

**Joint Audit Committee of the Police and Crime Commissioner for Bedfordshire and Bedfordshire Police**  
**Meeting of 25 September 2013**  
**Minutes**

**Present:**

Mr Jagtar Singh - Chair	Independent Committee Member
Mr Wayne Brads	Independent Committee Member
Mr Andrew Godman	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
Mrs Stephanie McMenemy	Chief Executive of the Police and Crime Commissioner
Dr Julie Wymer	Deputy Chief Executive of the Police and Crime Commissioner
Mr John Fletcher	Deputy Chief Constable
Mrs Pat Brown	Minutes
Mr Mark Jones	RSM Tenon
Mr Mark Hodgson	Audit Director, Ernst and Young LLP
Ms Natalie Smith	Ernst and Young LLP
Mr Harry Hagger-Johnson	National Audit Office
Ms Gemma Hill	National Audit Office

**13/JAC/20 APOLOGIES**

There were no apologies.

**13/JAC/21 MINUTES**

The minutes of the Meeting of the Joint Audit Committee held on the 25 June 2013 were confirmed subject to the correction of some grammatical errors.

**13/JAC/22 STATUS REPORT AND MATTERS ARISING**

The Committee received a status report of activity taken to implement the actions arising from the meeting held on 25 June 2013. There were no matters arising from the report.

**IT WAS RESOLVED**

That the status report be noted.

**13/JAC/23      DECLARATIONS OF INTEREST**

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

**13/JAC/24      2012/13 JOINT EXTERNAL AUDIT - AUDIT RESULTS REPORT**

Mr Mark Hodgson of Ernst and Young LLP presented the Audit Results Reports for year ended 31 March 2013; 1) for the Police and Crime Commissioner; and 2) for the Chief Constable. Mr Hodgson was pleased to advise the committee that the audits had gone very well with just a few corrected errors and that this was due to the good support and excellent co-operation of the Finance Team. Mr Hodgson informed members that he intended to issue an unqualified audit opinion on both the Commissioner's and Chief Constable's financial statements and also an unqualified value for money (VFM) conclusion stating that both legal entities had put in place proper arrangements to secure economy, efficiency and effectiveness in the use of their resources for year ending 31 March 2013.

Members were advised that the audit fees for 2012-13 were in line with the agreed fees.

Members considered the individual audit result reports and welcomed the assurance provided by the unqualified opinion on financial statements and the unqualified VFM conclusion for both the Commissioner and Chief Constable for year ending March 2013.

Members acknowledged the excellent work of the Finance team and recorded special thanks to Principal Accountant Hannah Broadbank, for her hard work on this matter.

**IT WAS RESOLVED**

1. That Members consider the individual audit reports for both the Commissioner and Chief Constable before publication of revised sets of audited financial statements.
2. That Members take assurance from the unqualified audit opinion on both the Commissioner's and Chief Constable's financial statements for year ending March 2013.
3. That Members take assurance from the unqualified VFM conclusion stating that both the Commissioner and Chief Constable had in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources for year ending March 2013.
4. That Members acknowledge the excellent work of the Finance team and record special thanks to Principal Accountant Hannah Broadbank, for her hard work on this matter.

**a) Progress against the Internal Audit Plan 2013-14**

Mr Mark Jones of RSM Tenon presented his update on the progress of the 2012/13 Internal Audit Plan since the last meeting.

Members were informed that two audits, HR – Training and Development and Data Security had been finalised and that two audits, Financial Forecasting and General Ledger, were currently in draft form and would be reported to the next meeting.

The executive summaries of the following two audits that had been finalised since the last meeting were contained within the report to members.

**HR- Training and Development (rated amber/red)**

The objective of this audit was to ensure effective delivery of training to staff and officers against the strategic risk that the Force restructure has an adverse impact on the morale and motivation of the workforce.

This audit had 6 recommendations of which 1 was graded high priority and 2 were graded medium priority. All recommendations had been accepted by management.

The high priority recommendation related to ensuring that the training commissioning process as agreed within Force was adhered to, that all decisions regarding this process be recorded through the Force Resources Board and that training was evaluated after delivery.

The medium priority recommendations related to; a) the regular review of departmental training plans and; b) training plans being reconciled to Human Resources records to accurately reflect current establishment.

**Data Security (rated amber/green)**

The objective of this audit was to ensure that procedures were in place to ensure corporate data was afforded adequate protection from loss, misuse and that confidentiality was maintained.

This audit had 5 recommendations of which all were medium priority. The Force had disagreed with 2 recommendations regarding access to servers and disposal of system hardware, stating that the procedures already in place, as implemented through the Professional Standards Department, were proportionate to address risks of data security.

Members were advised that there had been one change to the plan approved in March 2013. The Review of Budgetary Control had been changed to Payments and Creditors at the request of the External Auditors and agreed with management.

Mr Jones informed Members that RSM Tenon had been acquired by Baker Tilly Holdings Limited and that from 1 October 2013 all branding would change to the new name. He assured Members that the team and the service provided would remain the same. Mr Jones agreed to send a letter on this matter out to members for their reassurance.

Members considered the Internal Audit Report.

Members agreed the change to the Internal Audit Plan after reassurance was provided from the Chief Finance Officer that this action had been taken to provide better value. Members suggested that any future changes to the Audit Plan should be agreed by the Joint Audit Committee.

Members asked to be supplied with all finalised full audit reports and this was agreed by the Chief Finance Officer.

Training and Development Members agreed with the management response to the Training and Development audit.

The Deputy Chief Constable was hopeful that a positive picture was in development for police training with the advent of The College of Policing.

Members commented on the use of police jargon and acronyms within the report and requested a glossary for future papers.

Members agreed on the importance of keeping close monitoring of training at the current difficult financial time.

Data Security – Members supported the management responses to the audit, in particular, the two recommendations that management had disagreed. Mr Jones advised Members that it was quite acceptable for recommendations to be disagreed.

The Deputy Chief Constable, in response to a question by Members, informed that the Force did converse and consult with the Information Commissioner's Office on a number of issues, including self referring some matters around data security found in Force. He advised that the Force Chief Information Officer was extremely proficient and recognised nationally for his knowledge.

Members asked that they might be provided a presentation by the Force Chief Information Officer on Data Security and it was agreed that this action could be incorporated in a training event.

Members were assured by the Chief Finance Officer that they could ask for information to assist their understanding of their Audit Committee Member roles and did not have to only rely on information provided at meetings.

## **IT WAS RESOLVED**

1. That Members note and agree the progress made to date against the 2013/14 Internal Audit Plan.
2. That Members support the change made to the Internal Audit Plan 2013/14.
3. That any changes to the Internal Audit Plan be made with the agreement of the Committee Chair.

## **INTERNAL AUDIT**

### **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.

There were eleven recommendations in the report, three of which were complete, two outstanding and six which had not yet reached their implementation date.

The three completed recommendations were:

- Health and Safety – recording of employee working hours
- HR Absence Management/Overtime 2012/13 – performance reporting
- HR Training and Development 2013/14 – training plan to be regularly reconciled with HR.

Members were informed that all three issues would be better managed by the Force once an integrated ICT system was introduced in 12-18 months time and in the meantime although the risks were low some further work was being undertaken on the issue of recording employee working hours.

Members were informed with regard to the two outstanding recommendations that; a) Review of Vetting Collaboration - a comprehensive new Vetting Policy and Procedure was in draft form and currently out for internal consultation and was expected to be ratified at the Joint Integrity and Standards Committee in October 2013 and; b) Estates Management had been postponed as there was substantial public consultation being carried out by the Police and Crime Commissioner for completion at the end of October 2013, the findings of which would inform the Estates Strategy.

#### **IT WAS RESOLVED**

1. That Members consider and endorse the completion of the three completed recommendations.
2. Members consider and endorse the current status of the remaining recommendations as described in the report.

**13/JAC/26**

#### **HER MAJESTY'S INSPECTORATE OF CONSTABULARY (HMIC) – VALUING THE POLICE INSPECTION**

The Deputy Chief Constable presented a report to members to update on the outcome of the recent HMIC 'Bedfordshire Police's Response to the Funding Challenge' published in July 2013. Members had each received a copy of the full HMIC report. HMIC had concluded that Bedfordshire Police had made good progress in meeting its financial challenge but also stated concerns about the Force's ability to maintain its service when faced with further budget cuts. The report highlighted Bedfordshire as one of five forces seriously at risk of not being able to maintain a policing service for 2015-18. Members were advised that Bedfordshire Police was heavily disadvantaged by the Government's funding formula and damping mechanism. This concern noted by HMIC had been recognised as a strategic risk of the Force and was being actively managed as such.

Members commended the Force on the report and their approach to key recommendations of the report in the areas of:

- Protecting crime fighting capability
- Enabling better use of IT
- Maximising savings opportunities through collaboration
- Managing future progress

The Deputy Chief Constable advised that he was hopeful that the College of Policing would come up with some best practice/solutions to the challenges being faced in the current financial climate. He assured members that collaborative working was going forward especially with Cambridgeshire and that the pace that this work was undertaken was dependent on the Force with greater need.

The importance of collaboration with a variety of partners was acknowledged by Members and it was agreed that a report on this matter be brought to a future meeting for review.

### **IT WAS RESOLVED**

1. That Members note the positive feedback received by Bedfordshire Police through the HMIC 'Valuing the Police' inspection programme on the way it had delivered saving whilst improving performance.
2. That Members note the concern raised by the HMIC 'Valuing the Police' inspection programme regarding Bedfordshire Police's ability to maintain its service when faced with further budget cuts and supported this as a Strategic Risk.

**13/JAC/27**

### **STRATEGIC RISK REGISTER**

#### **a) Office of the Police and Crime Commissioner for Bedfordshire**

Chief Executive, Mrs Stephanie McMenemy, presented a report of the Strategic Risk Register of the Office of the Police and Crime Commissioner (OPCC) 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 issues relevant to the delivery of the Commissioner's Police and Crime Plan as:

- Police Collaboration
  - Bedfordshire, Cambridgeshire and Hertfordshire
  - Bedfordshire and Cambridgeshire
  - wider collaboration opportunities
- Partnership working –
  - Integrated Offender Management (IOM)
  - Relationship building
  - Local Criminal Justice Board (LCJB)
  - Probation
- Commissioning of victim services
- Stage 2 Transfers

The Risk Register currently held four high level risks:

- G-1 - The outcomes of the Police and Crime plan are not delivered

R-1 - Failure to provide a policing service to the public due to inadequate resources

PE-1 - Policing services do not meet the needs of local communities, victims and witnesses

T-1 - The reputation of the Police and Crime Commissioner is damaged.

Members were asked and agreed to consider changes to increase the risk rating for risk R-1 'Failure to provide a policing service to the public due to inadequate resources'

## **IT WAS RESOLVED**

1. That Members endorse the increased risk rating for R-1 'Failure to provide a policing service to the public due to inadequate resources'
2. That Members endorse the Strategic Risk Register of the Office of the Police and Crime Commissioner

## **STRATEGIC RISK REGISTER**

### **( b ) Bedfordshire Police ( In Private )**

The Chief Finance Officer presented a report to members on the current Strategic Risk Register of Bedfordshire Police for consideration. The Strategic Risk Register of Bedfordshire Police reflected the risks associated with delivery of the Force's strategic intent.

The Strategic Risk Register (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 contains eleven strategic risks. Since the SRR was last reported to the Joint Audit Committee in June 2013 three risks had a revised risk rating and one risk was under consideration to be removed from the register.

Members discussed the risks regarding performance, reduced budget, partnership working, introduction of the Police and Crime Commissioner, collaborative working, force restructure, HMIC inspections and specific operational policing matters.

Members were reassured that the risks were being managed appropriately and endorsed the changed risk ratings (Risk 10-P1, Risk 10-E1, Risk 11-C2), the exception issues (Risk 10-P1) and the removal of Risk 11-O2 from the Strategic Risk Register to be monitored as part of the Collaboration Project.

## **IT WAS RESOLVED**

1. That Members note and consider the risks in the Force Strategic Risk Register.
2. That Members specifically note and consider the changed risk ratings (Risk 10-P1, Risk 10-E1, Risk 11-C2), the exception issues (Risk 10-P1) and the removal of Risk 11-O2 from the Strategic Risk Register to be monitored as part of the Collaboration Project.
3. That Members endorse the changed risk ratings (Risk 10-P1, Risk 10-E1,

Risk 11-C2), the exception issues (Risk 10-P1) and the removal of Risk 11-O2 from the Strategic Risk Register to be monitored as part of the Collaboration Project.

**13/JAC/29      NATIONAL AUDIT OFFICE REVIEW OF POLICE ACCOUNTABILITY**

Mr Harry Hagger-Johnson and Ms Gemma Hill of the National Audit Office had attended the Joint Audit Committee meeting as part of the 'Review of Police Accountability'. Mr Hagger- Jones and Ms Hill thanked the Committee for allowing them to join the meeting.

**13/JAC/30**      Meeting closed at 3.15pm