

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

MINUTES of the INDEPENDENT AUDIT COMMITTEE held at Police HQ, Devizes, on Friday 18th December 2015

PRESENT: Ms C Baynes, Mr K Bellamy, Mr P Hall (Chairman) and Mr D Line

IN ATTENDANCE: The Police and Crime Commissioner, Chief Constable Mike Veale, Mr C Barker, Mr S Cooper, Mr C Rockey (Grant Thornton), Ms V Davies (Internal Audit).

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

1 **Apologies**

Apologies for absence were received from Mr McMillan

2 **Declarations of Interest**

There were no declarations of interest

3 **Non Confidential Minutes of the Independent Audit Committee meeting held on 18th September 2015**

Resolved:

To approve the non confidential minutes of the meeting of the Independent Audit Committee held on 18th September 2015.

4 **Outstanding Actions**

A report by the Chief Executive was circulated. All the outstanding actions were the subject of items on the agenda except as follows:

1. *To ensure that members of the Committee are notified when the advertisement for appointing members of the Police Pension Board is published* – The Board held its first meeting on 4th December 2015 and it was established that members of the Board will need further training. Annual updates will be given to the Committee.
2. *To request a further report on the outcome of the HMIC PEEL Inspection* – All the reports from the 2015 PEEL Inspection should be available by February 2016. HMIC will be invited to attend the March 2016 meeting of the Committee to present the reports.
3. *To ask for an update on the management of risk arising from the backlog of work within the Hi-Tech Crime Unit* – There has been delay in resolving this issue but a mixture of outsourcing cases, streamlining processes and staff recruitment is proposed to resolve this issue. This would remain as an outstanding action.

The Chair said that he had made contact with the Chair of the Avon and Somerset Audit Committee and a follow up meeting has been proposed.

Resolved:

To note the report

5 **The Committee's Terms of Reference**

The Committee's Terms of Reference incorporating the changes approved at the Committee's meeting on 18/09/2015 were circulated. One of the terms within the

Corporate Governance and Regulatory framework section of the Terms of Reference was revised as follows:

To review any issue referred to it by the Police and Crime Commissioner for Wiltshire and/or the Chief Constable and make recommendations as appropriate.

Resolved:

To approve the Committee's Terms of Reference subject to the amendment recorded in this minute.

6 Committee's Work Plan

The Committee's Work Plan incorporating the changes approved at the Committee's meeting on 18/09/2015 was circulated:

Resolved:

To approve the Committee's Work Plan for 2015/2016.

7 Risk registers

The Risk Registers for the OPCC and Force were circulated together with reports on the changes made since the 18/09/2015 meeting of the Committee.

OPCC risk register:

By way of introduction the Committee was updated on the settlement in the Chancellor's Autumn Statement, and the current position with the Strategic Alliance with Avon and Somerset. Although the Chancellor announced that the funding for the police service for 2016/2017 will remain at 2015/2016 levels, the implementation of existing austerity measures will mean that the amount of central government funding Wiltshire will receive will be reduced by £334,000. £2million of savings have also to be found. An efficiency strategy is to be submitted to the Commissioner's Monitoring Board. The pressure to maintain existing levels of police service performance will remain challenging. In view of this it is proposed to increase the precept in 2016 / 2017 by approximately 2%.

As to the Strategic Alliance it was reported to the Committee that Avon and Somerset has appointed a new Chief Constable. It is anticipated that there will be a desire to take forward the Strategic Alliance.

The Committee suggested that the Risk Registers should be shared with Avon and Somerset to help with the identification of risks and to compare the scoring and handling of existing risks.

The Committee asked about the comments on firearms licensing contained in the HMIC efficiency report which did not appear in the Risk Register. The Chief Constable said that the Firearms Licensing Team in Wiltshire Police is one of the top performing licensing teams in the country. He said he would review this but his understanding is that the team is effective.

The Committee asked about risk 7 on the OPCC Risk Register (*Wiltshire Police fails to have internal HR organisational policies that meet the duties and aims under the Equality Act 2010*) because the residual risk has increased to over 30 since the 18/9/2015 meeting. The Chief Constable said that the risk score would remain over 30 until the culture of the organisation changes. Consultants have been appointed to assist with the implementation of a strategy to improve equality

and diversity in the organisation. The Chief Constable added that reductions in numbers recruited may affect progress in the implementation of the new diversity and equality strategy but he has seen improvements in the promotion process which is more value based and transparent.

The Committee asked for more information concerning time scales for mitigating risks.

Force Risk Register:

The Committee's attention was drawn to the following points on the Force Risk Register:

ICT Connectivity – The Committee was informed that the bandwidth of the Police Service Network is too small to enable some ICT projects to proceed. Wiltshire Police's partners do not share alternative ICT connections. Avon and Somerset Constabulary uses fixed line connections. Wiltshire Council (which hosts Wiltshire Police's ICT) uses the internet and the cloud. Proposals for resolving the ICT connectivity issues have been submitted.

Increased hours worked by PTT – The main problem is the amount of over time being worked by the team which is creating a welfare risk.

Resolved:

To note the Risk Registers.

To recommend that risk registers are shared with Avon and Somerset

To recommend a review of the Force's Firearms Licensing Team in view of the comments in the HMIC Efficiency report.

To request more information on how risks are mitigated.

8 Internal Audit: Summary Internal Audit Progress Report

A report by the Internal Auditor was circulated. The Committee's attention was drawn to the audit of the security of seized proceeds of crime the evaluation of which had risen from limited to reasonable.

Although the recommendation in respect of the complaints management audit has not yet been implemented the Committee asked whether a common complaints policy has been developed. The CFO will review this.

The Committee commented on the implementation of priority 2 recommendations. The point was made to the Committee that there is a lack of capacity to implement priority 2 recommendations. Having said that work is being done to implement the recommendations. The relevant reports are not being ignored. The Committee asked for a quarterly report on progress.

The Committee drew attention to the payments made to Wiltshire Council under the integration. The contract for the integration has not been signed and there is a lack of clarity around the payments that have been made for in particular the ICT service the Council has provided. An update was requested for the next meeting.

The Committee commented on the fact all PDRs do not appear to have been completed. The Committee's concern is that this may point to an issue in the organisation.

Resolved:

To note the report and request an update on the common complaints policy, and payments made to Wiltshire Council under the Integration.

9 External Audit: Joint Annual Letter

The External Auditor's Annual Audit matter for the year ending 31st March 2015 was circulated. The Committee noted that unqualified opinions had been issued by the External Auditor on the financial statements of the Commissioner and Chief Constable, and an unqualified value for money conclusion had also been issued. The Committee proposed that in future this should form the subject of a press release.

Resolved:

To note the report

10 External Audit Update

A report by the External Auditor was circulated.

The Committee noted the reduction in the External Auditor's fees and asked how this might affect the service. It was explained to the Committee that the savings arising from the closure of the Audit Commission had been set off against the fees of the External Auditor.

The Committee's attention was drawn to the implications of the Local Audit and Accountability Act 2014 which amongst other things introduces a new Audit timetable and provides for the PCC to appoint local external auditors.

The Emergency Services Consultation was discussed. The view is that the Home Secretary wants Police and Crime Commissioners to take over responsibility for fire services.

Resolved:

To note the report

11 Budget Update

This was covered in Agenda Item 4

12 HMIC Efficiency Report

The efficiency report produced as part of the PEEL Inspection by HMIC was circulated. The Committee welcomed the positive report. It requested a briefing on the Community Policing / Stop Project at the next meeting of the Committee.

Resolved:

To note the report

To request an update on the Community Policing / Stop Project for the next meeting of the Committee.

13 HMIC Value for Money Profile

The HMIC Value for Money Profile 2015 was circulated. Wiltshire had been grouped with forces that the Home Office regarded as similar but by comparison Wiltshire's Council Tax is below average and its central government funding is also lower. Wiltshire generates also very little income. The areas on which the Force wishes to focus are:

1. Restricting the number of Police Officers working in business support roles
2. Reviewing recuperative duties
3. Increase the recruitment of Special Constables
4. Increase the rate of retention of Police Officers and Police Staff

Resolved:

To note the report

14 **Commissioner's Commissioning Fund**

Performance and value for money reports for the grants made out of the Commissioner's Commissioning Fund for 2014 / 2015 were circulated. The Committee said it wished to see a report on how OPCC obtains assurance that value for money is obtained from the grants.

Resolved:

To request a report on how OPCC obtains assurance that value for money is obtained from the grants made out of the Commissioning Fund for the next meeting of the Committee.

15 **Dates of Future Meetings**

21st March 2016 at 10am
13th June 2016 at 10am
8th September 2016 at 9am
28th November 2016 at 10.30am

PART II: Items during whose consideration it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed

16 **Exclusion of the Public**

Resolved:

In accordance with Standing Order 6 of the Committee's Standing Orders to exclude the public from the meeting for the business specified in Items 17 and 18 below because it is likely that if a member of the public were present there would be disclosure to them of exempt information as defined in paragraphs 3 (*Information relating to the financial or business affairs of any particular person (including the PCC or CC if it holds that information)*) and 4 (*Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority*) of Appendix 2 of the Committee's Standing Orders.

17 **Confidential Minutes of the Independent Audit Committee Meeting held on 18th September 2015**

Resolved:

To approve the confidential minutes of the Independent Audit Committee meeting held on 18th September 2015

18 **Procurement of the Internal Audit Service**

A report by the Chief Finance Officer was circulated. The Committee was informed that the Commissioner's Monitoring Board had approved the appointment of the South West Audit Partnership to provide the internal audit service from 1st April 2016.

The Committee asked to see the handover plan from the Capita / TIAA to the South West Audit Partnership to conclude the internal audit for 2015/2016.

The Committee asked also how the audit plan for 2016/2017 would be produced.

Resolved:

To request details of the handover plan from Capita / TIAA to the South West Audit Partnership to conclude the internal audit for 2016 / 2017.

To request details of how the internal audit plan for 2016 / 2017 will be produced.