

POLICE AND CRIME COMMISSIONER FOR WILTSHIRE AND CHIEF CONSTABLE OF WILTSHIRE POLICE

MINUTES of a MEETING of the **INDEPENDENT AUDIT COMMITTEE** held at SWINDON, GABLECROSS POLICE STATION on THURSDAY, 21 MARCH 2013.

PRESENT: Mr W Fishlock (Chairman), Mr C J Hoare and Mrs G Mortimer

IN ATTENDANCE: Mr M Prince, Mr A Johns, Mr S Cooper, Mr C Barker, Mr S Garlick (Grant Thornton), Mr C Rockey (Grant Thornton), and Mr A Townsend (Internal Audit)

1. Apologies for Absence

There were no apologies for absence.

It was reported to the Committee that as a result of the appointment of Mr Johns as the Independent Adjudicator in the Office of the Police and Crime Commissioner he would not be a member of the Committee.

2. Declarations of Interest

Mrs Mortimer informed the Committee that she is undertaking some disciplinary case work for the Force.

3. Minutes of the Independent Audit Committee Meeting held on 19 December 2012

Resolved: To approve the minutes of the meeting of the Independent Audit Committee held on 19 December 2012.

4. Committee Terms of Reference

Revised Terms of Reference for the Committee were circulated. The Committee noted the inclusion of the section on Corporate Risk Management.

The Committee was unclear as to its role and in particular what was meant by 'independent' in the Committee's title. What the Financial Management Code of Practice for the Police Service of England and Wales prepared by the Home Office said on Audit Committees was read out to the Committee but the Committee was still not clear as to whom it is accountable, and what happens if it has a concern to raise.

Resolved: To adopt the revised Terms of Reference for the Committee
To request further clarification of its role in the governance process.

5. External Audit Planned Audit Fee for 2011/13

A letter dated 28 February 2013 from Grant Thornton to the Commissioner (which was also been sent to the Chief Constable) about the Planned Audit fee for 2012/13 was circulated for the Committee's information.

How the accounts for 2012/2013 would be presented was discussed by the Committee in view of the establishment of the Police and Crime Commissioner and

Chief Constable as separate corporations sole. The Committee's view was that until the Stage 2 transfer has been completed nothing has changed to affect the presentation of the accounts.

Resolved: To note Grant Thornton's letter

To recommend that only the minimum number of changes necessary should be made to secure an unqualified set of accounts.

6. External Audit Update

A report by Grant Thornton was circulated. With reference to the previous item, Grant Thornton drew attention to the wider debate over the format of the Commissioner and Chief Constable's Accounts. It said also that it will produce its Audit Plan for the June meeting of the Committee.

Resolved: To note the report

7. Internal Audit: Internal Audit Plan 2013/2014

The Internal Auditor circulated an Audit Plan for 2013/2014 which had been prepared following a meeting with the Commissioner and the Chief Constable. The Committee recommended that Internal Audit should look at the integrity of the processes adopted by Professional Standards.

The Committee asked the Internal Auditor to ensure that in future its reports provide for the Committee to make recommendations rather than decisions.

Resolved: To note the draft Internal Audit Plan and to recommend that looking at the integrity of Professional Standards' processes should be included.

8. Internal Audit: Summary Internal Audit Controls Assurance Report

A report by the Internal Auditor was circulated.

Resolved: To note the report.

9. Internal Audit: Compliance Review of the New Payroll System - Key Controls

A report by Internal Auditor was circulated. The Committee's attention was drawn to Head of Finance's comments on Internal Audit's recommendations for the treatment of the filing of all payroll amendments which suggested that they would not be adopted. The appointment of a new Payroll Supervisor would mean that Internal Audit's recommendations would be adopted.

Resolved: To note the Report

10. Internal Audit: Internal Audit Charter

An Internal Audit Charter prepared by the Internal Auditor defining Internal Audit's purpose, authority, and responsibility was circulated.

It was noted that the Commissioner and Chief Constable would have to give final approval for the Charter.

Resolved: To note the Internal Audit Charter.

To request a further report on the Internal Audit Charter after it has been submitted to the Commissioner and Chief Constable.

11. Allocation of Reserves

A report by the Commissioner was circulated.

Some concerns were raised on the process for the production of the report. The

Head of Finance questioned whether the subject of the report is a matter for the Chief Finance Officer of the Commissioner rather than the Independent Audit Committee. No objection was however raised on the Commissioner's proposals for the reserves.

Resolved: The Committee expressed no concern with the approach adopted by the Commissioner on the reserves but invited the two Chief Finance Officers to comment further, and asked for the opportunity to discuss the proposals with the Commissioner.

12. **Dates of Future Meetings**

Wednesday 26th June 2013 at 2.30 pm at Salisbury Police Station

Thursday 19th September 2013 at 6.30pm at County Hall, Trowbridge

Thursday 19th December 2013 at 9.30am at Police HQ, Devizes

13. **Urgent Items**

There were no urgent items.