

Joint Audit Committee Meeting – PART A

Friday 6th April 2018

09:00, GF01, Kelvedon Park

PRESENT:-

Members: Chair: Jonathan Swan (JS); Simon Faraway (SF); Alan Hubbard (AH); Julie Parker (JP)

Office of the Police, Fire and Crime Commissioner (OPFCC): Police, Fire and Crime Commissioner Roger Hirst (RH); Deputy Police Fire and Crime Commissioner Jane Gardner (JG); Finance Officer Abbey Gough (Minute Taker)

Essex Police Force: Chief Constable Stephen Kavanagh (SK); Debbie Martin (DM); Nicola Newman (NN); Vicki Harrington (VH);

RSM: Anna O'Keeffe (AO); Holly Sheppard (HS)

Ernst & Young: Martina Lee (ML); Astha Joshi (AJ)

1. **Apologies for absence:** Mark Gilmartin, (MG); Charles Garbett (CG); Dan Harris (DH); Mark Hodgson (MH)
2. **Declaration of Interest**
None
3. **Minutes of the meeting held on 15th December 2017**
Minutes of the meeting were approved.
4. **Risk Register**
 - a. **OPCC Risk Register**
Part B agenda item
 - b. **EP Risk Management Report**
Part B agenda item
5. **Internal Audit Progress Report**
AO noted that the GDPR report had been delayed from earlier in the year and was just an advisory report therefore providing no opinion. The contract management audit has been started but will now help to form the 2018/19 opinion, however the delay will not affect the 2017/18 opinion.

SF questioned the number of days to respond to the draft audits. AO noted that often the more difficult audit can be left until the end. The JAC members questioned the 107 days taken to respond to the Estate Management audit report. AO said there was continuous dialogue surrounding this audit and that it had not been ignored.

JP asked what the escalation route was for management responses. AO said that DM and Amy Bridges will chase the action owners. In the case of the Estates Management audit it was due to the complexity of the audit and the number of people involved. AO will speak to DM and CG separately each month regarding the audits, however has never felt that there has been a deliberate delay in any audits.

AH asked whether there needs to be a tightening around management responses as 107 and 83 days is unacceptable. Should an issue be escalated if there has been no response after a certain length of time.

ACTION 01/18 – options for escalation of internal audit management responses to be considered - DM

SF said that resources required for an internal audit to take place should be considered early on to ensure that it is appropriately resourced and prevent delays, particularly at the scoping point. AO and DM confirmed that this process is in place.

Estates Management report was a partial assurance report. All the issues were agreed and it was noted that this was a helpful audit with no plans to revisit.

Creditor Payments received substantial assurance. JAC members noted that this was a good report.

Capital Accounting and Fixed Assets also received substantial assurance.

Athena Issues Management Report was an advisory report only; the report showed that there had been good progress. The report did highlight that the lessons learnt were not being disseminated which could help to reduce the number of user issues.

6. Essex Police Internal Audit Tracker

DM presented the report and noted that there were a number of actions outside of the due date. Work is taking place to understand if a recommendation has been superseded by another recommendation and how to address long term projects.

DM said that the firearms recommendation should soon be completed following the work being completed by a new lead

DM noted that the Financial Regulations have been updated however they need to be signed off by the OPFCC.

ACTION 02/18 – OPFCC to sign off Financial Regulations – AG/JG

AH thanked Essex Police for the additional work completed on the report.

JP referred to page 6 and the Partnership audit and the implication of those outstanding recommendations. DM said that Darren Horsman is the lead on the audit. JG said that Darren would provide a response. It was noted that this work

could be held up by external partners and that the final document should be signed off by RH and SK.

ACTION 03/18 – Darren Horsman to provide an update on the Partnership audit

7. Internal Audit 2018/19 Strategy

AO presented the internal audit strategy said that this had been discussed with CG, DM and other members of the Essex Police team. Risk register had been reviewed to develop the strategy.

JS noted that there were a significant number of projects included within the strategy for the year, and there were more days than there would normally be included. JS asked if a discussion was required regarding what audits could be removed from the strategy. It was agreed that this discussion could take place at the mid-year stage and a review of the strategy could take place.

The JAC members noted that it was a very comprehensive plan. JP said that availability of staff should be considered now when planning audits to ensure that there are no delays.

8. External Audit Plan 2017/18

ML presented that External Audit plan for 2017/18 for the PFCC and the Chief Constable. ML noted that the plan was similar to previous years. AJ provided an overview of the 4 significant risk areas included in the plan which are presumed risk of fraud in revenue recognition, management override, property valuation and IAS 19 and pension.

ML confirmed that the risk of property valuation referred to the potential for a material misstatement or incorrect accounting policy to be applied and no cash impact.

ML noted that early close down of the accounts would be applicable this year and testing had already taken place in some areas. Trial runs had taken place in previous years in advance of the early close down.

RH asked for the plan to be updated from PCC to PFCC and to include the most recent update from the Chancellor.

9. Single Tender Action

There were no STAs in the period.

10. JAC Options Paper

The board agreed option 1 which was for the part A minutes and papers to be published on the PFCC website after the meeting. The meeting would be held in private to ensure that it was possible to hold the relevant discussions whilst remaining as transparent as possible. Publication will take effect from the July 2018 meeting.

11. Date of the Next Meeting

6th July 2018

12. Any Other Business