

Minutes of the Joint Audit Committee 26th September 2017 held at Surrey Police Headquarters

Attendees:

Paul Brown (PBr)
Andrew Gascoyne (AG)
Graham Lancaster (GL)
Paul Rees (PRe) (Chair)
Paul Roberts (PRo)

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

Gavin Stephens (DCC) – Deputy Chief Constable – Surrey Police
Paul Bundy (PBU) – Head of Finance – Surrey Police
Bev Foad (BF) – Financial Accounting Manager - Surrey Police
Neil Roberts (NR) – Chief Information Officer – Surrey and Sussex Police (Part)
Sandra Williams (SW) – Head of Procurement – Surrey Police

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

PART ONE – IN PUBLIC

045/17 APOLOGIES (Item 1)

Apologies were received from JAC member Chris Johnson, Police and Crime Commissioner David Munro and Chief Constable Nick Ephgrave.

046/17 DECLARATION OF INTEREST (Item 2)

No declarations were made.

047/17 MINUTES OF THE LAST MEETING – 27th July 2017 (Item 3)

The minutes of the meeting held on 27th July 2017 were accepted as a true and accurate record.

048/17 Matters arising from 27th July 2017 meeting (Item 4)

29/17 – Audit and Inspection Recommendations – the forecast completion dates would be included in the next report and all subsequent reports.

32/17 – The report on the impact of the apprenticeship levy would be provided at the January 2018 meeting.

35/17 a) – Two members of the Committee would be attending the PCC's performance meeting with the Chief Constable on 8th November where the PCC would be scrutinising the Chief Constable on the ICT strategy. The DCC said that he wanted to consider the planning of the meeting as he didn't want CIO Neil Roberts to be spending his time duplicating similar meetings across forces.

b) - The Committee had been provided with a copy of Sussex PCC's Local Business Case for Fire and Rescue Governance Options.

36/17 a) - The Committee would have an opportunity to view the full Force risk register at the Extraordinary Joint Audit Committee meeting to be held on 14th November.

b) - Arrangements were in place for Committee Members to attend various Force meetings.

37/17 – The Treasurer said that he and the Force were currently looking at alternative options for treasury management arrangements and would report back to the Committee in due course.

41/17 – As mentioned above two members of the Committee would be attending the PCC's performance meeting on 8th November. The Chairman emphasised that it wasn't only ICT scrutiny that they wanted to be involved in but wider Force matters as well.

049/17 Exclusion Notice (Item 8)

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

050/2017 ICT Strategy Update (Item 9)

Chief Information Officer (CIO) Neil Roberts (NR) gave a presentation on the progress of the ICT strategy. He provided an overview of the ICT budget for 2017/18, the five year strategic plan and priorities, the strategic delivery to date, the projected savings and the budget build for 2018/19.

The Members asked whether the new General Data Protection Regulations that were coming into effect in April 2018 would sit under the CIO role. NR explained that there was a specific Data Protection Officer post that would lead in this area.

OFFICIAL

The Chairman also asked whether the CIO had overall responsibility for the ERP project. NR said that he had responsibility for the ERP delivery across the three forces but that Jane Harwood, Head of People Services, was the project lead.

NR went on to explain that both Surrey and Sussex had a functioning IT service at present and that the budget build for 2018/19 had begun. This would need to include support for ERP, 4 Force Niche and ESMCP (Airwave replacement).

The DCC concluded by saying that there were a lot of challenges and complexity in the local ICT strategy, whilst at the same time taking into account the national landscape and he would welcome anything the Committee could do to help with these challenges.

NR left the meeting.

PART ONE - IN PUBLIC

051/2017 Internal Audit Progress Report (Item 5)

Dan Harris (DH) presented the report. One finalised audit report from the 2016/17 audit had been brought to the meeting. Three further drafts from 2017/18 had been issued earlier in the month and were awaiting management review. Two further drafts would be issued later this week. He explained that RSM would be delivering two IT reviews on behalf of Surrey and Sussex; one for IT Strategy and it was proposed that the ones for Data Protection and Information Governance be combined. This was currently being scoped.

Members noted that no audit reports had been finalised yet for 2017/18 and asked whether the auditors were behind schedule compared to previous years. DH said that there were a number of audits that could have been carried out but they had been paused whilst a decision was made on whether Surrey or Sussex auditors would carry out the additional audits. The Chairman stated that he wouldn't want a large number of finalised reports to come to the same meeting where the accounts would be signed off.

The Members questioned whether the auditors were allowing enough days to carry out each audit suggesting that 20/30 days did not seem to be that many. DH said that they were working within the financial envelope. They provided enough assurance but were mindful that the audit reports were not the only source of assurance that was relied upon by the Force. The Committee asked for reassurance from DH that the scope and number of days allocated to the IT audit was sufficient.

Members noted that there were three audits looking into financial management. They asked whether they were linked together or whether there would be any cross over with the work and the teams involved. DH said that they were separate pieces of work that would involve different teams.

052/2017 Exclusion Notice (Item 8)

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

OFFICIAL

likely disclosure of exempt information under paragraph 7 of Part 1 of Schedule 12A of the Act.

PART TWO – IN PRIVATE

053/2017 Any other matters to be raised by the internal auditors (Item 15)

DH presented the finalised Staff Experience audit report. He explained that all actions listed in the action plan had been agreed by management.

The Committee noted the report.

DH left the meeting.

PART ONE – IN PUBLIC

054/2017 PCC Expenses (Item 6)

The Committee noted the report.

055/2017 Chief Constable Expenses (Item 7)

The Committee noted the report.

056/2017 Exclusion Notice (Item 8)

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

057/2017 Collaboration Update (Item 10)

Paul Bundy (PB) presented the paper. Members raised some questions which were addressed by PB and the DCC.

058/2017 Audit and Inspection Recommendations (Item 11)

Paul Bundy (PB) presented the report.

Audit and Recommendations – Members raised some questions which were addressed by PB and the DCC.

The Chairman asked that future reports be as up to date as possible prior to each audit committee meeting. A number of recommendations in the report had been listed as being updated in August whereas he suggested they could have updated closer to the meeting.

OFFICIAL

HMIC Recommendations – the DCC said that HMICFRS had recently issued the draft efficiency report and that the Force had been rated as ‘good’. It had recognised that the Force had a good understanding of demand and a good understanding of planning for future demand. He also said that from 2018 the HMICFRS would be consolidating three separate strands of the PEEL inspection into one inspection.

059/2017 Contract Waivers (Item 12)

Sandra Williams (SW), Head of Procurement was in attendance to present the report.

The report was noted by the Committee.

060/2017 OPCC Risks – Update Report (Item 13)

Alison Bolton (AB) presented the report explaining that there had been little change to the risks since the last meeting.

The report was noted by the Committee.

061/2017 Force Risks – High Level and Shared Risks (Item 14)

Paul Bundy presented the report and the Committee noted its content.

062/2017 Private Meeting with the Internal and External Auditors (Item 16)

A private meeting took place between the Committee members and the internal auditors.

The meeting ended at 16:30