

**Joint Audit Committee of the Police and Crime Commissioner for Bedfordshire
and Bedfordshire Police**

Meeting of 17 December 2014

Minutes

Present:

Mr Jagtar Singh - Chair	Independent Committee Member
Mr Wayne Brads	Independent Committee Member
Mr Andrew Godman	Independent Committee Member
Mr Graham Seaby	Independent Committee Member
Mr Paul Smith	Independent Committee Member
Mr Phil Wells	Joint Chief Finance Officer for of the Police and Crime Commissioner for Bedfordshire and Bedfordshire Police
Nanci Hogan	Chief of Staff
Mr John Boutcher	Deputy Chief Constable
Mrs Pat Brown	Compliance Officer - Minutes
Suzanne Lane	Senior Manager-Internal Audit, Baker Tilly Holdings Ltd

14/JAC/42 APOLOGIES

Apologies were received from Mr Mark Hodgson of Ernst and Young LLP.

14/JAC/43 MINUTES

The minutes of the Meeting of the Joint Audit Committee held on the 24 September 2014 were confirmed subject to two amendments:

1. 14/JAC/37 Scheme of Governance to be aligned with revised JAC Terms of Reference.
2. 14/JAC/38 Add that risk ratings were challenged.

14/JAC/44 STATUS REPORT AND MATTERS ARISING

The Committee received a status report of activity taken to implement the actions arising from the meeting held on 24 September 2014.

Two development days were agreed as Friday 19 June 2015 and Friday 11 December 2015.

Members also raised the following matters:

1. HMIC report – Chief Constable to share report.
2. Meetings of the Chair and Chief Constable and Chair and Police and Crime Commissioner yet to be arranged.
3. Potential portfolio activity of members – report to March meeting.
4. Collaboration to be a standing item on all future agendas of the committee.

IT WAS RESOLVED

1. That members noted the report.
2. That Development Days for 2015 be arranged for Friday 19 June 2015 and Friday 10 December 2015.
3. That Collaboration be a standing item on all future agendas of the committee
4. That a report on potential portfolio activity of members be brought to the March meeting of the committee.

14/JAC/45 DECLARATIONS OF INTEREST

There were no declarations of personal or prejudicial interests from Members.

14/JAC/46 EXTERNAL AUDIT

a) Annual Audit Letter

Mr Mark Hodgson of Ernst and Young was unable to attend this meeting. In his absence Phil Wells presented members with the Formal Annual Audit Letter of the Police and Crime Commissioner for Bedfordshire and Chief Constable of Bedfordshire Police October 2014.

Key findings for the Police and Crime Commissioner and the Chief Constable were;

Financial Statement Audit – quality of process for producing the accounts – good.

There were no findings that indicated a risk of misstatement due to fraud or error.

Value for Money Conclusion - unqualified value for money conclusion

Whole of Government Accounts – no areas of concern identified

Annual Governance Statement - no areas of concern identified

Members were advised to heed the cautionary notes in the letter relating to financial resilience going forward in 2015/16 and 2016/17 for Bedfordshire Police to achieve the significant levels of savings required of them whilst maintaining police services.

The fees charged were as agreed.

The Chair commended the work that had been carried out on audit and assurance.

IT WAS RESOLVED

That members noted the report.

b) Police Sector Audit Committee Briefing

External auditors Ernst and Young had produced a briefing document specifically for police sector audit committees which members had found very informative, which highlighted that the final accounts process nationally would be brought forward a month from 2017/18

Members were advised that Bedfordshire, along with Cambridgeshire and Hertfordshire, would not be bringing forward the dates for signing off and publishing their accounts, as advised by government, until 2016/17 when the three forces would have a shared finance system.

Members discussed how Bedfordshire was meeting the challenge against austerity under HMIC and other inspections and advised by DCC Boutcher that work was being undertaken to improve gradings but that this was difficult when the main issue was recognised as being that Bedfordshire was not gifted the right resources to deal with its level and categories of crime. Members were assured that the Force did look to peers nationally for best practice and alternative solutions.

IT WAS RESOLVED

That members noted the report.

14/JAC/47 INTERNAL AUDIT

a) Progress against the Internal Audit Plan 2014/15

Senior Manager Suzanne Lane of Baker Tilly Holdings Ltd. presented an update report on the progress of the 2014/15 Internal Audit Plan approved at the meeting in March 2014.

Members were informed that six audits had been finalised as:

- 1) Change Management – Opinion Amber/Red – 5 medium and 1 low priority recommendation
- 2) Governance Arrangements for Eastern Region Serious Organised Unit (ERSOU) and Counter Terrorism Unit (CTU) – Opinion Amber/Green – 2 medium and 1 low priority recommendations
- 3) Payroll (including pensions and expenses) – Opinion Green – no recommendations
- 4) Budgetary Control – Opinion Green – no recommendations
- 5) General Ledger – Opinion Green – 2 low priority recommendations
- 6) Police & Crime Plan – delivery of the 5 year vision – Opinion Green – 1 low priority recommendation

Two further audits, 1) Cash, Banking and Treasury Management and 2) Capital Accounting and Fixed assets were in draft/QA form at the date of this report.

The executive summaries of the finalised audits were contained within the report to members. All full finalised audit reports had been provided to members by email and paper copy, including collaborative audits.

Information on collaborative audits was included in the report and updates on the status of five audits was:

Cambridgeshire

- Complaint Handling, Integrity and Transparency – start date 02 March 2015
- IT Strategy – start date January 2015

Hertfordshire

- Wider ERSOU – Covert Accounts and Operations – Substantial assurance given – 2 medium priority and 6 low priority recommendations. Reported to Herts Joint Audit Committee.
- Collaborative Financials – delayed start from November 2014
- Cameras Tickets and Collisions – Currently in draft

An additional review on Storage and Disposal of Firearms, Ammunition and Explosives has been requested. Members were advised that this related to Bedfordshire only.

Members considered the Internal Audit Report and noted the progress made to date against the 2014/15 Internal Audit Plan.

IT WAS RESOLVED

1. That the committee noted the update of work completed against the Internal Audit Plan 2014/15

b) Progress on Recommendations

The Chief Finance Officer presented a report to members to reassure them on completion and progression of agreed recommendations from completed internal audits. Progress was reported for all high and medium priority recommendations.

Six internal audits had been completed since September 2014 resulting in eleven recommendations. There were a total of thirteen recommendations in the report of which two remained outstanding from the last meeting, six were complete and five had not yet reached their implementation date by the report date.

DCC Boucher advised members that all recommendations from audits, inspections, HMIC were now managed through the Change and Continuous Improvement Board.

IT WAS RESOLVED

1. That Members consider and noted the completed recommendations.
2. That Members considered and noted the current status of the remaining recommendations as described in the report.

c) Internal Audit Contract 2015

The Chief Finance Officer presented a report to advise members on the Internal Audit Joint Contract tendering process currently being undertaken for joint Bedfordshire, Cambridgeshire and Hertfordshire internal audit provision for 2015.

IT WAS RESOLVED

That members noted the report.

14/JAC/48 HER MAJESTY'S INSPECTORATE OF CONSTABULARY (HMIC) INSPECTIONS

Deputy Chief Constable John Boutcher presented members with an update report on HMIC inspection activity in Bedfordshire.

DCC Boutcher informed of six inspections completed since September 2014 and of six scheduled or anticipated inspections for the near future.

Completed Inspections

PEEL 2014 – Bedfordshire was graded as 'requires improvement' in most aspects and will be revisited in March 2015. The Force is working with HMIC and other agencies on this matter and visiting good practice forces.

PEEL inspections are to occur annually.

Custody – HMIC/HMIP joint inspection. Greyfriars custody was deemed unfit for purpose and was closed with immediate effect. Dunstable custody was used for an interim period. A temporary custody unit was installed at Head Quarters and became operational in September 2014 and there are plans for a permanent facility to be built there within the next two years. Recommendations are incorporated in the Custody Action Plan.

The Force is working with partners to improve care for mental health detainees and young people. Currently there is no accommodation for young people with mental health issues within the county.

Undercover Policing – This is a national report with 49 recommendations. There are no separate force reports.

Strategic Policing Requirement – Another national report stating that forces were meeting the requirement but more needed to be done with 15 recommendations. The Beds, Cambs and Herts Joint Protective Services Command Team are leading on this.

Crime Data Integrity – The police service nationally was criticised for under reporting crime by 19%. 13 recommendations were given nationally - Bedfordshire was given 8 specific recommendations.

Police Integrity and Corruption – Bedfordshire had positive feedback with 5 low level recommendations which will be managed through the Collaborated

Professional Standards Department.

Members acknowledged the huge demand on Force resources of the amount of HMIC inspections - 14 inspections within 12 months.

Members asked for an impact assessment of HMIC inspections on the organisation to provide quantitative information on cost and resources as well as qualitative information.

IT WAS RESOLVED

1. That members noted and considered the activity reported on recent and forthcoming HMIC inspections.
2. That members noted the implications of HMIC inspections on Bedfordshire Police.
3. That the Force is to provide an impact assessment of HMIC inspections on Bedfordshire Police to provide quantitative information on cost and resources as well as qualitative information to the March meeting.

14/JAC/49 STRATEGIC RISK REGISTER

Office of the Police and Crime Commissioner for Bedfordshire

The Chief of Staff, Nanci Hogan, presented a report of the Strategic Risk Register (SRR) of the Police and Crime Commissioner for consideration. Members were informed that the register would continue to evolve and was impacted on by both local and national policy development.

The report set out specific strategic issues relevant to the delivery of the Commissioner's Police and Crime Plan.

The SRR appended to the report currently held five high level risks:

- G-1 - The outcomes of the Police and Crime Plan are not delivered- Rated 8
- R-1 - Failure to provide a policing service to the public due to inadequate resources – rated 16
- PE-1 - Policing services do not meet the needs of local communities, victims and witnesses – rated 6
- T-1 - The reputation of the Police and Crime Commissioner is damaged - rated 6
- C-1 - The Police and Crime Commissioner does not meet his statutory duties regarding commissioning of victim services – rated 6

Members asked a series of questions and although no changes were made to the risk ratings further reassurance was requested with regards to ensuring that the risk register fully aligned to the updated Police And Crime Plan.

IT WAS RESOLVED

1. That members considered and noted the Strategic Risk Register of the Police and Crime Commissioner.
2. Reassurance to be provided to the next meeting that the risks were fully aligned to the revised Police and Crime Plan.

14/JAC/50 STRATEGIC RISK REGISTER Bedfordshire Police (In Private)

The Deputy Chief Constable presented a report to members on the current Strategic Risk Register (SRR) of Bedfordshire Police for consideration. The SSR of Bedfordshire Police reflected the risks associated with delivery of the Force's Strategic Intent.

The SRR appended to the report contained sensitive operational information and was therefore 'Restricted' and not for publication under The Elected Local Policing Bodies (Specified Information) Order 2011.

The SRR currently contained 12 strategic risks. Since the SRR was last reported to the Joint Audit Committee in September 2014 no risks had been added or closed, no risk ratings had been increased and one had been reduced.

Members discussed the risks regarding performance, reduced budget, partnership working, collaborative working, force restructure, HMIC inspections and specific operational policing matters. Members expressed concern that five of the twelve risks were considered at the highest rating and these mostly related to severe financial pressures and resourcing.

Members were pleased that the report did show track changes to enable them to understand work carried out to mitigate and address risks since the last meeting.

Members suggested that a timeline for risk management should be added to the table to possibly include costs associated with mitigating that risk.

Members suggested that Risk 14.S1 be split into two risks:- 1) regarding outcomes for victims and 2) regarding reputation of the Force.

The Chair raised concern about a lack of focus of equality and diversity and it was agreed that he would meet with the Deputy Chief Constable on this matter, to include discussion on mental health.

IT WAS RESOLVED

1. That Members considered and noted the risks in the Force Strategic Risk Register.
2. That the Chair meet with the Deputy Chief Constable to discuss equality and diversity matters including mental health issues.

