

**POLICE AND CRIME COMMISSIONER FOR WILTSHIRE AND  
CHIEF CONSTABLE OF WILTSHIRE POLICE  
JOINT INDEPENDENT AUDIT COMMITTEE  
CHAIRMAN'S ANNUAL STATEMENT 2017-18**

1. The Joint Independent Audit Committee (JIAC) was established by the Police and Crime Commissioner (PCC) and the Chief Constable in 2012, implementing a recommendation in the Home Office's Financial Management Code of Practice for Police Forces.
2. The JIAC is totally independent of both the PCC and the Chief Constable and its role is to provide independent assurance to the PCC and Chief Constable on the adequacy of the governance and control processes within their organisations.
3. Each year the JIAC produces an annual statement. The last statement was issued in November 2017, covering the work of the meetings held during the period June 2016 to June 2017.
4. The purpose of the annual statement is to summarise the work undertaken by the Committee and to identify any significant concerns or issues.

**Membership and Meetings**

5. Committee Membership since June 2017 has been as follows:

Mr Keith Bellamy (Chairman)  
Ms Caroline Baynes (to December 2017)  
Mr Alex Blair (appointed June 2017)  
Mr Steven Booth (deceased October 2017)  
Mr David Line  
Mr Rohan McMillan

6. Attendance at the meetings covered by this annual statement was Keith Bellamy 100%, Caroline Baynes 100%, Alex Blair 75%, David Line 100%, and Rohan McMillan 100%.
7. The Committee re-elected Keith Bellamy as JIAC Chairman at its meeting in December 2017.
8. The JIAC appreciate the attendance and contribution of both the Commissioner and the Chief Constable at its meetings. Feedback from audit committees elsewhere in the country indicates that the committee effectiveness is enhanced if both individuals play an active part in the work of the JIAC.
9. There was a change in the Chief Constable within this reporting timeframe and whilst the Committee have yet to meet the temporary Chief Constable (due to operational reasons), the updates provided from those within his Chief Officer team have been most welcomed.

10. The JIAC performs its work through meeting four times a year, all meetings are open to members of the public. Agendas, reports and minutes are published on the PCC's website ([www.wiltshire-pcc.gov.uk](http://www.wiltshire-pcc.gov.uk)).
11. In 2017-18 the JIAC tested the new reporting timeframe for approving the 2016-17 statement of accounts which will come into effect in June 2018. This worked well and, as a result, will be adopted for approval of all future statement of accounts.
12. Alex Blair and David Line attended the internal audit seminar "Getting the Governance Right" in October 2017.

### **Workplan and Self-Assessment**

13. The JIAC's provision of assurance on the adequacy of governance and control processes is undertaken through, but not limited by, a structured workplan, at the core of which is the review of the following:
  - Risk management arrangements, focusing on issues of most significant risk
  - Annual accounts, and their review by the external auditors
  - Internal audit plans and reviews
14. The JIAC reviews its Terms of Reference on a regular basis and reviews its own effectiveness by carrying out an annual self-assessment. Members met in January 2018 to carry out the self-assessment exercise which resulted in four areas of action being identified. These were reported to the JIAC meeting in March 2018 and will be pursued over the course of the calendar year. Updates are given in *italics*.
  - i. Expansion of presentation agenda items with the aim of having at least one presentation item at each JIAC meeting. *Presentations were delivered at the March and June 2018 JIAC meetings on the HMICFRS Value for Money Profiles and Cyber Security respectively.*
  - ii. Development of an Assurance Framework allowing JIAC to better understand its wider contribution to the assurance debate, in particular where Internal Audit fits into the overall framework. *The Chief Finance Officer developed an Assurance Framework for inclusion in the Statement of Accounts 2017-18.*
  - iii. Expansion of Internal Audit activity from the current allocation of 90 days which has been a concern of Members for sometime. *Following discussion with the Chief Finance Officer, an additional 10 days has been identified in the internal audit plan for 2018-19 which will also see a greater emphasis on risk included in internal audits.*
  - iv. Discuss proposals with the OPCC to address continuity and recruitment of JIAC Members in the short to medium term. *Following discussions with the OPCC a recruitment exercise will take place resulting in at least one new member being appointed. The success, or otherwise, of this exercise will determine how the JIAC membership will be managed in the medium term.*

## **Key Findings, Developments and Issues from 2017-18**

### ***PCC and Force Risk Registers***

15. As briefly reported in the 2016-17 annual statement, the PCC risk register was subjected to a complete overhaul with the new version presented to Members in June 2017. The register was now more closely aligned to the Commissioner's Police and Crime Plan and covers the same time frame (2017-20). The register is reviewed monthly on an informal basis and on a formal basis at quarterly meetings of the Commissioner's Monitoring Board. The PCC reports to JIAC on an exception basis with regard to all high and moderate risks.
16. JIAC continues to closely monitor both the PCC and the Force risk registers at every JIAC meeting.

### **External Audit Plan**

17. At the March JIAC meeting, Members queried the significant value for money risks included within the Plan which highlighted the Medium Term Finance Strategy (MTFS). Grant Thornton (external auditor) confirmed that their report was a standard format for reporting and there was nothing in the Commissioner's and Chief Constable's MTFS that caused them concern.

### **Statement of Accounts**

18. Grant Thornton issued an unqualified opinion on the Commissioner's Group Statement of Accounts and the Chief Constable's Statement of Accounts for 2017-18. It also issued an unqualified opinion on value for money conclusions in respect of arrangements to secure economy efficiency and effectiveness in the use of resources.
19. The use of the word 'unqualified' is misleading as this is a "standard" terminology for a positive outcome and as such is a good result for the organisation overall and in particular for the Chief Finance Officer, Senior Accounting Technician, and their team.

### **Internal Audit –South West Audit Partnership (SWAP)**

20. At the June 2018 meeting and in their Annual Opinion report, SWAP gave 'reasonable assurance in respect of the areas reviewed' to both the Commissioner and the Chief Constable. The statement went on to say 'generally risks are well managed but some areas require the introduction or improvement of internal controls to ensure the achievement of objectives'.
21. Fourteen audits were conducted in the year, one of which was a follow-up audit. Two audits were given a 'partial' assurance (Voluntary Funds and Staff Sickness) and these were considered further by Members at the March meeting. At the time of reporting, one audit report was at draft stage with an initial assurance of 'partial'. This report would be considered by Members once the final report had been issued and if assurance remained as 'partial'.
22. The Committee noted that SWAP felt the budgeted days for audit delivery was challenging which limited the amount of testing that could be undertaken and the coverage afforded. As stated previously, this was already a concern of the Committee and an increase in total plan days for the 2018-19 financial year has been agreed.

**Specific Areas of Note**

**23. HMICFRS PEEL Inspections and Force Performance**

Through the PCC risk register and HMICFRS PEEL inspections, Members continued to note the continuing 'good' performance of the Force despite the fact it is the fourth worst funded force in England and Wales. The Force were making good use of HMICFRS Value for Money profiles to identify where, if any, further efficiencies could be found. The Chief Constable reported at the December meeting, that Wiltshire had modernised more than any other force and that officer numbers was the lowest per population than anywhere else. As a result of previous good performance by the Force, the 2017-18 HMICFRS PEEL inspection was a light-touch inspection. The Force was in the top seven of good performing forces in the country.

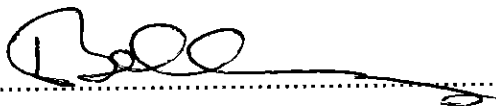
**24. Cyber Security**

As a direct result of the SWAP seminar attended by Alex Blair and David Line, the Committee requested that cyber security be included as a specific agenda item at a future meeting that would address the areas of governance, threat intelligence, structure and resources, incident response, and people, training, awareness. Members received this update at the June 2018 Committee meeting.

**25. Operation Fairline and Operation Fortis**

As a result of these two operations, there was a minor impact on JIAC business resulting in either a warranted officer not being able to attend meetings or some matters being rolled over to future meetings to enable adequate time for reports / presentations to be prepared. The impact was minimal and it is hoped that the Committee would be back on track by the end of the calendar year.

**Chairman Signature:**  
**Keith Bellamy**



**Date:**

15/11/18