

Minutes of the Joint Audit Committee 25th April 2018 held at Surrey Police Headquarters

Attendees:

Paul Brown (PBr)
Andrew Gascoyne (AG)
Chris Johnson (CJ)
Graham Lancaster (GL)
Paul Rees (Chairman)

David Munro (PCC) – Police and Crime Commissioner (Part)
Alison Bolton (AB) – Chief Executive – Office of the Police and Crime Commissioner
Ian Perkin (IP) – Treasurer – Office of the Police and Crime Commissioner
Sarah Gordon – Office of the Police and Crime Commissioner (Minute taker)

Nick Ephgrave (CC) – Chief Constable – Surrey Police (Part)
Paul Bundy (PBU) – Head of Finance – Surrey Police (Part)
Bev Foad (BF) – Financial Accounting Manager - Surrey Police

Iain Murray (IM) – Grant Thornton (External Auditors)
Marcus Ward (MW) – Grant Thornton (External Auditors)
Dan Harris (DH) – RSM UK (Part) (Internal Auditors)
Lorna Raynes (LR) – RSM UK (Internal Auditors)

PART TWO – IN PRIVATE

021/2018 ERP (Not on agenda)

The Committee received a detailed update on the ERP project from the CC and PCC.

Ian Perkin informed the Committee that he and Paul Bundy were meeting with their Sussex and Thames Valley counterparts on 26th April to discuss the financial aspects of the project and would report back to their respective PCCs and CCs.

The PCC left the meeting.

PART ONE - IN PUBLIC

022/2018 APOLOGIES (Item 1)

Apologies had been received from Paul Roberts.

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It was noted that the PCC had to depart from the meeting at 2.30pm, the CC had to depart at 3.30pm and Paul Bundy would arrive at 3pm.

023/2018 DECLARATION OF INTEREST (Item 2)

No declarations were made.

024/2018 MINUTES OF THE LAST MEETING – 18th JANUARY 2018 (Item 3)

The minutes were accepted as a true and accurate record.

Chris Johnson (CJ) wanted to raise some issues with the Chief Constable about the problems there appeared to be with some basic systems within Surrey Police including training, insurance, evidential property, tasers, vetting, vehicle maintenance and financial information. He suggested that systems that involved data quality and basic records management were not up to the standard expected and there needed to be more of an emphasis on the consequences of non-compliance.

The CC shared many of the concerns and gave the following explanation:

Training – there were issues with the training system, NCALT. It was difficult to draw down data from NCALT and there were issues with accuracy of data. There was a need to recognise that NCALT was unreliable and not correct. He emphasised that mandatory training was front and centre within the organisation and was dealt with from a strategic level downwards.

Vehicle maintenance – the CC said that operational reasons would sometimes overtake the need to attend a maintenance check appointment – each scenario would need to be taken on an individual basis though.

Evidential property – the CC accepted that this area had been cut too thin and that reinvestment and remedial plans were in place. Paul Bundy had this in hand.

Vetting – this was now a collaborated department with Sussex. When the collaboration had taken place there had been a backlog which had taken longer than anticipated to clear. A number of staff had also been lost so the backlog was only now being addressed. A recovery plan was in place.

Financial information – the problems were as a result of the team being collaborated with Sussex but with each Force using a different system to extract financial data. The issues had been recognised and there was a plan in place to address them.

025/2018 MATTERS ARISING – 18TH JANUARY 2018 (Item 4)

The Matters Arising were noted.

026/2018 AUDIT COMMITTEE ANNUAL SELF ASSESSMENT (Item 7)

It was agreed that the Chairman would meet with the PCC and CC outside of the meeting to seek their views on what they would like to the Committee to get involved in over the coming year. This item would be added to the July meeting.

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The CC said that he found that the Committee provided great value and insight and shone a light on important issues.

Paul Bundy arrived at the meeting.

027/2018 EXCLUSION NOTICE (Item 11)

Under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under paragraph 7 of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

028/2018 COLLOBORATION UPDATE (Item 14)

The Chairman noted from the report that some good savings had been achieved. He asked how the Force assessed reduction in capability delivery following implementation. The CC said that this was carried out at the coordination stage where the impact, benefits and savings were assessed. Programmes could be discontinued at this stage and would only progress to a full business case if agreed by both DCCs.

Alison Bolton (AB) said that she would circulate a copy of a document which would provide the Committee with more information on SERIP (South East Regional Integrated Policing Programme).

029/2018 OPCC RISKS – UPDATE REPORT (Item 15)

The Committee asked for a comprehensive update on the estates strategy at the July meeting. It was agreed that the Committee would also be invited to the next Building the Future Board meeting.

030/2018 FORCE RISKS – HIGH LEVEL AND SHARED RISKS (Item 16)

The Committee received update on the Force risks.

031/2018 CONTRACT WAIVERS (Item 17)

It was recommended that simpler communication for those procuring services would be useful as Contract Standings Orders (CSO's) was a large and technical document to understand fully. A 'procurement on a page' document would be helpful.

The Chief Constable left the meeting.

PART ONE – IN PUBLIC

032/2018 INTERNAL AUDIT PLAN FOR 2018/19 (Item 5)

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Dan Harris (DH) presented the report. He explained that RSM hadn't included work on ERP in the plan as this was being provided elsewhere.

Andrew Gascoyne (AG) noted that the report didn't include details on days and fees and what the comparison was to last year. DH said that this detail wouldn't be provided in the public domain but he could share outside the meeting. He did say that the fees and days were largely the same as the previous three years. AG said that there seemed to be more areas to cover this year for the same days and fees. DH said that RSM wouldn't be covering all collaborated audits as some would be carried out by Sussex's auditors.

AG asked whether RSM would be auditing the Force's new GDPR (General Data Protection Regulations) arrangements. Lorna Raynes (LR) said that this would be covered under the Information Governance review. It would first look at preparedness for GDPR and later compliance.

Chris Johnson (CJ) asked how the Committee could be assured that RSM had chosen the correct areas to audit. DH said they assessed what had been audited historically and would also suggest areas for audit after assessing the plans of the other 11 police forces that RSM looked after. Risks would also be identified through the appropriate risk management arrangements.

AG asked whether any audits had had to be dropped from the plan because of lack of resource. DH said they had and that he could provide the detail outside of the meeting.

The Chairman suggested that any audits relating to estates management should be carried out sooner rather than later.

033/2018 INTERNAL AUDIT PROGRESS REPORT (Item 5A)

Dan Harris (DH) presented the report. He explained that two reports had been finalised and three were in draft. The two IT reviews were in progress. The Peer Review of IT had been cancelled as the person from British Transport Police that was due to do it was no longer working there. It was agreed that Paul Bundy (PB) would speak to the CC outside of the meeting to determine whether the cancelled peer review needed to be replaced by something else.

034/2018 JOINT EXTERNAL AUDIT PLAN 2017/18 (DRAFT) (Item 6)

Iain Murray (IM) presented the report.

The Chairman suggested that the report needed to include a description of the ERP review that was being carried out by Grant Thornton. IM agreed that the report would be updated to reflect that.

It was agreed that a meeting would be arranged in June for the Committee to receive a briefing on the Statement of Accounts before the final statements were brought to the July meeting.

035/2018 ANNUAL JAC ATTENDANCE RECORD 2017/18 (Item 8)

The Committee noted the report.

036/2018 ANNUAL REVIEW OF WORK PROGRAMME 2018/19 (Item 9)

The Committee noted the report. It was agreed that the agenda item for the JAC Annual Self-Assessment would move to the July meeting on the work programme.

037/2018 REVIEW OF GIFTS FROM THIRD PARTIES AND SPONSORSHIP STRATEGY (Item 10)

The Committee noted the report. The Chairman asked that any future report detailed whether there were any sponsorship agreements in place.

Under section 9.2 the Committee said that it was important that officers were aware of the policy for not accepting gifts and hospitality especially if it was being offered in order to attempt to gain preferential treatment.

The Chairman suggested that all staff and officers should have to disclose their interests and not just senior officers and staff. It was agreed that a separate report would be brought to the July meeting which would focus on compliance of disclosing interests.

038/2018 EXCLUSION NOTICE (Item 11)

Under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under paragraph 7 of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

039/2018 ANY OTHER MATTERS TO BE RAISED BY THE INTERNAL AUDITORS (Item 12)

The Committee noted the finalised audit reports.

040/2018 AUDIT AND INSPECTION RECOMMENDATIONS (Item 13 AND 13A)

The Committee noted the audit recommendations and made some observations which were taken away for action outside the meeting.

13b – HMIC AFI Tracker

The Committee noted again that there were still no completion dates on the tracker. PB explained that the format of the tracker was being changed and moved to a sharepoint document which would include completion dates.

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**041/2018 PRIVATE MEETINGS WITH INTERNAL AND EXTERNAL AUDITORS
(Item 18)**

There were no further matters to be discussed.

The meeting ended at 16:45