

## Warwickshire and West Mercia Joint Audit Committee Meeting Record

Date:	Monday 12 <sup>th</sup> December 2016, 14:00 – Willison Room, Hindlip
Chair:	John Vereker
Minute Taker:	Alison Rixom

### Audit Committee Members

	<b>Name:</b>	<b>Capacity:</b>
Attendance:	John Vereker. (JV)	Chair
	Lynne Duffy (LD)	
	Martin King (MK)	
	Irene Mortimer (IM)	

### Offices of the Police and Crime Commissioner

	<b>Name:</b>	<b>Capacity:</b>
Attendance:	Andy Champness (AC)	Chief Executive
	Elizabeth Hall (EH)	Treasurer – Warwickshire/West Mercia
	Tracey Onslow (TO)	Deputy Police and Crime Commissioner

### Force

	<b>Name:</b>	<b>Capacity:</b>
Attendance:	Jeff Carruthers (JC)	Head of Accountancy & Financial Services
	Chris Singer (CS)	T/Deputy Chief Constable, West Mercia
	Debra Tedds (DT)	Ch. Supt. SSI
	Mark Travis (MT)	T/Ch. Supt. (Rep. for DCC Manners)

### Internal Audit

	<b>Name:</b>	<b>Capacity:</b>
Attendance:	Garry Rollason (GR)	Internal Audit

### External Audit

	<b>Name:</b>	<b>Capacity:</b>
Attendance:	John Gregory (JG)	Grant Thornton
	Alex Walling (AW)	Grant Thornton

	<b>Name:</b>	<b>Capacity:</b>
<b>Apologies:</b>	Anthony Bangham (AB)	Chief Constable – West Mercia
	Joan Barnett (JB)	Grant Thornton
	Adrian Blackshaw (AB)	Vice Chair
	John Campion (JC)	Police & Crime Commissioner, West Mercia
	Heather Costello (HC)	Director of Finance, Warwickshire and West Mercia Police
	Karen Manners (KM)	Deputy Chief Constable, Warwickshire
	Martin Jelley (MJ)	Chief Constable – Warwickshire
	Philip Seccombe (PS)	Police and Crime Commissioner, Warwickshire
	Jacqueline Sparkes (JS)	Internal Audit

### Open Session

<b>No</b>	<b>Summary</b>	<b>Action</b>
01/12/12/16	<p><b>Attendance &amp; Apologies</b></p> <p>As above.</p> <p>The chair welcomed everyone to the meeting especially to the Deputy PCC for West Mercia Tracey Onslow and Alex Walling who will be replacing John Gregory from Grant Thornton. Introductions took place.</p> <p>The Chair advised apologies had been received from Adrian Blackshaw due to his resignation being tendered, this was due to him taking up a senior appointment with a National body.</p> <p>The committee members agreed for the chair to send a letter to Adrian expressing their thanks and appreciation for his commitment to the role of Deputy chair.</p>	
02/12/12/16	<p><b>Committee Members' Declaration of Personal and Prejudicial Interests</b></p> <p>No declaration of personal and prejudicial interests was declared.</p>	
03/12/12/16	<p><b>Minutes of the Last Meeting and Matters Arising</b></p> <p>The minutes of the last meeting, held on 19<sup>th</sup> September 2016, were signed off as a true and accurate record of the meeting.</p> <p>All actions completed except for those listed below:</p> <p><b>04/20/06 – Annual Report 2015/16 of the Police and Crime Commissioner for Warwickshire (N. Hewison).</b></p> <p>A discussion took place around Mental Health as the report highlighted that the Alliance was looking at mental health street triage schemes, the scheme is still in the pilot phase and a full</p>	

	<p>evaluation will take place later in the year.</p> <p>Action: An update to the committee is required at a future meeting.</p> <p>Update 19.09.16. Item ongoing bring forward to next meeting in December 2016.</p> <p><b>Update 12.12.16.</b> A request was made for this item to be carried forward to the next meeting as work is still ongoing.</p> <p><b>07/20/06/16 - Draft Unaudited Annual Governance Statements. (R. Phillips/D. Tedds)</b></p> <p>Updated unaudited annual governance statements were provided to the committee. A discussion took place with regards to the risk associated with the Athena programme not realising the organisational benefits in the project timeframe. It was stated the risk does not appear on the Force Risk Register. An explanation was provided and it was stated that a separate risk register was in place for the Athena programme which was managed under Strada.</p> <p>Action: DT to ensure the Athena risk was transferred to the Force Risk Register.</p> <p>Update 19.09.16. The Athena risk had been reviewed and it was confirmed that it will be transferred to the Force risk register and will be included in the report for the December meeting.</p> <p><b>Update 12.12.16.</b> Action completed. <b>Discharged.</b></p> <p><b>08/19/09/16 Place Partnership Assurance Report</b></p> <p>A number of issues were raised by the committee and it was felt that information available was too limited. More detail was required so that the committee can be assured that PPL are achieving as much as had been expected.</p> <p>It was noted that the Police internal audit service has no rights to audit the internal processes of PPL as it is a separate legal entity.</p> <p>Martin King, a member of the Committee has agreed to lead on this matter and will provide reports to future meetings.</p> <p><b>Update 12.12.16.</b> MK has commenced the process of reviewing the audit and will provide an update at the next meeting in March 2017.</p> <p><b>09/19/09/16 OPCC Risk Register Heat Map</b></p> <p>The risk management strategy for the OPCC was presented to the committee. This is a joint strategy for both Warwickshire and West Mercia PCC.</p> <p>It was noted that the Heat Map provided a good summary, but</p>	<p><b>CS</b></p> <p><b>MK</b></p>
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	<p>lacked the direction of travel for each risk.</p> <p>Update 12.12.16. LH explained that there were no direction of travel arrows on the map due to no changes to the risks.</p> <p><b>Discharged.</b></p>	
04/12/12/16	<p><b>Change Programme Update (MT)</b></p> <p>A presentation was given to the committee which provided an update on the current developments within the change programme. The programme is still in the development phase and still under review with both PCCs. The first draft of the Outline Business Case is due to be presented at the December AGG meeting.</p> <p>A number of questions were raised as below:</p> <p>When talking about extra resources the committee were interested to see where the resource will come from? It was stated that appointments will be via the appointment of external staff to the force, temporary contracted staff to cover specific projects and the possibility of some outsourcing as and when required.</p> <p>At the last update, it was mentioned that a Project Manager was due to be appointed in the first Quarter, members asked about the current position. The role and grade has been uplifted and work is ongoing with Chief Officers. Work is being undertaken to look at other organisations to ensure that we have the right post with the appropriate salary. Confirmation was provided that there would be no delay on the delivery of the programme and that the SROs will ensure delivery will commence in the timescales indicated. The role is critical in delivering the transformation and the appointment is scheduled in the first quarter, but is dependent on the successful candidates circumstances</p> <p>The presentation was well received by the committee and they were happy with the explanations and information provided which gave re-assurance that there would be no slippage to the programme was envisaged.</p> <p><b>Athena Update</b></p> <p>A brief update was provided to the committee. Good progress is being made; the issues experienced with partnerships and recovery activity are being resolved and work is currently underway with regards to Back Record Conversion.</p> <p>By January 2017 we should be in a position to determine whether the work can take place. The activity work that has been undertaken has been successful.</p> <p>There have been some challenges in the delivery and the go live of the OCC as Athena needs to link up with these. Currently we have two programmes and a decision is required as to when</p>	

	<p>each element goes live. We will ensure that all options are explored to ensure that services are maintained with focus being on the two systems.</p> <p>The chair and committee members were grateful for the update and were reassured of the approach being taken. The committee were very appreciative of the time and detail provided to brief the members.</p>	
05/12/12/16	<p><b>Review of the Joint Corporate Governance Framework including Financial Regulations</b></p> <p>A paper was presented to the committee outlining the major changes to the Joint Corporate Governance Framework. This included the Finance and Contract regulations. The document had been in existence across the alliance since the inception of Police and Crime Commissioners and the creation of Chief Constables as separate legal entities. A comprehensive review of the framework was undertaken in 2015.</p> <p>AC is the lead for both PCCs and CCs and the paper provided an explanation of the major amendments. A number of questions were raised and the answers provided were satisfactory to the committee. The Committee were informed that the document had not yet been formally agreed by PCCs or CCs.</p> <p>The committee had considered and reviewed the framework and were happy with the content.</p>	
06/12/12/16	<p><b>Review of Terms of Reference</b></p> <p>A paper was presented to the committee. The Alliance Scheme of Governance and Financial Regulations state that the terms of reference for the Joint Audit committee should be reviewed on an annual basis. The committee reviewed the terms of reference in September 2015 and undertook a review of its effectiveness in September 2016; therefore it seems appropriate to review it this year.</p> <p>All the proposed amendments to the document were shown in italics. A brief discussion was held within the group and explanations were provided as to the additional amendments for the areas of Internal and External Audit, Accounts and Administrative Arrangements.</p> <p><b>Recommendation</b></p> <p>That the Committee reviews and comments on its Terms of Reference.</p> <p><b>Decision</b></p> <p>The committee agreed with the amended Terms of Reference.</p>	

07/12/12/16	<p><b>External Audit – Annual Audit Letters for Warwickshire and West Mercia PCCs and CCs (Grant Thornton)</b></p> <p>The Annual Audit Letters were presented to the committee, the document summarises the key findings arising from the work that Grant Thornton had carried out at both Warwickshire Police and Crime Commissioner and West Mercia Police and Crime Commissioner for the year ended 31<sup>st</sup> March 2016.</p> <p>The letters provide a commentary on the results of the work undertaken to the PCC and Chief Constable and their external stakeholders, and highlights issues that need to be drawn to the attention of the public.</p> <p>A brief discussion was held within the group and a number of questions were raised, these were answered satisfactorily.</p> <p>The Committee were happy with the Audit Letters for both Forces and PCCs and information contained within them.</p>	
08/12/12/16	<p><b>External Audit Progress Report and Update for Warwickshire and West Mercia PCCs and CCs</b></p> <p>The papers presented to the committee provided a report on progress of delivery of the responsibilities of the external auditors for 2016/17 listing the areas of business to be audited.</p> <p>The report included 3 issues one around leaving the EU, Police and Crime Bill introduced by the Government and Restricting the use of police cells for those experiencing a mental health crisis from the Home Office.</p> <p>A discussion took place with regards to the above mentioned areas and AC provided a brief update. The group were informed of the publication of the review of the Youth Justice System and the Government response by Charlie Taylor which recommended that secure establishments will be provided instead of a prison estate. This will have wider implications for the Police and Crime Bill.</p> <p>There will be significant changes to the Bail Act, with checks and balances to prevent long pre-charge bail before investigating. There is due to be a royal assent in January and the Bail Act is due to come into effect before April 2018. A significant amount of work is required, but we have 15 months to prepare.</p> <p>There will be some major changes relating to Police Complaints System, but these are being put back by the Government and not expected until June 2018. We will explore with the force as to whether we can introduce some changes voluntarily in the meantime.</p> <p>Another major issue is the Police and Fire Collaboration, and its permissive legislation. Locally for HWF&amp;RS, Shropshire Fire and West Mercia collaboration is planned, but the committee was unsure about the situation within Warwickshire.</p>	

	<p>A request was made by the committee as to whether an action plan would be available for the above issues and could the committee have sight of a high level version including the collaboration with the Fire Authorities.</p> <p>The committee were very pleased with the improvements reported by the auditors and the work being done to secure the future earlier closure dates.</p>	
09/12/12/16	<p><b>Internal Audit Report (G. Rollason)</b></p> <p>The internal audit report was circulated to the committee. The report summarises progress against the agreed Internal Audit Plan.</p> <p>The report highlights a number of amendments which have been added to the plan following discussions with the Director of Finance and the Treasurer.</p> <p>A number of questions were raised with regards to Appendix A the Workplan the majority of which were answered satisfactorily. With regards to Place Partnership, it was agreed that MK and GR discuss outside of the meeting the high level of governance around partnerships in general.</p> <p>Risk Management (Forces only) – the committee asked when this report would be complete. It was stated that the report had been delayed due to more consideration required with preparing the appropriate response.</p> <p>Appendix B – Summary of audits completed since previous update. A few questions were raised by the committee and explanations were provided.</p> <p>STRaDA - Some of the issues had not been addressed therefore the work this year will be around governance arrangements and critical friends.</p> <p>Infrastructure Security Review – The committee fully understand the reasons for the comments made under the Key Findings and the significant issues with ICT. The committee were keen to know that the relevant steps were being taken and implemented.</p> <p><b>Action: GR was asked to re-visit the planned jobs, discuss with the Director of Enabling Services the changes required and report back to the committee at the next meeting.</b></p> <p><b>Recommendation</b></p> <p>The Committee were requested to note the report and endorse the proposed changes to the 2016/17 Internal Audit Plan.</p> <p>The committee endorsed the proposed changes to the Internal Audit Plan.</p>	<p><b>MK/GR</b></p> <p><b>GR</b></p>
10/12/12/16	<p><b>Treasury Management Mid-Year Review 2016/17</b></p> <p>The report was presented to the committee by the Treasurer and</p>	

	<p>covered two aspects; funding capital expenditure and cash flow control and investment. A brief discussion was held within the group.</p> <p>The committee were happy with the reports content and explanations provided.</p>	
11/12/12/16	<p><b>OPCC Risk Register Heat Map</b></p> <p>The Heat Map for the OPCC was presented to the committee. It was noted that the Heat Map provided a good summary. There were no arrows outlining the direction of travel as there were not changes to the overall ratings.</p> <p>The committee had reviewed the risk register and were happy with the contents.</p>	
12/12/12/16	<p><b>Alliance Strategic Risk Map</b></p> <p>The alliance risk register was presented to the committee. The committee were informed that since the issue of the register a number of amendments had been made and the committee accepted the explanation as to why it was out of date. A brief discussion took place within the group and confirmation was provided that the Heat Map would be published on the Internet, and would be placed on the Committee's agenda in the future.</p> <p>It was confirmed that IM would be the liaison with SSI and the committee and that meetings had already taken place with a good relationship already established.</p> <p>The committee noted that the register was out of date and would welcome an updated version for the next meeting.</p>	
13/12/12/16	<p><b>JAC Forward Plan</b></p> <p>The committee were presented with the forward plan as at December 2016. The plan set out the items required for all the meetings in 2017, this contained all the Standard Items any Future Items, the detail expected, the responsible body, date of the last report and the date for the next report.</p> <p>A brief discussion took place and a few amendments were noted, these will be made by the Treasurer and document circulated to members.</p>	
14/12/12/16	<p><b>HMIC Peel 2016 Inspection – Efficiency Summary</b></p> <p>The committee were presented with a brief report. Inspections were carried out during March to June 2016. A positive picture is portrayed for both Warwickshire Police and West Mercia Police graded as 'good'.</p> <p>HMIC has not identified any causes of concern and made no</p>	



	<p>specific recommendations.</p> <p>A brief discussion was held and a query was raised as to how a Force reaches 'Outstanding' and would this be achievable as an Alliance. It was stated that HMIC do a pre-inspection and provide an outline, the requirements are very broad and subject to inspection interpretation and it is really hard to get to that point. Both Forces are not far off being outstanding, but being rated Good is good.</p> <p><b>Action: DT to forward to committee members the 2 page summary and report as well as the National report for information.</b></p> <p>The committee expressed their congratulations on the improvement and wished to thank all the staff involved with the inspection.</p>	DT
15/12/12/16	<p><b>HMIC Action Plan Summary</b></p> <p>The committee were presented with the HMIC Action plan. No action plans had been closed down since the last meeting. An update was provided on the live HMIC Action Plans status. Some updates were outstanding as these reports were not due for publication until December 16 and March 17, therefore a further update will be provided at the next meeting in March 2017.</p>	
16/12/12/16	<p><b>SSI Assurance and Action Plan</b></p> <p>The committee were provided with a recommendations summary report. Assurance recommendations are those recommendations resulting from the audits carried out by the SSI Assurance Team.</p> <p>Across both the Monitoring of Assurance Team Recommendations and the Internal Audit Recommendations report shows 77 in total in this quarter, of which 26 have been closed. This leaves 48 recommendations outstanding.</p> <p>A summary was provided on the outstanding / ongoing recommendations.</p> <p>IM confirmed that she had some very constructive meetings with the SSI team. The committee felt that the report had improved and were very pleased with the progress made.</p>	
17/12/12/16	<p><b>Members Points.</b></p> <p>None raised.</p>	
18/12/12/16	<p><b>AOB</b></p> <p>There were no items raised.</p>	
19/12/12/16	<p><b>Date, time and location of next meeting</b></p>	

	<p>Future meeting dates were discussed and approved by the Committee. Please see below the agreed dates and venues.</p> <p><b><u>Dates of Future Meetings</u></b></p> <p>Special Audit Committee Meeting – Appointment of External Auditors - Monday 13<sup>th</sup> February 2017 – Hindlip</p> <p>JAC Monday 20<sup>th</sup> March 2017 – Conference Room, Leek Wotton</p> <p>JAC Monday 19<sup>th</sup> June 2017 – Willison Room, Hindlip</p> <p>Special Audit Committee Meeting – Audited Statement of Accounts - Monday 31<sup>st</sup> July 2017 – Willison Room, Hindlip</p> <p>JAC Monday 18<sup>th</sup> September 2017 – Conference Room, Leek Wootton</p> <p>JAC Monday 11<sup>th</sup> December 2017 – Willison Room, Hindlip</p>	
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**Closed Session**

No	Summary	Action

Formal Approval of Meeting Record	
Signature:	
Print Name:	John Vereker – Chair of Joint Audit Committee

Meeting closed at: 15:55