

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

**Meeting of 24 June 2016
Held between 13.40 – 15:50**

Minutes - Draft

Present:

Jagtar Singh - Chair	Independent Committee Member
Graham Seaby	Independent Committee Member
Wayne Brads	Independent Committee Member
Andrew Godman	Independent Committee Member
Paul Smith	Independent Committee Member
Phil Wells	Joint Chief Finance Officer for the Police and Crime Commissioner for Bedfordshire and Bedfordshire Police (CFO)
Jennie Bayliss	Interim Chief of Staff (Minutes) (CoS)
Michael Colbourne	Assistant Chief Constable
Mark Jones	RSM
Chris Hewitt	Ernst & Young

16/JAC/14	Apologies	ACTION
	There were no apologies for absence noted.	
Part One – Not Restricted		
16/JAC/15	<p>Minutes of the meeting held on 18 March 2016</p> <p>The minutes of the meeting of the Joint Audit Committee (JAC) held on 18 March 2016 were confirmed, subject to the following change:</p> <p>16/JAC/02: Paragraph 3; change the word 'prevention' to 'protection'.</p> <p>Members requested the addition of an action column for all future minutes.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • The minutes of the meeting held on 18 March 2016 were confirmed. 	
16/JAC/16	Matters Arising – Status Log	

	<p>The Committee received a status report of activity taken to implement the actions arising from the meeting held on 18 March 2016.</p> <p>Members noted that all items were complete or on the agenda with the exceptions below:</p> <ul style="list-style-type: none"> • Action 3 – GS to conduct H&S meeting visit, GS and ACC Colbourne to arrange – ongoing • Action 4 – The presentation of KPI's for Health and Safety improvements will be brought to the next Development Day. • Action 6/7 – JS picked up the issue with the new PCC prior to the meeting. Complete. • Action 6/12 – The CFO confirmed three new bids have been submitted to the Police Transformation Fund; the outcome of the bids will be reported at the next meeting. • Action 8 – restricted. • Action 9 – restricted. • Action 10 – The CFO confirmed all three forces are PSN complaint. To be reviewed in 2017/18. • Action 14 – The CFO to liaise with Herts on the timing of the next Joint tri-force JAC. <p>Action 1: To update the action log and prepare the new one.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members noted and agreed the updates to the report. 	<p>GS/MCoI</p> <p>CFO</p> <p>CFO</p> <p>CFO</p> <p>CoS</p>
<p>16/JAC/17</p>	<p>Declarations of Interest</p> <p>There were no declarations of personal or prejudicial interests from members.</p>	
<p>16/JAC/18</p>	<p>Annual Accounts 2016/17</p> <p>a) Review of accounting policies and annual governance statement</p> <p>The CFO presented the accounting policies for consideration. He confirmed the contents of each document to be as per the previous year, with the exception of the change in how the value of land is measured against CIPFA's requirements, which has no impact on the balance of land.</p> <p>The CFO presented the two annual governance statements for consideration, highlighting the changes which have been made within the draft documents to ensure they are fit for purpose for the year ending 2015/16. He also confirmed some wording/gender alignment will be added to the PCC statement to reflect the changes in the new and previous Commissioners.</p> <p>A number of suggestions were posed by Members to the content as follows:</p>	

	<p>Action 4: The CFO to amend the accounts prior to release to the auditors.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> That the Committee received the accounts, and a number of questions were discussed; the Committee agreed the accounts in the amended format, to be released to the auditors. 	CFO
16/JAC/19	<p>External Audit</p> <p>a) External Audit Plan 2015-2016</p> <p>Chris Hewitt of Ernst & Young, External Auditors, gave a verbal update on work to date of the external audit plan. So far, the review of the organisation and testing of Income & Expenditure has taken place and he confirmed nothing has been identified requiring to be brought to the attention of the Committee. Work is now underway on the Value for Money (VfM) conclusion on the risk assessment and, to date, the March conclusion has not been revised. External audit have met with staff as well as HMIC, which will feed into the VfM conclusion.</p> <p>Mr Hewitt concluded his update by confirming that the final accounts audit will commence on 4th July 2016, with preliminary work already underway. Audit will be onsite until 22nd July, however the finishing date will be sometime after that.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> That members noted and received the update, and noted the dates of the audit. <p>b) Annual Audit Fees for 2016/17</p> <p>Mr Hewitt presented the annual audit fee letters and highlighted the reduction in fees for 2015/16 and 2016/17 in comparison to previous years, as a result of the scale set by Public Sector Audit Appointments Ltd.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> That members were assured by the work to date of the External Audit and accepted the indicative audit fees for 2016/17. 	
16/JAC/20	<p>Internal Audit</p> <p>a) Progress against Internal Audit Plan 2015/16</p> <p>Mark Jones of RSM, Internal Auditors, presented the Internal Audit Progress Report. He confirmed that since the last meeting of the Audit Committee there have been three Bedfordshire and five</p>	

<p>Collaborative reports published: Bedfordshire:</p> <ol style="list-style-type: none"> 1. Independent Consultancy Support – Review of Reorganisation and Redundancy Policy v1 – all 13 recommendations accepted. 2. Governance – Preparedness for the PCC Elections – green, no recommendations. 3. Follow Up (16.15/16) – 1.3 action tracking had been marked complete but found to be incomplete. <p>Collaborative:</p> <ol style="list-style-type: none"> 1. IT General Controls 2. BCH Arrangements Collaboration – Savings Assurance 3. ERSOU 4. Procurement 5. Operational Planning <p>Members noted that the collaboration audit “Information Assurance” had been delayed at Management’s request.</p> <p>Members asked for clarity regarding the process for sharing concerns regarding collaboration audits which relate to another lead Force. Mr Jones confirmed that any concerns identified by Internal Audit relating to any of the collaboration audits would be brought to the Committee’s attention.</p> <p>Mr Jones circulated an updated section of the report on Collaborative Savings Assurance. Members expressed some concern that the paper identified potential risks and requested additional time to review and raise questions.</p> <p>Action 5: Members to review the paper and raise any questions to the CFO, after the meeting.</p> <p>Members asked for clarity regarding savings and how they are achieved. When savings are achieved, both planned and unplanned, is it because the process or system has been reengineered to be more effective or efficient and saves money, or is it because a service has been cut. Also, do all realised savings tie back to the original business case and produce a planned outcome. Mr Jones confirmed this is being incorporated within the scope for 2016/17, to provide assurance that the initial scope has been realistic.</p> <p>Referring to the ERSOU audit, Members requested that the action plan is split to demonstrate clear actions relating to Bedfordshire and tri-force. Looking specifically at action 1.6: “there is an issue in that safe deposit boxes are being used but how many there are, who can access them and how much they contain is an issue”. Accepting the detail is not within the summary report; Members expressed slight concern at not being able to gain assurance on the scale of the problem and asked for some clarification to support the findings. It was also requested that the Force provide an update on action being taken to address the action plan.</p>	<p>ALL</p>
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	<p>Action 6: Mark Jones to circulate via the CFO the full audit report for the ERSOU audit, to provide the scale requested.</p> <p>Action 7: ACC Colbourne to provide an update on Force actions to address the action plan.</p> <p>Referring to the Operational Planning and Support Unit audit, Members expressed some surprise regarding the implementation dates of the two recommendations being 1st June 2017, and requested this be reviewed.</p> <p>Action 8: The CFO to check progress on the two recommendations and report back to the Committee via email.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members received the progress report and received answers to questions raised. • That, referring to the Operational Planning and Support Unit Audit, reference 1 'the business plan did not capture the method of measuring objectives and deliverables for OPSU, therefore effectiveness could not be clearly established'; the business plan as a fundamental control for activity, and with implementation date set for 12 months' time, the Committee could not take assurance from the report at this time. <p>b) Annual Report 2015/16</p> <p>Mark Jones presented the Annual Reports 2015/16. He confirmed both reports provided the same opinion. All types of opinion were highlighted in Appendix A.</p> <p>Members asked if the opinion given was adequate enough for the Committee to take assurance on. Mr Jones confirmed that the opinion highlights that the organisation has an adequate and effective framework of risk management, governance and internal control, further enhancements could be made which would ensure more effectiveness. However, even without any enhancements the framework is adequate and effective.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members accepted the Annual Report and took assurance from the discussion regarding the opinion. <p>c) Progress Against Plan 2016/17</p> <p>Mr Jones presented the first report of the Internal Audit Plan 2016-17 and the one audit which has been completed: Grants Allocations and</p>	<p>MJ</p> <p>ACC Colbourne</p> <p>CFO</p>
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	<p>Commissioning. He outlined the reasons for two changes to the plan in respect of Public Contact and Athena audits and asked the Committee to consider and accept the changes.</p> <p>The new style of opinion graphic was also reviewed and Members asked that it is made clearer in advance of future reports.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members received the report, acknowledged the reasons for the changes made and accepted the new dates. • That members noted the positive comments regarding the Grants Allocations and Commissioning audit and took assurance from the report. <p>d) Progress on Recommendations</p> <p>The CFO presented the progress on recommendations report. No internal audit recommendations have been completed since the last Joint Audit Committee in March 2016. The CFO detailed the six remaining internal audit recommendations, noting that whilst they have passed the originally scheduled completion date, progress is continuing.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members received the update and noted current status of the six remaining recommendations detailed within the report. 	
16/JAC/21	<p>Force Overview and Collaboration Report</p> <p>The CFO presented the Force Overview report. The Committee reviewed the performance summary, noting it contained only two months of data and the CFO agreed to circulate the 2015/16 performance report to provide additional context. Members discussed in greater detail the change projects (section 3 of the report), specifically Thrive which is noted as having concerns identified over its rollout in collaborated unit.</p> <p>Action 9: The CFO to circulate the 2015/16 performance report to Members.</p> <p>Referring to the collaboration update section, the CFO further confirmed that any savings associated with Collaboration have been removed from the MTFP, with the exception of JPS, to ensure less reliance on collaboration savings, which is a notable shift from the previous year.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members received the update, noting the contents as 	CFO

	<p>very useful, and took good assurance from the report; Members agreed to the recommendation to note and consider the data and information contained with the report.</p>	
16/JAC/22	<p>Strategic Risk Register of the Police and Crime Commissioner for Bedfordshire</p> <p>The Interim Chief of Staff presented the most recent update of the Strategic Risk Register of the Police and Crime Commissioner.</p> <p>It was noted that the SRR currently contains seven strategic risks, with one change since the last meeting: SRR9 has been closed as the risk is no longer a current risk. Members also noted that the SRR continues to contain no critical risks.</p> <p>The Interim Chief of Staff requested that in light of the publication of the new Police and Crime Plan, that work is undertaken to bring the SRR into line with the new priorities, in advance of the next meeting. This would also enable the risk management to move to a 5x5 matrix system, which is now being used across the tri-force and three OPCC's.</p> <p>The Chair thanked the Interim Chief of Staff for the report and confirmed the Committee look forward to receiving the updated SRR.</p> <p>Action 10: The Interim Chief of Staff to redesign the Strategic Risk Register.</p> <p>IT WAS RESOLVED:</p> <ul style="list-style-type: none"> • That members received the Strategic Risk Register for the OPCC and noted the current risks. • That members supported the move to realign the SRR to the new Police and Crime Plan and to adopt the 5x5 risk matrix. 	CoS
Part Two Restricted		
16/JAC/23	Restricted	
16/JAC/24	Restricted	
16/JAC/25	Restricted	
16/JAC/26	<p>AOB</p> <p>Brexit impact on funding Members made brief reference to the outcome of the EU Referendum and the need for the Force and OPCC to consider the budgetary impact at a future meeting.</p> <p>New Police & Crime Commissioner Members asked for it to be put on record that they had met with the new PCC, Kathryn Holloway, in advance of the meeting and look forward to meeting with her again in the near future.</p> <p>With no further items to discuss, the meeting closed at 15.50 hours.</p>	
Date of	Friday 23 rd September 2016. 1pm pre-meet for members only,	

next meeting	1.30pm – 3.30pm meeting, Bridgebury House.	
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