

Minutes of the Joint Audit Committee 16th December 2015 held at Surrey Police Headquarters

Attendees:

Paul Rees - Chairman
Andrew Gascoyne – Member
Chris Johnson – Member

Kevin Hurley – Police and Crime Commissioner (part)
Alison Bolton – Chief Executive – Office of the Police and Crime Commissioner
Ian Perkin – Treasurer – Office of the Police and Crime Commissioner
Sarah Gordon - Office of the Police and Crime Commissioner

Lynne Owens – Chief Constable (part)
Nick Ephgrave – Deputy Chief Constable
Paul Bundy – Head of Finance – Surrey Police
Bev Foad – Financial Accounting Manager - Surrey Police
Neil Roberts – Chief Information Officer – Surrey and Sussex Police (part)

Iain Murray – Grant Thornton
Lorna Raynes– Baker Tilly

PART ONE
IN PUBLIC

51/15 APOLOGIES (Item 1)

Apologies had been received from Vanya Moyer and Dan Harris. It was noted that Amanda Mills had tendered her resignation from the Committee on 8th December.

52/15 DECLARATION OF INTEREST (Item 2)

No declarations were made.

53/15 MINUTES OF THE LAST MEETING – 22nd June 2015 (Item 3)

The minutes of the June meeting were accepted as a true and accurate record.

54/15 MATTERS ARISING – 22nd June 2015 (Item 4)

The Matters Arising was noted.

55/15 NOTES OF INFORMAL MEETING – 23rd September 2015 (Item 5)

Members asked what processes were in place to monitor performance of those organisations that had been granted funding from the Ministry of Justice fund. The Treasurer reassured the Committee that there were tight controls in place including regular performance monitoring. This was part of the role of a member of the OPCC team.

The Chairman asked whether there was an update on ERP (Enterprise Resource Planning) work. The Deputy Chief Constable (DCC) said that Thames Valley Police had agreed to be included in the tender process. There were also a number of other forces who were named on the framework. There had been seven respondents to the tender and evaluation of the tenders was currently taking place. A proposal would be brought to the Police and Crime Commissioner (PCC) in January 2016 and a letter of intent would be completed. The three preferred respondents would be subject to deeper scrutiny. The DCC said that ERP was a fundamental and practical step forward for the Force. A bid had been made to the Home Office Innovation Fund and the Force was waiting to hear whether they had been successful in securing some funding. The Chairman said the Force needed to be sure it had adequate experience to handle this potentially complex procurement process together with its subsequent implementation. If needed a consulting firm should be appointed to support the 3 Forces.

56/15 INTERNAL AUDIT PROGRESS REPORT (Item 6)

Lorna Raynes (LR) presented the updated report which gave detail of the past six months. The format had changed but the content of the report remained the same. A number of the internal audit reports that were referred to would be discussed under Part Two of the agenda due to their sensitive nature. A summary of these reports was included in the progress report. The audit of SIREN had already been carried out by the external auditors so the time set aside would be allocated to other audit work.

The Members noted that the summary had listed the wrong rating for the Proceeds of Crime Seizures audit. LR said that this would be amended to reflect the correct rating.

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**

57/15 ANY OTHER MATTERS TO BE RAISED BY THE AUDITORS (Item 14)

The Members raised a number of issues relating to the finalised audit reports all of which were either answered by the auditors in the meeting, updates given by the DCC in the meeting or actions were listed to be completed outside the meeting.

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The Committee asked for a further ICT update at the March meeting and Chief Information Officer (CIO) Neil Roberts also offered to meet with the Members in advance of the meeting to provide them with a more concise briefing on ICT.

As per recommendations that had been borne out of the SIREN audit report the Chairman asked the PCC whether he was confident that he had the capacity within his team to have sufficient oversight of the Force's ICT function. The PCC said that external advisers had been brought in to do the SIREN review and he wouldn't want to bring in more staff to carry out an oversight function. However he would reflect on this point.

PART ONE **IN PUBLIC**

58/15 EXTERNAL AUDIT MANAGEMENT LETTER (Item 7)

Iain Murray (IM) presented the annual audit letter. He explained that it was a statutory requirement to issue the letter which summarised the audit activity for the year and highlighted the key messages that had been discussed at the meeting in September. The Committee noted content of the letter.

59/15 ANNUAL REPORT OF RISK MANAGEMENT ARRANGEMENTS (Item 8)

The Chief Executive presented the report. The Members noted that there had been no changes to the arrangements since last year. Members made reference to the tolerance levels used in the risk register. The DCC said that the Force made judgements on the acceptable tolerance levels for performance.

60/15 GIFTS AND HOSPITALITY – PCC (Item 9)

The Committee noted the report.

61/15 GIFTS AND HOSPITALITY – CHIEF CONSTABLE (Item 10)

The Committee noted the report.

62/15 SPONSORSHIP STRATEGY AND GIFTS TO THIRD PARTIES (Item 11)

The Head of Finance presented the report. Members asked what criteria was used to donate ex-police vehicles to third party organisations. He asked whether there was a conflict with the disposal of assets policy. The PCC explained that vehicles had been donated to charity organisations as part of the Community Safety Fund (CSF) provision. The organisations had to put forward an application form and meet certain criteria that had been set by the OPCC before being awarded funding/donation of a vehicle. The DCC said that vehicles could be donated when they had reached the mileage level for disposal. The Force said that it would look at its disposal policy and meet with the OPCC to discuss making ex-police vehicles formally available as part of the CSF. It was suggested by the Committee that the CSF needed more publicity.

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It was also noted that care needed to ensure no liabilities or risks relating to vehicles so disposed of remained with the Force.

63/15 SURREY POLICE PENSION BOARD (Item 12)

The Treasurer presented the report for information. He explained that the PCC only had responsibility for the Chief Constable's pension and that the Chief Constable had responsibility for all other officer and staff pensions. The report contained detail of the newly formed board and gave detail of its draft terms of reference.

The Committee noted the report.

64/15 EXCLUSION NOTICE (Item 13)

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

65/15 ANNUAL REPORT ON WHISTLEBLOWING – FORCE (Item 15)

The DCC presented the report.

Members said that the Surrey Police website still did not give details of how one could whistle blow. The DCC believed that this information was on the website so he would check outside the meeting.

The recently commissioned report by the OPCC had included a list of recommendations and all of these had been accepted by the Force. This work had been tasked to the Professional Standards Department who would be reporting back on progress of the recommendations to the Chief Officer Group in January. A further report on progress would be brought back to the Committee at the March meeting.

The Chairman had noted that Grant Thornton had been involved in the whistleblowing review. He asked whether there was policy in place that set out when the auditors could carry out additional work such as this. He suggested that the Committee should have been consulted for their approval before this contract of work was awarded to Grant Thornton. The Treasurer said that there wasn't a policy in place but in future the Committee could be informed when the auditors tendered for any contracts that were outside of their usual programme of work or were directly awarded a contract. It was important that any work they performed did not conflict with the requirement for them to remain independent. Work to be performed by the internal auditors should be subject to the same process.

66/15 ANNUAL REPORT ON WHISTLEBLOWING – OPCC (Item 16)

The Committee noted the report.

Chief Constable Lynne Owens briefly attended the meeting. She informed the Committee that she was due to leave Surrey Police on 3rd January 2016 to commence her appointment as the Head of the National Crime Agency. She expressed her personal thanks to the Members for their work on providing an important check and balance. She had been grateful for their advice both in and outside the meeting. The Members thanked the Chief Constable for her attendance at the Committee meetings and congratulated her on her new role.

67/15 MONITORING OF AUDIT AND INSPECTION RECOMMENDATIONS (Item 17)

The Committee noted the report.

68/15 OPCC RISKS – UPDATE REPORT (Item 18)

The Committee noted the report.

69/15 FORCE AND JOINT RISKS – UPDATE REPORT (Item 19)

The DCC presented the report. He explained that the Force was working towards a new Public Protection Improvement Plan to address a number of issues in this area. The HMIC had been critical of the Force in this area and would be revisiting to carry out another inspection. This was expected to take place in early January 2016. ACC Stuart Cundy was working with partners to jointly address some of the issues.

70/15 CONTRACT WAIVERS (Item 20)

The Head of Finance presented the waiver schedule. Members had a number of queries which were addressed by the Head of Finance.

The Chairman said that it would be useful for the Committee to understand the budget outcomes following the funding allocation announcements that were due to be made by Government on 17th December. It was agreed that the Committee would receive a report at the next meeting.

The meeting ended at 16:45