



## JOINT AUDIT COMMITTEE

### DRAFT MINUTES

**Date:** 29 April 2020

**Time:** 10:30 hours

**Location:** via Skype

**Members :**

Simon Smith	Chair
Mike Hindmarch	
Ian Pinches	
Andrew Godman	
Lucy Sales	

**In Attendance:**

Nick Dean	Chief Constable
Ray Bisby	Acting Police and Crime Commissioner
Dorothy Gregson	Chief Executive for the OPCC
James Haylett	Deputy Chief Executive for the OPCC
Jon Lee	Director of Finance & Resources for the Constabulary
Matthew Warren	Chief Finance Officer for the OPCC
Jo Conlon	Head of Finance for the Constabulary
Rachel Brittain	BDO
Matthew Weller	BDO
Dan Harris	RSM
Vicki Simms	Governance & Inspection Officer, Corporate Development Department
Nancy Leversha	Strategic Accountant for the OPCC

<b>1.</b>	<b>Welcome and Apologies</b>
	SS welcomed everybody to the meeting. Apologies were received from Jane Gyford Deputy Chief Constable and Supt Adam Gallop CDD.
<b>2.</b>	<b>Declarations of Interest</b>
	IP stated he had sent to NL an updated list but nothing that is pertinent to this meeting.
<b>3.</b>	<b>Agreement of the minutes from the last meeting held on 28 January 2020</b>
	<p>VS clarified that under Item 5 – the number of outstanding open actions should be 47 not 129.</p> <p>Item 3 PEEL Report SS reported that the link had been sent round to members and it was pleasing to see such a positive report.</p> <p>4ii completed.</p> <p>5ii and iii completed.</p> <p>8ii on today's agenda.</p>
	<p><b>Resolved</b></p> <p><i>(i) The minutes were agreed following the small amendment.</i></p>
<b>4.</b>	<b>Internal Audit Progress Report and Draft Internal Audit Plan 2020/21</b>
	<p><b>Progress Report</b></p> <p>DH presented the report. At Section 2.2 there are four Cambs only reports have been finalised with positive opinions. Section 2.3 shows two BCH reports have been finalised. There are two reports outstanding for 2019/20 Follow Up and BCH Benefits Realisation which is being debriefed today so will be issued imminently. Following the finalisation, the year-end opinion will be finalised, DH stated he is anticipating this will be unqualified.</p> <p>Appendix A is a reissue of the Payroll audit, additional evidence had been provided and one action had been recategorized which has achieved a reasonable assurance.</p> <p>Page 38 H&amp;S Follow Up DH reported that not all the implementation dates had passed when follow up was conducted. Some recommendations were fully implemented but those which hadn't, progress had been made against the majority of recommendations. The one high priority recommendation was in progress and paper at 10b the Constabulary update on recommendations mirrors RSM findings.</p> <p>Procurement was conducted whilst interim arrangements were in place and there was</p>

a hold on recruitment. However, from the sample 10% were outside approval limits. There were six medium recommendations all compliance related including things like no evidence kept of supplier amendments, pipeline of contracts wasn't documented and the tender process guidance was incomplete.

SS asked if there were any questions.

IP stated his main concern was the H&S recommendations have an implementation date by 30 April. Are they on track? A length of time has passed since the original audit and today and would like assurance all is on track.

VS stated she would ask Fiona Nunn for a full update on progress against the recommendations.

### **Audit Plan**

DH stated on page 5 lists the suggested areas of coverage. The plan details the 7 Cambs only audits which are driven by the risk register or financial controls. The Ethics & Culture audit is due to commence in June and DH reassured the committee that RSM can undertake this remotely.

Page 7 lists the proposed six BCH audits including one that is 7Force Procurement. The scope for this went to the Strategic Procurement Board and is due to commence September time.

There has been one change on page 8 to Cyber Essentials which is now management of Cloud Services. Appendix B has a backward and forward look at reports. Beds & Herts audit committees have endorsed and approved the plan although the change to Cloud services has been amended since Herts committee.

DH reassured the committee that RSM are fully geared up for remote working, although there are elements of some audits that cannot be undertaken without a physical presence, they are aware of the pressures on the Constabulary and will work flexibly to provide assurance throughout the year.

SS asked for comments.

IP asked for clarification of why the Cyber audit had changed and what the risk was.

JL stated the direction of travel in the ICT Strategy is for BCH to move to Cloud services and we are looking for reassurance that we are compliant from the outset.

IP stated he was concerned that the focus is narrow when other organisations are broadening their scope.

JL asked DH if this could be included in the scope when it is developed.

	<p>DH stated this can be picked up in discussions outside of this meeting.</p> <p>DH concluded stating RSM have already seen changes in other clients plans during the current environment but to reassure the committee that he liaises closely with the OPCC and Constabulary.</p>
	<p><b>Resolved</b></p> <p>(i) <i>The committee noted the reports.</i></p> <p>(ii) <i>VS to request full update on H&amp;S recommendation progress from Fiona Nunn.</i></p>
<b>5.</b>	<b>Strategic Risk Register</b>
	<p>DG stated a lot has happened since the last JAC, the response to COVID19 has been included in the latest review of the strategic risk register but this is not everything. There has been a dramatic change in service which has gone smoothly and effectively whilst dealing with a pandemic. Social distancing measures have been put in place and remote working where possible has happened in a short space of time.</p> <p>ND agreed saying there are some aspects of policing that cannot be undertaken without a physical presence, however, the Constabulary is in a steady state. We are considering and planning for the recovery phase and what the partnership environment will look like. There has been a Strategic Group providing coordination across the county which has been outstanding. Crime is 28% down on the same time last year, 999 and 101 calls are down, web-based chats have increased. The force planned for 30% of staff to be self-isolating/caring for vulnerable/sick but so far, we have had 10% of staff unavailable. Policing goes on and there have been significant organised crime and serious acquisitive crimes that have been dealt with.</p> <p>DG stated the SRR has not altered too much, in relation to the Collaboration risk SR3.2 we have made an omission on the future rating as this is difficult to judge. We have a BCH meeting coming up and the agenda has been drawn up covering the Crest review and how BCH resilience has assisted during Covid19 – PPE has been managed across BCH. Our future appetite is for this to reduce but there are complexities around collaboration.</p> <p>SR 3.3 Partnership working has been rapid and substantial changes has been to provide a response to Covid, this is led through the Local Resilience Forum and a Strategic Coordination Group. The maturity of relationships has allowed the response to be dynamic and imaginative. The risk appetite against this background and moving to recovery phase and understanding both the OPCC and Constabulary role has been held. It is clear that partnerships will be stronger once we are out of the pandemic and</p>

	<p>focussed on communities rather than individual organisations.</p> <p>ND agreed that partnership working will be a different environment after the pandemic, crisis has forced us together but the recovery phase will allow us to sustain and build on relationships.</p> <p>SS thanked DG &amp; ND for the enormous amount of work that has been undertaken and being done. He asked DG if a Board Assurance Framework (BAF) is still being considered.</p> <p>DG answered we have strong governance mechanisms in place with the Constabulary's Framework too. A BAF may emerge at some stage but certainly not until a new Police and Crime Plan is in place.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The Committee noted the reports.</i></p>
<b>6.</b>	<b>OPCC A/PCC Governance Arrangements</b>
	<p>DG presented the paper which provides background to the A/PCC arrangements which have come about following a delay in PCC elections from Covid. The OPCC are working with the Police and Crime Panel to enable them to hold the A/PCC to account. There will be a delay in rewriting the Police and Crime Plan which has to be in place by the March following an election.</p> <p>SS asked if RB had anything to add.</p> <p>RB stated when he was appointed initially it was in a stewardship role, now that has to change. However, the OPCC team had been very supportive and do excellent work so nothing is forgotten even with the added pressures of Covid.</p> <p>IP stated the paper supporting the strategic risk register has provided him with assurance.</p> <p>SS agreed.</p> <p>AG stated he is happy too.</p> <p>SS reminded the committee that as part of contextualising their remit they meet with the PCC and Chief Constable and if this would be helpful these could be set up.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The group noted the reports.</i></p>
<b>7.</b>	<b>Draft Annual Governance Statements (AGS)</b>

	<p>JL stated it is for the Force and OPCC to review their governance arrangement annually and RSM have supported us this year which has provided an independence to the approach and a refresh of the AGS inline with CIPFA guidelines on delivering good governance. The paper includes significant governance issues of which for the Constabulary the H&amp;S and Procurement audit reports have been flagged with recognition of the need to improve. Covid has also been included. The AGS are currently draft and will be signed when the Final accounts come to the committee. CIPFA have advised that anything from the end of the financial year until the accounts are signed should be reflected in the AGS, so there may be some tweaks following the External Audit conclusion and the Internal Audit year end opinion but the AGS is completed in the majority.</p> <p>IP stated the AGS reflects well and he is sure that any issues between now and final account sign off will be managed and amended by the executive.</p> <p>DG stated the same structure is followed for the OPCC AGS, the A/PCC has been dealt with in the AGS.</p> <p>SS stated the presentation is clear and helpful and thanked JL and DG.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The group noted the update.</i></p>
<b>8.</b>	<b>External Audit – Audit Plan 2019/20</b>
	<p>JL stated he had spoken to RB from BDO. Our approach, despite Covid, has not changed our approach or timings. His Finance team are working remotely or attending the office in small numbers, the overall drive to maintain the original deadlines remains so draft accounts by end of May and full accounts by end of July. BDO are happy with this approach as many Local Authorities are looking to postpone. The Cambs Pension Fund is administered through Cambridgeshire County Council and they have postponed to the end of August with EY auditing them in September, this means we won't be in a position to formally sign off final accounts until October. JL stated this is disappointing but we will get everything else done that we can.</p> <p>The report from BDO is positive and the interim audit has not identified any issues.</p> <p>JC added M12 is closed. Actuary reports from the Government Actuary Department (GAD) and Police Pension have been received, outturn figures are scheduled to be finished next week so all on track for draft accounts for end of May.</p> <p>RB stated JL has summarised the position accurately. The interim audit went well and no issues to raise, everything is on track to start our audit in June and plan to get as much done as we can. Once the assurance letter from EY is received then sign off as</p>

	<p>soon as possible.</p> <p>IP stated couldn't wish for anything better in the context. Good assurance from both Internal and External audit, on target to meet deadlines, it is frustrating about EY but a reflection on what is going on.</p> <p>RB stated BDO have not formalised the timescales with EY but as soon as there is an update will let JL know.</p> <p>MH stated we are about to receive the BCH Benefits Realisation internal audit report and asked if a roadmap for 7Force was possible for the next meeting?</p> <p>AG stated as well placed for final accounts, do what can be done, good that only one area that cannot be controlled.</p> <p>LS added there has been lots of assurance about how the Constabulary and OPCC are dealing with the current situation and managing business, this is a sensible approach. Any delays or aspects that have been missed through remote working how will this be visible and how will risks be mitigated?</p> <p>JL stated he could provide a short paper showing the journey month by month.</p> <p>IP stated on page 5 of the BDO report under Matters for consideration there is a risk about going concern and asked why this was.</p> <p>RB stated there has been a lot of extra spending and is not specifically relevant to Cambridgeshire but it is a requirement they have to go through speaking to JL and team about future funding. RB is not expecting there to be an issue but it is a process to meet audit standards.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The committee noted the report.</i></p> <p>(ii) <i>7F roadmap for collaboration for July JAC.</i></p> <p>(iii) <i>JL to provide a short brief to show the journey for each month to final accounts.</i></p>
<b>13.</b>	<b>AOB</b>
	SS asked for it to be recorded in the minutes that Gary Ward had resigned from the Committee and wished thanks for his contribution to be recorded.
<b>17.</b>	<b>Date of Next Meeting</b>
	The next meeting will be held on Thursday 30 July 2020 at 10.30 am, Conference Room

	3, Police Headquarters, Huntingdon/Skype as appropriate.
	<b>2020 Meeting Dates</b>  Briefing on Statement of Accounts – Wednesday 17 June 1pm Conference Room 4, Police HQ.  Thursday 29 October 2020 10.30am Conference Room 3, Police HQ, Huntingdon.

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Simon Smith