

Minutes of the Joint Audit Committee 25th November 2020 at 10am held via remote video link

Attendees:

Paul Rees (Chairman) – Chair of Meeting
Andrew Gascoyne (AG)
Graham Lancaster (GL)
Paul Roberts (PRo)
Chris Johnson (CJ)

David Munro (PCC) – Surrey Police and Crime Commissioner
Alison Bolton (AB) – Chief Executive – Office of the Police and Crime Commissioner (PART)
Kelvin Menon (KM) – Treasurer – Office of the Police and Crime Commissioner
Sarah Gordon (SG) – Office of the Police and Crime Commissioner (Minute taker)

Gavin Stephens (CC) - Chief Constable - Surrey Police
Peter Gillett (PG) – Commercial Finance Director – Surrey & Sussex Police
Paul Bundy (PBu) – Finance Services Director – Surrey Police
Miranda Kadwell (MK) – Corporate Finance Manager – Surrey & Sussex Police
John Moyles (JM) – Service Director – Regional and Financial Development – Surrey & Sussex Police
Mark Hodgson (MH) – Ernst and Young
Justine Thorpe (JT) - Ernst and Young
Karen Shaw (KS) – Chief Internal Auditor - Southern Internal Audit Partnership

PART ONE - IN PUBLIC

69/2020 APOLOGIES (Item 1) and WELCOME

Apologies had been received from Paul Brown.

The meeting was taking place remotely due to the ongoing Covid-19 pandemic.

70/2020 URGENT MATTERS (Item 2)

None

71/2020 DECLARATION OF INTERESTS (Item 3)

No declarations were made.

72/2020 ANNUAL GOVERNANCE STATEMENT, FINANCIAL STATEMENTS 2019/20 AND EXTERNAL AUDIT RESULTS REPORT 2019/20 (Item 4)

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The Chairman opened a discussion on the Financial Statements and the Auditors Report which he assumed had been read by everyone in advance.

The Chairman started by stating that he, along with the Committee Members, had examined the financial statements and the auditor's report and as a result they had a number of observations and recommendations which they would like the PCC and CC to consider before signing the accounts. These were as follows:

1. The Committee discussed their understanding of the current status of the EQUIP project at some length. They were of the view that there should be additional information in respect of the EQUIP project than that currently included within the financial statements. This was to give the reader a greater understanding as to the circumstances, finances and current status of this project.

The PCC stated that he would be happy for such a paragraph to be included and the CFOs agreed to draft a short note for inclusion within the narrative statement to assist a reader of the accounts. This will then be shared with the JAC Chairman for his comments.

2. The Committee felt that in their opinion there should be consideration as to the inclusion of a Capital Commitment or Contingent Liability Note in respect of the EQUIP project. The technical details of this were discussed at length but without coming to a consensus, although it was confirmed that all internal costs incurred and all third party invoices received prior to the year end had been charged against revenue in the period. The CFOs agreed to look at this again in consultation with their technical teams and the external auditor.
3. The Committee raised questions on the auditor's (EY), unqualified "Value for Money" opinion in their Audit report regarding the EQUIP project. Mr Hodgson explained to the committee the work he is required to do in order to form an opinion and that as a result in his view the Value for Money conclusion should be unqualified. Following further discussion the Committee acknowledged the professional opinion of Mr Hodgson as the Group's auditor.

The Chairman noted that the deadline for the publication of the financial statements, if approved by the PCC and CC, was the 30th November and that that did not give a great deal of time to resolve these issues. The CFOs agreed to try and resolve these issues as quickly as possible to ensure that the accounts can be submitted before or as close to the 30th November 2020.

Finally it was noted by the Chairman that this was his last meeting, together with Andrew Gascoyne and Chris Johnson, as their terms of office had now come to an end. The Chairman said how much he had enjoyed being a member of the Joint Audit Committee and had the greatest admiration for all the people at Surrey Police and the OPCC he had worked with over the years. The PCC in return acknowledged the valuable advice he had received from the Chairman and members and wished them all the best for the future.

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The PCC closed the meeting and thanked everyone for their contribution.

Note: A further statement on the financial accounts was provided to the PCC and CC subsequent to the meeting which has been circulated to members of the Committee.

73/2020 DATE OF NEXT MEETING 27TH JANUARY 2021 – 13:00 (ITEM 5)

Noted.

74/2020 – ANY DISCUSSION IN RESPECT OF ITEM 4 CONSIDERED TO BE EXEMPT

None.

The meeting ended at 11am