 4

Officer dismissed for collusion after court case dismissed



A police constable was one of two West Yorkshire Police officers who arrested a man on suspicion of theft in November 2015. The man was later charged and put on trial, but the case was dismissed following allegations of collusion between the officers. An adverse judicial finding⁸ was made against the force and we began an independent investigation.

Our investigation looked at:

- the way that the two officers prepared statements related to the incident
- allegations of collusion between the officers
- whether the officers provided false evidence while under oath during the trial

We submitted our investigation report to the CPS, which decided that there was

insufficient evidence to charge the officers with attempting to pervert the course of justice, perjury or misconduct in public office.

Because our investigation had found evidence of a case to answer for gross misconduct for both officers, and the force agreed with our findings, a hearing was held in December 2017. One officer was dismissed without notice. The case against the other officer was not proven.

This was a serious matter and resulted in a court case being dismissed. We looked carefully at the evidence; finding little doubt there was some level of collusion given the similarities in the officers' statements, which included the same errors. Our investigation highlights the importance of officers meeting the levels of honesty and integrity that the public rightly expects.

⁸ This refers to a finding by a court that a police witness has knowingly, whether on oath or otherwise, misled the court.

An update on our Rotherham CSA investigations

Our investigation into South Yorkshire Police's response to allegations of child sexual abuse (CSA) in Rotherham, expanded during 2017/18.

Operation Linden, which is looking into the allegations, expanded to 85 investigations by the end of March 2018, compared with 62 investigations at the same point in 2017.

The increase in the number of investigations was due to new referrals being received from the force, and a review of the operation, which resulted in us splitting some investigations, to help us complete them more effectively.

We made good progress over the year and, by the start of 2018/19, 45 investigation reports had been completed, with 33 current and former police officers remaining under notice that they are being investigated.

Every allegation put to us is treated sensitively and the welfare of survivors is always paramount. We are supporting 53 survivors and a number of complainants through a very difficult period. This is the second largest investigation we have ever carried out, and both the complexities involved and the size of the task should not be underestimated.

Our dedicated team of 35 investigators and support staff have analysed more

than 15,139 documents and pieces of evidence so far. As well as the sensitivities involved in engaging with survivors, we are also dealing with evidence that sometimes dates back to the late 1990s.

When we have concluded all of our investigations we will publish an overarching report. Our aim is to not only highlight any conduct matters relating to individual officers but, crucially, to share our understanding of why such serious allegations often weren't investigated and how this can be avoided in the future.

Steve Noonan, who leads the team conducting the investigations, explains:



Ultimately, we want those affected to be confident that their complaints have been comprehensively investigated and – for South Yorkshire Police, and indeed all forces across the country – to learn from our findings.





Case study 5

Continuing our focus on improving quality and timeliness



As part of our improvement work, we wanted to better understand the interdependencies with professional standards departments (PSDs) in our investigations, and identify any opportunities for streamlining or improving them.

We worked with West Yorkshire Police PSD to map out the points during our investigations where we rely on PSD involvement – for example, being called to an incident or the downloading of CCTV footage. This enabled us to assess whether all of these points were actually required, and whether any could be joined up or removed altogether without impacting on the investigation. We identified areas where we could make quick changes to the process immediately to make it more efficient. We also identified some longer-term work that could be done. The force is keen to work with us to make improvements. We are now

rolling out this approach with other PSDs.

We carried out a pilot that aimed to streamline our processes in relation to investigations into death and serious injury (DSI) cases where we have not identified any conduct issues. The pilot identified that significant time could be saved by approaching these cases in a different way to how we work on DSI cases where there is an indication that someone may have committed misconduct. We were able to remove work that is not proportionate to this type of investigation, ensuring that our resources are targeted as effectively as possible.

For the concluded 24 investigations on the pilot, the average time from start to finish was 58 days – a reduction, on average, of around 150 days.

We are now rolling out this approach across all cases where we have not identified any conduct issues.

Assessing our performance against strategic objective two

We are pleased to have exceeded two of our three performance targets for this objective. The figure below presents our targets and performance against them:



Target:

650–750

independent investigations started

achieved 705



Target:

80%

of independent investigations completed within 12 months

achieved 68%



Target:

87%

of end-of-investigation reviews result in a green health assessment, first time

achieved 95%



Ongoing work under strategic objective two

We continue to prepare for additional legislative changes, which we anticipate coming into effect in early 2019. Our focus is on identifying what is needed to ensure we are operationally ready to implement new legislation.

We will continue to work with police and crime commissioners (PCCs), police forces and other stakeholders to ensure successful implementation of planned legislative changes, and to deliver our statutory function to oversee the complaints system.



Strategic objective three

Ensure that the IOPC operates a timely and high-quality appeals process.

The IOPC is responsible for considering certain appeals about the way that police forces and the National Crime Agency (NCA) have dealt with complaints. We also consider certain appeals relating to complaints made to the Home Office and HMRC.

There are various grounds for appeal, which are explained on our website (www.policeconduct.gov.uk/complaints-and-appeals/make-appeal).

During 2017/18, we received 3,535 appeals, a decrease of 311 compared to

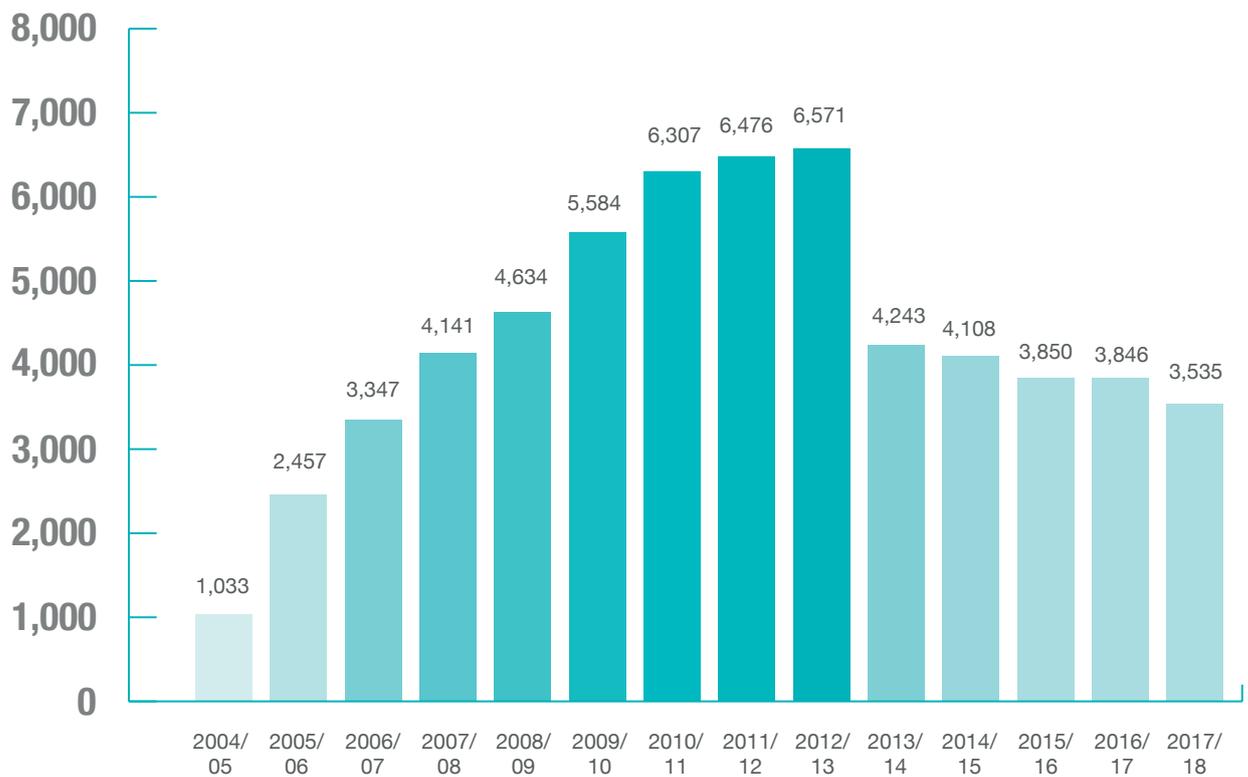
the previous year. The figure on the right sets out the number of appeals we have received year on year since 2004.

We completed 3,677 appeals in 2017/18, of which 3,449 were valid. In addition, improvements to our processes meant that we made good progress in addressing the number of open appeals. This decreased by more than 25 per cent from 505 open appeals at the start of the year to 375 open appeals by the end.

We aim to collect all of the information needed to make an appeal decision, which includes time spent waiting for background papers from forces, within 15 working days. We achieved this for

83 per cent of the appeals completed in 2017/18 – a substantial improvement on the 56 per cent achieved in the previous year.

Figure 3: IOPC appeals received



Footnote to figure: The Police Reform and Social Responsibility Act 2011 introduced a change that meant that some less serious appeals were dealt with by forces rather than coming to the IPCC. This is why we received fewer appeals after 2012/13.

Assessing our performance against strategic objective three



Our target was to complete

60%

of all investigation and local resolution appeals within 35 working days by the end of quarter four 2017/18.

We achieved a figure of 68%.



We completed

88%

of non-recording, discontinuance and disapplication appeals within 25 working days.

This exceeded our target of 80% by the end of quarter four 2017/18.

In 2017/18, we set a target of 80% of appeals reviewed by our Quality Review Unit meeting our quality threshold first time. We exceeded this target,

achieving a figure of 89%.



Ongoing work under strategic objective three

Upcoming legislative change means that, because of the new presumption that any complaint a member of the public wants to have recorded will be recorded, appeals about recording decisions will no longer be a part of the system. Instead, and in place of all the other current types of appeal, there will be a single right of review at the end of the handling of any recorded complaint. This right of review will consider if the outcome of the complaint is 'reasonable and proportionate'.

We are continuing our work to implement an assessment framework for reviews. This involves a detailed examination of our existing appeals processes to see whether improvements can be made that we can feed into the processes we implement in relation to reviews.



Strategic objective four

Improve the quality of police forces' own complaints handling.

Police forces themselves deal with the majority of complaints, with the most serious and sensitive matters coming to us for independent investigation. We are responsible for overseeing the complaints system in its entirety.

We work closely with police forces to develop mutually beneficial relationships that contribute to better complaint handling by forces. Our relationships with policing stakeholders improve the way that complaints are handled. We collaborate on work that addresses

joint areas of concern, and continue to develop new relationships ahead of the changes being introduced to the complaints system under the Policing and Crime Act 2017.

Supporting forces with complaint handling

We provide practical advice to support police forces in handling complaints, in addition to our Statutory Guidance. This includes our regular bulletin for forces where we explain the trends we are

seeing in our work and promote good practice, and our publication Focus – which looks at specific topics and gives advice and examples for PSDs, police and crime.



Advice for forces on dealing with vexatious complainants and persistent complainants

Police complaints handlers sometimes deal with vexatious complainants and persistent complainants. No single model will be appropriate for every situation – ultimately, all complaints must be considered individually and complainants' needs should be responded to on an individual basis.

In response to requests from police forces, we published advice to support them in November 2017. The advice focused on balancing fair access to the police complaints system with appropriate levels of contact and service to high-volume complainants. It also shared details of the specific approaches used by some forces.

You can read the advice on our [website](https://policeconduct.gov.uk/sites/default/files/Documents/statutoryguidance/persistent_complainants_final_2017.pdf) – https://policeconduct.gov.uk/sites/default/files/Documents/statutoryguidance/persistent_complainants_final_2017.pdf

Ensuring that forces learn from complaints and appeals

We have a strong focus on working with forces to improve both the way they handle complaints and the service they provide to complainants. During 2016/17, Leicestershire Constabulary took an average of 231 days to finalise their complaint investigations. The national average was 166 days. We worked with the force to reduce this, discussing our guidance and providing advice on the proportionality and quality of their complaint investigations. Timeliness subsequently improved and by the end of 2017/18, the force's complaint investigations were taking, on average, 172 days. This reduction has not had any obvious impact on the quality of the complaint investigations carried out by the force. The level of appeals we upheld for the force after they had carried out complaint investigations was below the national average in both 2016/17 (23 per cent) and 2017/18 (21 per cent).

During 2016/17 we upheld 61 per cent of the non-recording appeals we received relating to Lancashire Constabulary. This was well above the national average of 37 per cent. A member of our Oversight team spent time with the force's complaints handlers describing how to apply the recording criteria and the exemptions, as well as setting out the considerations that need to be observed when making initial decisions about complaint investigations. We also

provided feedback on structural changes the force had made to its complaints handling processes. By the end of 2017/18, the rate of non-recording appeals we upheld for this force had fallen to 33 per cent, which is below the national average.

Across 2016/17, we upheld a higher than average rate of appeals relating to Nottinghamshire Police. We upheld 60 per cent of their investigation appeals, and 69 per cent of their non-recording appeals. We worked with the force to develop and run a comprehensive workshop for their staff.

This looked at:

- the quality and proportionality of their complaint investigations
- the decisions taken when recording and responding to complaints
- the application of our guidelines on handling allegations of discrimination

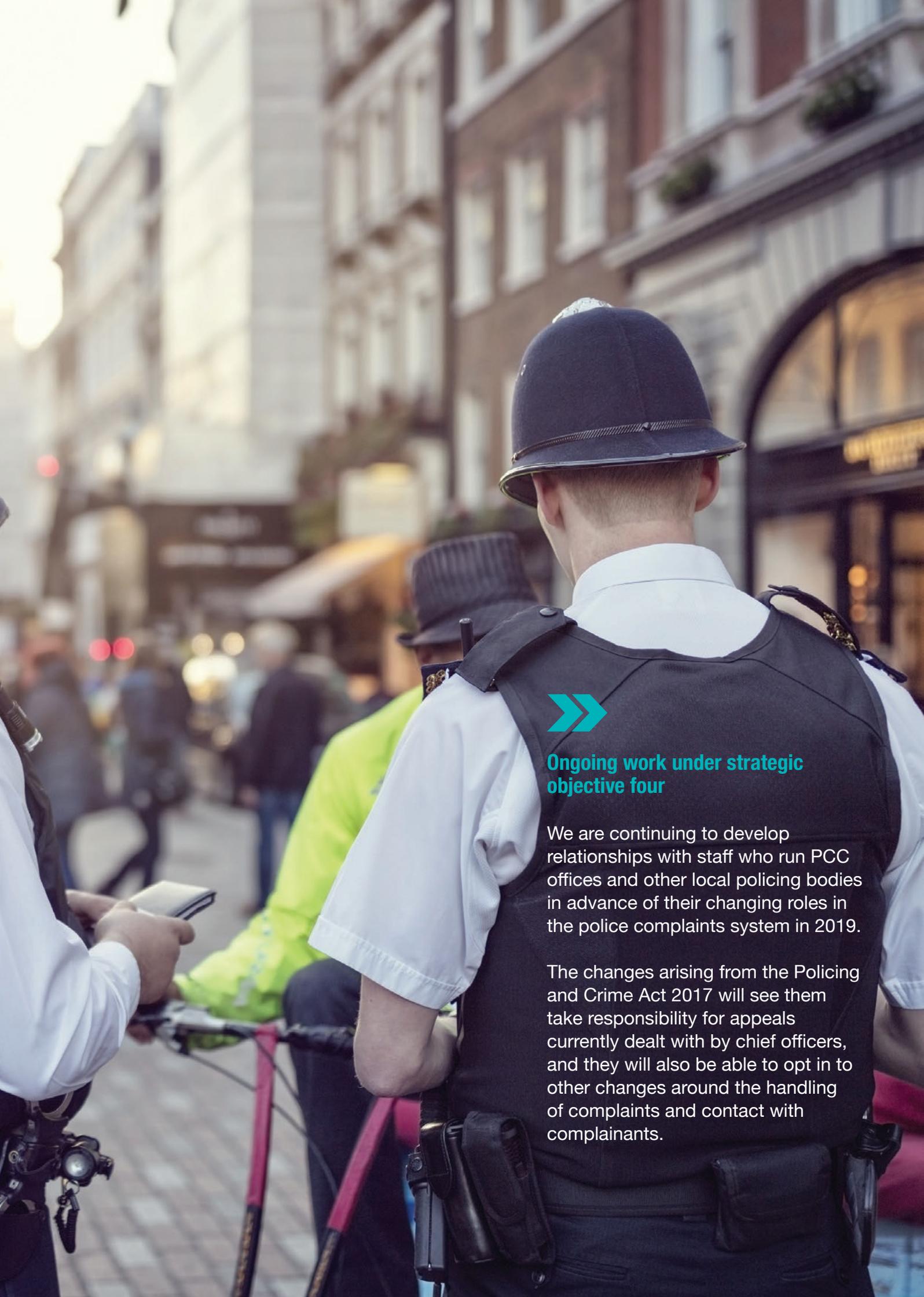
During 2017/18, there was a reduction in the percentage of investigation appeals we upheld for this force – down to 44

per cent. Upheld non-recording appeals fell to 42 per cent, close to the national average.

Assessing our performance against strategic objective four

A reduction in upheld appeals is an indication that complaints handling is improving. Therefore, in 2017/18, we set an improvement target for the proportion of appeals upheld and used the previous year's results as our baseline. Our target against this objective was to uphold less than 39 per cent of appeals made to us after a police investigation into a complaint, and less than 36 per cent of appeals made after a force decided not to record a complaint.

Our appeals upholding rates have remained stable throughout 2017/18 rather than showing improvement. In 2017/18, we upheld 38 per cent of investigation appeals, compared to 40 per cent in the previous year. We upheld 36 per cent of non-recording appeals in 2017/18 – the same as in the previous year.



Ongoing work under strategic objective four

We are continuing to develop relationships with staff who run PCC offices and other local policing bodies in advance of their changing roles in the police complaints system in 2019.

The changes arising from the Policing and Crime Act 2017 will see them take responsibility for appeals currently dealt with by chief officers, and they will also be able to opt in to other changes around the handling of complaints and contact with complainants.



Strategic objective five

Improve policing practice as a result of learning from investigations and appeals work.

During 2017/18, we published three editions of our Learning the Lessons magazine. The magazine exists to encourage a positive learning culture, to ensure that best practice can be followed, and that mistakes, where they do occur, are learnt from.

One edition focused on managing risk, one was general in theme, and one focused on protecting vulnerable people. All include anonymised case studies and a series of questions for forces to ask themselves. These are designed to help

the police service get to the heart of the learning arising from each case.

In early 2018, the publication underwent a redesign to bring it in line with our new IOPC branding and we took this opportunity to respond to feedback from readers. The new look is designed to be more user friendly, allowing readers to dip in more easily to areas where they have a particular interest. We have also broadened the content, including articles from organisations such as the College of Policing.



Feedback continues to be positive. Our next edition, which we anticipate will be published in autumn 2018, will focus on stop and search. [Read the magazine and associated documents on our website – www.policeconduct.gov.uk/research-and-learning/learning-and-recommendations/learning-lessons.](http://www.policeconduct.gov.uk/research-and-learning/learning-and-recommendations/learning-lessons)



Forces should ensure that it reaches all operational officers, particularly young-in-service officers. It would help them to consider scenarios they have yet to encounter.

Police force custody sergeant

Balance and issue coverage are perfect.

Member of staff, force communications team



I like the format and really couldn't offer any suggestions for improvement.

Police officer, working in a learning and development role

Our charity uses the information to help us target where we can improve our work with the community and the local police force.

Director, community safety and crime reduction charity

Police and crime commissioners have a statutory responsibility to hold chief constables to account in delivering an efficient and effective service to the public. This magazine succinctly highlights important areas that all commissioners and their staff find relevant to discharging that function.

Member of staff working with a police and crime commissioner



During 2017/18, we attended a number of external conferences and events to promote Learning the Lessons and our work more generally. These included the tenth International Conference on Evidence-Based Policing, the Society of Evidence-Based Policing Conference and the Canterbury Centre for Policing Research Conference.

Collaborative working with other oversight bodies

HMICFRS undertakes annual police effectiveness, efficiency and legitimacy (PEEL) assessments for each force. Beforehand, they consult our Oversight team to discuss any trends or themes identified through our work that could inform their assessments. We follow this up by seeking feedback from the HMICFRS staff after their visits to gain an early understanding of their findings, which in turn can inform our work.

Through these links we have continued our work around abuse of position for sexual gain (APSG). HMICFRS first raised concerns about APSG in its 2016 PEEL assessments. We contacted forces to remind them that all such matters should be referred to us. We have been committed to monitoring developments in the numbers and types of referrals received since we issued this reminder. During 2017/18 we identified a number of forces whose rate of referral was proportionately the same as, or lower than, before in this area. We have written to these forces to seek their

observations and assurances on progress. We also wrote to forces that had notably increased their rate of referrals to recognise the progress made.

The work undertaken and concerns identified will be incorporated into a series of practitioner-focused regional workshops on referrals. These will take place during summer 2018. In addition to APSG, we will be discussing our expectations around the need to refer incidents and allegations of discrimination, near misses in custody, and other areas where we are keen to ensure an appropriate level of independent oversight.



Case study 6

Recommendations issued to forces after man's death in custody



In September 2017, we published a report that included recommendations for the police when responding to people with mental health concerns. Six Missed Chances tells the story of James Herbert, who died while in the custody of Avon and Somerset Police. The report explains how a different approach to policing people with mental health problems could have prevented James's death.

While it is not possible to say what would have happened if the missed opportunities had been taken, it is clear the outcome could have been very different.

We made the following recommendations to the National Police Chiefs' Council (NPCC) and the College of Policing:

- Police officers responding to an incident involving someone with mental health

problems should prioritise the welfare and safety of all those involved, including the patient.

- Officers should be effectively trained in verbal de-escalation as the default response to any incident involving someone with mental health problems.
- Officers should be trained to use containment rather than restraint when dealing with anyone who has, or appears to have, mental health problems.
- Each local force should ensure that it has in place robust, effective and relevant local protocols that support police officers in the discharge of their duties, backed by effective working relationships with other agencies on how to respond to incidents involving someone with mental health problems.
- Forces should develop clear processes for the recording and sharing of information

Case study 6 *continued*

about individuals who are known to, or are suspected to have mental health problems.



Read **Six Missed Chances** on our website – www.policeconduct.gov.uk

Assessing our performance against strategic objective five

We measure our success against this objective through the results of our stakeholder survey and the percentage of learning recommendations that are accepted following our investigations. The survey results are divided into three groups of respondents: police stakeholders, others in the police accountability framework, and non-police stakeholders. In 2017/18, 38 per cent, 46 per cent and 30 per cent respectively thought the IOPC was effective at raising standards in police forces.

At the end of 2017/18, 85 per cent of the learning recommendations we made had been accepted by forces, which is lower than our target of 95 per cent. To address performance in this area, a project is underway that aims to improve how we identify learning from our work. This will ensure a greater focus on proactively identifying learning opportunities, enabling us to issue high-quality, evidence-based learning recommendations that lead to improvements in policing.

In addition, the feedback we received from stakeholders this year on our Learning the Lessons magazine was very positive –

“

89 per cent

of stakeholders who gave feedback agreed that it was a helpful tool to drive change in police policy and practice. This is an increase from the 86 per cent in 2016/17

”

Ongoing work under strategic objective five

During 2018/19, we will publish three further editions of the Learning the Lessons magazine. We will also continue to publish recommendations made as a result of our work, along with force responses.



Strategic objective six

Ensure that the IOPC is fit for purpose and agile, able to manage significant expansion and representative of the communities we serve.

Our work towards this objective has included a wide range of activity during 2017/18, some of which continues into 2018/19. Work is ongoing to further develop our people strategy and action plan, which includes a talent management project with an emphasis on ensuring we attract, develop and maintain a diverse workforce.

We will also continue to deliver training and other activities with the objective of ensuring an inclusive culture where all our staff are supported to reach their full potential.

Read more about the make up of our workforce on page 102–115.

Preparing for reform of the police complaints and discipline systems

During 2017/18, we continued our work in relation to a range of legislative reforms that have or will impact on the IOPC and the police complaints system. These included, for example, the extension

For the changes that took effect during 2017/18 our work included:

- updating our internal guidance for IOPC staff
- providing training to our staff
- amending our IT systems
- issuing an operational advice note to help forces and local policing bodies to prepare for changes to the mandatory criteria for referrals to the IOPC
- in relation to the introduction of the police barred list (which operates to prevent the IOPC from employing former police personnel who are on the list), changing our recruitment and procurement processes to ensure that appropriate checks are made

We have worked with the Home Office and other stakeholders to influence and shape the changes that took effect during 2017/18, and will continue to do this in relation to the ongoing development of wider police integrity reforms. We expect these to take effect from April 2019. Our preparations for the 2019 changes continue, with a focus on ensuring operational readiness.

ICT and estates

Linked to transitioning our IT contract, we have been piloting the roll out of new technology for different roles across our business. Roll out will continue into 2018/19. We have extended our contract with our ICT provider – Sopra

Steria – for one year while the transition is taking place. Our ICT team has also been supporting work on our estates strategy. This ensured that appropriate IT infrastructure was planned in for our new building in Canary Wharf in London, which we moved into in June 2018. The move was planned and organised with the Government Property Agency. We have also carried out work to expand our office in Wakefield to accommodate additional staff employed to work on our investigations.

We continue to review our estates to ensure that our accommodation meets the needs of the business.

General data protection regulations (GDPR) and the Data Protection Act 2018

The new data protection laws came into force on 25 May 2018 to introduce important changes to the way in which personal data is handled. Organisations that don't handle personal data in line with the new laws now face potential fines of up to 20 million euros. We worked hard to ensure that all our staff were geared up for the changes, and fully aware of how they can impact both on individuals' roles and on them personally, especially as the IOPC is considered a competent authority for the purposes of criminal investigations and is therefore in scope of Part 3 of the Data Protection Act 2018.

We examined our processes and established necessary processes to

comply with the new laws. We also conducted workshops on implementing privacy by design and default into our processes.

The new laws have given us the opportunity to change the way we work.

Complaints about us

We recognise that our staff operate in difficult circumstances and that some of those we deal with may be dissatisfied. Many are dealing with stressful events that are the reason for their contact with us. Despite our best efforts, sometimes things can go wrong and we have a complaints procedure.

During 2017/18, we received a total of 476 complaints against our staff. We agreed that the level of service we provided fell below standard in relation to 31 of these complaints. Some complaint investigations are continuing at the time of writing. We responded to 79 per cent of complainants within our target of 20 working days. On average, it took us 14 working days to finalise a complaint.

We received seven complaints against our commissioners in 2017/18, who were in post until our transition to our new governance structure. None were substantiated. We have not received any complaints against the Director General or non-executive directors during the period under review.

Assessing our performance against strategic objective six

Our 2017 annual staff survey engagement score of 57 per cent was short of our 61 per cent target. However, it represents a small improvement on the previous year's result of 56 per cent. The timing of the 2017 survey coincided with a large amount of organisational change. Our entire senior leadership structure was changing, as were our name and governance arrangements. Along with this, our High Holborn office was due to be moving to new premises in Canary Wharf, alongside implementation of large-scale updates to our ICT infrastructure⁹.

Despite the changes, there were some positive scores: we achieved a 72 per cent response rate. This represents 754 staff, as opposed to 702 who took the survey the previous year. During the year under review, we invested heavily in developing our managers. Scores for every question in the 'my manager' section of the survey improved on the previous year, suggesting that this investment was worthwhile.

We also encouraged our people to try new ideas during 2017/18, particularly in Operations, where a range of pilots trialled innovative ways of working. There was a significant increase in the number of staff who felt encouraged to come up with new and better ways of working compared with the previous year.

⁹ The move took place in June 2018.



Ongoing work under strategic objective six

We continue to prepare for legislative change, with a range of further changes due to take effect in early 2019. Staff across the organisation are working on bespoke projects to ensure that we are ready, with suitable guidance for staff and affected stakeholders being drafted.



Our work in Wales during 2017/18

We work across England and Wales, with the same responsibilities for Welsh and English police forces. Though policing in Wales is not a devolved matter, the environment within which it is carried out and the partner agencies involved are different from those in England. During 2017 Commissioner Jan Williams, who was in post until August 2017, was responsible for providing independent oversight of police forces in Wales.

Catrin Evans joined us as Director for Wales at the beginning of 2018, when we became the IOPC.

Both Commissioner and Director continued constructive engagement with PCCs and senior police officers through the Wales Chief Officer Group, which helps forces to improve policy and practice, and reinforces the importance of holding police to account. The Director also held constructive meetings with police force federation representatives across Wales.

The Commissioner had a focus in 2017 on increasing awareness of the role of the IPCC among non-policing public bodies. She set up a programme of presentations to Public Services Boards across Wales.

Since early 2018, the Director for Wales has had a series of introductory meetings with relevant individuals and organisations across Wales. These will continue into 2018/19. Policing meetings included all the chief constables and their deputies and PCCs of the Welsh forces. Non-policing meetings included the Public Sector Ombudsman for Wales, the Office of the Children's Commissioner for Wales, HMICFRS, and the Crown Prosecution Service. The Director is currently carrying out work to ensure that the IOPC continues to engage effectively with the office of the Secretary of State for Wales, and with the Welsh Government.

The Director has also begun building on the work undertaken by the Commissioner to continue with the

Wales Stakeholder Forum. This brings together a wide range of policing, criminal justice and other public service bodies, to debate and inform our work in Wales.

We remain committed to complying with our duties under the Welsh Language Act 1993, and the Welsh Language Measure 2011. At the end of March 2017, we became subject to Welsh Language Standards. We have liaised with the Welsh Language Commissioner to ensure that our Welsh language provision is appropriate. Our new Director for Wales is a fluent Welsh speaker and conducts meetings in Welsh and English as required. The Director sponsors the Welsh staff network, which focuses on Welsh priorities and Welsh language service delivery.

Protecting vulnerable people

Throughout 2017/18, we continued to liaise with Welsh police forces to help improve how vulnerable people are protected. One of our operations managers gave a presentation on tackling vulnerability to over 100 multi-agency delegates at a PCC-organised conference. We shared the findings from our investigation into how South Wales Police and other forces responded to reports and intelligence about Ian Watkins. We had found weaknesses in the force's investigation into allegations of child abuse, and that opportunities to bring Watkins to justice sooner were missed. The force subsequently

produced a comprehensive organisational learning report to thoroughly address our findings, and openly embraced the relevant learning.

North Wales Police accepted recommendations on how to improve its response to victims of domestic violence after we investigated police contact with a woman who was murdered by her ex-partner in Gwynedd. Our investigation found a number of areas where the force could improve, including reinforcing training, better guidance documents and working further with partner agencies.

After a number of investigations involving Welsh forces, we identified improvements for keeping vulnerable people safe while in police custody. We spoke at a joint seminar held in Gwent to discuss learning from cases where detainees have attempted to self-harm or to conceal drugs or medication on them.

Call handling was a theme in two of our investigations into South Wales Police. We found a call handler was dismissive of a woman's concerns about her ex-boyfriend. She later died in a road traffic incident in Cardiff after being pursued by two vehicles, one of which was driven by her ex-boyfriend.

We also made recommendations that call handlers should receive more training on adverse weather incidents. This followed an investigation into the police response to reports of flooding

prior to a man's death. The man's car was swept into an overflowing river at a stretch of road that had been reported as flooded to the police by another member of the public. The force agreed to share its contingency plan for responding to flooding more widely so that call handlers can better deal with serious weather incidents.



Our responsibilities for non-police organisations

We are responsible for the way that certain complaints about non-police organisations are handled.

This includes:

- 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.

Work with the GLAA

On 30 April 2017, our remit was extended to include people acting as LAPOs at the GLAA. LAPOs have some powers under the Police and Criminal Evidence Act (PACE), including powers of arrest, and search and seizure of evidence. This allows them to investigate abuse allegations across the UK labour market, including modern slavery offences related to labour exploitation.

During the year under review, we took part in a GLAA development day,

delivering a presentation on our role and powers, and sharing information about the upcoming legislative changes and how these affect the GLAA. We are continuing to work with the GLAA to lay the foundations for the changes to the legislation.

We did not receive any referrals from the GLAA during 2017/18, and no appeals were finalised.

NCA investigations and appeals in 2017/18

Between 1 April 2017 and 31 March 2018 we received 16 referrals from the NCA:

- two were subject to a supervised investigation
- 12 were sent back to the NCA for local investigation
- two were referred back to the NCA to deal with as it saw fit

We received one NCA investigation appeal during 2017/18, which was not valid. Of the 11 NCA non-recording appeals that we finalised during 2017/18, three were upheld and eight were not upheld. We finalised one appeal against the NCA's decision not to disapply a complaint. The appeal was not upheld.

Home Office border and immigration staff investigations and appeals in 2017/18

Between 1 April 2017 and 31 March 2018 we received 21 referrals from the Home Office:

- 11 were sent back to the Home Office for local investigation
- nine were referred back to the Home Office to deal with as it saw fit
- one was not valid

We finalised one Home Office investigation appeal during 2017/18. It was not upheld. We finalised one Home Office non-recording appeal in 2017/18. It was not valid.

HMRC investigations and appeals in 2017/18

Between 1 April 2017 and 31 March 2018 we received ten referrals from HMRC:

- one was subject to an independent investigation
- eight were sent back to HMRC for local investigation
- one was referred back to HMRC to deal with as it saw fit

Of the ten HMRC investigation appeals that we finalised during 2017/18, five were not upheld, four were upheld, and one was not valid.

Changes to legislation

The Policing and Crime Act and associated regulations make major changes to the legislation governing the police complaints system. The regulations governing GLAA, NCA, Home Office and HMRC complaints are based on the police complaints system, but there are differences.

We have continued discussions with these organisations to consider which of the changes to the police complaints system it would be beneficial to reflect in their complaint systems.



Sustainability report

This section explains the IOPC's current impact on the environment in terms of greenhouse gas emissions, waste minimisation and management, water consumption and sustainable procurement.

This meets the requirements of 'HM Treasury Guidance 2017/18, Sustainability Reporting in the Public Sector'. There is no biodiversity action plan as this does not apply to our functions.

Our sustainability performance in 2017/18

The key performance indicators are set out in the table below, compared with results for the previous two financial years where these figures are available. During this reporting period, we continued to recruit more staff members and increased our office space in Sale by 516 square metres.

Information about our water consumption and costs are not available for our London, Birmingham and Croydon offices.

All the figures below were calculated using the recommended conversion factors provided by the Department for the Environment, Food and Rural Affairs, as set out in its Environmental Reporting Guidelines. Where improved information is now available for previous reporting periods, we have amended the data to reflect this.

Sustainable procurement

Our sustainable procurement policy is to ensure that 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 (CCS) framework

contracts for the majority of our procurement. When we issue tenders for our own requirements, sustainability issues are considered at the outset of the procurement project and, where appropriate, included in documentation and evaluation.

Action taken during 2017/18 to improve our sustainability performance

We have taken a number of actions during the year to improve our sustainability performance:

- We reduced consumption of power by installing timers on high-wattage electrical items, replacing lamps with low-power LED devices (where economically viable) and encouraging staff to switch off appliances when not in use.
- We aligned the temperature in our offices to fall within best practice. Where building management systems allow, our space is heated at 19C and cooled at 24C.
- Where building management systems allow, we implemented a system whereby our heating/cooling runs from 8am to 6pm each workday.
- We continued to encourage staff to recycle as much as possible. We have increased the number of recycling bins and, in some offices, have arranged more frequent collections. We have also reviewed waste contracts in several of our offices.

- We introduced a facility for waste to be composted in our Birmingham office.
- We are developing new ways of working through our IT systems, encouraging less printing and utilising Skype for business to cut down on travel where possible.

Our fleet vehicles contribute to our greenhouse gas emissions. To minimise the impact of this, we consider the environment from the outset of our procurement process. The nature of our investigative work means that there is rarely an alternative to using a vehicle. However, travel for administrative activities is undertaken using rail and other public transport wherever possible.

Our future strategy

We are committed to reducing our impact on the environment in line with the Greening Government Commitments (GGC) and will continue our efforts to limit our greenhouse gas emissions. We consider this in all areas of our work. We continue to improve the accuracy of our data – in particular, our water and waste figures. Our main key performance indicator for sustainability is to keep in line with GGC 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.

Greenhouse gas emissions*		2015/16	2016/17	2017/18
	Gross emissions scope 1	171	264	265
	Gross emissions scope 2	973	778	737
	Gross emissions scope 3	451.64	465	427
Non-financial indicators (CO₂)	Total emissions	1,595	1,507	1,429
Gas (kwh)		808,214	945,857	766, 214
	Total waste	66,680	69,300	74,450
	Sent to landfill	5,927	6,159	6,616
	Recycling	46,721	48,557	52,167
	Incineration	14,032	14,583	15,667
Non-financial indicators (kg)	Incineration energy recovery	-	-	-
Non-financial indicators (m³)	Water consumption	18,331	19,135	
	Expenditure on energy purchased, including travel	£1,057,223	£1,346,841	£1,261,964
	Expenditure on waste disposal, including:			
	Sent to landfill	n/a	n/a	
	Recycling	£11,747	£17,237	£34,716
	Incineration	-	-	-
Financial indicators (£)	Expenditure on water consumption	£20,307.77	£28,895	£44,913
	A4 (boxes)	1,740	1,808	1,668
Paper purchased	A3 (boxes)	60	62	28

* 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.

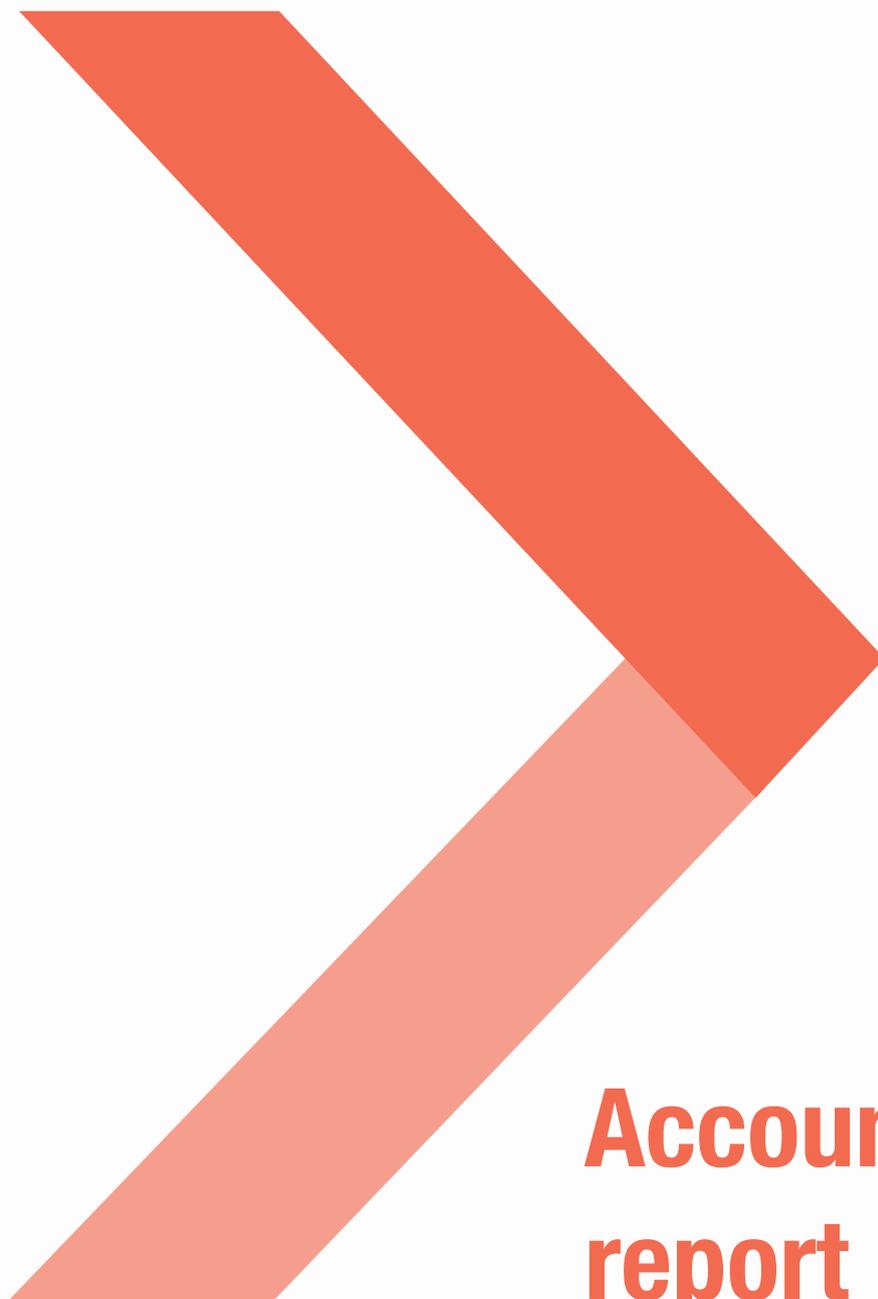


Michael Lockwood

Accounting Officer

3 July 2018

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Accountability report





Corporate governance report

The Directors' report

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

The Unitary Board

The Director General, senior independent director and the non-executive directors were appointed to the Unitary Board on 8 January 2018. Members of the management team were appointed to the Unitary Board at the inaugural meeting.

The members of the Unitary Board during 2017/18 are shown in the table below.

Michael Lockwood	Director General
Geoffrey Podger	Senior Independent Director
Andrew Harvey	Non-Executive Director
Bill Matthews	Non-Executive Director
Manjeet Gill	Non-Executive Director
Catherine Jervis	Non-Executive Director
Mary Lines	Non-Executive Director
Ian Todd	Deputy Director General, Operations
Kevin Woodrow	Director, Resources
Kathie Cashell	Director, Strategy and Impact

The Management Board

The members of the Management Board during 2017/18 are shown in the table below.

Michael Lockwood	Director General	<i>Started 08/01/18</i>
Ian Todd	Deputy Director General, Operations	
Kevin Woodrow	Director, Resources	
Kathie Cashell	Director, Strategy and Impact	
David Emery	General Counsel	
Lesley Longstone	Chief Executive	<i>Left 23/11/17</i>
Tim Bianek	Director, Change	<i>Left 07/01/18</i>

The Commission

The Commission ceased on 7 January 2018. The members from 1 April 2017 are shown below. Two members were appointed to permanent roles as regional directors and one member was appointed to a short-term role for the Hillsborough investigation.

Anne Owers	Chair	<i>Left 07/01/18</i>
Rachel Cerfontyne	Deputy Chair	<i>Ceased on 07/01/18, appointed to Hillsborough role to 31/03/18</i>
Sarah Green	Deputy Chair	<i>Appointed Regional Director, South East on 08/01/18</i>
Cindy Butts	Commissioner	<i>Left 07/01/18</i>
Derrick Campbell	Commissioner	<i>Appointed Regional Director, Midlands on 08/01/18</i>
Mary Cunneen	Commissioner	<i>Left 07/01/18</i>
Carl Gumsley	Commissioner	<i>Left 15/12/17</i>
Jan Williams	Commissioner	<i>Left 04/09/17</i>
Jennifer Izekor	Commissioner	<i>Left 07/01/18</i>

The non-executive commissioners from 1 April 2017 to 7 January 2018 are shown below.

David Bird
 Tim Robinson
 Sue Whelan-Tracy

Register of interests

A register of any relevant interests held by members of the Unitary Board and Management Board will be available on our website in due course¹⁰. It may be obtained in writing from the IOPC Board 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 and the Data Protection Act (DPA) 1998. We have a well-established information rights team as 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 DPA work and GDPR.

The tables below shows our performance against the statutory deadlines.

Freedom of information requests

Year	Number completed	Statutory deadline met
2017/18	296	88%
2016/17	259	89%
2015/16	295	83%

Subject access requests

Year	Number completed	Statutory deadline met
2017/18	182	67%
2016/17	195	55%
2015/16	200	74%

Data losses and information assurance

The IOPC has an Information Asset Register. Information Asset Owners are responsible for managing and operating the asset in compliance with our policies and 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 and reported on by business areas. These incident reports are reviewed by the information assurance team, which provides the Senior Information Risk Owner with assurance for our information assurance maturity and

¹⁰ A register of interests held by commissioners was published online prior to our transition to the IOPC.

allows for any risks, or additional controls, to be identified and addressed.

We reported one data-related incident to the Information Commissioner's Office in 2017/18 (2016/17: one incident). No regulatory action was required as a result of this incident.

Health and safety

2017/18 has been a productive year for health and safety at the IOPC. Our transition from the IPCC to the IOPC provided an opportunity to review all of our health and safety documents with a focus on simplifying processes and guidance, making them more user friendly and increasing engagement. We have also provided a range of tools to enable people to manage the health and safety aspects of their work. In addition, a new health and safety policy has been approved by the Director General.

The way we capture accident/incident data has changed and now lends itself to improved reporting. We have introduced near-miss reporting and this has increased our statistics as predicted. The way in which the data is now collected gives us the ability to produce an 'at a glance' dashboard and more effective trend analysis, which will drive our areas for priorities and target campaigns. Although our rate of accidents/incidents and near-miss events is very low, we remain committed to ensuring that they are as low possible

and implement strategies to ensure that we learn lessons and take action to prevent recurrence.

A new e-learning health and safety training platform has been successfully implemented and receives good feedback. Health and safety input into our move to the government hub in Canary Wharf continues and we are working with both our partner tenants and the building management to ensure that the transition into these new premises considers and plans for the health and safety aspects of a new office set up. Our Health and Safety Executive Committee continues to provide oversight for the health and safety activities of the organisation and offers a route for ratification of new policies, processes and documents. Our new routes for consultation with staff appear to be successful. A new health and safety area has been developed for our intranet. This is a much-improved means of communicating with our staff and ensuring that they are able to find the tools they need more intuitively.

We have conducted risk-profiling exercises this year. These allow a good mechanism for review and continuous improvement and will focus health and safety on the priority areas for planning and monitoring in the coming year. The charts below provide information on incidents during 2017/18.

Figure 5: Accident/incident/near miss 2017/18

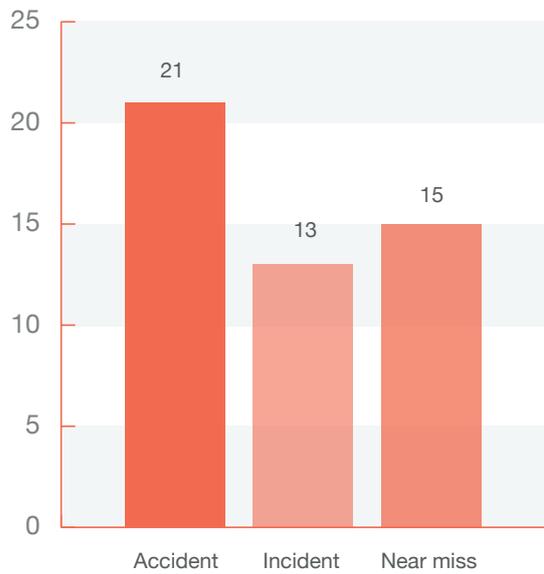


Figure 6: Accident/incident/near miss by location 2017/18

Birmingham	18
Cardiff	6
Croydon	0
Holborn	7
Sale	3
Wakefield	6
Warrington	6
Field location	3

Figure 7: Accident/incident/near miss by month 2017/18

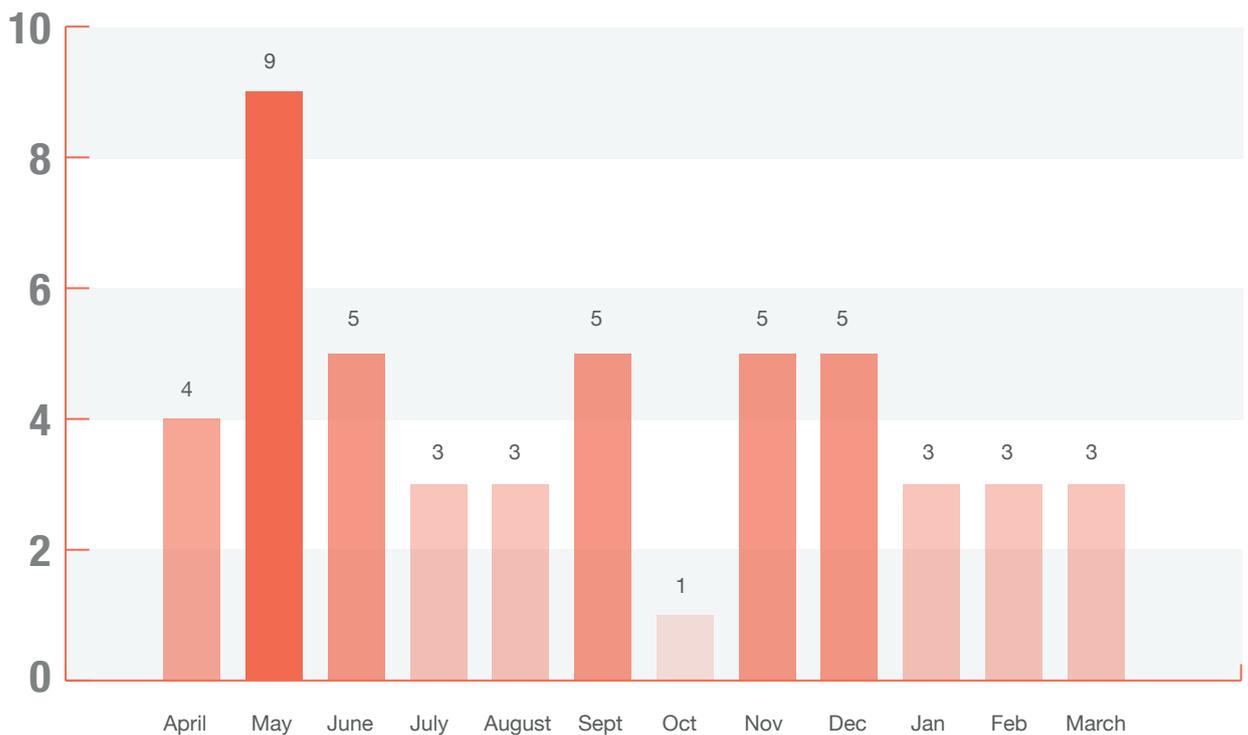
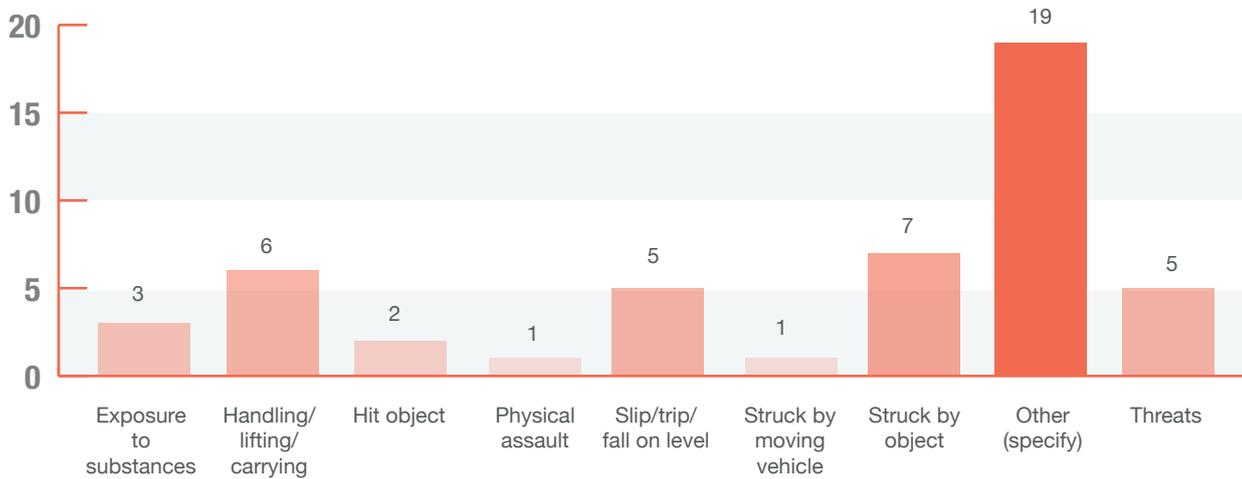


Figure 8: Accident/incident/near miss by cause 2017/18



Research and evaluation

Our research and evaluation programme supports our work to improve the complaints system, including supporting revising statutory guidance and learning reports for police forces, research into public and stakeholder confidence, user feedback and conducting thematic studies and policy positions on areas of concern.

Research undertaken during the year included implementing business as usual mechanisms to collect feedback from a broad range of people involved with IOPC processes, and starting a study exploring the experiences and perceptions that people with mental

health issues have of the police complaints system.

Other work included: producing national statistics on deaths during or following police contact; implementing a public perceptions tracker to monitor public awareness and confidence in the police complaints system; and completing our second stakeholder survey. Information about these pieces of work can be found elsewhere in this report.

Charitable donations

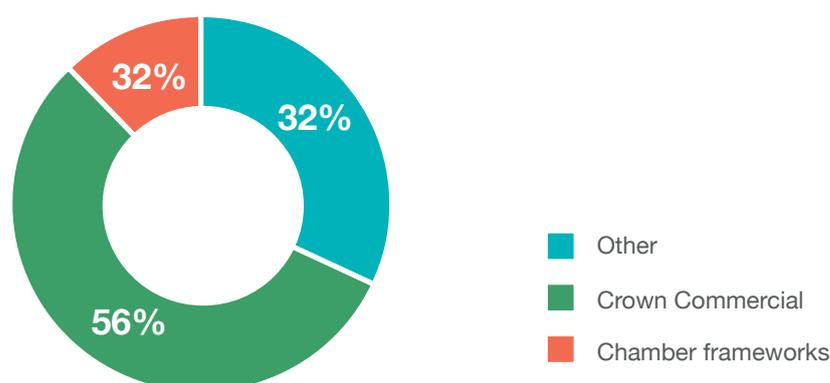
Details of charitable donations made by staff during 2017/18 are available on our website. Our staff held fundraising events in support of a range of charities.

Procurement

Procurement delegation from the Home Office is given on the basis that best practice is followed, best value is achieved and that we comply with Home Office procurement policies and applicable legal and regulatory requirements. For most categories of expenditure, we use Crown Commercial

Services (CCS) frameworks and for legal services, we use Chamber frameworks. The chart below provides an analysis of the procurement routes for 2017/18. There was an increase in 'other' contracts awarded compared to last year's 11 per cent. This was the result of our transition to the IOPC, which required numerous one-off agreements for commodities not available on CCS.

Figure 9: Procurement route



Estates

We have updated our estates strategy to support our ongoing business and expansion plans. The strategy sets out a programme to reduce our occupancy of private sector property by surrendering private sector leases and taking up leases in government hubs or other public sector property. These estates decisions will be based on a clear

understanding of the IOPC broader strategy and will reflect operational considerations.

The total cost of running the estate during the financial year was £5.6 million (2016/17 £5.7 million). Occupancy levels increased overall because we took on more staff. As the table below shows, we improved our overall cost per full-time employee (FTE) to £5,436.

Running costs	2017/18	2016/17	2015/16
£ per FTE	5,436	5,767	6,485

The table below provides an analysis of square metres per FTE by location using FTE at March 2018.

Square metres per FTE by office location

Office location	March 2018	March 2017	March 2016	Property type
Birmingham	10.3	10.4	12.0	Private sector
Cardiff	6.4	7.1	8.8	Private sector
Croydon	10.1	11.1	12.4	Public sector
Holborn	7.8	7.4	7.8	Private sector
Sale	6.1	8.0	6.1	Private sector
Wakefield	5.7	6.0	7.6	Public sector
Warrington	25.2	13.6	13.7	Public sector
Average	9.2	9.1	9.7	

Office space at four of our seven locations is within the government benchmark of 8 square metres per FTE. At Warrington, we have reduced FTE as our Hillsborough investigation makes further progress. This has led to a high level of FTE per square metre. To address this issue we have been actively marketing the property with the Government Property Agency (GPA) to identify potential co-tenants and to ensure we get best value from the building.

In June 2018, we joined the government hubs programme and relocated our Holborn Office to a hub based in 10 South Colonnade, London. This is a modern workplace that allows our staff to work efficiently and we expect this to increase productivity, and improve staff well-being, while contributing to wider government objectives. We will consider additional moves to other GPA regional hubs on a case-by-case basis, and factor in lessons learned from our move to Canary Wharf.

Payment of suppliers

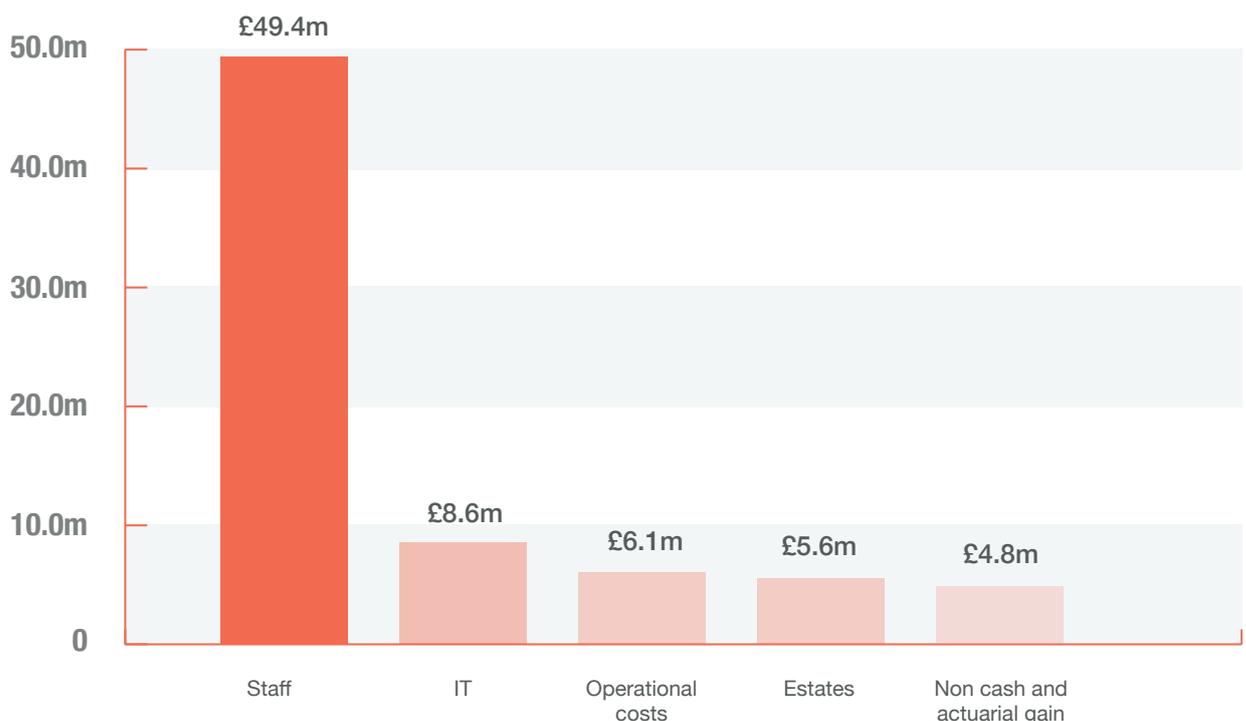
The IOPC abides by the British Standard for Achieving Good Payment Performances in Commercial Transactions (BS 7890). In particular, we aim to pay all valid invoices in accordance with contract terms or 30 days after receipt of a valid invoice where no terms are agreed. We paid 87 per cent within ten working days (2016/17: 83 per cent) and 96 per cent within 30 working days (2016/17: 97 per cent).

Outturn

The IOPC is responsible to Parliament for its expenditure through the Home Office. The Home Office considers our expenditure plans and provides grant in aid, which we draw down in-year as required.

The statement of comprehensive net expenditure shows net expenditure of £74.5 million in 2017/18, compared with £72.6 million in 2016/17. Our expenditure increased by £1.4 million primarily on staff costs. The chart below shows how we used our resources during the year.

Figure 10: How we used our £74.5m resources



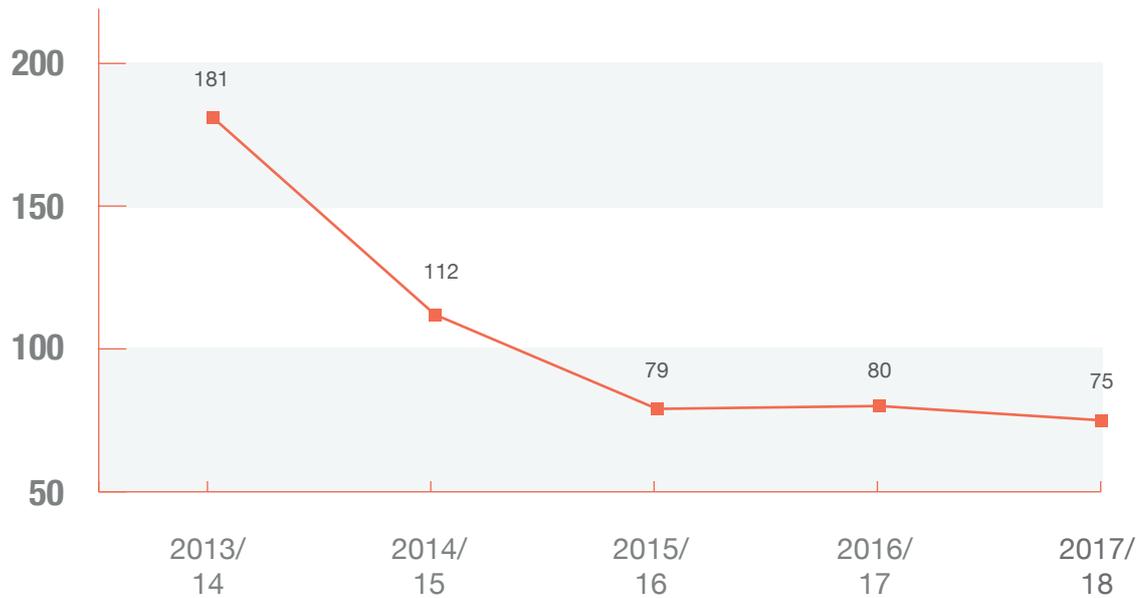
Capital expenditure

During the year, we spent £5.826 million on asset additions. The main purchases involved developments to the ICT systems we use for work on our investigations and appeals, replacement ICT equipment and minor improvements to office accommodation.

Cost of investigations

The chart below shows the trend in investigation costs for five years. Cost per case is now on average £75,000.

Figure 11: Total £000s per investigation

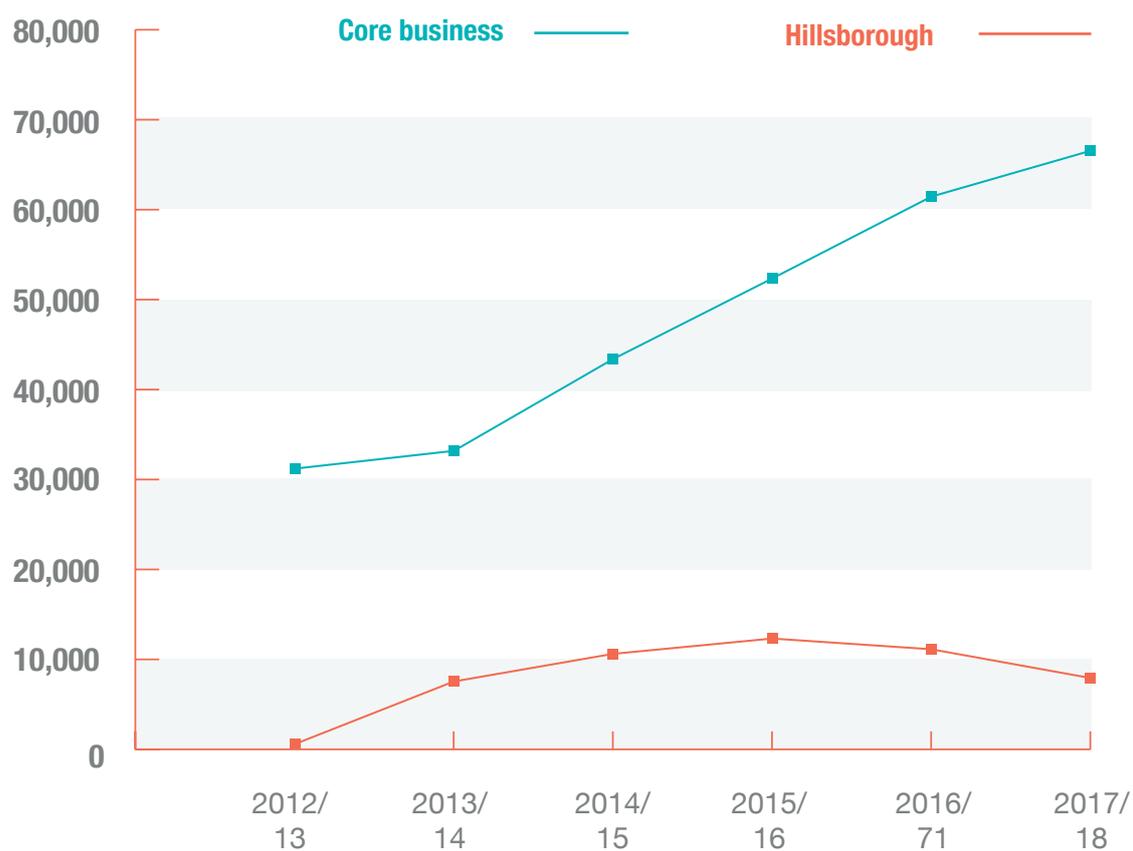


Expenditure trends

The table and the chart below show the expenditure trends for six years. In 2017/18, expenditure on Hillsborough declined and expansion of our core business reached its final phase. The performance report shows in figure 2 that over the period of expansion the number of independent investigations completed has risen from 103 in 2012/13 to 709 in 2017/18.

Net expenditure £000's	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Core business	31,207	33,183	43,389	52,346	61,448	66,544
Hillsborough	581	7,546	10,615	12,319	11,127	7,927
Total	31,788	40,729	54,004	64,665	72,575	74,471

Figure 12: Expenditure trends £000s



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 net resource outturn, application of resources, changes in taxpayers' equity, 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

For the year under review, the Accounting Officer the Home Office has appointed is our Director General, Michael Lockwood. The responsibilities of an Accounting Officer are set out in Managing Public Money published by HM Treasury. They include 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.

The Accounting Officer has confirmed that as far as he is aware, there is no relevant audit information of which the IOPC auditors are unaware, and that he has taken all the steps that he ought to have taken to make himself aware of any relevant audit information, and to establish that the IOPC auditors are aware of that information.

The Accounting Officer has also confirmed that the annual report and accounts as a whole are fair, balanced and understandable. He takes personal responsibility for the annual report and accounts and the judgements required for determining that they are fair, balanced and understandable.

Governance statement

This governance statement relates to both the Independent Police Complaints Commission (IPCC), and the

Independent Office for Police Conduct (IOPC), which it became on 8 January 2018. The organisation, while changing name and governing body structure, is the same legal entity and this statement is signed by me as the current Accounting Officer (AO).

I was appointed Director General (DG) and AO of the IOPC on 8 January 2018. I have issued new operational delegations reflecting my authority and responsibilities, which replaced those of the Commission and those of the IPCC's Chief Executive. The former Chief Operating Officer of the IPCC has been appointed Deputy Director General (Operations) of the IOPC. Five regional directors and a Director for Wales have also been appointed. At the first meeting of the Unitary Board, arrangements for subcommittees, including an Audit and Risk Assurance Committee, and a Human Resources and Remuneration Committee, were approved. Other governance arrangements remain in operation as they were for the IPCC. These are described below.

Governance framework

The governance framework comprises the systems and processes by which the organisation is directed and controlled. It enabled the Commission, and now the Unitary Board, as the governing bodies to monitor the achievement of its strategic objectives and consider whether the organisation has fulfilled its functions set out in the Police Reform

Act (PRA) 2002 and successive Acts amending the PRA and supporting regulations.

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, provide only high, rather than absolute, assurance of effectiveness.

The IPCC and its fundamental governance structure was established by statute in 2002 and worked well when the organisation was relatively small and less dispersed than it became. As the organisation grew and become more dependent on formalised systems of control, however, it became apparent that the structure created a number of inherent challenges. In particular, the combined roles of commissioners, with respect to governance, representation and operations, created complexity in the control environment. There were effectively two lines of control for operational activities, one via the Chief Executive and the other via the deputy chairs, coming together in a non-executive Chair.

On the back of analysis from the IPCC's Change Programme, the Triennial review of the IPCC in 2015 invited the organisation to put forward proposals for changes to its governance and, in particular, 'the separation of the governance and operational roles'. Proposals were put to the Home Office

to change the governance structure. These proposals were subsequently subject to an independent review by Sheila Drew Smith, who made a number of further recommendations. This report formed part of a Home Office consultation: 'Reforming the Independent Police Complaints Commission: structure and governance'.

The Policing and Crime Act 2017 contained measures to amend the IPCC's governance. It reflected the recommendations in Sheila Drew Smith's report and addressed the matters raised in the Triennial review. These changes came into effect on 8 January 2018 when the IPCC became the IOPC and I was appointed.

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. Meetings of the former Commission, and now the Unitary Board, enable the regular review of strategic plans and reporting against their achievement. The Commission, now Unitary Board, also periodically reviews the internal and external challenges facing the organisation and how it might best respond to these. The Commission was responsible for defining strategy and determining the allocation of resources. The Chair of

the Commission was accountable to the Home Secretary for the governance of the organisation and the delivery of its objectives. The Commission, which comprised both operational and non-executive Commissioners, established four Committees – the Audit and Risk Committee, the People and Human Resources Committee, the Strategy and Impact Committee and the Transition Committee – to discharge specific functions. Each Committee reported to the Commission and had clear terms of reference. These Committees all produced summaries of their oversight work for me and for the new Unitary Board when we transitioned to our new governance structure.

The Transition Committee was established with the purpose of scrutinising and overseeing transition of the IPCC's governance framework, and associated organisational changes. It was chaired by the IPCC Chair, who reported to Commission at the first meeting after each Transition Committee meeting, and sought decisions by Commission as appropriate. The last meeting of the Committee was on 18 December and the minutes confirm that it could be formally closed following the completion of its oversight role.

The role of the Audit and Risk Committee, now the Audit and Risk Assurance Committee, has been to support the organisation and the AO in their responsibilities for issues of risk, control and governance, and

associated assurance. The Committee has overseen the organisation's systems and processes of finance, corporate governance, accountability, and effectiveness of controls. The IPCC's Audit and Risk Committee was also responsible for approving the annual accounts on behalf of the Commission and the Strategy and Impact Committee oversaw the production of our annual report on behalf of Commission. The Committee was chaired by a non-executive commissioner and the Chair reported to the Commission at the first meeting after each Audit and Risk Committee and annually, by means of a formal report, on the Committee's work. The IOPC's Audit and Risk Assurance Committee, chaired by a Non-Executive Director has the same responsibilities and has scrutinised this Annual Report on behalf of the Unitary Board.

The People and Human Resources Committee agreed the IPCC's Chief Executive's recommendations on pay progression, and had oversight of the Chief Executive's pay within its terms of reference. This Committee's role included oversight of the People Strategy, Conflict of Interest Policy, Health and Safety Policy and the Code of Conduct. The Committee was chaired by a non-executive commissioner. The IOPC has established a Human Resources and Remuneration Committee in place of this Committee.

The Strategy and Impact Committee met each quarter. This was a forum

to oversee the implementation of strategies relating to oversight and confidence, stakeholder engagement, communications and knowledge and information management. It was chaired by the Chair of the IPCC, and ensured that the Chair and the commissioners on the committee had sufficient time to consider and scrutinise these issues in detail.

Health and safety policies and procedures have been strengthened through the work of a Health and Safety Executive Committee, initially chaired by the former Chief Executive, and now chaired by the Director, Resources. It includes representatives from all directorates. The Committee oversees the identification of policy and procedural changes, action planning and implementation. A qualified health and safety manager has been in post throughout the year to deliver the improvements, and significant progress has been, and continues to be, made. Since transition, I have signed a revised health and safety policy statement and the terms of reference of the Committee are being revised to better fit the new governance structure.

The Commission itself acted in accordance with its Standing Orders and was accountable to Parliament. Through the Chair and Chief Executive's meetings with the Home Secretary and Minister of State for Policing and Criminal Justice, the effectiveness of the organisation was kept under regular

review and, more generally, was subject to considerable parliamentary and public interest and scrutiny. Bilateral meetings were established with the Home Office's Sponsor Unit to discuss strategic, budgetary and operational matters. This arrangement continues following the transition although the single monthly meeting has been replaced with meetings of a range of types involving different personnel and topics. No matters are discussed that could present a risk to the organisation's independence of operational decision-making.

The Management Board (MB), has been responsible for the operational delivery of the organisation's business. It meets on a monthly basis, receiving regular reports on finance, performance, business planning and risk, to inform its decision making. In addition to the Chief Executive Officer, the IPCC's MB included the:

- Chief Operating Officer
- Director, Resources
- Director, Change
- Director, Strategy and Impact
- Head of Legal Services
- Head of Communications
- Commission Secretary

The MB of the IOPC consists of the Director General; Deputy Director General (Operations); Director, Resources, Director; Strategy and Impact and General Counsel. The former Chief Executive Officer left the IPCC on 23 November 2017

in advance of the transition to the IOPC. The Chief Operating Officer acted as Chief Executive Officer and AO until my arrival.

Commission performance

The Commission maintained a number of processes and systems to ensure it operated effectively. No new appointments to the Commission were made during this year. Operational commissioners were each subject to a yearly appraisal by a deputy chair and appraisal of deputy chairs and non-executive commissioners was undertaken by the Chair. The Commission reviewed its own effectiveness and set objectives for 2017/18.

In accordance with the Standing Orders, meeting agendas and papers were made available in a variety of formats a week before meetings. Papers provided sufficient information and evidence for sound decision-making, including reference to risk, financial, legal, external stakeholder, and diversity implications, including Welsh language services. The Unitary Board came into existence on 8 January 2018. Terms of reference and membership have been agreed and an annual review of performance will take place.

Corporate governance

We have reviewed the Corporate Governance Code in central government departments. While this is directed at ministerial departments rather than at non-departmental public bodies, it sets out best practice on corporate governance arrangements. Where they are considered to apply, the organisation has complied with the principles of the code, with the following deviation.

Two members of staff did not report to the Chief Executive of the IPCC, but were appointed as associate commissioners and, therefore, reported to a deputy chair. Associate commissioners worked alongside commissioners to maintain organisational independence. They had full delegated commissioner responsibility for a caseload of investigations and were required to assist commissioners with large and complex investigations, scrutinising mode of investigation decisions and liaising with forces. They did not have any governance responsibilities. These roles ceased when the IPCC became the IOPC. These two members of staff were absorbed into other roles in our new structure.

As part of the transition to the IOPC, a Board was appointed by the Home Secretary that includes a majority of non-executive directors. This Board will provide independent support and challenge to me as DG, as well as overseeing the overall running of the organisation.

Risk assessment

The organisation's risk management framework seeks to ensure that risks to the achievement of its objectives are identified, monitored and managed. Risks are assessed based on their impact and likelihood using a scale agreed by the Commission. This scale has now been adopted by the Unitary Board. A strategic risk register is maintained and each directorate maintains an operational risk register in conjunction with its directorate plan.

All of these risks are subject to our risk management processes. Risks and relevant mitigating activity are identified and reported to MB, the Audit and Risk Assurance Committee and the Unitary Board, in line with the organisation's reporting cycles. Prior to transition, the risks relating to our expansion programme were reviewed and discussed at the relevant programme board and escalated to the strategic risk register as necessary.

Internal audit services are provided by the Government Internal Audit Agency (GIAA) under a three-year contract, which was renewed on 1 April 2018. Both internal and external audits help us to continually improve our procedures and controls. Actions are agreed in response to recommendations, and these are followed up to make sure they are implemented. A monitoring report on the implementation of recommendations is provided to each meeting of the Audit and Risk Assurance Committee.

Information risk management has focused on revisions to the identification of information assets, and information asset owners (IAO), in order to map these to the new IOPC organisation structure, and the deployment of new and better security controls enabled through the ICT Transformation Programme. Information Technology Health Checks of new systems and offices have taken place, including checks required for Public Services Network (PSN) accreditation. All owned or managed information systems in scope have been accredited for Government Secure Intranet (GSI) connectivity. The PSN accreditation is currently pending awaiting resolution of a small number of final queries. Security and data breaches have been reported to the Senior Information Risk Owner and IAOs have taken action to address any issues. One breach has been required to be reported to the Information Commissioner during 2017/18.

The organisation's main IT supplier was re-awarded ISO 27001 status for the Information Security Management System it provides to us. An IOPC Security Operating Centre has been established to ensure visibility of, risks to, and monitoring of the use of, information assets across the IOPC's diversified data processors and IT service providers.

The organisation receives most of its IT services from a single supplier,

Sopra Steria. The ICT infrastructure has been subject to a number of interim measures to deal with the increased capacity required by our expansion and tactical decisions have been taken to change the original contract. Plans are now underway for the phased disaggregation of selected services and infrastructure from the contract, which had its first break point in December 2016. This requires careful dependency management, especially with the concurrent work to reform the complaints system, transition to our new governance structure and planned office lease changes.

The organisation's IT defences proved robust in the face of the recent ransomware attack, known as WannaCry, with infrastructure and software already up to date. The widely reported impact elsewhere has provided an opportunity to remind staff of their obligations in relation to cyber security. Our IT Transformation Programme will further ensure that the organisation's systems are always up to date and secured to the latest standards.

The IPCC's Change Programme was formally closed prior to the transition to the IOPC. However, our priority change projects continue to be overseen by MB. We have established a project delivery "function" (a legacy from our programme) to ensure continued project delivery expertise in the IOPC. Key projects are scrutinised by MB, including management of delivery risk.

The organisation receives some of its common facilities services in shared buildings through a Home Office contract. Delays in charges from the Home Office have presented a risk to financial forecasts. We are working with Home Office finance and estates staff to resolve the causes of the delays, as well as the outstanding charges themselves.

The few remaining actions from our equality and diversity (E&D) action plan are being finalised: work has begun to produce an internal strategy for the organisation with a strong focus on “inclusion” and “our people”. Areas identified during 2017/18 that require organisational attention have been fed into business planning. As equality and diversity considerations are embedded within our work, projects and work for 2018/19 are reflected across directorate business plans. To ensure robust and consistent monitoring, emerging risks have been highlighted to and reviewed by the Equality and Diversity Group, and the IPCC’s People and HR Committee (now the IOPC’s Human Resources and Remuneration Committee).

Business planning has continued throughout the year, with planned items being reprioritised to meet changing demands, pressure on resources and changes in legislation. Our Business Plan for 2018/19 has been completed, following the strategic objectives set out in the IPCC Corporate Plan. Following transition to the IOPC, the DG and the Unitary Board are developing a new

multi-year Strategic Plan. This is likely to re-establish our strategic aims. Our Business Plan for 2018/19 is expected to be revised to reflect this new direction midway through this financial year. For 2018/19, we have been allocated £63.11 million core cash funding from the Home Office, and £8.23 million funding for our Hillsborough investigation.

Following our expansion in previous years we have further increased the ratio of black and minority ethnic (BME) staff in the organisation, which now stands at 15.2 per cent (14.6 per cent last year). This is above the national average of 14 per cent. Representation at more senior levels in the organisation is lower than this and remains a focus.

We have improved procedures to address all of the issues identified by an HMRC audit of the taxation of dual location travel expenses, putting in place the policy and system changes required to properly account for this.

Major risks

The organisation has experienced a large and complex series of changes as a result of our expansion, changes to our governing legislation and ongoing work to modernise our technology, estate and operational processes and efficiency. Maintaining staff morale during such a period of change has been a challenge, but this risk is reducing as new ways of working take hold, new

structures and leadership are announced and our collective vision for the future of the IOPC becomes clear and starts to be implemented. We remain reliant on the Home Office for the delivery and timings of changes to legislation and continuously review progress and implications of any changes to plans in order to mitigate further risk created by uncertainty.

The relocation of our London Office from High Holborn to the multi-tenanted hub at Canary Wharf was delayed and has not enabled cost savings compared with the current location. The fit out has proved to be more costly than those previously managed in-house, including the recent opening of our Croydon office. We have continued to liaise with the Government Property Agency (GPA) and the Home Office, and the relevant strategic risk has been escalated to the Home Office. I have met with the GPA Hub Programme Director to establish revised project dates and commitments for delivery and the additional costs. Moves of further regional offices to multi-tenanted hubs would increase costs.

In June 2017, following our investigation and Operation Resolve's investigations into the Hillsborough tragedy, it was announced by the Crown Prosecution Service that six people would be charged. The organisation is now preparing to support a number of criminal trials, scheduled from June 2018, and will need to ensure it is able to support ongoing disclosure activities

and requests from the court. The investigation continues to be resourced appropriately, including with additional capacity from our Sale office when required. It is also scrutinised routinely through the Hillsborough Investigation Board so that risks are understood, managed and mitigated where appropriate.

The organisation is also involved in a number of high-profile investigations arising from potential failings in the police response to child sexual abuse (CSA) allegations. These are large and complex investigations, often with historic and/or multiple complaints and referrals across multiple forces. Many of them run in parallel with criminal or coronial processes. Resources for these investigations had been drawn from our existing establishment, however, with the establishment of our Directorate of Major Investigations, we now have teams delivering this work across all of our offices, except Cardiff and Warrington. These investigations access HOLMES and MIR support from our Sale office and utilise additional resources to progress outstanding actions. These investigations require specialist skills and investigative functions, and are resource intensive. We have implemented a strategic approach to respond to the large numbers of CSA investigations that includes the appointment of survivor engagement managers to manage the risk to service users, bespoke training involving key external stakeholders, and a knowledge hub for staff working on these investigations.

With significant upheaval and many new opportunities for staff to gain promotions or to diversify into other work, it has been and remains a challenge to maintain the number and skills of frontline investigative staff. There has been significant investment of time and resources in the recruitment process and in the induction and training of new staff. We are looking to deliver a significant cultural shift to aid retention. This work will need to continue through 2018/19.

In total, we opened 705 independent investigations in 2017/18 and closed 709. This is the first time since we began our expansion programme that closure rates have matched or exceeded opening rates. Investigations completed within six, nine and 12 months all improved by 14 percentage points, 7 percentage points and 2 percentage points respectively. The end of the year average timeliness performance was 223 working days, under our baseline measure of 239 working days, representing a three-week reduction.

A national case management panel is focusing attention on long-running and high-profile or high-risk investigations, enabling a number to be progressed to completion. However, closing older cases will impact on our timeliness measures.

Local panels are also now in place to consider low- and medium-risk areas. These cases can be escalated to or called in by the Deputy Director General (Operations) if necessary.

One significant risk is that a focus on delivering a larger quantity of investigations could have a detrimental effect on their quality. The Quality Review team's approach ensures that investigations are reviewed continuously throughout their life to build in high standards from the outset, encourage good practice, and minimise wasteful rework at the report writing stage.

We launched a major process improvement programme, which is looking at both our internal processes and the role of our investigations in the criminal justice process end to end. There is a strong focus on the service user. A number of significant pilots are now coming to an end, with one type of investigation being reduced in duration by around two thirds.

We worked closely with Home Office officials to influence reforms to the complaints system and to assess the practical impact of those reforms, as well as any impact on IOPC operations and funding requirements. This included, in particular, the proposal to remove managed and supervised investigations. We successfully made the argument for a power to direct police resources, where this is a more appropriate response than an independent investigation carried out using only our own resources. Many of the proposed legislative changes reflect our views about how the complaints system could be simplified and introduce new or enhanced powers for the IOPC to increase public confidence.

The extension of our jurisdiction to the Gangmasters and Labour Abuse Authority came into effect in April 2017. Other legislative changes came into force between April and December 2017.

We are also in the preliminary stages of planning for the more significant legislative changes expected during 2019, including the potential extension of IOPC jurisdiction in relation to merged police and fire services.

There is a risk around the complexity of the legislation and our remit over different organisations. Legislative change to date has focused solely on Home Office police forces and related changes have not been made to legislation for other organisations within our remit (NCA, HMRC etc.). Until this is done we have to run different processes and this risks errors and challenge as well as inefficiency at a time when we are focused on improving quality and timeliness.

We continue to work closely with Home Office officials on draft regulations to ensure that these are practical and improve the police complaints system.

The priority and resource requirement of the GDPR project was initially underestimated and associated risk identification was inadequate. A dedicated and experienced project manager has been appointed and a prioritised and risk-based set of actions are being delivered, overseen by a project board.

Effectiveness of the Raising Concerns Policy

The IPCC Whistleblowing Policy was updated in 2016 in keeping with its three-yearly review cycle. At this time, it was renamed the Raising Concerns Policy. The publication of the updated policy provided an opportunity to remind staff about the provisions of the policy should they have concerns about the conduct of either colleagues or the organisation at any time. A further reminder was issued in December 2017.

Six concerns have been raised under the policy in the year. These have been investigated and resolved, or are in the process of being resolved.

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.

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 the transition to our new governance structure will enable further improvement in controls as these changes are fully embedded.



Michael Lockwood
Accounting Officer
3 July 2018

Figure 13 Commission and Audit and Risk Committee attendance – nine months to end December 2017

	Commission	Commission	Commission	Commission	Audit & Risk	Audit & Risk	Audit & Risk
	31 May	26 July	6 Sept	8 Nov	6 Apr	12 June	12 Oct
Dame Anne Owers	1	1	1	1			
David Bird	Apols	1	1	1	1	1	1
Cindy Butts	1	1	Apols	1			
Derrick Campbell	1	1	1	1			
Rachel Cerfontyne	1	1	1	1			
Mary Cunneen	Apols	Apols	Apols	1			
Sarah Green	1	1	1	1	1	1	1
Carl Gumsley	1	1	1	1			
Jennifer Izekor							
Tim Robinson	1	1	1	1	Apols	1	1
Sue Whelan-Tracy	1	1	1	1	Apols	1	1
Jan Williams	1	Apols			1	1	
Total commissioners per meeting	9/11	9/11	8/10	10/10	3/5	5/5	4/4
Average	81.8%	81.8%	80%	100%	60%	100%	100%

Figure 14 Unitary Board and Audit and Risk Assurance Committee attendance – three months to end March 2018

	Unitary Board 23 Jan	Unitary Board 14 Feb	Unitary Board 14 Mar	ARAC 07 Feb
Michael Lockwood	1	1	1	
Geoffrey Podger	1	1	1	
Bill Matthews	1	1	1	1
Mary Lines	1	1	1	1
Manjeet Gill	1	1	1	
Andrew Harvey	1	1	1	
Catherine Jervis	1	1	1	1
Ian Todd	1	1	1	
Kevin Woodrow	1	1	1	
Kathie Cashell	1	1	1	
Total members per meeting	10/10	10/10	10/10	3/3
Average	100%	100%	100%	100%



Remuneration and staff report

Remuneration policy

The IOPC aims to ensure that the remuneration packages it offers are competitive. They are designed to attract, retain and motivate employees. For the period under review, the Commission delegated to the People and Human Resources Committee authority to agree the staff pay and reward strategy and the annual staff pay remit. The Committee also considered and made decisions on the Chief Executive's recommendations on pay progression and bonus awards for each director, and the recommendations of the Commission Chair on the Chief Executive's pay.

The Unitary Board will agree new arrangements for approval of staff and directors' remuneration during 2018/19.

Service contracts

Appointment to the role of Director General is by the Crown. Michael Lockwood has been appointed for a

period of five years, terminable by Her Majesty with no notice period. On 8 January 2018 Michael Lockwood was appointed Director General by Her Majesty the Queen, as provided for in the Police Reform Act 2002 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.

Single total figure of remuneration for senior managers

The information in the remuneration tables below is compliant with Employer Pension Notice (536) and provides details of the remuneration and pension interests of our senior managers. For the year under review, senior managers included the commissioners, the Chief

Executive and former senior managers of the IPCC and the Unitary Board, as well as the senior management team of the IOPC. For Commissioners, the

remuneration is that paid up to the date they left that role. It does not include remuneration paid for employment after 7 January 2018.

Table 1 Single total figure of remuneration for commissioners

This table has been audited.

Commissioner	Salary	Salary	Pension benefits	Pension benefits	Total remuneration	Total remuneration
	2017/18 £'000	2016/17 £'000	2017/18 £'000	2016/17 £'000	2017/18 £'000	2016/17 £'000
Anne Owers <i>left 07/01/18</i>	65-70 (70-75)*	75-80	-	-	65-70 (70-75)*	75-80
Rachel Cerfontyne <i>ceased role 07/01/18</i>	75-80 (100-105)*	100-105	30	39	105-110 (130-135)*	135-140
Sarah Green <i>ceased role 07/01/18</i>	75-80 (100-105)*	100-105	32	40	110-115 (130-135)*	135-140
Carl Gumsley <i>left 15/12/17</i>	60-65 (80-85)*	80-85	23	32	80-85 (105-110)*	110-115
Cindy Butts <i>left 07/01/18</i>	65-70 (85-90)*	80-85	27	33	90-95 (110-115)*	115-120
Jennifer Izeor <i>left 07/01/18</i>	65-70 (85-90)*	80-85	26	33	95-100 (115-120)*	115-120
Mary Cunneen <i>left 07/01/18</i>	75-80 (85-90)*	80-85	32	55	105-110 (115-120)*	140-145
Derrick Campbell <i>ceased role 07/01/18</i>	70-75 (85-90)*	80-85	25	32	95-100 (110-115)*	110-115
Jan Williams <i>left 04/09/17</i>	35-40 (80-85)*	80-85	-	-	35-40 (80-85)*	80-85
Sue Whelan-Tracy <i>left 07/01/18</i>	10-15	10-15	-	-	10-15	10-15
David Bird <i>left 07/01/18</i>	5-10	5-10	-	-	5-10	5-10
Tim Robinson <i>left 07/01/18</i>	5-10	5-10	-	-	5-10	5-10

* Full year equivalent

Table 2 Single total figure of remuneration for senior managers

This table has been audited.

	Salary 2017/18	Salary 2016/17	Bonus payments 2017/18	Bonus payments 2016/17
Senior manager	£'000	£'000	£'000	£'000
Michael Lockwood started 08/01/18	40-45 (170-175)*	-	-	-
Lesley Longstone left 23/11/17	95-100 (140-145)*	140-145	10-15***	10-15***
Ian Todd	130-135	135-140	-	-
Kathie Cashell	105 - 110	50-55 (100-105)*	-	-
Kevin Woodrow	100-105	100-105	-	-
David Emery	90-95	-	-	-
Tim Bianek left 07/01/18	75-80 (105-110)*	100-105	-	-
David Knight** ceased role on 31/03/17	-	100-105 (100-105)*	-	-
Julian Blazeby** ceased role on 31/03/17	-	100-105	-	-

* Full year equivalent

** David Knight and Julian Blazeby were not senior managers during 2017/18

*** Bonus paid in the year in respect of the prior year award

Table 3 Single total figure of remuneration for non-executive directors

This table has been audited.

	Salary 2017/18	Salary 2016/17	Bonus payments 2017/18	Bonus payments 2016/17
Non-executive directors	£'000	£'000	£'000	£'000
Geoffrey Podger started 08/01/18	0-5 (5-10)*	-	-	-
Bill Matthews started 08/01/2018	0-5 (10-15)*	-	-	-
Mary Lines started 08/01/18	0-5 (5-10)*	-	-	-
Manjeet Gill started 08/01/18	0-5 (5-10)*	-	-	-
Andrew Harvey started 08/01/18	0-5 (5-10)*	-	-	-
Catherine Jervis started 08/01/18	0-5 (5-10)*	-	-	-

* Full year equivalent

Benefits in kind 2017/18 to nearest £'00 £'000	Benefits in kind 2016/17 to nearest £'00 £'000	Pension benefits 2017/18 £'000	Pension benefits 2016/17 £'000	Total remuneration 2017/18 £'000	Total remuneration 2016/17 £'000
-	-	-	-	40-45 (170-175)*	-
-	-	13	36	120-125 (170-175)*	185-190
-	-	52	51	185-190	180-185
-	-	42	33	145-150	85-90
24.2	30.0	8	22	135-140	150-155
-	-	30	-	120-125	-
-	-	26	52	100-105 (130-135)*	155-160
-	-	-	15	-	115-120
-	62.0	-	-	-	165-170

Benefits in kind 2017/18 £'00	Benefits in kind 2016/17 £'00	Pension benefits 2017/18 £	Pension benefits 2016/17 £	Total remuneration 2017/18 £'000	Total remuneration 2016/17 £'000
-	-	-	-	0-5 (5-10)*	-
-	-	-	-	0-5 (10-15)*	-
-	-	-	-	0-5 (5-10)*	-
-	-	-	-	0-5 (5-10)*	-
-	-	-	-	0-5 (5-10)*	-
-	-	-	-	0-5 (5-10)*	-

Salary

This includes gross salary, performance pay, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the IOPC and thus recorded in these accounts.

Bonuses

Bonuses are not payable to the Director General and other senior managers of the IOPC. The Chief Executive of the IPCC, Lesley Longstone, received a bonus in 2016/17 of £15,000 paid in 2017/18.

Payments made to directors under the civil service compensation scheme

During 2017/18, David Knight was paid £95,000 under the civil service compensation scheme (2016/17: £0).

Benefits in kind

Senior managers and some other staff are required to 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 not deductible under Section 338 ITEPA 2003. The cost of

travel, other than to the location where they are based is paid for by the IOPC and is reported to HM Revenue and Customs as a taxable emolument.

Pension benefits

During the period under review, the IOPC Director General, the IPCC Chair, the IPCC commissioners and all staff are eligible for membership of the Principal Civil Service Pension scheme. However, the Director General and the IPCC Chair were not members during the period under review.

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.

The tables below provide details of the pension benefits. They are subject to audit.

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 per cent and 14.75 per cent (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 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5 per cent 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 online 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.

Table 4*This table has been audited.***Pension benefits**

Commissioner	Accrued pension at pension age as at 31/3/2018* and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31 March 2018 £'000	CETV at 31 March 2017 £'000	Real / (decrease) in CETV £'000
Rachel Cerfontyne	20-25 Nil lump sum	0-2.5 Nil lump sum	313	274	22
Sarah Green	20-25 Nil lump sum	0-2.5 Nil lump sum	324	285	17
Carl Gumsley	5-10 Nil lump sum	0-2.5 Nil lump sum	77	60	11
Cindy Butts	10-15 Nil lump sum	0-2.5 Nil lump sum	108	89	12
Jennifer Izekor	5-10 Nil lump sum	0-2.5 Nil lump sum	127	104	14
Mary Cunneen	35-40 Nil lump sum	0-2.5 Nil lump sum	483	436	14
Derrick Campbell	20-25 Nil lump sum	0-2.5 Nil lump sum	290	262	13

Accrued pension and CETV is at the date of ending the term as commissioner

	Accrued pension at pension age as at 31/3/18 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2018	CETV at 31 March 2017	Real increase in CETV
Senior manager	£'000	£'000	£'000	£'000	£'000
	55-60				
	155-160	0-2.5			
Lesley Longstone	lump sum	Nil lump sum	1,033	1,008	-
	5-10	2.5-5	73	41	20
Ian Todd	Nil lump sum	Nil lump sum			
	15-20	0-2.5	152	125	14
Kathie Cashell	Nil lump sum	Nil lump sum			
	30-35	0-2.5	716	664	7
Kevin Woodrow	100-105 lump sum	0-2.5 Lump sum			
	20-25	0-2.5	342	311	10
Tim Bianek	Nil lump sum	Nil lump sum			
	20-25	0-2.5	263	235	8
David Emery	Nil lump sum	Nil lump sum			

Compensation on early retirement or loss of office

This section has been audited.
2017/18: none (2016/17: none).

Payments to past directors

This section has been audited.
2017/18: none (2016/17: none).

Senior civil service staff by band

Band	Number
SCS2	1
SCS1	8
Total	9

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

Fair pay disclosure

This section has been audited. Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director and the median remuneration of the organisation's workforce.

In the reporting year, the highest paid director of the IOPC is the Director General. His full-time equivalent banded remuneration in 2017/18 was £170,000 – £175,000. This is 5.4 times the median remuneration of the workforce, which was £31,738.

In the previous year, the highest paid director was the Director, Major Investigations. His full-time equivalent banded remuneration in 2016/17 was £165,000 to £170,000. This was 5.2 times the median remuneration of the workforce, which was £32,037.

In 2017/18, no employee received remuneration in excess of the highest paid director (2016/17: nil).

The pay ranges for staff and directors are linked directly to job evaluation ranges. Full time equivalent remuneration is in the range £13,000 to £175,000.

A London weighting allowance of £4,203 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. Salary scales are revalorised each year. The next date of revalorisation will be 1 July 2018.

Exit packages

This section has been audited.

Table 5 Comparative data to be shown (in brackets) for 2016/17

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	- (-)	(-)	- (-)
£10,000 - £25,000	- (-)	4 (-)	4 (-)
£25,000 - £50,000	- (-)	4 (-)	4 (-)
£50,000 - £100,000	- (-)	3 (1)	3 (1)
£100,000 - £150,000	- (-)	1 (-)	1 (-)
Total number of exit packages by type (total cost)	- (-)	12 (1)	12 (1)
Total resource cost (2017/18) in £000	-	574	574
Total resource cost (2016/17) in £000	-	95	95

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 FTE staff employed during the year. 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 (the majority of whom are retained for our investigation into the Hillsborough disaster).

Average number of staff	2017/18	2016/17
Permanent	976	909
Other	46	85
Total	1022	994

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.

	2017/18 £'000	2017/18 £'000	2017/18 £'000	2016/17 £'000
Staff costs	Permanent staff	Other	Total	Total
Salaries and emoluments	35,728	3,284	39,012	37,898
Social security cost	3,697	-	3,697	3,425
Pension contributions	6,808	-	6,808	6,278
Sub total	46,233	3,284	49,517	47,601
Less: recoveries in respect of outward secondments	(122)	-	(122)	(43)
Net costs of all other staff	46,111	3,284	49,395	47,558

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 and diversity

The Equality and Diversity Group was led by the Chief Executive for the period under review. The group is comprised of one commissioner and 20 members of staff from across the organisation, who take the role of Equality and diversity directorate leads. The group has played an important governance role in ensuring accountability and ownership of equality work across the organisation. It has provided a forum to:

- monitor and challenge progress in relation to our Equality and Diversity Plan
- monitor workforce data
- raise awareness of generic equality and diversity concerns among staff and provide advice as appropriate
- provide quality assurance for equality impact assessments

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 from the Equality Act 2010, as well as Welsh Speakers. The networks are involved across all aspects of our business, including:

- helping remove barriers faced by staff
- informing and educating
- advising on internal policy and best practice
- helping to address diversity and inclusion concerns raised in the staff survey
- raising awareness of equality and diversity issues
- providing support and ‘safe spaces’ for discussion

In April 2018, we published our gender pay gap information for the 2017 calendar year. This is available on our website: www.policeconduct.gov.uk/who-we-are/equality-and-diversity/our-staff

Sickness absence data

During 2017/18, our staff incurred an average of seven days sick leave. This compares to an average of 7.7 days in 2016/17. We are committed to the health and wellbeing of our staff and a comprehensive sickness absence policy is in place. The IOPC provides an Occupational Health Service and an Employee Assistance Programme.

Staff composition

The IOPC is committed to ensuring that both men and women are able to 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 responses to our staff survey.

The tables included on the following pages show the make up of the organisation at March 2018.

Ethnicity by grade – 31 March 2018

Ethnic origin	5 and 6 and apprentices	7 and 8	9, 10 and 11
Asian Bangladeshi	4	2	6
Asian Indian	3	4	24
Asian other	1	0	6
Asian Pakistani	0	2	11
Black African	1	3	9
Black Caribbean	3	1	6
Black other	1	1	9
Chinese or other Chinese ethnic background	0	0	2
Mixed - White and Black African	0	0	1
Mixed White and Black Caribbean	0	0	3
Mixed White Asian	0	0	4
Other	0	0	8
Other mixed background	0	0	6
	13	13	95
Total Black and minority group	19.40%	15.85%	16.58%
Information refused	0	1	1
Not stated	0	1	7
Undisclosed	0	0	7
	0	2	15
Total unknown	0.00%	2.44%	2.62%
White	53	61	448
White other	0	3	10
White Irish	1	3	5
	54	67	463
Total White/White other/White Irish	80.60%	81.71%	80.80%
Total	67	82	573
Comparator figures for BME staff, March 2017	13.56%	22.78%	15.61%

Includes seconded in and seconded out (excludes temporary agency staff).

12 and 13	14, 15 and 16	Total staff	Director General and directors	Ungraded	Total
2	0	14	0	0	14
9	3	43	0	0	43
0	0	7	0	0	7
3	1	17	0	0	17
1	0	14	0	0	14
4	0	14	1	0	15
1	0	12	0	0	12
1	0	3	0	0	3
0	1	2	0	0	2
4	0	7	0	0	7
3	0	7	0	0	7
1	0	9	0	0	9
2	0	8	0	1	9
31	5	157	1	1	159
13.30%	7.04%	15.30%	6.25%	50.00%	15.23%
0	1	3	0	0	3
1	1	10	6	1	17
2	2	11	0	0	11
3	4	24	6	1	31
1.29%	5.63%	2.34%	37.50%	100.00%	2.97%
188	60	810	9	0	819
3	2	18	0	0	18
8	0	17	0	0	17
199	62	845	9	0	854
85.41%	87.32%	82.36%	56.25%	0.00%	81.80%
233	71	1026	16	2	1,044
10.65%	7.25%	14.36%	0.00%	None	14.49%

Ethnicity by directorate – 31 March 2018

Ethnic origin	Director General and Private Office		People		Legal	
	Staff number	Staff number %	Staff number	Staff number %	Staff number	Staff number %
Black and minority group	3	23.08%	10	31.25%	1	4.00%
Unknown	6	46.15%	1	3.13%	0	0.00%
White/White other/White Irish	4	30.77%	21	65.63%	24	96.00%
Total	13	1.25%	32	3.07%	25	2.39%

Includes seconded in and seconded out (excludes temporary agency staff).

Please note that HR reports into the People directorate, effective from 8 January 2018.

The Change directorate and the CEO and Commission directorate ceased to exist from 8 January 2018 when the IPCC became the IOPC. The Director General and Private Office Directorate was also effective from 8 January 2018.

Ethnicity by location – 31 March 2018

Ethnic origin	Birmingham		Cardiff		Croydon		Holborn	
	Staff number	Staff number %						
Black and minority group	48	29.45%	9	7.14%	25	28.09%	57	21.59%
Unknown	7	4.29%	4	3.17%	0	0.00%	13	4.92%
White/White other/White Irish	108	66.26%	113	89.68%	64	71.91%	194	73.48%
Total	163	100.00%	126	100.00%	89	100.00%	264	100.00%
BME comparator data end March 17		28.21%		5.31%		24.36%		20.45%

Includes seconded in and seconded out (excludes temporary agency staff).

Operations		Resources		Strategy and Impact		Total staff	
Staff number	Staff number %	Staff number	Staff number %	Staff number	Staff number %	Staff number	Staff number %
124	15.37%	12	14.81%	9	10.47%	159	15.23%
15	1.86%	8	9.88%	1	1.16%	31	2.97%
668	82.78%	61	75.31%	76	88.37%	854	81.80%
807	77.30%	81	7.76%	86	8.24%	1,044	100.00%

Home		Sale		Wakefield		Warrington		Total	
Staff number	Staff number %								
2	15.38%	13	5.99%	3	3.09%	2	2.67%	159	15.23%
0	0.00%	3	1.38%	0	0.00%	4	5.33%	31	2.97%
11	84.62%	201	92.63%	94	96.91%	69	92.00%	854	81.80%
13	100.00%	217	100.00%	97	100.00%	75	100.00%	1,044	100.00%
	12.50%		7.19%		3.23%		2.15%		14.49%

Gender by grade – 31 March 2018

Gender	5 and 6 and apprentices		7 and 8		9, 10 and 11		12 and 13	
	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %
Female	46	68.66%	63	76.83%	354	61.78%	128	54.94%
Male	21	31.34%	19	23.17%	219	38.22%	105	45.06%
Total	67	100.00%	82	100.00%	573	100.00%	233	100.00%
Female comparator data end March 17		62.71%		75.95%		60.04%		59.26%

Includes seconded in and seconded out (excludes temporary agency staff).

Gender by directorate – 31 March 2018

Gender	Director General and Private Office		People		Legal	
	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %
Female	9	69.23%	27	84.38%	18	72.00%
Male	4	30.77%	5	15.63%	7	28.00%
Total	13	100.00%	32	100.00%	25	100.00%

Includes seconded in and seconded out (excludes temporary agency staff).

Please note that HR reports into the People directorate, effective from 8 January 2018. The Change directorate and the CEO and Commission directorate ceased to exist from 8 January 2018 when the IPCC became the IOPC.

The Director General and Private Office Directorate was also effective from 8 January 2018.

14, 15 and 16		Total staff number		Director General and directors		Ungraded		Totals	
Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %
34	47.89%	625	60.92%	8	50.00%	2	100.00%	635	60.82%
37	52.11%	401	39.08%	8	50.00%	0	0.00%	409	39.18%
71	100.00%	1026	100.00%	16	100.00%	2	100.00%	1,044	100.00%
	42.03%		60.04%		28.57%		None		59.90%

Operations		Resources		Strategy and Impact		Total	%
Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %
484	59.98%	42	51.85%	55	63.95%	635	60.82%
323	40.02%	39	48.15%	31	36.05%	409	39.18%
807	100.00%	81	100.00%	86	100.00%	1,044	100.00%

Gender by location – 31 March 2018

Gender	Birmingham		Cardiff		Croydon		Holborn	
	Staff number	Staff %						
Female	103	63.19%	77	61.11%	54	60.67%	165	62.50%
Male	60	36.81%	49	38.89%	35	39.33%	99	37.50%
Total	163	100.00%	126	100.00%	89	100.00%	264	100.00%
Female comparator data end March 17		59.62%		60.18%		57.69%		60.23%

Includes seconded in and seconded out (excludes temporary agency staff).

Age by grade – 31 March 2018

Age category	5 and 6 and apprentices		7 and 8		9, 10 and 11		12 and 13	
	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %
16 to 19	6	8.96%	2	2.44%	2	0.35%	0	0.00%
20 to 24	27	40.30%	10	12.20%	34	5.93%	1	0.43%
25 to 29	7	10.45%	18	21.95%	124	21.64%	24	10.30%
30 to 34	8	11.94%	13	15.85%	102	17.80%	43	18.45%
35 to 39	4	5.97%	15	18.29%	102	17.80%	53	22.75%
40 to 44	2	2.99%	7	8.54%	48	8.38%	26	11.16%
45 to 49	1	1.49%	6	7.32%	46	8.03%	32	13.73%
50 to 54	5	7.46%	6	7.32%	54	9.42%	34	14.59%
55 to 59	3	4.48%	4	4.88%	46	8.03%	13	5.58%
60 to 64	2	2.99%	0	0.00%	14	2.44%	7	3.00%
Over 65	2	2.99%	1	1.22%	1	0.17%	0	0.00%
Undefined	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	67	100.00%	82	100.00%	573	100.00%	233	100.00%

Home		Sale		Wakefield		Warrington		Total	%
Staff number	Staff %								
12	92.31%	131	60.37%	53	54.64%	40	53.33%	635	60.82%
1	7.69%	86	39.63%	44	45.36%	35	46.67%	409	39.18%
13	100.00%	217	100.00%	97	100.00%	75	100.00%	1,044	100.00%
	87.50%		58.68%		59.14%		59.14%		59.90%

14, 15 and 16		Total staff number		Director General and directors		Ungraded		Total number	
Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %	Staff number	Staff %
0	0.00%	10	0.97%	0	0.00%	0	0.00%	10	0.96%
0	0.00%	72	7.02%	0	0.00%	0	0.00%	72	6.90%
1	1.41%	174	16.96%	0	0.00%	0	0.00%	174	16.67%
1	1.41%	167	16.28%	0	0.00%	0	0.00%	167	16.00%
20	28.17%	194	18.91%	0	0.00%	0	0.00%	194	18.58%
12	16.90%	95	9.26%	2	12.50%	0	0.00%	97	9.29%
12	16.90%	97	9.45%	3	18.75%	0	0.00%	100	9.58%
11	15.49%	110	10.72%	4	25.00%	0	0.00%	114	10.92%
11	15.49%	77	7.50%	5	31.25%	1	6.25%	83	7.95%
1	1.41%	24	2.34%	1	6.25%	0	0.00%	25	2.39%
1	1.41%	5	0.49%	1	6.25%	0	0.00%	6	0.57%
1	1.49%	1	1.49%	0	0.00%	1	6.25%	2	0.19%
71	100.00%	1026	100.00%	16	100.00%	2	0.00%	1,044	100.00%

Age by directorate – 31 March 2018

Age category	Director General and Private Office		People		Legal	
	Staff number	Staff number %	Staff number	Staff number %	Staff number	Staff number %
16 to 19	0	0.00%	1	3.13%	1	4.00%
20 to 24	0	0.00%	2	6.25%	2	8.00%
25 to 29	1	7.69%	8	25.00%	0	0.00%
30 to 34	0	0.00%	5	15.63%	3	12.00%
35 to 39	2	15.38%	9	28.13%	9	36.00%
40 to 44	1	7.69%	2	6.25%	4	16.00%
45 to 49	1	7.69%	4	12.50%	1	4.00%
50 to 54	3	23.08%	0	0.00%	4	16.00%
55 to 59	3	23.08%	1	3.13%	1	4.00%
60 to 64	1	7.69%	0	0.00%	0	0.00%
Over 65	1	7.69%	0	0.00%	0	0.00%
Undefined	0	0.00%	0	0.00%	0	0.00%
Total	13	100.00%	32	100.00%	25	100.00%

Includes seconded in and seconded out (excludes temporary agency staff).

Please note that HR reports into the People directorate, effective from 8 January 2018.

The Change directorate and the CEO and Commission directorate ceased to exist from 8 January 2018 when the IPCC became the IOPC. The Director General and Private Office Directorate was also effective from 8 January 2018.

Operations		Resources		Strategy and Impact		Total staff number	
Staff number	Staff number %	Staff number	Staff number %	Staff number	Staff number %	Staff number	Staff number %
7	0.87%	1	1.23%	0	0.00%	10	0.96%
59	7.31%	6	7.41%	3	3.49%	72	6.90%
142	17.60%	6	7.41%	17	19.77%	174	16.67%
138	17.10%	9	11.11%	12	13.95%	167	16.00%
132	16.36%	16	19.75%	26	30.23%	194	18.58%
66	8.18%	7	8.64%	17	19.77%	97	9.29%
71	8.80%	19	23.46%	4	4.65%	100	9.58%
94	11.65%	7	8.64%	6	6.98%	114	10.92%
72	8.92%	5	6.17%	1	1.16%	83	7.95%
21	2.60%	3	3.70%	0	0.00%	25	2.39%
4	0.50%	1	1.23%	0	0.00%	6	0.57%
1	0.12%	1	1.23%	0	0.00%	2	0.19%
807	100.00%	81	100.00%	86	100.00%	1,044	100.00%

Leavers by ethnicity and grade 1 April 2017 – 31 March 2018

Ethnic origin	5 and 6 and apprentices		7 and 8		9, 10 and 11		12 and 13	
	Leaver number	Leaver %	Leaver number	Leaver %	Leaver number	Leaver %	Leaver number	Leaver %
Asian Bangladeshi	0	0.00%	0	0.00%	0	0.00%	1	3.70%
Asian Indian	1	7.69%	2	15.38%	1	0.88%	0	0.00%
Asian Other	0	0.00%	1	7.69%	2	1.75%	0	0.00%
Asian Pakistani	1	7.69%	0	0.00%	4	3.51%	0	0.00%
Black African	1	7.69%	2	15.38%	2	1.75%	0	0.00%
Black Caribbean	0	0.00%	1	7.69%	2	1.75%	1	3.70%
Black other	0	0.00%	0	0.00%	1	0.88%	0	0.00%
Chinese or other Chinese ethnic background	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Mixed White and Black Caribbean	0	0.00%	1	7.69%	0	0.00%	0	0.00%
Mixed White Asian	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Other	1	7.69%	0	0.00%	2	1.75%	0	0.00%
Other mixed background	0	0.00%	0	0.00%	0	0.00%	0	0.00%
White	5	38.46%	6	46.15%	68	59.65%	19	70.37%
White Irish	0	0.00%	0	0.00%	0	0.00%	1	3.70%
White other	0	0.00%	0	0.00%	1	0.88%	0	0.00%
Unknown	4	30.77%	0	0.00%	31	27.19%	5	18.52%
Total	13	100.00%	13	100.00%	114	100.00%	27	100.00%

Excludes temporary agency workers (includes fixed term and non-voluntary leavers).

14, 15 and 16		Total		Commissioner		Director		Ungraded		Total	
Leaver number	Leaver %	Staff number	Staff %	Leaver number	Leaver %						
0	0.00%	1	0.57%	0	0.00%	0	0.00%	0	0.00%	1	0.52%
0	0.00%	4	2.29%	0	0.00%	0	0.00%	0	0.00%	4	2.08%
0	0.00%	3	1.71%	0	0.00%	0	0.00%	0	0.00%	3	1.56%
0	0.00%	5	2.86%	0	0.00%	0	0.00%	0	0.00%	5	2.60%
0	0.00%	5	2.86%	1	10.00%	0	0.00%	0	0.00%	6	3.13%
0	0.00%	4	2.29%	0	0.00%	0	0.00%	0	0.00%	4	2.08%
0	0.00%	1	0.57%	1	10.00%	0	0.00%	0	0.00%	2	1.04%
0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
0	0.00%	1	0.57%	0	0.00%	0	0.00%	0	0.00%	1	0.52%
0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
0	0.00%	3	1.71%	0	0.00%	0	0.00%	0	0.00%	3	1.56%
0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	25.00%	1	0.52%
8	100.00%	106	60.57%	5	50.00%	3	100.00%	0	0.00%	114	59.38%
0	0.00%	1	0.57%	0	0.00%	0	0.00%	0	0.00%	1	0.52%
0	0.00%	1	0.57%	0	0.00%	0	0.00%	0	0.00%	1	0.52%
0	0.00%	40	22.86%	3	30.00%	0	0.00%	3	75.00%	46	23.96%
8	100.00%	175	100.00%	10	100.00%	3	100.00%	4	100.00%	192	100.00%

Performance management – formal disciplinary, grievance and capability cases opened
1 April 2017–31 March 2018

	Disciplinary		Grievance		Capability	
	Number	% of total	Number	% of total	Number	% of total
White/White other/White Irish	8	67%	22	69%	1	0%
BME	4	33%	9	28%	0	0%
Unknown	0	0%	1	3%	0	0%
Total	12	100%	32	100%	1	0%
Male	7	58%	10	31%	0	0%
Female	5	42%	22	69%	1	0%
Total	12	100%	32	100%	1	0%

Our staff by career background – 31 March 2018

Job title	Total staff	Ex-police officer*	%	Ex-police civilian*	%	Ex-police Both	%
Investigator	338	70	21%	38	11%	13	4%
Operations team leader/ deputy senior investigator	65	19	29%	1	2%	1	2%
Operations manager/ senior investigator	22	8	36%	1	5%	1	5%
Operations Casework and Contact and Assessment	121	5	4%	6	5%	1	1%
Other	498	29	6%	50	10%	7	1%
Total staff	1,044	131	13%	96	9%	23	2%

*Ex-police officer and ex-police civilian figures do not include those who were both police officer and civilian.

‘Investigator’ includes all grades i.e. trainee investigator, investigator and lead investigator.

Includes seconded in and seconded out (excludes temporary agency staff).

Contact and Assessment includes Assessment Unit, Contact and Assessment, and Contact Centre.

Our staff by career background and directorate – 31 March 2018

Directorate	Total staff	Ex-police officer*	%	Ex-police civilian*	%	Ex-police both	%
Resources	81	1	1.2%	5	6.2%	0	0.0%
Operations Casework	121	5	4.1%	6	5.0%	1	0.8%
Director General and Private Office	13	1	7.7%	0	0.0%	0	0.0%
People	32	0	0.0%	2	6.3%	0	0.0%
Operations Hillsborough	68	20	29.4%	8	11.8%	4	5.9%
Operations	618	103	16.7%	64	10.4%	18	2.9%
Strategy and Impact	86	1	1.2%	10	11.6%	0	0.0%
Legal	25	0	0.0%	1	4.0%	0	0.0%
Total staff	1,044	131	12.5%	96	9.2%	23	2.2%

*Ex-police officer and ex-police civilian figures do not include those who were both police officer and civilian.

Includes seconded in and seconded out (excludes temporary agency staff).

New starters – 1 April 2017–31 March 2018

	Total	BME	BME%	Female	Female %	Ex-police	Ex-police %
Investigations staff	84	17	20%	45	54%	34	40%
Operations	160	30	19%	92	58%	54	34%
All IOPC	207	43	21%	124	60%	58	28%

Includes seconded in and seconded out (excludes temporary agency staff).

Please note for the figures above: all IOPC is inclusive of Operations. Operations is inclusive of Investigations staff.

Table 6 This table shows the number of off-payroll engagements as of 31 March 2018, for more than £245 per day and that last longer than six months.

Number of existing off-payroll engagements as of 31 March 2018

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	1
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 year at the time of reporting	-
Engagements that have existed for four or more years at the time of reporting	-
Total off-payroll engagements	6
Engagements where assurance of income tax and national insurance obligations has been received	6
Engagements where assurance of income tax and national insurance obligations has not been received	-

Trade union facility time information

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the IOPC to publish the following four tables:

Table 1: relevant union officials	
The total number of employees who were union officials during 2017/18	Full-time equivalent employee number
15	11.4

Table 2: percentage of time spent on facility time

Percentage of time	Number of employees
0	1,029
1-50	15
51-99	-
100	-

Table 3: percentage of pay bill spent on facility time

	£000's
The total cost of facility time	88
The total pay bill	49,395
The percentage of the total pay bill spent on facility time	0.18%
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 2017/18 on paid union activities	-
Time spent on paid trade union activities as a percentage of total paid facility time hours	-

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

Expenditure on consultancy

There was no expenditure on consultancy during the reporting period (2016/17: 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 the Management Board to provide scrutiny and review.

The majority of our contingent labour is engaged for our Hillsborough investigation because we require a flexible skilled resource at different stages for the inquiry.

	2017/18	2016/17
Contingent labour costs	£'000	£'000
Hillsborough	1,740	3,727
Other directorates	1,544	1,495
Total	3,284	5,222

Off-payroll engagements

None of the IPCC commissioners or the directors in the IOPC were paid by means of payments to a limited company or third party in lieu of a salary. All the commissioners and directors are paid through the IOPC payroll, with the exception of the former IPCC Chief Executive who was seconded from the Department of Education.



Parliamentary accountability and audit 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 2017/18 are £50,000 (in 2016/17 the audit fee was £47,000). The NAO did not undertake any non-audit work.

On the 1 April 2015, the Home Office Internal Audit Unit (HO IAU) was appointed to provide Internal Audit services to the IPCC. The HO IAU subsequently became part of the Government Internal Audit Agency (GIAA). On 1 April 2018, we appointed the GIAA to continue to provide services to the IOPC.

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.

Gifts

This section has been audited.

No gifts were made.

Fees and charges

This section has been audited.

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 the Home Office 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.

	2017/18	2017/18	2017/18	2016/17	2016/17	2016/17
Fees and charges	Income £'000	Costs £'000	(Deficit) £'000	Income £'000	Costs £'000	(Deficit) £'000
HMRC income	18	(18)	-	17	(17)	-
Home Office income	7	(7)	-	22	(22)	-
Subtotal						
Income from activities	25	(25)	-	39	(39)	-
Sundry income	22	(22)	-	15	(15)	-
Total	47	(47)	-	54	(54)	-

Remote contingent liabilities
This section has been audited.
 2017/18: none (2016/17: none).



Michael Lockwood
 Director General and Accounting Officer
 3 July 2018



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 Independent Office for Police Conduct for the year ended 31 March 2018 under the Police Reform Act 2002. The financial statements comprise: the 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. I have also audited the information in the Remuneration and Staff Report and the Parliamentary Accountability disclosures 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 2018 and of net expenditure for the year then ended; and
- the financial statements 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 expenditure and income recorded in the financial statements has 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 of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) 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 2016. I am independent of the Independent Office for Police Conduct in accordance with the ethical requirements that are relevant to my audit and 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.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not

detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Independent Office for Police Conduct's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Independent Office for Police Conduct's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue

as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

Other information

The Accounting Officer is responsible for the other information. The other information comprises information included in the annual report, other than the parts of the Remuneration and Staff Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and 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, 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:

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

Matters on which I report by exception

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 Remuneration and Staff Report to be audited are not in agreement with the accounting records and returns; 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.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General
16 July 2018

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



Financial statements



Statement of comprehensive net expenditure for the year ended 31 March 2018	Note	2017/18 £'000	2016/17 £'000
Other operating income	5	47	54
Total operating income		47	54
Staff costs	3.1	(49,395)	(47,558)
Purchase of goods and services	4	(20,321)	(20,204)
Depreciation and impairment charges	4	(4,922)	(4,593)
Loss on disposal of non current assets	4	-	(227)
Provision expense and other non cash	4	120	(47)
Total operating expenditure		(74,518)	(72,629)
Net expenditure for the year		(74,471)	(72,575)
Other comprehensive net expenditure			
Actuarial gain/(loss)	3.2	83	(378)
Total comprehensive net expenditure for the year		(74,388)	(72,953)

There were no discontinued operations, acquisitions or disposals during the period.
The notes on pages 131 to 157 form part of these accounts.

Statement of financial position as at 31 March 2018	Note	31 March 2018 £'000	31 March 2017 £'000
Non-current assets			
Property, plant and equipment	6	9,153	8,688
Intangible assets	7	5,066	4,627
Trade and other receivables	9	-	162
Total non-current assets		14,219	13,477
Current assets			
Trade and other receivables	9	765	1,201
Cash and cash equivalents	10	12,702	4,704
Total current assets		13,467	5,905
Total assets		27,686	19,382
Current liabilities			
Provisions	13	-	(121)
Trade and other payables	11	(13,681)	(5,588)
Other liabilities	12	(913)	(811)
Total current liabilities		(14,594)	(6,520)
Total assets less current liabilities		13,092	12,862
Non-current liabilities			
Provisions	13	(3,386)	(1,771)
Pension liabilities	3.2	(2,251)	(2,336)
Other payables	11	(202)	(614)
Total non-current liabilities		(5,839)	(4,721)
Total assets less total liabilities		7,253	8,141
Taxpayers' equity and other reserves			
General reserve		9,504	10,477
Pension reserve		(2,251)	(2,336)
Total equity		7,253	8,141



Michael Lockwood

Director General and Accounting Officer

3 July 2018

The notes on pages 131 to 157 form part of these accounts.

Statement of cash flows for the year ended 31 March 2018	Note	2017/18 £'000	2016/17 £'000
Cash flows from operating activities			
Net expenditure for the year		(74,471)	(72,575)
Adjustment for non-cash transactions	4	4,802	4,867
Decrease in trade and other receivables	9	339	78
Increase in trade and other payables	11	8,025	727
Increase in employee benefits payable	12	102	152
Less movements in provisions relating to items not passing through the statement of comprehensive net expenditure	3.2	(66)	(65)
Use of provisions	13	(749)	(18)
Net cash outflow from operating activities		(62,018)	(66,834)
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(1,768)	(1,582)
Purchase of intangible assets	7	(1,483)	(287)
Net cash outflow from investing activities		(3,251)	(1,869)
Cash flows from financing activities			
Grants from the Home Office		73,500	71,000
Capital element of payments in respect of on SoFP service concession arrangements		(233)	(497)
Net financing		73,267	70,503
Net increase in cash and cash equivalents in the period	10	7,998	1,800
Cash and cash equivalents at the beginning of the period	10	4,704	2,904
Cash and cash equivalents at the end of the period	10	12,702	4,704

Statement of changes in taxpayers' equity for the year ended 31 March 2018	Note	General reserve £'000	Pension reserve £'000	Total reserves £'000
Balance at 31 March 2016		12,048	(1,954)	10,094
Changes in taxpayers' equity for 2016/17				
Grant from the Home Office received for revenue expenditure	21	69,116	-	69,116
Grant from the Home Office received for capital expenditure	21	1,884	-	1,884
Transfers between reserves		4	(4)	-
Net expenditure for the year		(72,575)	-	(72,575)
Actuarial (loss) in year		-	(378)	(378)
Balance at 31 March 2017		10,477	(2,336)	8,141
Changes in taxpayers' equity for 2017/18				
Grant from Home Office received for revenue expenditure	21	70,249	-	70,249
Grant from Home Office received for capital expenditure	21	3,251	-	3,251
Transfers between reserves		(2)	2	-
Net expenditure for the year		(74,471)	-	(74,471)
Actuarial gain in year	3.2		83	83
Balance at 31 March 2018		9,504	(2,251)	7,253

Notes to the accounts

1 Statement of accounting policies

The financial statements have been prepared in accordance with the 2017/18 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 particular circumstances of the IOPC for the purpose of giving a true and fair view has been selected. The particular 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 activities of the IOPC are primarily funded by the Home Office.

Grant in aid for 2018/19, 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 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 statements.

During the year the IPCC transitioned to the IOPC. The IOPC is not a new legal entity and the transition has no effect on the going concern basis of preparation.

1.3 Grant in aid

Grant in aid received is used to finance activities and expenditure that support the statutory objectives of the IOPC. Grant in aid is treated as financing and is credited to the general reserve because it is a contribution from a controlling party.

1.4 Property, plant and equipment

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

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 fair value. 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 cost of new furniture and equipment, which individually cost 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. 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. Intangible assets are carried at current value in existing use. 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 the anticipated useful life
Vehicles	7 years
Information technology	3 to 5 years
Intangible non-current assets	3 to 7 years
Service concession assets	Duration of contract or anticipated useful life

1.7 Service concessions

Assets in use and under the control of the IOPC are capitalised as non-current assets as provided for under interpretation 12, Service Concession Arrangements, of the International Financial Reporting Interpretation Committee and interpretation 29, Service Concession Arrangements: Disclosures of the Standards Interpretation Committee.

1.8 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 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.

1.9 Early departure costs

The IOPC meets the additional costs of benefits beyond the normal Principal Civil Service Pension Scheme benefits in respect of employees who retire early by paying the required amounts annually to the Principal Civil Service Pension Scheme over

the period between early departure and normal retirement date. The IOPC provides for this in full when the early departure decision is approved by establishing a provision for the estimated payments discounted by the HM Treasury discount rate applicable at the SoFP date. At 31 March 2018 this was 0.10 per cent in real terms (2016/17 0.24 per cent). Severance costs outstanding at the year end under the Civil Service Compensation Scheme are accrued for rather than provided for in a provision.

1.10 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.

1.11 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. If the effect is material, expected future cash flows are discounted using the real rate set by HM Treasury. 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.

1.12 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.

1.13 Income

Income from activities relates directly to income from HMRC and the Home Office for activities carried out as part of the discharge of the IOPC's statutory responsibilities and powers.

Other operating income relates to fees and charges for other services provided.

Income represents the value of invoices raised on completion of services and the value completed, but not yet invoiced.

1.14 Value added tax (VAT)

The IOPC is registered for VAT but can only recover VAT on purchases when the IOPC is undertaking non-statutory activities. Income is shown as net of VAT, where VAT is due, and expenditure is charged as gross. Any input tax recoverable is credited to the Statement of Comprehensive Net Expenditure.

1.15 Corporation tax

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

1.16 Standards in issue but not yet effective

The IOPC provides disclosure that it has not yet applied a new accounting standard and has not adopted any standards early. IFRS 9 Financial Instruments was issued in July 2014, effective for periods beginning on or after 1 January 2018. HM Treasury introduced the standard in the FREM from 2018–19. The majority of IOPC financial instruments relate to contracts for goods and services in line with expected usage requirements and as a result, the standard is not expected to have a material impact on the financial statements.

IFRS 15 Revenue from Contracts with Customers was issued in May 2014, effective for periods beginning on or after 1 January 2018. HM Treasury introduced the standard in the FREM from 2018–19. The IOPC does not have material income. For the majority of contracts the IOPC already recognises revenue on completion of the relevant performance obligation requirements and as a result, the standard is not expected to have a material impact on the financial statements.

IFRS 16 Leases was issued in January 2016, effective for periods beginning on or after 1 January 2019. HM Treasury issued an exposure draft in March 2018. The majority of IOPC operating leases are for property and are for more than 12 months. The impact on the financial statements has not been evaluated.

2 Statement of operating costs by operating segment

The operating segments are based on the management reporting structure at 31 March 2018. This places financial responsibility with the senior executive best placed to take expenditure decisions and ensure that value for money is achieved. During the year the IPCC transitioned to the IOPC and the reporting structure was revised. The impact on the segments is as follows: the Commission segment was discontinued in January 2018, the Director General segment also includes expenditure incurred by the previous Chief Executive's office, the Operations segment includes expenditure on the Hillsborough investigation and the Human Resources function.

The 2016/17 information has been restated.

	2017/18	2017/18	2017/18
	Gross expenditure	Income	Net expenditure
	£'000	£'000	£'000
Resources	19,302	(22)	19,280
Operations	40,296	(25)	40,271
Change	785	-	785
Commission	1,406	-	1,406
Director General	463	-	463
Legal	2,496	-	2,496
Strategy and Impact	4,968	-	4,968
Non cash	4,802		4,802
Total	74,518	(47)	74,471

	2016/17	2016/17	2016/17
	Gross expenditure	Income	Net expenditure
	£'000	£'000	£'000
Resources	17,325	(15)	17,310
Operations	38,999	(39)	38,960
Change	2,111	-	2,111
Commission	1,853	-	1,853
Chief Executive	486	-	486
Legal	2,610	-	2,610
Strategy and Impact	4,378	-	4,378
Non cash	4,867	-	4,867
Total	72,629	(54)	72,575

3 Staff numbers and related costs

3.1

	2017/18	2016/17
Payroll costs	£'000	£'000
Salaries and emoluments	39,012	37,898
Social security cost	3,697	3,425
Pension contributions	6,808	6,278
Sub total	49,517	47,601
Less: recoveries in respect of outward secondments	(122)	(43)
Net costs of staff	49,395	47,558

Detailed disclosures on staff costs and numbers are shown in the Accountability Report.

3.2 Broadly by analogy pension scheme

Certain 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	2017/18	2016/17
Rate used to discount scheme liabilities	2.55%	2.80%
Rate of increase in pensions payment and deferred pensions	2.45%	2.55%
CPI inflation assumption	2.45%	2.55%

	31 March 2018	31 March 2017
The liabilities associated with members are as follows	£'000	£'000
Pension provision		
Balance at 1 April	2,336	1,954
(Decrease)/increase in provision	(85)	382
Present value of liabilities	2,251	2,336

	2017/18	2016/17
Other amounts to be disclosed in order to understand the change in provision	£'000	£'000
Scheme liability at the beginning of the year	2,336	1,954
Movement in the year		
Interest cost	64	69
Actuarial (gain)/loss	(83)	378
Benefits paid	(66)	(65)
(Decrease)/increase in scheme liability	(85)	382
Scheme liability at the end of the year	2,251	2,336

	2017/18	2016/17
Expense to be recognised in the Statement of Comprehensive Net Expenditure account	£'000	£'000
Interest costs	64	69
Total expense	64	69

	2017/18	2016/17
Actuarial gains/losses to be recognised in Changes in Taxpayers' Equity	£'000	£'000
Experience (gain) arising on the scheme liabilities	(7)	(17)
Change in assumptions underlying the present value of the scheme liabilities	(76)	395
Net total actuarial (gain)/loss on taxpayers' equity	(83)	378

There are no employee and employer costs payable in 2017/18.

	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Present value of scheme liabilities	£'000	£'000	£'000	£'000	£'000
Liability in respect of:					
Deferred pensioners	515	513	398	406	353
Current pensions	1,736	1,823	1,556	1,636	1,541
Total present value of scheme liabilities	2,251	2,336	1,954	2,042	1,894
History of experience losses/(gains)	(7)	(17)	(40)	(35)	75
Percentage of scheme liabilities at the end of the year	-0.3%	-0.7%	-2.0%	-1.7%	4.0%

3.3 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 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2017/18, employers' contributions of £6,589 were payable to the PCSPS (2016/17 £6,072) at one of four rates in the range 20 per cent to 24.5 per cent 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 2017/18 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 £211k (2016/17 £198k) were paid to one or more of the panel of three appointed stakeholder pension providers.

Employer contributions are age-related and range from 8 per cent to 14.75 per cent of pensionable pay.

Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £8k (2016/17 £8k), 0.5 per cent 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 Other operating costs

Other operating costs	Note	2017/18 £'000	2016/17 £'000
Other expenditure includes the following:			
IT		3,374	3,032
Service concession service charges		5,181	5,070
Accommodation rental		2,611	2,560
Accommodation non-rental		2,945	3,172
Travel and subsistence		1,531	1,633
Training		900	1,033
Forensics		530	477
Recruitment		819	969
Stationery		157	200
Postage		78	70
Research		189	161
Legal services		1,039	1,039
Guidance for police and public		94	112
Professional fees		346	210
Audit fee - external		50	47
Service concession interest charges		9	12
Other costs		468	407
Total other expenditure		20,321	20,204
Non-cash items			
Depreciation	6	3,861	2,932
Amortisation	7	1,061	1,661
Provisions provided in the year less provisions not required	13	(185)	(22)
Loss on disposal of non-current assets		-	227
BBA pension expense interest	3.2	64	69
Other non cash		1	-
Total non cash items		4,802	4,867
Total		25,123	25,071

The fee for the external audit of the Statement of Accounts was £50,000 (2016/17: £47,000).
The external auditors did not undertake any non-audit work.

5 Income

The IOPC received income £18,000 (2016/17: £17,000) from HMRC for investigations undertaken under section 28 of the Commissioners for Revenue and Customs Act 2005. Income of £7,000 (2016/17: £22,000) was received from the Home Office for investigations undertaken into appropriate referrals. We also received £22,000 (2016/17: £15,000) sundry income from other public bodies, mainly for providing facilities management services. Our income from HMRC and Border Force is based on actual costs of work undertaken. Information on allocation of income to segments can be found in note 2 and further information on fees and charges can be found elsewhere in the Accountability Report.

6 Property, plant and equipment

	Payments on account and assets under construction	Information technology	Vehicles	Furniture & fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2017	1,134	6,727	853	12,095	20,809
Reclassifications	(1,060)	67	-	993	-
Additions	2,420	303	-	1,603	4,326
Disposals	-	(844)	-	(667)	(1,511)
At 31 March 2018	2,494	6,253	853	14,024	23,624
Depreciation					
At 1 April 2017	-	3,644	177	8,300	12,121
Charge for the year	-	1,110	122	2,629	3,861
Disposals	-	(844)	-	(667)	(1,511)
At 31 March 2018	-	3,910	299	10,262	14,471
Net book value at 31 March 2018	2,494	2,343	554	3,762	9,153
Net book value at 31 March 2017	1,134	3,083	676	3,795	8,688
Asset financing					
On SoFP service con- cession arrangement	-	521	-	-	521

	Payments on account and assets under construction £'000	Information technology £'000	Vehicles £'000	Furniture & fittings £'000	Total £'000
Cost or valuation					
At 1 April 2016	656	6,241	853	11,535	19,285
Reclassifications	(653)	636	-	17	-
Additions	1,131	508	-	543	2,182
Disposals	-	(658)	-	-	(658)
At 31 March 2017	1,134	6,727	853	12,095	20,809
Depreciation					
At 1 April 2016	-	3,264	55	6,484	9,803
Charge for the year	-	994	122	1,816	2,932
Disposals	-	(614)	-	-	(614)
At 31 March 2017	-	3,644	177	8,300	12,121
Net book value at 31 March 2017	1,134	3,083	676	3,795	8,688
Net book value at 31 March 2016	656	2,977	798	5,051	9,482
Asset financing					
On SoFP service con- cession arrangement	-	701	-	-	701

7 Intangibles

	Payments on account and assets under construction £'000	Information technology £'000	Total £'000
Cost or valuation			
At 1 April 2017	24	10,349	10,373
Reclassifications	(99)	99	-
Additions	311	1,189	1,500
Disposals	-	(1,006)	(1,006)
At 31 March 2018	236	10,631	10,867
Amortisation			
At 1 April 2017	-	5,746	5,746
Charge for the year	-	1,061	1,061
Disposals	-	(1,006)	(1,006)
At 31 March 2018	-	5,801	5,801
Net book value at 31 March 2018	236	4,830	5,066
Net book value at 31 March 2017	24	4,603	4,627
Asset financing			
On SoFP service concession arrangement	-	1,711	1,711
Cost or valuation			
At 1 April 2016	426	10,092	10,518
Reclassifications	(358)	358	-
Additions	28	315	343
Disposals	(72)	(416)	(488)
At 31 March 2017	24	10,349	10,373
Amortisation			
At 1 April 2016	-	4,390	4,390
Charge for the year	-	1,661	1,661
Disposals	-	(305)	(305)
At 31 March 2017	-	5,746	5,746

Net book value at 31 March 2017	24	4,603	4,627
Net book value at 31 March 2016	426	5,702	6,128
Asset financing			
On SoFP service concession arrangement	-	2,011	2,011

8 Financial instruments

The IOPC does not hold any complex financial instruments. The only financial instruments included in the accounts are cash and cash equivalents, 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.

9 Trade and other receivables

	31 March 2018	31 March 2017
	£'000	£'000
Amounts falling due within one year		
Current part of service concession receivables	-	97
Accrued income	21	20
Trade receivables	35	8
Staff advances	46	75
Prepayments	663	1,001
Total falling due within one year	765	1,201

	31 March 2018	31 March 2017
	£'000	£'000
Amounts falling due after more than one year		
Non-current part of service concession receivables	-	162
Total falling due after one year	-	162
Total trade and other receivables	765	1,363

10 Cash and cash equivalents

	31 March 2018	31 March 2017
	£'000	£'000
Opening balance	4,704	2,904
Net change in cash balances during the year	7,998	1,800
Closing cash balance	12,702	4,704

Only cash is held and is available immediately from the Government Banking Service. Cash has increased significantly compared to last year because, in March 2018, £6 million was received in respect of grant in aid for 2018/19.

11 Trade and other payables

	31 March 2018	31 March 2017
	£'000	£'000
Amount falling due within one year		
VAT	(97)	(4)
Other taxation and social security	(1,752)	(2,078)
Trade payables	-	(196)
Other payables	(2)	(5)
Accruals and deferred income	(5,733)	(3,115)
Deferred grant in aid	(6,000)	-
Current part of service concession arrangement accruals for assets coming into use before payment	(94)	(93)
Current part of imputed finance lease element of service concession arrangement	(3)	(97)
Total falling due within one year	(13,681)	(5,588)

	31 March 2018	31 March 2017
	£'000	£'000
Amounts falling due after more than one year		
Other payables, accruals and deferred income	(138)	(298)
Non-current part of service concession arrangement accruals for assets coming into use before payment	(64)	(154)
Imputed finance lease element of service concession arrangement	-	(162)
Total falling due after one year	(202)	(614)
Total trade and other payables	(13,883)	(6,202)

12 Other liabilities

IAS 19 requires the disclosure of employee benefits that are recognised in the period in which the entity receives services from the employee, rather than when the benefits are paid or payable. Taking this definition of IAS 19 into account, the IOPC recognises holiday accruals for the year 2017/18 to be staff benefits.

The average number of holidays accrued per person based on the number of staff at the end of March 2018 is five days (four days at March 2017).

	31 March 2018	31 March 2017
	£'000	£'000
Staff benefits	(913)	(811)
Total	(913)	(811)

13 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 £3,386,000 (£1,771,000 for 2016/17). 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 up-to-date expert assessment for all properties, apart from Canary Wharf where management judgement has been applied by comparison to similar properties.

The early departure provision was the remaining balance of early departure costs of directors and other staff made redundant before 1 April 2018. No provision is required at March 2018.

	Property	Early departure	Total
	£'000	£'000	£000
Balance at 1 April 2017	1,771	121	1,892
Provided in the year	2,428	3	2,431
Provisions not required written back	(188)	-	(188)
Provisions utilised in the year	(625)	(124)	(749)
Increase/(decrease) in provisions	1,615	(121)	(1,494)
Balance at 31 March 2018	3,386	-	3,386
Represented by:			
Non-current element of provision	3,386	-	3,386
Current element of provision	-	-	
Analysis of expected timing of discounted flows			
Later than one year and not later than five years	2,606	-	2,606
Later than five years	780	-	780
Balance at 31 March 2018	3,386	-	3,386

	Property	Early departure	Total
	£'000	£'000	£'000
Balance at 1 April 2016	1,195	137	1,332
Provided in the year	600	2	602
Provisions not required written back	(24)	-	(24)
Provisions utilised in the year	-	(18)	(18)
Increase/(decrease) in provisions	576	(16)	560
Balance at 31 March 2017	1,771	121	1,892
Represented by			
Non-current element of provision	1,771	-	1,771
Current element of provision	-	121	121

14 Capital commitments

As at 31 March 2018, the IOPC had nil capital commitments (£32,000 at 31 March 2017).

15 Commitments under leases

Operating leases

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

	31 March 2018	31 March 2017
	£'000	£'000
Obligations under operating leases comprise		
Buildings:		
Not later than one year	2,741	2,856
Later than one year and not later than five years	4,593	2,517
Later than five years	6,799	-
Total operating lease obligations	14,133	5,373

16 Commitments under service concession arrangements

The IOPC (formerly IPCC) entered into a contract with Steria Limited on 25 August 2009 for the provision of IT and telephony services. The contract was novated to SopraSteria Limited during 2014/15.

We are undertaking a phased exit from the contract. This involves disaggregation of ICT services to other commercial providers, adjusting the technical architecture and security controls accordingly and transferring ICT assets and services to new providers. This will also enable us to align with the government digital strategy using increased cloud, open-source and agile development.

We will fully exit the contract by December 2019. Therefore notes 9, 11 and 16 have been prepared on the same basis as last year, with adjustments made to allow for the progress on disaggregation as at March 2018.

Under the contract, SopraSteria Limited has an obligation to build and maintain both tangible and intangible assets with an expected value at 31 March 2018 of £7 million (£6.9 million at 31 March 2017) for use by the IOPC. It also has an obligation to provide

operating services over the life of the contract at an expected value at 31 March 2018 of £41 million (£41 million at 31 March 2017). Finance charges over the life of the contract are expected to be £0.6 million (£0.6 million at 31 March 2017).

There was also an obligation for SopraSteria Limited to refresh assets during the life of the contract, predominately in years four and five. The assets are expected to have minimal residual value at the end of the ten-year term.

The annual payments to be made by the IOPC were agreed at the start of the contract and are subject to ongoing contract change notices. There is minimal uncertainty over future cash flows. The contract provides for repricing if the RPI-X exceeds 6 per cent.

The assets acquired under the contract are under the control of the IOPC and under IFRIC 12 the contract is a service concession arrangement with the IOPC as grantor and SopraSteria Limited as the operator.

SIC interpretation 29 describes the information to be disclosed in the accounts of the grantor.

Under IFRIC 12, the IOPC must recognise on its statement of financial position the assets to be provided under the service concession arrangement.

These are shown as follows:

- assets already in use are included in the property plant and equipment note and the intangible assets elsewhere in these accounts (note 6 and note 7)
- payments in advance of assets provided are shown in the trade receivables note elsewhere in these accounts (note 9)
- accruals for assets coming into use in advance of payment are shown in the trade payables note elsewhere in these accounts (note 11)
- assets yet to be provided are shown in the service concession receivables note elsewhere in these accounts (note 11)

This recognition of assets creates a corresponding financial obligation on the IOPC and the note below shows the obligations of the IOPC to pay for assets that are to be provided in future periods. A unitary payment is made by the IOPC consisting of service charge, capital charge and interest. The notes below shows the IOPC's obligations to pay for future operating services.

Operating service charges already paid for are shown in note 4.

16.1 On statement of financial position (SoFP)

	31 March 2018	31 March 2017
	£'000	£'000
Total obligations under on SoFP service concession arrangements for the following periods comprise		
Not later than one year	100	103
Later than one year and not later than five years	66	165
Less interest element	(3)	(9)
Total service concession SoFP obligations	161	259
Represented by		
Current (included in trade and other payables)	97	97
Non-current (included in trade and other payables)	64	162
Total service concession SoFP obligations	161	259

Charged to statement of comprehensive net expenditure

The total amount charged in the statement of comprehensive net expenditure for the service element of the on SoFP service concession arrangement was £5.2 million (2016/17 £5 million).

	31 March 2018	31 March 2017
	£'000	£'000
The payments to which the IOPC is committed at 31 March analysed by the period during which the commitment expires is as follows		
Not later than one year	5,358	5,234
Later than one year and not later than five years	3,573	9,007
Later than five years	-	-
Total charged to SoCNE	8,931	14,241

17 **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 13 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.

18 **Related-party transactions**

The Home Office is a related party of the IOPC. During the year ended 31 March 2018, the Home Office provided grant in aid, as disclosed in note 21. Government bodies are related parties. The amounts owed by these bodies to the IOPC are classified as trade and other receivables and amount to £12k (£16k at March 2017).

The Principal Civil Service Pension Scheme and the Cabinet Office are also related parties. More information on the transactions with these bodies can be found in note 3.3.

During the year ended 31 March 2018 none of the appointed commissioners, 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 commissioners, non-executive directors and all staff who are required to declare interests. The register of interests for commissioners, 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 the taking of the decision. The commissioners, non-executive directors and staff codes of conduct are available on our website. The IOPC procedures also ensure that investigators do not work on investigations in which they would have an interest.

19 Third-party assets

On occasion, the IOPC holds third-party assets when required to facilitate investigations. These are securely stored 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 2018, no monetary assets were held.

20 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.

21 Grant in aid

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

	2017/18	2016/17
Grant in aid	£'000	£'000
Received for revenue expenditure	70,249	69,116
Received for capital expenditure	3,251	1,884
Total grant in aid	73,500	71,000

22 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 2017/18 and 2016/17.

	2017/18	2016/17
	£'000	£'000
Staff costs		
Salaries and emoluments	2,655	3,466
Social security cost	276	357
Pension contributions	495	620
Temporary staff	1,740	3,727
Total staff costs	5,166	8,170
Other expenditure		
Accommodation rental	550	516
Accommodation non-rental	557	609
IT	802	888
Legal services	40	92
Other costs	117	121
Recruitment	86	15
Stationery	12	35
Training	7	22
Travel and subsistence	80	162
Total other expenditure	2,251	2,460
Non-cash		
Depreciation	510	464
Loss on disposal of assets	-	33
Total non-cash	510	497
Total revenue expenditure	7,927	11,127

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Mae'r ddogfen hon ar gael yn y Gymraeg hefyd.

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