

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

MINUTES of the INDEPENDENT AUDIT COMMITTEE held at Police HQ, Devizes, on 26th June 2015

PRESENT: Mr K Bellamy, Mr W Fishlock, Mr P Hall (Chairman), and Mr D Line.

IN ATTENDANCE: The Police and Crime Commissioner, Mr C Barker, Mr S Cooper, Mr A Johns, Ms A Walling (Grant Thornton), Mr C Rockey (Grant Thornton), Mr A Townsend (Internal Audit).

PART I: Items to be considered whilst the meeting is open to the public

1 Introduction to the new Chief Constable

The Chief Constable gave his apologies for not being able to attend the meeting.

2 Apologies

Apologies for absence were received from Mr McMillan.

3 Declarations of Interest

Mr Line informed the Committee that he knew one of the applicants for the membership of the Independent Audit Committee.

4 Minutes of the Independent Audit Committee meeting held on 26 June 2015

Resolved:

To approve the minutes of the meeting held on 26 June 2015

5 Outstanding Actions

A report by the Chief Executive was circulated. As to the advertisement for the appointment for members of the Police Pensions Board, its publication had been delayed.

The time line for embedding the Strategic Alliance with Avon and Somerset would be produced by the newly appointed Programme Director for the Strategic Alliance.

All the other outstanding actions had been closed.

Resolved:

To note the report

6 Committee Terms of Reference

The Committee raised no matters in respect of the Terms of Reference.

7 Risk registers

The latest versions of the OPCC and Corporate Force risk registers were circulated together with a report by the Chief Constable on the changes to the Force's corporate risk register.

OPCC risk register. The Committee's attention was drawn to two risks in particular. The first (Strategic Alliance with Avon and Somerset) is the failure of the proposed alliance to deliver the expected benefits. The second (Funding) is the

impact of further funding cuts on the police service.

Corporate Force Risk Register.

The Committee highlighted the following risks:

Unsupported Operating Systems – The Home Office has reviewed this issue. Wiltshire Police has been given seven months to resolve the problem which involves replacing XP machines.

Drug Recording Software – The problem will be resolved when the lap tops on which the software can be installed have been issued.

Programme Office Staffing Restructure – Wiltshire Council has reduced the number of staff in its Programme Office. Although the number of Council staff allocated to existing Police projects would not be reduced the problem is the availability of staff to deal with new projects.

The Committee drew attention to newspaper reports concerning the loss of evidence. The Committee is aware that asset management in Wiltshire Police had been given a limited assurance by the internal auditor. The Committee was informed that the Information Commissioner is satisfied with the information management policies Wiltshire Police has in place. There is also an issue concerning the retention of in particular video information and whether it is erased too soon.

In view of recent employment litigation the Committee asked for a report on the lessons learnt in respect of equality issues arising from this litigation. A report will be brought to the next meeting of the Committee.

Resolved:

To note the risk registers of the OPCC and the Force.

To ask for a report on lessons learnt on equality matters arising from recent employment litigation.

8 Internal Audit: Summary Internal Audit Progress Report

A report from the Internal Auditor was circulated. The Internal Auditor reported that there have been no changes to the plan, and drew attention to the progress made with the programme of work.

Resolved:

To note the report.

9 Internal Audit: Annual Report

A report by the Internal Auditor was circulated. The general conclusion is that failures have been of compliance rather than direction. The Committee noted the Internal Auditor's conclusion that "in my opinion, the OPCC and the Force has adequate and effective management, control and governance processes to manage the achievement of its objectives". The Committee asked about the conduct of the independent review of the Internal Auditor's work referred to in the report. It was confirmed that a retired director of the Internal Auditor had carried out this work. The report will be made available to the Committee.

Resolved:

To note the report

To ask to see the independent review of the Internal Auditor's work.

10 **Internal Audit: Appraisal Review of Commissioner's Commissioning Fund**

A report by the Internal Auditor was circulated. This review had been conducted as an appraisal review but assessed as an assurance review. The subject of the review would be considered as an assurance review and a further report submitted to the next meeting of the Committee.

11 **External Audit Update**

A report by the External Auditor was circulated. The heading "Progress at..." on page 4 was corrected to read "Progress at June 2015". The External Auditor drew attention to its report 'Examining the Evidence' on Audit Committee effectiveness in the police sector.

The External Auditor drew attention to the bringing forward of the publication date for the statement of accounts to have effect from the 2017 / 2018 accounts to 31 July.

A determination by the Pensions Ombudsman in May 2015 in respect of the use of commutation factors when determining the reduced level of pension payable when an increased lump sum is taken will result in an increase in the payments made.

Resolved:

To note the report.

To request that a copy of the External Auditor's report 'Examining the Evidence' be circulated to all members of the Committee.

12 **External Audit Fee 2015/2016**

A letter dated 14th April 2015 to the Commissioner from Grant Thornton was circulated. It recorded the external audit fee for 2015/2016 which is less than that charged for 2014/2015.

The Committee asked who is responsible for procuring external audit services in view of the closure of the Audit Commission. The External Auditor commented that it had not been decided but existing contracts could be extended. Following consultation by the Department of Communities and Local Government with local authorities extending contracts appeared to be the preferred option.

The Committee asked also if there would be one auditor for a local government area. The External Auditor did not know but acknowledged that an update on how external auditors will be appointed in the future is needed.

Resolved:

To note the report.

To request the External Auditor to provide an update on the future appointment of External Auditors.

12a **External Audit: Joint Audit Plan**

A report by the External Auditor was circulated as an urgent item. The External Auditor introduced the proposed plan which followed a similar format to those issued in previous years.

Resolved:

Members were asked to provide comments on the proposed external audit plan

within fourteen days of the meeting. The Chair was authorised to reply to the External Auditor on the proposed plan on behalf of the Committee after the end of the fourteen day period.

13 Statement of Accounts the year 2014/2015

Both the Group Statement of Accounts for the Police and Crime Commissioner for Wiltshire and the Statement of accounts for the Chief Constable of Wiltshire were circulated.

The Chief Finance Officer drew attention to the pension liability which has been an issue for some years. He drew attention also to the underspend which has arisen because of police officer numbers but Wiltshire Police had still spent 98.5% of its budget for 2014/2015.

The Chief Finance Officer said that he would want income prediction to be improved.

The Committee commented on the strength of the accounts and the fact that there is no borrowing. The Committee was comfortable with the Annual Governance Statement.

The Committee asked the External Auditor to confirm that there have been no changes to accounting policies. The External Auditor confirmed there had not.

The Commissioner asked that the section in the accounts dealing with the Police (Property) Act 1897 should make it clear that the relevant monies are passed to the Community Foundation for Wiltshire and Swindon to distribute.

Resolved:

To recommend approval of the Commissioner's Group Statement of Accounts and the Chief Constable's Statement of Accounts.

14 Recruitment of a new Member for the Committee

It was reported to the Committee that there had been two applicants. Interviews were scheduled to take place on 17 July 2015.

15 Collaboration Update

This item was covered in other items on the agenda.

16 HMIC PEEL Inspection

The Committee was given an update on the inspection which had been conducted in May 2015. The outcome of the inspection should be known in September 2015.

Resolved:

To note the update.

To request a further report on the outcome of the PEEL inspection.

17 Independent Audit Committee

A report by the Chief Executive summarising the results of an Independent Committee Self Assessment was circulated. The Committee wished to discuss the replies to the self assessment exercise at a separate meeting.

Resolved:

That the Members would report to the Committee on how they wished to address the points raised in the replies to the self assessment exercise.

18 Review of insurance arrangements

A report by the Chief Finance Officer was circulated. He drew attention to the main trends which are to adopt more “self insurance” (to reduce premiums), and for all police services in the region to procure their insurance together (to deliver greater improve value for money).

Resolved:

To note the report

19 Review of Whistle Blowing Policy

Since the adoption of the OPCC’s Whistle Blowing Policy in June 2014 there had been no qualifying disclosures. The policy had not therefore been invoked. The Force does not have a whistle blowing policy but has published guidance for those wishing to make a qualifying disclosure. The Force is working on a regional whistle blowing policy with other police services in the region.

Resolved:

To note the report.

To recommend to the Chief Constable to consider the adequacy of the arrangements for dealing with whistle blowing in the Force.

20 Dates of Future Meetings

2 pm on 18 September 2015 at Bourne Hill Police Station, Salisbury

9.30 am on 18 December 2015 at Swindon Police Station, Gablecross

21 Bill Fishlock

The Commissioner paid tribute and thanked Mr Fishlock for his service to Wiltshire Police both as a member of the Police Authority and the first Chairman of the Joint Independent Audit Committee of the Commissioner and the Chief Constable. The Commissioner wished Mr Fishlock well in his retirement.