

**MINUTES - PART A**  
**JOINT AUDIT COMMITTEE**

20 March 2020, 1000 to 1230, Telephone conference

**Present:**

Jonathan Swan (JS)	Chair
Julie Parker (JP)	Independent committee member
Simon Faraway (SF)	Independent committee member
Alan Hubbard (AH)	Independent committee member
Jane Gardner (JG)	Deputy Police, Fire and Crime Commissioner
Pippa Brent-Isherwood (PBI)	CEO, PFCC's office
Ben-Julian Harrington (BJH)	Chief Constable, Essex Police
Debbie Martin (DM)	Chief Finance Officer, Essex Police
Tom Simons (TS)	Ch Supt Strategic Change (standing in for VH)
Andy Begent (AB)	Head of Information Management, Essex Police
Patrick Duffy (PD)	Head of Estates, Essex Police
Dan Harris (DH)	Internal Auditor, RSM
Anna O'Keeffe (AOK)	Internal Auditor, RSM
Paul Grady (PG)	External Auditor, Grant Thornton
Parris Williams (PW)	External Auditor, Grant Thornton
Camilla Brandal	Minutes, PFCC's office

**Apologies:**

Roger Hirst (RH)	Police, Fire and Crime Commissioner
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

**1 Introduction and welcome**

JS welcomed everyone to the meeting and accepted apologies from MG, VH, CH and RH.

**2 Declarations of Interest**

There were no declarations of interest.

### 3 Minutes of the last meeting and matters arising

There were no amendments to the December 2019 Part A minutes and these were approved. There were no amendments to the December 2019 Part B minutes and these were also approved. There was one matter arising in the Part B minutes under 6.1.4 where reference is made to the Risk Appetite Statement as it should make reference to the Risk Management Handbook.

### 4 Action Log

- 19/19 PFCC's Office Risk Register  
It was agreed to leave this action open as it was now included on the Work Plan for June 2020.
- 22/19 Internal Audit Progress Report – Athena  
Update received on actions. Close.
- 23/19 Internal Audit Progress Report – GDPR  
On Agenda for this meeting. Close.
- 24/19 PFCC's Office Risk Register  
On Agenda for this meeting. Close.
- 25/19 PFCC's Office Risk Register  
On Agenda for this meeting. Close.
- 26/19 Internal Audit Progress Report – Firearms  
Update received on actions and recommendations. Close.
- 27/19 Essex Police Internal Audit Tracker  
AH has discussed with DM and a pro-forma has been included in the papers for today's meeting. Close.

#### Action 23/19 ICO Audit Update

BJH confirmed that the update paper presented to the meeting set out the progress and work that had been undertaken on the recommendations and concerns that had arisen following the voluntary ICO audit. AB is confident that the recommendations will be delivered. JS asked for clarification around GDPR and Data Protection items in the audit and AB confirmed that GDPR relates to non-operational matters and the Data Protection Act covers operational matters.

JP asked whether the ICO had provided any timelines for the recommendations to be complete and also how the Force compared with other similar Forces? AB confirmed that the ICO had agreed a timescale for each of the 75 recommendations with the Force with the anticipated completion date for all 75 being end September 2020. AB is of the opinion that Essex are mid table in the list of similar Forces with the ICO not finding the sorts of issues in Forces that they find elsewhere.

JS asked whether there was a fee connected to this voluntary audit and AB confirmed that it was done for free.

PBI confirmed that Laura Robbins, the Force's Data Protection Officer, has been in regular contact with the PFCC's office in terms of data and information sharing.

## 5 Joint Audit Committee Work Plan

JS asked about the Self Assessment item which has been moved to June. PBI confirmed that although the majority of the forms had been received, with the departure of Abbey Gough, the overarching report had not been compiled in time to be presented at this meeting. It was agreed that Self Assessment would be included as an Agenda item for June.

## 6 Risk Register

### 6.1 PFCC Risk Register

*Addressed under Part B*

AB left the meeting at 1044am

### 6.2 Essex Police Risk Register

*Addressed under Part B*

## 7 Approval of Internal Audit Plan and Internal Audit Charter

7.1 DH went through the proposed internal audit plan for 20/21 which is in a similar format to previous years. DH commented that RSM were content to continue to place reliance on the risks provided through the risk registers and assurance frameworks. Pages 6 to 10 of the Plan are the proposed programme of audits, pages 11 to 12 explains the reasoning behind the audits that will not be included in the 20/21 plan. DH confirmed that there will be a new audit carried out on the 7 Force procurement arrangements and that the scoping work is already underway.

7.2 AH asked when the Plan was agreed between the PFCC's office and the Force; is there an argument for buying more days to carry out the Plan; and, there was no audit for premises.

7.2.1 DH confirmed that the Plan had been discussed regularly since early January and the headlines had been given to DM for presentation at Chief Officers Group. JG confirmed that RH had been sighted on the Plan at a Senior Management Team meeting. BJH confirmed that the headlines had been agreed at Chief Officers Group. It was agreed that DH would put a comment into the Plan to say that the Plan had been seen and agreed by the PFCC and the Chief Constable.

### **Action: 01/20**

**It was agreed that DH would put a comment into the Internal Audit Plan to say that the Plan had been seen and agreed by the PFCC and the Chief Constable.**

7.3 AOK confirmed that 3 audits had been undertaken on premises (15/16, 16/17 and 17/18) and the actions from 17/18 would have been followed up in 18/19. It was felt that it was necessary to carry out another audit on the premises unless there were significant changes to the estate.

7.4 PBI commented that RH had raised a query around whether vetting and/or Bail and RUI could be brought into this financial year and swap them with the Grants process or Community Safety Partnerships but this would be picked up between RH and BJH and commented on at future Audit meetings.

7.5 DM commented that there has been a change in the legislation relating to IR35 which now means that this audit has been pushed back a year, thus freeing up some room for scope in the Plan.

## 8 Internal Audit Progress Report (RSM) and Highlight Report (EP)

8.1 AOK presented the Internal Audit Progress Report where two audits had been finalised; Treasury Management and Body Worn Video.

### 8.1.1 Treasury Management

This audit had a substantial assurance opinion with 1 medium priority action and 1 low priority action. The medium priority action concerned bank mandates not being subject to six monthly review requirements due to staffing issues.

### 8.1.2 Body Worn Video

This audit was carried out as a joint audit with Kent Police and resulted in a reasonable assurance opinion with 1 medium priority action relating to the use of cameras and footage being uploaded to Athena. There is an action in the audit to make sure that the information from pocketbooks is being recorded on Athena when it has not been recorded on camera. A brief discussion took place around using the camera to record and BJH confirmed that both Essex and Kent have clear instructions and guidelines as to when to use or not use Body Worn Video and as it is not mandatory to use Body Worn Video, it is up to each individual officer's discretion to do so.

8.2 DH went through the Internal Audit Progress Report and confirmed that there had been 2 Final reports and 5 drafts issued since the last meeting. The collaboration recharges audit report from 18/19 is still outstanding but this is being finalised due to commentary received from Kent Police.

8.2.1 AH commented that he felt that there was slippage in the target dates and asked whether there was a particular reason for this? DH confirmed that two reviews on payroll and creditors were due to RSM sickness becoming long term sick. However, of the 5 reports that are in draft; 1 is advisory, 3 are positive opinions and 1 is partial. JS asked whether these would be ready for the June meeting and DH confirmed that he hopes that they will all be ready for June.

## 8.3 Highlight report (EP)

8.3.1 DM presented the Force's summary of the outstanding 4 reports which had yet to be signed off. These were:

8.3.1.1 Information Asset Owners report will be taken off the list and taken forwards as a Management Action in order to close it.

8.3.1.2 The Software Licensing report's spreadsheet was sent to DM as a pro-forma and she had returned it requesting a completed spreadsheet.

8.3.1.3 The Creditors Payment audit had 3 parts to it; parts 1 and 3 have been completed and part 2 is happening but more evidence is required before DM can sign it off.

8.3.1.4 More evidence is required on the other Software Licensing issue before DM can sign it off.

The Committee agreed that these final reports could now be closed off.

- 8.3.2 DM went through the Audit Summary which set out the 15 audits that were outside the due date (9 medium and 6 low recommendations). 3 of the mediums and 1 of the low reports were detailed in Section 1 of the report, with the remainder being detailed in Section 3.
- 8.3.3 AH confirmed that he and DM had had a conversation about the report and commented that maybe it was too long but that this was a matter for the Force to consider. AH asked for confirmation on some of the wording on the firearms action concerning the armourer, as it seemed to be a repeat but not saying anything. DM confirmed that it was difficult to clarify this as the particular wording had been taken from another report.
- 8.3.4 JP asked about the IT Disaster Recovery report which had an original completion date of June last year but which has now been moved to May this year. It is showing as a medium risk and is the one year delay increasing the delay in any way? BJH confirmed that he would look into this and bring the update to the next meeting.

**Action: 02/20**

**BJH to ascertain the reason behind IT Disaster Recovery report's original completion date of June 2019 moving to May 2020 and update at the June meeting. It is thought that this relates to handheld devices.**

- 8.4 The Committee wanted to thank AH and DM for their work on this revised format.

9 External Audit Progress Report

- 9.1 PG went through the Grant Thornton Audit Plan which set out the regulatory drives which had had an effect on the scope of the audits and the additional work that was having to be carried out on enhanced checking of paperwork.
- 9.2 The Plan sets out the key matters impacting the audit, the group audit scope and risk assessment, significant risks that have already been identified (funding arrangements for the uplift of officers, Peel assessments and accounting developments around leases), other risks identified, materiality, value for money arrangements and audit fees. PG set out Grant Thornton's Covid19 contingency plans. PG confirmed that the local government accounts submission date had been deferred to 30 September rather than 31 July, and that Companies House had put a 3 month extension in place for submission of annual documents.
- 9.3 PW confirmed that a workshop had been hosted by Grant Thornton for EP finance colleagues and their peers from other forces and local government bodies to discuss accounting issues that will arise in 19/20. PW also confirmed that the initial Risk Assessment visit had been undertaken by Grant Thornton to look at the systems that were in place and which flagged no issues. The early substantive work testing the accounts as much as possible is being undertaken with the samples already having been selected.
- 9.4 JS asked about the property valuations piece of work and PG commented that it is now a requirement for all bodies to look at property valuations under 'material evaluations'. The Redmond Review is specifically looking at regulatory public sector audit and whether another regulatory body is better placed to oversee them. Currently the audits are 'owned' by the Financial Reporting Council ('FRC').

- 9.5 PG also commented that the Covid19 pandemic will mean that auditors will need to have a look at the up to date position at the managing date of 31 March to ensure that the values reflect the current position and may involve financial disclosure from a non adjusting perspective.
- 9.6 JP asked about the valuations and whether anything has been put in place to carry out the valuations/ inspections over the next 6 months due to Covid19 under special circumstances especially if there is difficulty accessing buildings or providing staff to undertake the inspections? PG confirmed that the FRC have stated that Covid19 cannot be allowed to undermine the quality of the audits and financial reporting and that the inspections will need to be made but maybe at a later date.
- 9.7 JP also asked about Page 9 of the Plan, under the fourth bullet point concerning 'giving electors the opportunity to raise questions about your 2018/19 financial statements' and commented that it should be 2019/20. PG confirmed that it should be 2019/20.

## 10 Agreement of external audit fees and plan

- 10.1 After discussion of the fees, the Committee recommended the proposed fee as acceptable to the PFCC, and JG confirmed that RH was happy to agree the fee.
- 10.2 JS wished to thank everyone, on behalf of the Committee, for their engagement in the audit process and asked that JG, PBI, BJH and DM pass down their thanks to the staff for maintaining a positive relationship with both auditors which is clearly reflected in the audit reports.

## 11 Single Tender Actions

- 11.1 BJH commented that at present there may be a requirement to extend current contracts, for example, for the procurement of hand sanitizer, and this may lead to more direct awards with suppliers being undertaken.
- 11.2 There were no Single Tender Actions to report.

## 12 Overview of External Inspections

- 12.1 TS went through the External Inspections report which was written before Covid19 had started to have an effect on the inspections regime. TS confirmed that the PEEL inspection will be delayed but that the Force Management Statement and the Business Plan are still being progressed with for the coming year.
- 12.2 After discussion, and with thanks to the Force for providing it, it was agreed that the Overview of External Inspections could be removed as an Agenda item.

## 13 Deep Dive on Estates Strategy

- 13.1 PD presented the Estates Strategy which provided a overview of the original Estates Strategy drawn up in 2014 and the subsequent revised Strategy which now covers 2018-2023.
- 13.2 Items that were covered in the paper included the Governance and Oversight of the Strategy, achievements, the current programme (which included an update on the refurbishment of Chelmsford police station, the site at Boreham and the Police HQ site). The report also covered details on the financial implications of the current

and future disposals programme, the capital investment programme and risk management issues.

- 13.3 JS thanked PD for his very informative report and wanted to ask how the public were consulted on the previous and future disposals. BJH confirmed that this was dealt with at the Commissioner's public meetings
- 13.4 JG wanted to thank PD, BJH and all PD's team for the incredible amount of work that has gone in to the Estates Strategy and wanted to reassure the Committee that the Strategy is in place to allow the reinvestment of monies back into the policing front line which, in turn, will allow the public to see that there is more visible policing in the county. JG confirmed that the public meetings and the consultations are emotive due to the 'people wedded to buildings' concept but she is of the opinion that there has been a change in public perception around the need for a more agile police force which has meant a lesser need for a building for the police to work from.
- 13.5 JP asked how the Strategy is reviewed overall and whether there is a process in place for this. PD confirmed that the Strategy is reviewed annually by the Strategic Estates Board and the Commissioner but wanted to reassure the Committee that the Strategy is reviewed at a lower level constantly to deal with the changing environment.

#### 14 Any Other Business

There was no other business and the meeting closed at 12.30pm.