

Minutes of the Joint Audit Committee 31st January 2019 held at Surrey Police Headquarters

Attendees:

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

David Munro (PCC) – Police & Crime Commissioner
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 (SG) – Office of the Police and Crime Commissioner (Minute taker)

Paul Bundy (PBU) – Service Director Finance – Sussex & Surrey Police
Bev Foad (BF) – Financial Accounting Manager - Surrey Police
Richard Hamlin (RH) – Inspector – Professional Standards Department – Surrey Police
Matthew Green (MG) – Head of Health and Safety Service– Surrey and Sussex Police (Part)
Ivano Failla – Health and Safety Advisor – Surrey Police (Part)

Paul King (PK) – Ernst & Young (External Auditors)
Justine Thorpe (JT) – Ernst & Young (External Auditors)
Daniel Harris (DH) – Chief Internal Auditor - RSM UK (Internal Auditors) (Part)
Lorna Raynes (LR) – RSM UK (Internal Auditors) (Part)
Karen Shaw (KS) – Chief Internal Auditor – Southern Internal Audit Partnership (Part)
Beverly Davies (BD) – Audit Manager – Southern Internal Audit Partnership (Part)

PART ONE - IN PUBLIC

001/2019 APOLOGIES (Item 1)

Apologies were received from T/CC Gavin Stephens and Peter Gillett, Commercial Finance Director for Surrey and Sussex Police

002/2019 DECLARATION OF INTEREST (Item 2)

No declarations were made.

003/2019 EXCLUSION NOTICE (Item 3)

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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

004/2019 ERP UPDATE (Item 4)

Phil Robinson was due to attend the meeting but unfortunately wasn't in attendance. The Chairman and Graham Lancaster had been invited to visit the Equip (ERP) project team on 29th January to receive a joint update with representatives from the Sussex Joint Audit Committee. They gave an overview of the how the project was going.

The PCC thanked the Chairman and Graham Lancaster (GL) for their helpful update and assessment of the project which was largely in line with his own views.

005/2019 WHISTLEBLOWING – FORCE REPORT (Item 5)

Inspector Richard Hamlin (RH) from PSD was in attendance to present the paper. He explained that he had rewritten the whistleblowing policy in September 2018. Whistleblowing covered a wide range of issues. Protection was offered to whistle blowers but there were caveats around that, for example, it may be of benefit for PSD to know who the whistle blower was so that they could be more effective in resolving the matter. RH said that he was confident that good systems were in place and that staff were able to utilise several avenues to report whistleblowing such as; line managers, staff associations, the anonymous reporting system and via external means such as Crimestoppers.

All matters were recorded on the PSD system, Centurion, and it was up to Investigating Officers to identify issues – a number of cases were listed in the report. The number of reports via the anonymous reporting system had reduced and it was felt that this was due to fact that staff felt more confident to report matters via other means such as via their line manager. Andrew Gascoyne (AG) asked whether the drop in reporting via the anonymous system was replicated across other forces or whether it was unique to Surrey. RH said that he was unsure but would be able to find out some regional figures and report back to Members outside of the meeting.

PB asked whether actions were taken through to an end on all reports. RH said that the examples that had been provided were live cases but would all reach a conclusion in the future. All cases were required to be brought to a conclusion by Centurion. Lessons were learned and shared with officers via training. It was agreed that the next iteration of the whistleblowing report would include examples from six to twelve months previous with conclusions included. Chris Johnson (CJ) asked whether RH was satisfied with the management action that was taken in each case. RH said that he was but that it needed monitoring going forward by line managers. Line managers weren't generally made aware of past issues unless required or it was asked for.

RH left the meeting.

PART ONE – IN PUBLIC

006/2019 WHISTLEBLOWING – OPCC UPDATE (Item 6)

Alison Bolton (AB) presented the report. CJ asked whether the wording could be changed in the section entitled 'Oversight of Police Arrangements' as it didn't quite make sense. AB agreed to amend the wording.

007/2019 HEALTH AND SAFETY REPORT (Item 7)

Matthew Green (MG) and Ivano Faillo (IF) were in attendance to present the report. MG referred to Appendix 1 which gave an update on statistics. He reported that when ERP was introduced later this year it would enable the team to have a better Force Incident and Assault Management System. A number of injuries had been reported around the police estate, mainly trips and falls, these were being rectified by the estates team improving walkways etc. The Health and Safety Board would be looking into the matter of single crewed assaults as officers had raised concerns that more assaults took place when they were single crewed. There had been a spike over the summer months relating to altercations with officers. This may be due to more people attending social activities and events during the warmer weather. There was a peak in July.

Paul Brown (PBr) was pleased to receive the statistics as this was something he had asked for previously. He asked whether corrective action was taking place to prevent issues happening. MG said that the Health and Safety team was in control of that. Each incident was individually reviewed and necessary action taken. Each matter would only be closed when the team was happy with actions taken. The timeline depended on the severity of the incident. ERP was to be designed to allow closing statistics so this is information that could be provided to the Committee in the future. The current system was unable to provide that level of detail.

CJ asked for an update on asbestos and legionella which were issues that had been discussed previously. MG explained that a detailed review had taken place at the end of last year and a list of issues had been addressed. Chris Jackson (Head of Estates Management) had attended the last Health and Safety Board to provide an update on the action plan. Reigate Police Station had been affected by legionella but this issue had been addressed and better hygiene management was in place.

CJ asked who was responsible for contacting the HSE when matters needed to be reported. MG said it was the responsibility of the Health and Safety team.

MG explained that a new document had been produced for senior leaders entitled 'Seven Expectations for Senior Leaders in Managing Safety'. It gave seven simplified expectations of senior leaders. It was simple and leaders would know straight away what was expected of them. It would take a four year rolling programme to cover the two force areas in detail. All departments would be issued with toolkits which would also be accessible on the intranet. Lower risk areas would be subject to random sampling but high risk areas would be the main focus.

MG and IF left the meeting

008/2019 MINUTES OF THE MEETING HELD 17TH OCTOBER 2018 (Item 8)

It was noted that all actions listed for AG should be have attributed to AC. This would be amended. Otherwise the minutes were accepted as a true and accurate record.

009/2019 MATTERS ARISING FROM 17TH OCTOBER 2018 (Item 9)

Ian Perkin (IP) presented the report.

084/2018 – PBU explained that the T/DCC had carried out his own personal review of the outstanding recommendations and they had also been discussed at SRALG

010/2019 INTERNAL AUDIT PROGRESS REPORT (Item 10)

Dan Harris (DH) presented the report. He explained that five finalised reports had been brought to the meeting. One further draft was out for comment. Two reports were ongoing and three would commence next week and the final two would begin in March. Hopefully all would be finalised by April where RSM would present them and their end of year report to conclude their tenure as internal auditors. DH suggested that although a no assurance opinion would impact the overall opinion it would not be significant. Although there were still a number of reports to be completed.

DH left the meeting.

011/2019 INTERNAL AUDIT – INTRODUCTION TO SOUTHERN INTERNAL AUDIT PARTNERSHIP (Item 11)

Karen Shaw (KS), Chief Internal Auditor and Beverly Davies (BD), Audit Manager were attending from the Southern Internal Audit Partnership (SIAP) to introduce themselves before taking over as the new internal auditors from April. KS explained that SIAP currently provided audit services to 27 public sector and third sector organisations although this number would soon increase. They would manage Surrey, Sussex and Hampshire OPCCs and police forces from April. They would provide their services under Public Contracts Regulations 2015, which was a cooperative arrangement. Section 151 officers from each organisation would be invited to sit on a key stakeholder board and attend meetings twice a year, the purpose of which was to discuss business planning and performance monitoring. KS said that they would look to bring their strategic plan to the April meeting of the Committee and this plan would be kept live and flexible throughout the year. The PCC asked that a meeting be set up for him to formally meet with KS and BD to discuss their plans.

012/2019 EXTERNAL AUDIT PLAN 2018/19 (Item 12)

Paul King (PK) presented the report which provided the overall 2018/19 strategy and risks that would be audited for the year. The Value for Money (VFM) risks had been identified as: 1. the challenges faced on the longer term and medium term financial

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position and 2. ERP – the state of the project and the risks associated with it. This second risk was also listed as a VFM risk for Sussex and Thames Valley.

The timeline of the audit was set out at Appendix A and included the fees proposal. The audit Code of Practice remained unchanged but would cost less than previous years. The PSAA had set out the current costs following a procurement exercise.

The PCC referred to page 15 and said that he wanted to move away from the use of the word 'savings'. The Force had received a good settlement for next year and hopefully for future years so he suggested it was time to focus on reinvestment rather than savings. PK said he would take account of the settlement when reporting. The PCC said that he had recently received a briefing on the Emergency Services Network. It had had to be reprogrammed, it was running late and more expense had been incurred. He suggested that this extra expense would fall onto local forces to pick up. He wanted to flag it to the auditors as the Force was having to continue working with out of date systems. PK said that this was useful information to know and he would keep the risk assessment under review as the issue may be more prevalent in future years.

PB asked PK to talk through the materiality levels (page 18) and to explain how the levels were set. BF said that she had had a conversation with Justine Thorpe (JY) prior to the meeting and JT would be checking the figures.

013/2019 ANNUAL REVIEW OF RISK MANAGEMENT ARRANGEMENTS (Item 13)

AB presented the report which she explained was a joint report of the OPCC and the Force. The Chairman asked that the wording on page 4 under the section entitled 'PCC Oversight of Surrey Police Risks' be rewritten. AB agreed to amend the wording.

014/2019 AUDIT COMMITTEE SELF ASSESSMENT (Item 14)

The Chairman said that he had met with the PCC and the former CC to gain their feedback on the work of the Committee and what they feel should be covered in the following year. A private meeting of the Committee members would take place next week to discuss the self-assessment and a report would be brought by the Chairman to the next meeting in April.

The Chairman had spoken to his counterparts in Sussex and Thames Valley and he had agreed with the Sussex Chairman that representatives from both Committees should focus on big projects such as ERP rather than project leads having to present the same information at more than one Committee meeting. He explained that Thames Valley didn't consider the ERP project high risk and therefore didn't want to engage in working together. The Chairman suggested that he would have another conversation with the Thames Valley Chairman to see if he would join with his fellow Chairmen. Justine Thorpe (JT) highlighted that ERP was considered a VFM risk for all three forces/OPCCs.

015/2018 EXCLUSION NOTICE (Item 15)

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PART TWO - IN PRIVATE

016/2019 ANY OTHER MATTERS TO BE RAISED WITH THE INTERNAL AUDITOR (Part 2 - Item 16)

Lorna Raynes (LR) presented the five finalised audit reports: Evidential Property; Police Officer Allowances; Financial Feeders; Uniform and Small Assets and; Financial Governance – Follow Up Review. She explained that the same team had carried out the Financial Governance Follow Up so as to maintain continuity.

A number of concerns were raised by members and actions were recorded as a result. These would be investigated and updated on outside the meeting.

PRo asked why the Force were carrying out bi-monthly reporting rather than the usual monthly. PBU explained that the current bi-monthly reporting was in place to release time within the finance team to imbed the new finance software. Monthly reporting would resume in April when the new software was in place.

017/2019 OPCC RISK REGISTER & ASSURANCE FRAMEWORK (Item 17)

AB presented the report and explained that the Committee was already familiar with the OPCC's risks. CJ suggested that the lack of a Chief Constable should be considered a risk. The PCC agreed that it could be, but that processes were in place to select a new chief constable. The advert would go out on 4th February and the process should reach a conclusion by 8th April, by which time the Police and Crime Panel would have had to have carried out a confirmation hearing.

018/2019 FORCE RISKS – HIGH LEVEL & SHARED (Item 18)

PBU presented the report. He said that there was nothing new to note under the risks and that the report also gave full details on issues.

The Chairman felt that he should declare an interest at this point as he was the chair of a local CAB that was taking over services from one of the domestic abuse charities.

The Chairman asked whether a Transit Site would be in place this year. The PCC said that he couldn't see it being in place this year although there was impetus to make it happen in the future.

019/2019 AUDIT & INSPECTION RECOMMENDATIONS & AFI TRACKER (Item 19)

19a. PB presented the report. He said that 43 of the 50 recommendations on the list had been closed. The report gave an update on each one. The timings were improving.

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The Committee suggested that it would be a good idea for the new CIO, Joe Langsford to attend the next Committee meeting in April to give an update on his plans. It was agreed that an invitation would be extended to him.

19b PBU presented the report. CJ asked what the mechanism was for monitoring HMICFRS recommendations and asked whether there was a timetable that accompanied the report. PBU explained that all recommendations were monitored through SCRALG and that there was a timetable of completion.

SG explained that the DCC's staff officer specifically produced the attached report for the Committee as it was suggested previously by Members that the 40+ page spreadsheet version that they had previously received was difficult to comprehend without an accompanying explanation.

020/2019 PRIVATE MEETING WITH INTERNAL AND EXTERNAL AUDITORS (Item 20)

A private meeting was not required on this occasion.

The meeting ended at 4.20pm