

**Minutes of the Joint Audit Committee**  
**14<sup>th</sup> March 2016**

**1. Present:**

**Audit Committee Members**

John Vereker (Chair)  
Adrian Blackshaw (Vice Chair)  
Irene Mortimer  
Martin King  
Lynne Duffy

**Offices of the Police and Crime Commissioner**

Andrew Champness, CEO West Mercia  
Elizabeth Hall (Interim Treasurer – Warwickshire/West Mercia)  
Rob Phillips (Deputy Chief Finance Officer – West Mercia/ Warwickshire)  
Eric Wood (DPCC Warwickshire)

**Force**

Debra Tedds (SSI)  
Heather Costello (Director of Finance, Warwickshire and West Mercia)  
Jeff Carruthers (Head of Accountancy & Financial Services)  
Maq Ahmed (Finance)  
Anthony Bangham (Deputy Chief Constable – West Mercia)

**Internal Audit**

Garry Rollason (Internal Audit)  
Jacqueline Sparkes (Internal Audit)

**External Audit**

John Gregory (Director, Grant Thornton)  
Joan Barnett (Grant Thornton)  
Laurelin Griffiths (Grant Thornton)

**Minutes**

Rachael Thorold, Secretary, OPCC West Mercia

**Apologies**

David Shaw (Chief Constable – West Mercia)  
Martin Jelley (Chief Constable – Warwickshire)  
Ralph Madden (Committee Member)

**2. Committee Members' Declaration of Personal and Prejudicial Interests**

None declared.

**3. Minutes of the Last Meeting and Matters Arising**

The minutes of the last meeting, held on 14<sup>th</sup> December 2015, were signed off as an accurate record of the meeting, subject to the below amendments;

- Page 4, item 11.1 should have read “The response was this will be reviewed going forward and that one of the main aims was to protect the capital sum invested”, and not “capitol”.

- Page 4, item 11.2 should have read “The question was also asked; would the Alliance be pooling the capital resources of both forces?”, and not “capitol”.

The associated actions are to be considered complete.

**4. PCC Updates – End of Term Reports.**

The West Mercia PCC End of Term Report was received, setting out the challenges and achievements of his term in office. The Chair thanked the PCC for his report and for his supportive comments on the Committee's work and offered the Committee's best wishes for his planned retirement.

The outgoing DPCC expressed his sincere thanks and appreciation for the efforts and achievements made by the Audit Committee throughout the term.

The End of Term report for Warwickshire PCC will be published at the end of April and will be issued to this Committee.

**5. Value for Money - Update.**

The Value for Money update report was circulated to the committee, with the following additional comments made;

The main outliers were firearms and custody. The DCC gave an explanation to support the position across the alliance on Firearms confirming that given the recent security alerts, other forces were now moving to adopt the alliance model.

HC advised that a strategic piece of work on custody was being developed. It will assess the current provision and develop proposals for the strategic direction. This will involve consideration of cost and benefit and benchmarking. Rather than the committee doing a separate piece of work to review VFM in custody; they are recommended to watch over the development of this work and receive an update incorporating VFM once the work has been completed.

The Chair and Vice Chair offered their expertise and advice in assisting those writing the strategy, which was welcomed by those present.

**6. 2015/16 External Audit Progress Report.**

A verbal report was given to the committee. After brief comments it was noted that an update would be made to the next Audit Committee meeting.

**7. 2015/16 Internal Audit Progress Report.**

The 2015/16 Internal Audit Progress Report was circulated to the committee with the following comments made;

- 7.1 It is to be noted that in general, from the audits carried out so far, the results have been good and an overall 'substantial' opinion was likely to be given.
- 7.2 The question was asked in regards to the Joint Property Vehicle, is there a timescale set for the KPI's? The response was that yes there is and it is being worked to.
- 7.3 There was concern raised that there does not appear to be a Risk Management Strategy for the OPCC. The response was that there will be one in place in due course.
- 7.4 Concern was raised that there was no internal audit carried out on the work done by the OPCC. The response was that audits are carried out on different parts of the OPCCs function each year. For example this year they have been carried out on the grants budgets processes and financial systems.
- 7.5 Endorsement from the Committee was sought for the suggested changes in the allocation of budgeted days. These changes were endorsed.

**8. HMIC Peel Report.**

A presentation was given to the committee, with the following comments made;

- 8.1 The question was asked; what is the process for checking progress of the action plan? The response was that the current process is changing, whereby there will be a Service Improvement Board set up which overarches the current lead Officer 'pillar' action groups, as an additional level of scrutiny and efficiency.
- 8.2 Regarding the Talent Management Scheme, the question was asked what best practice is being looked at? The response was the Force consider best practice nationally, and in particular at the Durham Police Force who had an outstanding rating by the HMIC.
- 8.3 It was felt that in general internal communications are poor, the question was asked, how this is being addressed? The response was

that there are improvements being made in terms of briefings, the communications strategy is in place, and issues are being addressed via the '2020 Vision' and StraDA.

- 8.4 It is worthy of note that as soon as issues are identified, they are worked on, but this is not necessarily reflected in the HMIC reports.

**9. 2015/16 Audit and Assurance Progress Report.**

The 2015/16 Audit and Assurance Progress Report was received by the committee with the following comments made;

- 9.1 Appendix A – Some of the dates have had to be re-set, but, some of the previously re-set dates still appear in red text, it was requested that these are changed to black text.
- 9.2 Appendix A – Items 4 and 7 where the dates are recommended, what is happening with those? The response was that the items will be revisited and the target completion dates will be reset.
- 9.3 Appendix B – Item no. 6; there are 3 dates which are over a year beyond their target completion. The question was asked of how are the target completion dates set? The response was that they are set as realistically as possible, but they are revised if problems occur.
- 9.4 It was suggested, as a general comment, that when a target completion date has not been met, leave the date as stated, and add an explanation for the date being unachievable.

**10. Risk Registers.**

The risk registers were circulated, with the following comments made:

- 10.1 It is to be noted that the Force Risk Register is still a work in progress.
- 10.2 The question was asked of why Cybercrime is not on the presented Risk Register? The response was that this is considered to be an operational risk on the Protective Services Risk Register.
- 10.3 It was felt that this committee, or it's appointed representative, would like to see a more detailed Force Risk register.

**11. Annual Governance Statements.**

The Annual Governance Statements were circulated to the committee, with the following comments made;

- 11.1 The question was asked of how is the Governance Framework evidenced? The response is that this is conducted via the PCPlan objectives, via the PCPs, the Performance Management Framework and the Corporate Governance Framework.

This should be explained in Force Annual Governance Statements.

- 11.2 A general question was asked of what is the monitoring remit of the risks raised on page 8, item 6? It was felt a clearer explanation is required regarding the risks and/or significant governance issues.
- 11.3 Page 6, last paragraph; should read “.....the independent Joint Audit Committee ” and not as stated.
- 11.4 Under item 5.1 OPCC; the first paragraph should read “The effectiveness, review and maintenance of the governance framework is undertaken by the Joint Audit Committee”.

**12. Internal Audit Plan 2016/17.**

The internal audit plan 2016/17 was circulated, with the following comments made;

- 12.1 The audits for Vetting and Firearms licensing are to be brought forwards as they are being audited by the HMIC in the Autumn.
- 12.2 It was asked whether the 65 days for management and provision for completing the 2015/16 audits might be too high. It was explained that it includes meetings attended by the Audit team.  
It was requested that the totals be separated out on the report to reflect this.

The SLA and the strategy were approved by the committee.

**13. SSI Audit and Assurance Plan 2016/17.**

Reports on the work of SSI and the proposed work plan were received with great interest.

**14. External Audit Plan.**

It is to be noted that there will be an update in June and if any other significant matter arises in the meantime, it will be brought to the Audit Committees' attention.

**15. Budget.**

The report presented was noted by the committee.

**16. Treasury Management Strategy.**

The Strategy was approved by the committee members.

**17. Members Points.**

The question was raised of will the replacement for 'Airwave' be future proofed? The response was that it will be at least as capable as

'Airwave' and will be operating on 4G. It goes live in 2019 and will be co-ordinated on a regional basis.

**18. AOB**

Thanks and appreciation are to be given to the outgoing PCC's and their Deputies for their efforts, achievements and contributions made throughout their terms. This was reciprocated.

**19. Date of Next Meeting.**

Monday 20<sup>th</sup> June 2016, Conference Room, Leek Wootton at 14:00hrs

With nothing further to discuss the meeting closed at 16:00hrs.