

MINUTES – PART A
JOINT AUDIT COMMITTEE

13 December 2019, 1000 to 1200, GF01, Kelvedon Park

Present:

Jonathan Swan (JS)	Chair
Julie Parker (JP)	Independent committee member
Simon Faraway (SF)	Independent committee member
Alan Hubbard (AH)	Independent committee member
Roger Hirst (RH)	Police, Fire and Crime Commissioner
Abbey Gough (AG)	Interim Section 151 Officer
Pippa Brent-Isherwood (PBI)	CEO, PFCC's office
Ben-Julian Harrington (BJH)	Chief Constable, Essex Police
Debbie Martin (DM)	Chief Finance Officer, Essex Police
Kate Whittaker (KW)	Accounting Technician
Tom Simons (TS)	Ch Supt Strategic Change (standing in for VH)
Dan Harris (DH)	Internal Auditor, RSM
Anna O'Keeffe (AOK)	Internal Auditor, RSM
Camilla Brandal	Minutes, PFCC's office

Apologies:

Mark Gilmartin (MG)	Director of Shared Services (Essex and Kent Police)
Dr Vicki Harrington (VH)	Director of Strategic Change
Claire Heath (CH)	Head of Continuous Improvement, Essex Police
Paul Grady (PG)	External Auditor, Grant Thornton
Parris Williams (PW)	External Auditor, Grant Thornton

1 Introduction and welcome

JS welcomed everyone to the meeting and accepted apologies from MG, VH and CH. JS asked about MG's attendance and BJH confirmed that MG is on secondment for Essex Police dealing with the 7Forces project. BJH would deal with any queries on the Essex/Kent Police collaboration. Dr Harrington has a non-working day on a Friday which is why she has not been attending. An action was tabled to review the membership of the Committee for 2020.

2 Declarations of Interest

There were no Declarations of Interest.

3 Minutes from the meeting on 20 September 2019

- 3.1 There were no amendments to the minutes (Part A) of the previous meeting held on 20 September 2019 and they were subsequently approved. AH asked that under point 7.8 Estates Strategy the action for AOK be carried forward onto the Action Log as it did not appear to be there. AOK confirmed that from matters arising from the last meeting, the Risk Register that had been reviewed under Estates Strategy is called the Estates Transformation Programme Risks Action Report which reports into the Estates Change Board.
- 3.2 Part B minutes - AH asked about paragraph 6.3.7 where the question had been asked but the answer not recorded as he recalled. BJH confirmed that the consequences of the delay are being paid for by Essex Police.
- 3.3 SF asked about action 19/19 and that it be left as open until January 2020 when the action will be completed.
- 3.4 It was agreed that actions 15/18, 23/18, 24/18, 1/19, 2/19, 18/19, 20/19 and 21/19 on the Action log can be closed.

4 Action Log

- 4.1 Action 16/19 update
 - 4.1.1 The Committee were updated on the progress of the implementation of four recommendations made by Grant Thornton in their Joint Audit Findings Report. It was confirmed that these four recommendations relate solely to Essex Police and the PFCC's office and do not relate to the PFCCFRA.
 - 4.1.2 SF asked about the General Ledger codes issue where there seem to be 8 codes in SAP which had the detail changed to make it work and whether they had been looked at before or was this a new issue that Grant Thornton have picked up? DM confirmed that the balance sheet codes referred to had been in place since 2013 and that they were not new but Grant Thornton wanted a different way of setting them out.
- 4.2 Action 20/19 update
 - 4.2.1 BJH confirmed that rather than physically amending the S22, agreement would be sought and recorded via the Strategic Athena Management Board. There were a number of PCCs not present at the Board meeting where this was tabled but their agreement was secured after the meeting and sign-off granted at the subsequent Board meeting. The agreement is now agreed as a nine way split.
 - 4.2.2 SF asked whether the 2 Forces who had joined the Athena agreement had to pay any buy in costs? BJH said that he did not know whether they did and he could find out and report back.

Action: 22/19

BJH to find out whether there were any buy in costs for the 2 Forces who had joined the Athena agreement subsequently.

- 4.3 Action 21/19 update
- 4.3.1 A discussion took place around GDPR Governance and the recent Information Commissioner's Office ('ICO') Audit that had been undertaken. BJH confirmed that he was not aware of any serious issues from the debrief on the Audit but that he would bring the outcomes to the next meeting.

Action: 23/19

ICO report, including recommendations and outcomes to be brought to the March JAC

- 4.3.2 JP asked what provoked the audit and BJH confirmed that although this was a scheduled audit, every time there is a data breach, the Force refer themselves to the ICO as good practice. This scheduled audit was seen as a good opportunity to undergo a health check.

5 JAC Work Plan

After a discussion around item 12 on the Work Plan that relates to an item from the RSM audits on the Committee's effectiveness, it was agreed that AH would circulate an example of an effectiveness survey to AG for forwarding to Committee members.

6 Risk Register

- 6.1 PFCC's Office Risk Register

Dealt with under Part B

- 6.2 Essex Police Risk Management Report

Dealt with under Part B

7 Internal Audit Progress Report

- 7.1 DH gave an update on the programme and confirmed that there had been 6 final reports issued; 2 partial assurance opinions, 3 reasonable, and good progress opinion on the follow up review. The 2 draft reports that had been produced had been revised and reissued. There were 4 further audits in progress with drafts being issued shortly. The remaining audits have been scheduled in but there were some changes with a joint review with Kent around IT deliverability to be scoped.
- 7.2 SF asked why the two audits (with negative opinions) had taken longer to return than the normal 15 days? DH commented that the draft reports had reasonable assurance opinions and the delays were as a result of just needing to be signed off at Kent.
- 7.3 Software Licensing - a joint report with Kent resulting in a reasonable assurance but 4 medium priority management actions involving the Software Asset Management Procedure, Serious Crime Directorate (SCD) Contracts, SCD Budgeting and SCD Assurances. A general discussion took place around firewalls, how downloading information was managed and the set up that SCD currently have with computer access.

- 7.4 Road Risk Action Plan - a joint report with Kent resulting in a partial assurance, with 3 high priority and 2 medium priority actions. A general discussion took place around the insurance cover (and the definitions), financial implications, reporting arrangements and recommendations, and it was confirmed that any negative opinions are brought and scrutinised by the Joint Chief Officers' Group (and the PFCC's Senior Management Team) when they are issued.
- 7.5 Follow up Audit - AOK confirmed that of the 23 management actions followed up, 1 high, 8 medium and 13 low priority management actions had been implemented with 1 medium priority action not yet fully implemented.
- 7.6 Debt Collection and Recovery - AOK commented that a reconciliation of the General Ledger had not taken place since April 2019 due to staffing issues in Finance which had resulted in improvement needing to strengthen controls in relation to the reconciliation process.
- 7.7 General Ledger - AOK confirmed that there was a reasonable report with 2 medium priority actions; 1 around variance and 1 around user access. DM confirmed that the staffing issue was as a result of the team of 6 staff reduced to 3 due to long term sick and secondment for maternity cover but that they should be back up to full strength in the new year.
- 7.8 Firearms Storage and Destruction - AOK confirmed that there was a partial assurance opinion with 7 medium priority actions noted. After a discussion around the audit findings, it was confirmed that BJH would take the issues raised back to the Force for them to address. BJH would report back to the next meeting with an update.

Action: 26/19

The Force to provide an update on Firearms Storage and Destruction audit recommendations.

8 Essex Police Internal Audit Tracker

- 8.1 JS commented on the title of the Report where it makes reference to the Essex Police Audit Committee where it should be the Joint Audit Committee.
- 8.2 AH commented that he thought the format of the Report was better as he could see an action owner and a completion date but had one suggestion for the action references being tracked back by the insertion of the action being referred to. AH would also like to see the wording on the actions being clearer, with less 'vagueness' around timescales and who was dealing with the actions. DM confirmed that she had a meeting in January with the two members of staff who were currently looking after the Internal Audit system whilst the original member of staff is on maternity leave, and DM would raise the issues with them.
- 8.3 It was agreed that DM would send a proforma of the summary report to AH (via AG).

Action: 27/19

DM would send a proforma of the summary report to AH (via AG).

9 External Audit Progress Report

It was confirmed that any items arising from this Report had been dealt with at a pre-meeting with Grant Thornton and the Audit Committee members this morning.

10 Single Tender Actions

There were no Single Tender Actions to report this quarter.

11 Overview of External Inspections

Members found the report useful and it was agreed to keep this as a standing item on future Agendas.

12 Strategic Update on Athena Programme

Dealt with under Part B

13 Any Other Business

13.1 Catch-22 - Digital Transformation - this paper dealt with IT issues and resolutions that RSM wanted to bring to the Committee's attention. RH asked whether he could share this paper with the Essex Chamber of Commerce - DH confirmed that he could.

13.2 Trust in the Board Room - this RSM paper centred on effective corporate governance and was for the Committee to note.

13.3 It was confirmed that Jane Gardner, the Deputy Police, Fire and Crime Commissioner would attend in RH's place at the next meeting on 20 March 2020.

There was no other business and the meeting closed at 11.40 am.