

Minutes of the Joint Audit Committee 31st March 2015 held at Surrey Police Headquarters

Attendees:

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

Kevin Hurley – Police and Crime Commissioner (part)
Ian Perkin – Treasurer – Office of the Police and Crime Commissioner
Sarah Thomas – Minute Taker - Office of the Police and Crime Commissioner

Lynne Owens – Chief Constable (part)
Paul Bundy – Head of Finance – Surrey Police
Bev Foad – Financial Accounting Manager - Surrey Police
Neil Roberts – ICT – Surrey Police

Iain Murray – Grant Thornton
Marcus Ward – Grant Thornton
David Taylor – Baker Tilly
Lorna Raynes – Baker Tilly

PART ONE
IN PUBLIC

01/15 APOLOGIES (Item 1)

Apologies were received from Johanna Burne (OPCC), Jane Harwood (Surrey Police), Ben Rowntree (Surrey and Sussex Police) and Amanda Mills (Member)

02/15 DECLARATION OF INTEREST (Item 2)

No declarations were made.

03/15 MINUTES OF THE LAST MEETING – 16th December 2014 (Item 3)

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

04/15 MATTERS ARISING (Item 4)

The Committee noted the Matters Arising.

05/15 INTERNAL AUDIT PROGRESS REPORT (Item 6)

Lorna Raynes (LR) presented the report which gave a summary of progress of internal audit. Three reports had been finalised and the DAAT report was presented in draft form although management had accepted the recommendations prior to the meeting.

David Taylor (DT) explained that he had met with Sussex OPCC's CFO on how to share reports that affected both forces. A draft protocol on how reports would be shared had been written and was due to be finalised. DT had also met with Sussex's internal auditors to discuss how Sussex could feed into Surrey's internal audit scope and vice versa.

A full report on these joint arrangements would be brought to the next meeting.

The Committee asked whether the audit of Victim Support and of the Victims Code had to separate. LR confirmed that they were separate matters – Victim Support was the audit of the newly commissioned victim services and the Victims Code was the audit of how the Force was complying with a new piece of legislation.

06/15 JOINT AUDIT COMMITTEE SELF ASSESSMENT (Item 8)

The Chairman referred to the attached report which included a CIPFA check list that had been completed by the Treasurer and a detailed appraisal by the Chairman which all Members had contributed to. The Committee agreed that the report gave a good basis to work from going forward.

It was noted that no Member of the Committee had prior policing experience which may be something to consider as part of succession planning and future appointments to the Committee. The Chairman had recently attended one of the Force's strategic meetings which he had found beneficial and would encourage other Members to do the same.

07/15 COMPLAINTS PROCESS (Item 9)

The Treasurer presented the report. The Committee suggested that the report didn't contain enough factual information and they would like to better understand the difference between the Force and OPCC processes.

They wanted more information on themes of complaints, resolution of issues and how the public were kept informed on the progress of their complaints. The Committee also wanted to know whether Force took any learning from certain complaint cases.

PCC Kevin Hurley arrived.

The PCC explained that he met with the DCC on a regular basis so that he was kept abreast on complaints and any issues arising from them. He explained that the Force had reverted back to a divisional based model rather than a geographic model which gave a better opportunity to resolve complaints locally.

The Chairman suggested that complaints should be considered as part of the internal audit plan. LR said that she would look into this.

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The Treasurer agreed that a more detailed report would be produced for the next meeting which would include a copy of the quarterly report that was produced for the OPCC.

08/15 ANNUAL REVIEW OF RISK MANAGEMENT ARRANGEMENTS (Item 10)

The Treasurer presented the report. He gave an overview of the current risk management arrangements and explained that there were no changes to note.

The Members agreed that it was a good and robust strategy.

The Chairman said that he would want to see a score on the OPCC risk report as per the Force's risk report.

09/15 ANNUAL REVIEW OF POLICIES AND PROCEDURES IN THE CODE OF GOVERNANCE (Item 11)

The Treasurer explained that the report was part of the process to annually review the code of corporate governance. He had had discussions with the Head of Finance and their respective counterparts in Sussex. There were no great changes of principle in any of the documents.

Members asked whether the Force still used compromise agreements and whether there were any criteria on how they were reached. The Treasurer said that they were still used but they were no longer allowed to enter into confidential compromise agreements – all agreements were disclosable. HR would have the detail of the criteria on how they were reached.

Members referred to the Scheme of Delegation and the section on financial assistance for officers involved in legal proceedings and questioned what high profile claimants were and why they were different to normal claimants. The Treasurer explained that these officers weren't treated any differently to other officers it was that the approval for financial assistance needed higher level approval if the case was a high profile one. It didn't mean that they wouldn't receive financial assistance.

Members were asked to send any other comments on the code of governance to the Treasurer so that he could feed them back to Sussex before the documents were finalised.

Chief Constable Lynne Owens arrived.

10/15 INTERNAL AUDIT PLAN FOR 2015/16 (Item 5)

DT presented the report which gave details of the internal audit plan for the coming year. It explained how the plan linked with the Force's strategic objectives and how it would involve Sussex in the appropriate audits. DT explained the proposed timing and scope of each audit. Both the OPCC and the Force had seen the proposed plan and were happy with it.

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Members asked what the difference in allocation of days was between Surrey and Sussex. DT said that Surrey had allocated 177 days and Sussex 260 days. These were the days that were agreed during the tender.

Members asked for a comparison of other Force's for number of days allocated for internal audit to see how Surrey compared.

Members suggested that complaints processes and Niche implementation be included in the audit plan. They also suggested that the audit on staff survey should be brought forward. It was noted that 30 days were currently allocated to looking at financial controls and it was suggested that this needed revisiting in case some of the days could be used elsewhere.

11/15 DRAFT EXTERNAL AUDIT PLAN 2014/15 (Item 7)

Iain Murray (IM) presented the draft external audit plan for 2014/15 which provided detail on the work that would be carried out by Grant Thornton to look at the previous financial year.

The Committee noted the report.

12/15 COLLABORATION UPDATE (Item 13)

The Head of Finance presented the report which gave an update on current collaborative activity between Surrey and Sussex. Work was progressing to develop joint Support Services functions across both forces. The scope for further activity over the next few years would build upon existing work within Specialist Crime and Operations Command, Contact and Deployment and Corporate Services.

Surrey was also involved in a number of regional collaborative arrangements and a wider Emergency Services Collaboration Programme (ESCP) with Sussex Police, Surrey and Sussex Fire Services and the NHS. The Chairman asked what the timings of the ESCP were. The CC explained that a business case had been made but not all areas were signed up due to the difficulty with some departments. The issues would be discussed at the next ESCP Board on 1st April.

13/15 SURREY SUSSEX COLLABORATION COST SHARING (Item 14)

The Head of Finance presented the report which gave detail of the cost and benefits of collaboration and how the costs were shared between Surrey and Sussex in the 45/55 split. The Chairman suggested that the 45/55 split needed to be reviewed.

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

Neil Roberts arrived.

14/15 ICT RISK REPORT (Item 24)

Neil Roberts (NR) presented the ICT Risk Report.

Members noted that 40% of the risks were considered to be 'high' and asked whether the classification of risks was the same across all risk registers. NR said that all risk registers used the same level of classification. ICT worked towards a quarterly schedule to improve and reduce risks.

Members expressed their concerns about the contract with BT. NR explained that Surrey had recently appointed a remediation partner to look at the current MOU and address the issues where BT had failed to meet contractual arrangements. The terms and conditions of the contract would be renegotiated with BT.

The Chairman suggested that all risk registers across the Force needed to look similar and be colour coded the same.

15/15 DISASTER RECOVERY PLANS (Item 25)

NR presented the report. He explained that the plan was currently a work in progress and was due for completion at the end of April. The highlighted areas were those that needed to be completed.

The Chairman suggested that the new disaster recovery plans needed to be listed for future audit.

NR departed the meeting.

PART ONE
IN PUBLIC

16/15 CONSULTANCY EXPENDITURE 2014/15 – FORCE AND OPCC (Item 15)

The Head of Finance presented the paper which gave detail on consultancy expenditure within the Force and OPCC for the current financial year.

Members asked who Surrey Partnership Ltd was. The Treasurer explained that they provided the services of Shiraz Mirza who provided specialist advice to the PCC on matters relating to diversity and ethnic minorities. Members questioned whether it was appropriate for Mr Mirza to be classed as an Assistant Police and Crime Commissioner and to be paid as an employee when he was already an elected councillor. The Treasurer explained that he wasn't classed or paid as an employee. He was a non-financial management consultant who provided his services to clients through the Surrey Partnership Ltd with whom the PCC has a contract for the provision

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of advice and activities related to issues associated with diversity and ethnic minorities.

The PCC said that for ease of understanding for members of the public and partner agencies Mr Mirza was referred to as an Assistant Police and Crime Commissioner although the PCC acknowledged that this may have led to some confusion about whether Mr Mirza was an employee rather than a consultant and agreed to consider his title and designation following the concerns raised by the Committee.

17/15 ANNUAL JAC ATTENDANCE RECORD (Item 16)

The Committee noted the attendance record.

18/15 POLICE AND CRIME COMMISSIONER EXPENSES (Item 17)

The Committee noted the Police and Crime Commissioner's expenses.

19/15 CHIEF CONSTABLE EXPENSES (Item 18)

The Committee noted the Chief Constable's expenses.

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PART TWO **IN PRIVATE**

20/15 SIREN UPDATE (INCLUDING HOW THE FORCE IS ADDRESSING CULTURAL ISSUES FOLLOWING THE SIREN REPORT FINDINGS (Item 21)

The Head of Finance presented the report which had been reviewed by Jane Harwood prior to the meeting. The report contained updates made on 5th March. With regards to the issues around culture the SIREN report was referred to by members of staff across the Force as a consultation document to ensure that processes were being followed appropriately. The findings of the report had stuck.

The Chairman suggested that the OPCC needed to have a stronger position in terms of their oversight role. The PCC explained that it was a judgement call – the current oversight arrangements he had at present were suitable.

The CC departed the meeting.

21/15 OPCC RISK REGISTER AND ASSURANCE FRAMEWORK (Item 22)

The Treasurer presented the report. He explained that the risk relating to the provision of victims services had been removed due to the new service being implemented on 1st April. A new risk had been added which related to the PCC's proposed plan to hold a referendum to increase the public contribution to the policing part of council tax. The

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PCC explained that he was planning to have a business case and lay out the options as early as possible.

The PCC departed the meeting

22/15 FORCE RISKS – HIGH LEVEL AND SHARED RISKS (Item 23)

Members raised some questions which were address by the Head of Finance.

23/15 ANY OTHER MATTERS TO BE RAISED WITH THE INTERNAL AUDITORS (Item 26)

Members raised questions which were addressed by the internal auditors.

With regards to the Crime Recording audit report Members asked to receive an update at the next meeting on whether the analysis of crime recording practices had improved since the data was collected.

Members also asked that they receive a regular report on the number of waivers that are being issued in Force. It was suggested that the internal auditors do a follow up review of the issuing of waivers.

24/15 MONITORING OF AUDIT AND INSPECTION RECOMMENDATIONS (Item 27)

The Committee noted the updated report.

PART ONE
IN PUBLIC

25/15 GOVERNANCE AND PERFORMANCE MANAGEMENT (Item 12)

The Committee noted the report.

26/15 WORK PROGRAMME 2015/16 (Item 19)

The Treasurer explained that the work programme had been updated in line with the comments that had been made by the Chairman as part of the self-assessment. He asked that Members send any comments to him outside of the meeting if there was anything they wanted to amend or include.

27/15 EXCLUSION NOTICE (Item 20)

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.

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PART TWO
IN PRIVATE

28/15 PRIVATE MEETING OF MEMBERS WITH THE AUDITORS (Item 28)

Members of the Committee met with the auditors in private.

The meeting ended at 17:00