

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

**Minutes of the JOINT INDEPENDENT AUDIT COMMITTEE
held on Tuesday 11th June 2019 at 2.00pm
at Police Headquarters, London Road, Devizes**

Present: Mr K Bellamy (Chairman), Mrs K Amey, Mr A Blair, Mr D Line, Mr R McMillan

In Attendance: Mr A Macpherson (Police and Crime Commissioner), Kier Pritchard (Chief Constable), Mr C Barker (Chief Finance Officer), Mr N Darwish (OPCC Deputy Chief Executive), Mr I Murray (Grant Thornton), Mr R Bamberger (South West Audit Partnership), Ms L Wicks (South West Audit Partnership), Miss S Kyte (minutes)

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

1. **Apologies** There were none.
2. **Declarations of Interest** There were no declarations of interest.
3. **Minutes of the Joint Independent Audit Committee meeting held on 27th March 2019**

Resolved: *To approve the minutes of the meeting held on 27th March 2019 as an accurate record and for the Chairman to sign the minutes.*

4. **Outstanding Actions**

Meeting Date: 15th November 2018

Minute 5 Outstanding Actions, Medium Term Financial Strategy: The Chief Finance Officer circulated a report highlighting forecast police officers against budget for 2019-20. The budget had increased from 933 police officers in 2018-19 to 975 for the current financial year. The forecast included an estimate of police officers who may leave and additional funds (£300k) had been set aside in reserves to contribute to those times when numbers are higher than the budget allocation. Police officers cannot be made redundant so any reduction in actual numbers must be through natural wastage. On occasions, recruitment may be slowed down in order to achieve this. Action could now be closed.

Meeting Date: 27th March 2019

Minute 9 Internal Audit Annual Plan: The Chief Finance Officer provided a verbal update following the most recent Regional Directors of Finance meeting. All South West forces were now using SWAP as their internal auditors and it was hoped there could be some collaborative working in the design of audit plans and use of internal auditors. However, there is a vast difference between the number of days each force has for internal work and the number of areas subjected to internal audits. The Chief Finance Officer stated he and his colleagues would work through the differing plans this year with the aim of bringing them more in line for the next financial year. By doing this and working more closely with SWAP it was anticipated this process would add value to the work already undertaken by the internal auditors. It had already been agreed between the South West forces and SWAP, that SWAP would collate information on highest risk issues and identify key issues for the regional forces and

circulate to them on a six monthly basis. Members asked if this could come to JIAC and it was agreed this should be scheduled for the November 2019 / March 2020 meeting depending on timescales.

External Audit Plan Year Ending 31st March 2019: Iain Murray confirmed Grant Thornton were already doing some work on this and would report back to the July meeting. Amend owner to 'External Auditors'.

- Resolved**
- a) *For JIAC to receive a copy of the six monthly report by SWAP that identifies highest risk issues and key issues for forces across the South West region.*
 - b) *To note the updates provided with regard to the outstanding actions and for these to be updated accordingly.*

5. Integrated Planning Process

Chris McMullin, presented the integrated planning process between the OPCC and Force. It set out the annual planning cycle that brings OPCC strategic and commissioning role with the Force operational delivery. Key elements include:

- Planning process is built around delivering the police and crime plan and based on aligning the OPCC and Force roles to ensure alignment and best use of resources. This is based on planning principles and aligns planning, to MTFS and operational delivery.
- The Force Management Statement is an integral part of the future demand, capability and capacity planning, in which to provide advice to the PCC.
- Each department is set a plan on a page (department service plan) that links directly to the Police and Crime Plan and address future requirements.
- Performance against the P&C Plan is set out in the annual report, of which the FMS and annual Audit report will be released together at the same time. This sets out a readable distillation of achievements and technical detail
- First year of new approach and will take time to 'bed in'

Resolved: *To note the update provided by the Police and Crime Commissioner*

6. Police and Crime Commissioner Update

A verbal update was provided by the Police and Crime Commissioner and the following key issues noted:

- The PCC would not be standing for election in May 2020.
- The OPCC Chief Executive had reduced his hours and was now working three days a week with the Deputy Chief Executive acting up on the other two days.
- Wiltshire had maintained its 'good' rating for the HMICFRS PEEL inspection. The Commissioner congratulated the Chief Constable on this achievement during what was an exceptionally challenging year. This was echoed by the Committee.
- Victim support services had been recommissioned and operating since 1st April 2019. Adult support services were provided by Victim Support and an U18 service by Splash. Both were operating well and there would be a formal launch of these services in July 2019.

- A Reducing Re-offending Board for the South West had been established and a very successful meeting held recently where conversations on proposed action were not constrained by budgets and looked to learn from the mistakes of the Community Rehabilitation Companies.
- The PCC's Annual Report for 2018-19 would be published in July and copies circulated to Members.

Resolved: *To note the update provided by the Police and Crime Commissioner.*

7. Chief Constable Update The Chief Constable provided a verbal update and the following key issues were noted:

- Following the permanent appointments of the Chief Constable and the Deputy Chief Constable, the Force vision and purpose had been revisited. In doing this, discussions were held as an Executive Leadership Team to understand the 'what' and 'why', there was engagement with senior leaders to test the concept and bring them 'onboard', and consultation with the Force Leaders Forum and Leading from the Front events. This approach provided every person in the Force with an opportunity to work through what the potential vision and purpose might say or look like.
- Following a final consultation the Force Vision has been defined as:
'To be an outstanding police service, trusted by our communities'
and the Purpose as:
'Wiltshire Police – proud to serve and protect our communities'
- the Vision and Purpose would be included on all 'Plans on a Page' which were being created for the Force Executive Leadership Team and each department
- These would be one year plans linked to the Police and Crime Plan and national priorities but provide local direction
- Three new appointments had been made to the Force Executive Leadership Team – ACC Mark Cooper, ACC Maggie Blyth, and Director of People and Change Chris McMullin
- HMICFRS had recently visited the Force as part of a national thematic inspection in relation to cyber crime. The hot debrief was positive and HMICFRS were complimentary about the progress the Force had made in the last nine months.
- There was significant concern about the level of officer availability within CPT, specifically in relation to deployability and a Gold structure had been put in place to look at this and address the issue.

Resolved: *To note the update provided by the Chief Constable.*

8. PCC Risk Register A report by the Deputy Chief Executive had been circulated who provided a brief summary of the key risks identified. The following points were noted:

- *Risk T4 Wiltshire Police fail to have operational and organisational policies that meet the duties and aims under the Equality Act 2010* – the Force would be asked to formally present against the findings of the Internal Audit Equalities specifically in relation to updating of HR policies.
- *Risk T10 Impact of a 'No Deal' Brexit on Wiltshire* – the Force were considering operational implications of a wide range of options and not just 'no deal'. It was

agreed the wording of this risk should be amended to cover all potential deals relating to Brexit.

- *Risk I8 ICT services are not resilient and transformational to support effective and efficient policing* – the mitigation referenced the emerging divergence of ICT requirements for the Force and local authorities. David Line asked whether this was likely to increase or decrease. The Deputy Chief Executive informed the Committee that the OPCC and Force were currently in the process of a review of ICT services. Options would be identified shortly for consideration and decision. David Line asked for the Committee to be kept informed of progress.
- *Risk I6 Partners make decisions that impact upon the PCC and Police without discussion or involvement in decision making process* – the Deputy Chief Executive stated that as the OPCC begins to commission more services, the office is becoming more involved with services and working through the planning and redesign cycles of these services. This is a risk that cannot be completely mitigated, but communication and awareness is much better than before.
- *Risk T6 Unable to continue to meet demands of frontline policing* – David Line queried the mitigation and scoring of this risk as it was not comparable to the Force Risk Register. The Deputy Chief Executive reported that whilst there may be occasions where the same risks appeared on both the PCC and Force risk register it didn't mean that the mitigation or the scoring would be the same as they would both be reviewing the risk from different aspects. In this circumstance, the PCC was concerned with the governance of the risk. It was noted no timeline had been attributed to this risk which the Deputy Chief Executive said he would rectify.

- Resolved:**
- a) For the Force to formally present on the Internal Audit Equalities recommendations specifically in relation to the updating of HR policies.*
 - b) To amend Risk T10 (Impact of a 'No Deal' Brexit on Wiltshire) to cover all potential deals relating to Brexit.*
 - c) To keep the Committee up to date with regard to progress against Risk I8 (ICT services are not resilient and transformational to support effective and efficient policing).*
 - d) To include a timeframe for Risk T6 Unable to continue to meet demands of frontline policing*
 - e) The report and the updates provided be noted.*

9. JIAC Workplan and Self-Assessment

The Chairman provided a verbal report on the process and outcome from the Committee's self-assessment and the following key points were noted:

- The self-assessment was conducted against the CIPFA guidelines and a checklist on key deliverables which had been published by Grant Thornton
- The 2018 action plan had been reviewed and the one outstanding issue was a briefing on Fraud and Corruption and this was scheduled for the July meeting of the JIAC
- A number of issues arose from the self-assessment and were split into two categories – those for consideration by the Committee itself and those for the Chief Finance Officer

- A copy of these are attached to these minutes
- The JIAC would like to invite the PCC, Chief Constable, Deputy Chief Executive, Chief Finance Officer, external auditors, and the internal auditors to review the CIPFA guidelines and assess how well they believe the Committee is performing
- To invite the Chief Finance Officer to carry out a review of the internal auditors performance against the CIPFA Core Attributes checklist and report back to JIAC

- Resolved:**
- a) *That the PCC, Chief Constable, Deputy Chief Executive, Chief Finance Officer, external auditors and internal auditors would assess how well the JIAC was performing against CIPFA guidelines.*
 - b) *To invite the Chief Finance Officer to carry out a review of the internal auditors' performance against the CIPFA Core Attributes checklist and report back to JIAC.*

10. Internal Audit: Annual Report and Opinion 2018-19

Internal Audit: Annual Opinion Report 2017-18 A report had been circulated by the Internal Auditors and the following key points noted:

- A 'reasonable' assurance was provided by the Internal Auditors for both the PCC and the Chief Constable
- 9 audits had been completed during 2017-18
- Of these, 1 received a 'substantial' opinion, 3 'reasonable', 2 'advisory' 3 'partial'. One follow up review was conducted.
- No high risks were identified in the any of the audits
- Follow-up audits would be conducted on the three areas where a 'partial' opinion had been given

Resolved: To note the content of the report and the 'reasonable assurance' provided by the Internal Auditors for both the Commissioner and the Chief Constable.

Resolved: CFO to bring update on actions relating to partial audits.

11. Internal Audit: ICT Resource Levels

The Chief Finance Officer stated that whilst the review of ICT was being undertaken it was not his intention to implement the recommendations contained in the report. They will, however, be considered once the ICT review is completed.

Resolved: *To note the update provided by the Chief Finance Officer and to ask for the recommendations to be reported on at the November 2019 meeting when the Chief Finance Officer is due to give an update on ICT services.*

12. External Audit Progress Report

Grant Thornton were in the process of auditing the draft statement of accounts and would present their findings at the July meeting.

Resolved: *To note the update provided.*

13. External Audit Planned Audit Fee 2019-20

Iain Murray reported that this was the second year of the contract and the fees were consistent with the contract and the fee scale set by the Public Sector Audit Appointments Ltd (PSAA). Consideration would need to be given as to potential impact the introduction of the new ERP system may have on next year's audit.

Resolved: *To note the update provided.*

14. Draft Annual Governance Statements for the Police and Crime Commissioner and the Chief Constable

Members were referred to the relevant sections of the Group Statement of Accounts and the Chief Constable's Statement of Accounts. The CFO provided a verbal update and the following was noted:

- Governance arrangements have been updated to reflect the more integrated planning cycle and shared service model.
- Updated paper to reflect Independent Advisory Groups
- Improvements to risk registers, particularly local service registers
- The CFO concluded that a good governance framework was in place and that steps would be taken to further enhance the governance arrangements over the coming year
- Internal audit is identifying more partial assurance, but CFO is confident system is working well. Internal Audit are directed to areas where governance is believed to need improvement.
- That the Chief Constable's annual governance statement was the same as the Police and Crime Commissioner's with the exception of section one (scope of responsibilities)
- No significant governance risks had been identified although still concern about longer term impact of Fairline and Fortis on staff.

Resolved: *To make amendments as committee indicated*

Resolved: *To note the update provided.*

15. Draft Statement of Accounts for 2018-19

Members noted the following:

- The net asset of the Police and Crime Commissioner was a negative £1,285.571 million. This was due to a significant increase in liability for pension scheme liabilities and related to International Accounting Standard (IAS) 19. Had this not been implemented the net assets of the Police and Crime Commissioner would stand at £49.665million.
- Income from Proceeds of Crime was far higher than anticipated and had generated nearly £1m extra funds.
- The move from Shift Allowance for Flexibility to the Police Staff Council Handbook would have an impact on unsocial hours' payment; £784k is allocated within earmarked reserves to meet some of these costs.


Resolved: To note the draft statement of accounts for 2018-19.

16. Specialist Operations Transition

A report updating on the current situation by the Head of HQ Specialist Operations had been circulated. An 'ad-hoc arrangement' was in place during the transitional phase which would provide resilience for all specialisms. A Memorandum of Understanding was in place. A high number of requests had been anticipated but only 15 requests had been made to date. This arrangement will cease on 31st August 2019.

Resolved: To note the update provided.

17. Update on Cyber Security

Resolved: To note the update ~~provided~~ deferred until Nov 19. 

18. Date of Future Meetings

Thursday 18th July 2019 at 2pm
Thursday 14th November 2019 at 2pm
Thursday 19th March 2020 at 2pm
Thursday 4th June 2020 at 2pm (pre-brief will be held – SK to put in diaries!)
Thursday 16th July 2020 at 2pm
Thursday 12th November 2020 at 2pm

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

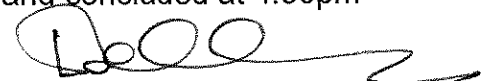
19. Exclusion of the Public

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 Item 20 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 Paragraph 7 (information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime) of Appendix 2 of the Committee's Standing Orders.

20. Force Risk Register

Resolved: a) That the Chief Finance Officer would review in detail Risk CRR / FAO 07 and ensure the risk register accurately reflects the identified risk.
b) To note the content of the report.

The meeting commenced at 2.00pm
and concluded at 4.30pm



Keith Bellamy
JIAC Chairman

GLOSSARY

CC	Chief Constable
CFO	Chief Finance Officer
CPT	Community Policing Team
ESN	Emergency Services Network
FMS	Force Management Statement
HMICFRS	Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services
ICT	Information, Communication and Technology
JAC	Joint Independent Audit Committee
MTFS	Medium Term Financial Strategy
NPCC	National Police Chiefs Council
OPCC	Office of Police and Crime Commissioner
PCC	Police and Crime Commissioner
PEEL	HMICFRS annual assessment of police forces
PEQF	Police Education Qualifications Framework
SWAP	South West Audit Partnership
VfM	Value for Money