



## JOINT AUDIT COMMITTEE

### DRAFT MINUTES

**Date:** 29 October 2020

**Time:** 10:30 hours

**Location:** via Teams

**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
James Haylett	Deputy Chief Executive for the OPCC
Jon Lee	Director of Finance & Resources for the Constabulary
Matthew Weller	BDO
Alan Grisley	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 Matthew Warren CFO for the OPCC, Rachel Brittain BDO, Daniel Harris and Suzanne Lane from

	RSM and Jane Gyford Deputy Chief Constable.
<b>2.</b>	<b>Declarations of Interest</b>
	No new declarations were stated.
<b>3.</b>	<b>Agreement of the minutes from the last meeting held on 30 July 2020</b>
	<p>The minutes were agreed as factually correct.</p> <p>ND noted on page 6 that IP was going to email some questions to him. IP thanked ND for the reminder.</p> <p>AG queried the minutes on page 9 asking if there were remedial actions required to his question about the number of contracts that couldn't be obtained.</p> <p>NL stated the trail of the discussion flows which concluded with JL looking to introduce a new process as part of the arrangements when someone leaves.</p> <p>JL stated he would check but the majority of the contracts related to individuals that had left and that it isn't an outstanding issue for auditors.</p>
	<p><b><i>Resolved</i></b></p> <p><i>(i) The minutes were agreed.</i></p>
<b>4.</b>	<b>Internal Audit Progress Report 2020/21</b>
	<p>A Grisley presented the Progress Report which contains two final reports. One is Cambs only – Cash &amp; Banking with two medium actions relating to changes in working practices due to Covid. New controls will be in place by the end of October 2020. The second report is a BCH Advisory report on Cloud Security which was generally positive but contained a few suggestions for improvements.</p> <p>Section 2.2 shows there are four reports in progress, A Grisley stated these are all complete and should be finalised in the next couple of weeks.</p> <p>IP asked whether there are any negative assurances for the reports being finalised.</p> <p>A Grisley indicated that Health &amp; Safety, Occupational Health and Risk Management are all positive assurances. The Procurement audit is subject to additional evidence being supplied so he couldn't comment on the outcome of that audit at this stage.</p> <p>JL stated that Essex are the lead force but there are some elements for local BCH review.</p> <p>A Grisley stated there were eight actions from the last BCH Procurement audit and some of these are incorporated into the 7F but some will appear in the BCH Follow Up</p>

	<p>report.</p> <p>SS stated the Committee’s concern is that they are sighted on all internal audit reports whilst respecting the governance structures of collaboration. There is a protocol for all BCH committees to be sighted on all collaborated reports. As a Committee we haven’t seen the Cloud Security report and would like to.</p> <p>LS asked in respect of the audits that were in progress and are nearing finalisation, when will we see those. A Grisley answered the draft reports will be issued in the next couple of weeks and he anticipates they will be included in the Progress Report at the next meeting.</p> <p>MH asked JL if there are any other areas where reduced controls are in place due to working practices during Covid and requested a report for the next meeting. JL stated he is fairly confident that we haven’t had to compromise on many processes but agreed to review and report to the next meeting.</p> <p>MH also asked whether any major transformation projects were put in place during Covid to ensure the governance and controls were in place.</p> <p>JL stated the processes around business as usual had not changed. The Change Management Office and ICT controls are very thorough and for back office functions nothing specific had changed, other than working locations due to Covid.</p> <p>MH also asked if RSM could provide a single page monthly summary on progress, any slippage or issues. SS agreed that this would be helpful in the current context. A Grisley stated he would take this action and implement.</p> <p>SS thanked A Grisley for his attendance.</p>
	<p><b>Resolved</b></p> <ul style="list-style-type: none"> <li>(i) <i>The committee noted the report.</i></li> <li>(ii) <i>NL to distribute BCH Cloud Security IA report.</i></li> <li>(iii) <i>JL to review and report for areas where controls assurances may be lessened due to Covid working practices.</i></li> <li>(iv) <i>RSM to provide a single page monthly summary on progress and any slippages or issues.</i></li> </ul>
5.	<b>Management update on progress against recommendations for H&amp;S</b>
	<p>VS stated she had spoken to A Grisley regarding the H&amp;S audit. She stated that the new Tri-Force H&amp;S ‘iKeepWell’ has been launched with FAQ guides along with the ‘eSafety’</p>

	<p>system with KPIs. Training and testing have been completed and RSM have reviewed this. The re-audit of H&amp;S has been positive and the draft report is expected to show that all the previous actions are complete but there may be a couple of new actions.</p> <p>SS thanked VS for the helpful update, and noted that the further IA report will be ready before the next meeting.</p> <p>IP asked that if there is any chance that the report is delayed, there is an update provided. VS stated she is in regular contact with the Head of H&amp;S so this is not a problem.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The Committee noted the update.</i></p>
<b>6.</b>	<b>Strategic Risk Register</b>
	<p>JH stated that the Strategic Risk Register is reviewed quarterly with an element of ongoing review. There was a substantial review when Covid started. There are a lot of changes, but the scale of the risks is unchanged. The nature and responses have been reviewed. The changes are highlighted in red and the register went through BCB yesterday.</p> <p>LS asked for clarity about the 'Ethics, Equality &amp; Inclusion Group' in SR1.1. ND stated this is an internal group formed under the DCC to look at ethical dilemmas from operational incidents to provide the Constabulary with confidence about the corporate values and culture. The OPCC is setting up an external IAG/Ethics to review areas such as the use of force and stop/search. JH added that the internal and external group will work together and be included in future reports.</p> <p>LS thanked ND and noted that the group appears under the banner of integrity but wasn't noted in the Integrity Controls report.</p> <p>SS stated he didn't expect to see many changes in the strategic risk register but wondered whether any staff redeployment would have a strategic impact. JH answered that at the outset of Covid we were anticipating a 30% abstraction rate but working agilely and effectively the abstraction rate was much less. There are new operational challenges as we approach Winter and demand levels have gone back to pre-Covid levels but that is an operational issue rather than a strategic one.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The group noted the report.</i></p>
<b>7.</b>	<b>Statement of Accounts 2019/20</b>

	<p>JL stated that unfortunately we are waiting for the pension audit to be concluded which is out of our control. BDO will run through their final processes once this is received. JL's team have continued to work through audit queries and drafts have been submitted to BDO but there are no amendments that affect the core statements. We are as far forward as we can be. He asked that the committee consider if the delegated authority for the Chair should remain and be extended to the November deadline so long as nothing material is raised.</p> <p>MW stated there are two main things to update, the pension audit and subsequent events. Cambridgeshire County Council went to the deadline of 31 August so the pensions audit couldn't start until 1 September. Initially the auditors anticipated issuing their assurances by mid-October but there have been issues with the triennial revaluations so BDO are now anticipating receipt of the assurance letter mid-November. The auditor has not highlighted any risk of not meeting the November deadline.</p> <p>Post balance sheet events can only be addressed following receipt of the letter of assurance. Finance have a list and are ready to go, so BDO have no concerns.</p> <p>JL stated he has spoken to his Principal Financial Accountant and they have confirmed that no untraced contracts of employment are outstanding.</p> <p>SS asked if the committee members were happy to carry forward the previous action for 'in principle' approval to the Chair. All committee members agreed.</p> <p>AG asked if something felt uncomfortable then what? SS stated he would exercise extreme caution and would refer to the two members who are qualified accountants.</p> <p>JL stated if there were anything of significance he could draft a note to the Committee with the issue and the impact, or an emergency committee meeting could be convened, but we are not expecting anything significant.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The group noted the updates.</i></p>
<b>8.</b>	<b>Integrity Controls Assurance</b>
	<p>JH stated this is the 5<sup>th</sup> report and is based on 2019/20 but with a forward look as the changes in forthcoming complaints reform were implemented in February but processes are embedding. The internal and external ethics groups may throw up area that we are not aware of and we also have the Ethics Audit in Q4 so we will look at controls in place.</p> <p>AG asked how the report fits with the NOLAN principles. JH answered the NOLAN principles are embedded in the Code of Ethics and the scrutiny groups look at fairness</p>

	<p>as a broad principle which is reflected in the Code of Ethics. JH said he thinks they are covered sufficiently but will review Terms of Reference to ensure there are linkages. JH stated policing legitimacy is at the top of the agenda currently so this is a timely reminder.</p> <p>SS also noted that the JAC ToR were reviewed last year when it was agreed we are not an ethics committee, so our interest is to look mainly at the control environment.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The committee noted the report.</i></p> <p>(ii) <i>JH to review Terms of Reference for scrutiny groups for linkages to NOLAN principles.</i></p>
<b>9.</b>	<b>Members appraisals and skills audit</b>
	<p>SS stated over the Summer all the members have had appraisals using an NAO self-review which everyone found helpful. The aggregated views have been sent to JH for consideration and things to follow up on. All agreed that it had been a useful and necessary process that is now concluded.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The committee noted the update.</i></p>
<b>10.</b>	<b>Summary of meeting and review of actions</b>
	<p>SS noted that there had been good progress on issues within the Committee's T. of R. We appeared to be on track in a well controlled environment. No specific actions but s all seems to be well aligned with the current national context.</p>
	<p><b>Resolved:</b></p> <p>(i) <i>The committee noted the update.</i></p>
<b>11.</b>	<b>AOB</b>
	<p>SS raised the current stage of the cycle for PCC elections. IP noted that that Dorothy Gregson's (DG) secondment had been extended. It was important to consider whether there is anything we need particularly to bear in mind for the next couple of meetings.</p> <p>IP also asked about the development of a Board Assurance Framework. He stated there was an understandable delay in implementation with DG' secondment being extended, but wanted to make sure the agenda is moving. He stated JH had done a very good job</p>

	<p>but was seeking reassurance and assurance.</p> <p>SS suggested that the January Pre-meet be opened to members to help shape the work programme first-hand.</p> <p>JH stated this would be helpful and, in the meantime, he will contact DG and get a definitive position and acknowledged that this is a critical time in the PCC election cycle.</p> <p>SS stated he would liaise with NL over a date for the pre-meet. He also stated how grateful the committee are for the senior attendance and it makes the committee's work more relevant and useful.</p>
<b>10.</b>	<b>Date of Next Meeting</b>
	The next meeting will be held on Thursday 28 January 2020 at 10.30 am via Teams.
	<p><b>2021/22 Meeting Dates</b></p> <p>Tuesday 24 November 10am Treasury Management briefing for Members by Teams</p> <p>Thursday 29 April 2021 10.30am, Conference Room 3, Police Headquarters/Teams</p> <p>Thursday 29 July 2021 10.30am, Conference Room 3, Police Headquarters/Teams</p> <p>Thursday 21 October 2021 10.30am, Conference Room 3, Police Headquarters</p> <p>Thursday 27 January 2022 10.30am, Conference Room 3, Police Headquarters</p>

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Simon Smith