

Warwickshire and West Mercia Joint Audit Committee Meeting Record

Date:	Monday 18 th September 2017, 14:00 – Conference Room, Leek Wootton
Chair:	Lynne Duffy
Minute Taker:	Alison Rixom

Audit Committee Members

	Name:	Capacity:
Attendance:	Lynne Duffy (LD)	Chair
	John Anderson (JA)	
	Dr. Sanjay Bhasin (SB)	
	Alan Day (AD)	
	Martin King (MK)	
	Gavin McArthur (GMcA)	

Offices of the Police and Crime Commissioner

	Name:	Capacity:
Attendance:	Sara Ansell (SA)	Head of Finance
	John Champion (JC)	Police & Crime Commissioner, West Mercia
	Andy Champness (AC)	Chief Executive
	Elizabeth Hall (EH)	Treasurer – Warwickshire/West Mercia
	Philip Seccombe (PS)	Police and Crime Commissioner, Warwickshire
	Robert Tromans (RT)	Deputy Police and Crime Commissioner, Warwickshire

Force

	Name:	Capacity:
Attendance:	Anthony Bangham (AB)	Chief Constable, West Mercia
	Heather Costello (HC)	Director of Finance, Warwickshire and West Mercia Police
	Karen Manners (KM)	Deputy Chief Constable, Warwickshire
	Ben Smith	Supt. Analysis & Service Improvement

Internal Audit

	Name:	Capacity:
Attendance:	Garry Rollason (GR)	Internal Audit

External Audit

	Name:	Capacity:
Attendance:	Joan Barnett (JB)	Grant Thornton
	Alex Walling (AW)	Grant Thornton

	Name:	Capacity:
Apologies:	Amanda Blakeman (AMB)	Deputy Chief Constable, West Mercia
	Jeff Carruthers (JC)	Head of Accountancy & Financial Services
	Martin Jelley (MJ)	Chief Constable – Warwickshire
	Neil Hewison	Chief Executive, Warwickshire PCC
	Tracey Onslow (TO)	Deputy Police and Crime Commissioner
	Jacqueline Sparkes (JS)	Internal Audit

Open Session

No	Summary	Action
01/18/09/17	Attendance & Apologies As above. The Chair welcomed everyone to the meeting. Introductions took place.	
02/18/09/17	Committee Members' Declaration of Personal and Prejudicial Interests None declared.	
03/18/09/17	Minutes of the Last Meeting and Matters Arising The minutes of the last meeting, held on 19 th June 2017, were signed off as a true and accurate record of the meeting. All actions completed except for those listed below: 04/20/06 – Annual Report 2015/16 of the Police and Crime Commissioner for Warwickshire (N. Hewison). 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 evaluation will take place later in the year. Action: An update to the committee is required at a future meeting. Update 19.09.16. Item ongoing bring forward to next meeting in	

	<p>December 2016.</p> <p>Update 12.12.16. A request was made for this item to be carried forward to the next meeting as work is still ongoing.</p> <p>Update 18.09.17. Item carried forward to the next meeting</p> <p>08/19/09/16 Place Partnership Assurance Report</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>Update 12.12.16. MK has commenced the process of reviewing the audit and will provide an update at the next meeting in March 2017.</p> <p>Update 20.03.17. Mk provided a brief update to the group. There are still some issues with PPL. Discussions ongoing and the outcome may impact on any review. C/fwd to next meeting.</p> <p>Update 18.09.17. An update was provided to the group under the Closed Session. A further update will be provided in due course</p> <p>05/20/03/17 External Audit Progress Report and Update for Warwickshire and West Mercia PCCs and CCs</p> <p>A brief discussion took place with regards to the Mental Health Trust and their interest in the new Crime Bill.</p> <p>Action: JB and LD to meet ahead of the July Audit meeting to go through the Accounts. Action completed. Discharged.</p> <p>04/19/06/17 Draft Unaudited Statement of Accounts</p> <p>Action: LD and LH to discuss and arrange a pre-meeting date with members before the extra ordinary meeting on 31st July 2017. Action completed. Discharged.</p> <p>05/19/06/17 Draft Unaudited Annual Governance statements (AGs)</p> <p>Action: LH to send a copy of the Scheme of Delegation to the new Committee members. Action completed. Discharged.</p> <p>07/19/06/17 External Audit – Informing the Audit Risk</p>	<p>CS</p> <p>MK</p>
--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------

	<p>Assessment</p> <p>Action: It was agreed that the Chair and Treasurer would look at organising a training programme for the new members, including some refresher training for the existing members.</p> <p>Update 18.09.17. A number of briefings were provided to the Committee at a pre-meeting, these included Professional Standards, an update on the Transformation programme, Internal Audit and Policing in Warwickshire. Some additional briefings and training sessions to be arranged prior to future meetings. C/fwd.</p> <p>08/19/06/17 External Audit Progress Report and Update for Warwickshire and West Mercia PCCs and CCs.</p> <p>Action; Chair to ensure a formal letter of thanks is sent to the Finance team from the Committee members. Action Completed. Discharged.</p> <p>09/19/06/17 External Audit 2017/18 External Audit Fee Letters</p> <p>Action: The Chair stated that when a member of the Audit Committee had been selected to lead on external audit a meeting was to be arranged with the External Auditors.</p> <p>Update 18/09/17. A member has been appointed and a meeting to be arranged. C/fwd to next meeting for update.</p> <p>10/19/06/17 OPCC Strategic Risk Register</p> <p>It was stated that Risk number 8 – no desired outcome registered. Action: The Head of Finance agreed to amend the section.</p> <p>Update 18/09/17. OPCC Strategic Risk Register amended. Action completed. Discharged.</p> <p>13/19/06/17 Change Programme Update</p> <p>Action: A copy of the presentation and the timeline to be forwarded to the PCC office for circulation to committee members.</p> <p>Update 18/09/17.</p> <p>Action: It was requested by the Committee that a further Change Programme update be done at the next meeting in September.</p> <p>Update 18/09/17. A briefing was provided to the committee members at a pre-meeting prior to the full JAC. Action complete. Discharged.</p>	<p>LD/LH</p> <p>LD – AR to check with LD</p> <p>LD / JB</p>
--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------

	The minutes were agreed as a true and accurate record of the meeting.	
04/20/03/17	<p>External Audit – Progress Report</p> <p>The Joint Audit Committee Progress Report and Update Year ending 31st March 2018 for both Warwickshire and West Mercia Chief Constable’s and Police and Crime Commissioners was submitted to members prior to the meeting.</p> <p>A short briefing took place by JB. Currently in the early stages of the Audit. One item has been completed and that is the ‘Planned Fee Letters for 2017/18 to both the Police and Crime Commissioner and the Chief Constables. JB stated that she is planning to meet with Mike Kaine in the near future to discuss the Interim accounts audit. It was noted that the file name on the header of the documents was incorrect and JB confirmed that she would amend the document and re-issue. Action: JB to re-issue the Progress Report and AR would circulate to the members. Completed 20.09.17.</p>	
05/18/09/17	<p>External Audit – Annual Audit Letters</p> <p>The Annual Audit Letters for both Chief Constables and Police and Crime Commissioners for Warwickshire and West Mercia were issued to members prior to the meeting.</p> <p>The letters summarise the key findings arising from the work carried out by Grant Thornton for the year ended 31st March 2017.</p> <p>It was confirmed that a detailed report on the findings from the audit work was presented to the PCCs and CCs at the JAC on 31st July 2017 and that Grant Thornton were satisfied that ‘Value for Money’ was being provided in that the PCCs and CCs had put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year ended 31st March 2017.</p> <p>The group had read through the documents and one question was raised, this concerned the Warwickshire Annual Audit letter and item 1 Risks identified in the audit plan, with regards to one property where the valuer subsequently provided an amended valuation which management were challenging.</p> <p>It was confirmed that an update was expected in late December.</p>	
06/18/09/17	<p>Internal Audit Progress Report 2017/18</p> <p>The Internal Audit Report was presented to the committee prior to the meeting. The report summarises progress against the agreed Internal Audit plan.</p> <p>It highlights the audit work undertaken since 1st April 2017</p>	

	<p>compared to the 2017/18 Internal Audit plan agreed by the Committee at the March meeting.</p> <p>The report follows the standard format for each meeting. We are in the early stages with the number of audits in progress, therefore not much completed to date. Those completed with final reports issued, are Performance Management (a summary of the findings attached to the report), Treasury Management and Crime Property.</p> <p>A question was raised as to why there were a number of outstanding audits from the IT area. It was stated that the auditors have had difficulties in progressing the audits, but since the report for JAC was prepared progress had been made.</p> <p>A suggestion was put forward that for future reports could the opinion from Appendix A within the report be included in the Summary.</p> <p>Action: It was agreed that GR would meet with GMcA and JA to understand the adequacy of the coverage and enhance the report in the future.</p> <p>Recommendation</p> <p>The Committee is requested to note the report.</p> <p>The Committee noted the report.</p>	<p>GR / GMcA / JA</p>
<p>07/18/09/17</p>	<p>Internal Audit – External Quality Assessment</p> <p>The Internal Audit – External Quality Assessment report was submitted to the committee prior to the meeting. The report summarises the arrangement for an external quality assessment of the internal audit service.</p> <p>Arrangements for an assessment have now been finalised and it will take place during February 2018. A draft report has been prepared for Warwickshire County Council’s audit committee providing more information about the assessment.</p> <p>The Section 151 offices and Chair of the Committee will be interviewed as part of the assessment and in due course the outcome of the exercise will be reported to the Committee.</p> <p>Included with the paper is a Self Assessment against IIA standards. The document shows that we are in a good place and many of the judgements are good.</p> <p>It was confirmed that a detailed report would submitted to the Committee when available.</p> <p>A question was raised with regards to staff recruitment. It was stated that this issue would be addressed by the time the assessment takes place as looking to recruit within the next couple of weeks.</p> <p>Recommendation</p> <p>The Committee is requested to note the arrangements for an</p>	

	<p>external quality assessment. The Committee noted the arrangements.</p>	
08/18/09/17	<p>Analysis and Service Improvement (ASI) – Monitoring Assurance & Action Plan</p> <p>The Joint Audit Committee Recommendations Summary report was submitted to the committee prior to the meeting highlighting the ongoing assurance recommendations.</p> <p>The Monitoring of Assurance Recommendations was discussed. The tracking spreadsheet contained 29 assurance audit recommendations open within this period. 1 has been completed, leaving 28 ongoing assurance recommendations.</p> <p>A summary was provided to the committee on the outstanding / ongoing recommendations.</p> <p>The Monitoring of Internal Audit Recommendations was discussed. The tracking spreadsheet contained 24 internal audit recommendations open with this period of which 16 have been completed, leaving 8 ongoing.</p> <p>A summary was provided to the committee on the outstanding / ongoing recommendations.</p> <p>The committee were informed that the department had recently changed its name from SSI to ASI (Analysis and Service Improvement).</p> <p>A request was made to show the meaning of the acronyms contained within the document (i.e. SNT – Safer Neighbourhood Team).</p> <p>Action: It was agreed that the document would be amended for the next meeting.</p> <p>A question was raised with regards to the tracker and what the information was based on. It was confirmed that it uses quantifiable evidence.</p>	BS
09/18/09/17	<p>HMIC Action Plan</p> <p>The HMIC Action Plan was submitted to the committee prior to the meeting and shows the action plans closed down since the last meeting.</p> <p>Peel Effectiveness 2015 and Peel Vulnerability 2015 are now both at request for closure, these have been submitted to HMIC.</p> <p>The Peel Vulnerability 2015 has been converted to the 2016 action plan re. Missing. All Missing actions from both are now completed.</p> <p>Efficiency, Legitimacy and Leadership 2017 is due for publication September 2017</p> <p>The last months reported figures are shown in brackets.</p>	

10/18/09/17	<p>OPCC Strategic Risk Register</p> <p>The OPCC Strategic Risk Register was circulated to the committee. The report identifies risks for both Warwickshire and West Mercia PCCs.</p> <p>One new action added to Item 1 (The risk of the Police and Crime Commissioner not meeting his statutory responsibilities) on the register is with regards to the changes to the document marking system to be implemented, ensuring that data is adequately protected whilst being transparent as possible.</p> <p>There has been progress since the last report was issued and a number of items are ongoing.</p> <p>No questions were raised.</p>	
11/18/09/17	<p>Joint Corporate Governance Framework Review</p> <p>The Joint Corporate Governance Framework Review was submitted to the Committee.</p> <p>The paper outlines the changes proposed to the Corporate Governance Framework as a result of a review which has been undertaken by the Chief Executive, Treasurer and Deputy Treasurer, Director of Finance and Head of Procurement, Director of Enabling Services and Head of Legal Services.</p> <p>A number of questions were raised regarding the interdependencies with Place Partnership’s business plan. It was confirmed that the changes to the Corporate Governance Framework come into effect when the PCCs have signed it off. PPL is a separate entity and is governed separately.</p> <p>There was an issue with the page numbering, which needs to be amended. Action: AC to amend the page numbering.</p> <p>Within the Financial and Contract Regulations on Page 79, para 9.5.3 the committee sought clarification on the EU threshold within procurement. It may or may not have been reviewed but is there any future proofing in place considering Brexit. It was confirmed that this would be future proofed.</p> <p>It was stated that the Joint Corporate Governance Framework would be reviewed every year and presented to the Committee for information and recommendation.</p> <p>Recommendation</p> <p>The Committee members considered the revised Corporate Governance Framework and approved the changes with the amendments to page numbering.</p>	AC
12/18/09/17	<p>Members Points.</p> <p>MK – in light of the fact that the West Mercia PCC is out to consultation on H&WFRS and Shropshire Fire Governance, is there anything that at some future stage the Committee would</p>	

	<p>need to be made aware of or need to be reviewed by the Committee.</p> <p>It was stated that at this point in time it would be wholly improper for this committee to review the Business Case. Should this be submitted this is a matter for the Government to review. They will make the final decision.</p> <p>It was stated that the Commissioner has been out to consultation, which has now closed as of 15th September 2017. People and organisations have submitted their views. The Commissioner will then make his decision as to whether he progresses on the result of the consultation. If he decides to proceed, a full business case will be prepared and submitted to the Government for review.</p> <p>It was suggested that an informal briefing to the Committee could be set up in December.</p> <p>It was stated the committee would not normally look at other Business Cases.</p> <p>The Commissioner for Warwickshire stated that some informal consultations have been undertaken. There is a different arrangement within Warwickshire as the Fire Service is a department of Warwickshire County Council. He would definitely be looking at the collaboration side. It is more complicated, and he would see how it goes elsewhere first.</p>	
13/18/09/17	<p>AOB</p> <p>The Commissioner for Warwickshire updated the Committee on the developments at the Leek Wootton site. The Warwickshire Police Headquarters building has been earmarked for disposal, this will be dependent on the completion of the new OCC building being completed. The local plan has been approved by Warwick District Council. The plan is for the site to become a development site and he is currently deciding whether to go for outline planning permission.</p>	
14/18/09/17	<p>Date, time and location of next meeting</p> <p>The date of the next meeting is Monday 11th December 2017 at 14:00 in the Willison Room, Hindlip.</p> <p>The Chair informed the group that the meeting in December would need to be moved to January 2018.</p> <p>Date confirmed as Thursday 11th January 2018 at 14:00 in the Willison Room, Hindlip.</p> <p>Action: LD and LH to discuss some alternative dates and AR to issue to the Committee. Completed.</p>	

Formal Approval of Meeting Record	
------------------------------------------	--

Signature:	
------------	--

Print Name:	Lynne Duffy, Chair of Joint Audit Committe
-------------	--------------------------------------------

Meeting closed at: 15:00