

MINUTES – PART A
JOINT AUDIT COMMITTEE

26 March 2021, 10.00am to 12.30pm, via Microsoft Teams

Present:

Jonathan Swan (JS)	Chair
Julie Parker (JP)	Independent Committee Member
Simon Faraway (SF)	Independent Committee Member
Jane Gardner (JG)	Deputy Police, Fire and Crime Commissioner
Pippa Brent-Isherwood (PBI)	Chief Executive & Monitoring Officer, PFCC's office
Janet Perry (JPe)	Strategic Head of Performance & Resources, PFCC's office
Julia Berry (JB)	Head of Finance and S151 Officer, PFCC's office
Ben-Julian Harrington (BJH)	Chief Constable, Essex Police
Matthew Tokley (MT)	Corporate Accounting Manager, Essex Police
Claire Heath (CH)	Head of Continuous Improvement, 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
Carla Bailey (CB)	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, Essex Police
Debbie Martin (DM)	Chief Finance Officer, Essex Police

1 Introduction and Apologies

- 1.1 JS welcomed everyone to the meeting and introductions took place.
- 1.2 Apologies were accepted from RH, MG, VH and DM. JG clarified that RH passed on his sincere apologies for being unable to attend the meeting as he was involved in a matter at Westminster.

2 Declarations of Interest

- 2.1 There were no declarations of interest to note.

3 Minutes of the last meeting and matters arising

3.1 20201218 – Part A Minutes

- 3.1.1 JP clarified that, on page 2 of the minutes, point 3.4.1, the initials should be “JPe” and not “JP” as it related to Janet Perry not Julie Parker.
- 3.1.2 JS clarified that, on page 4 of the minutes, point 7.3.5.2, the comment in respect of being an internal issue related to the organisations requesting the grant money and was not an internal issue with the PFCC’s office.
- 3.1.3 JS raised that two candidates were successfully selected for the vacant roles of Independent Committee Members for the Joint Audit Committee and both had accepted their offers. The vetting process was still taking place however it was hoped they would be present at the next meeting in June 2021.
- 3.2.4 In response to a question raised, PBI confirmed that an induction programme was being arranged for the two new committee members.
- 3.2.5 JP confirmed that the committee members had been provided with a copy of the Annual Audit Letter.

3.2 20201218 – Part B Minutes

- 3.2.1 JS clarified that the discussion on page 2 of the minutes, point 7.1.10, was more specific to whether the Risk Register was being used fully and not just in relation to the size of the font.
- 3.2.2 PBI confirmed that, also in 7.1.10 it should read “PBI and” not “PBIand”.
- 3.2.3 The Part A and Part B minutes, subject to the above amendments, were approved.

4 Action Log

- 07/20 Delivery of the Local Business Case
PBI clarified that ‘MAIC’ stood for Multi Agency Information Cell. This action related to an agenda item at the meeting. Close.
- 11/20 PFCC Risk Register
JPe confirmed this had been discussed with JS and it was agreed that EU exit was no longer required to be included as a strategic risk, but the position will be monitored. Close.
- 15/20 External Audit Findings Report
This wording had now been updated. Close.
- 16/20 Joint Audit Committee Work Plan
The items had been added to the Work Plan. Close.
- 17/20 Any Other Business
The date of the meeting was changed to 1 October 2021. Close.

- 4.1 MT raised that the new meeting date of 1 October 2021 would cause problems for Corporate Finance due to the new statutory deadlines. Agreed that the meeting would revert back to the original date of 24 September 2021.

Action: 01/21

Meeting date to be changed back to 24 September 2021. CB to revise meeting invitation and circulate.

5 Joint Audit Committee Work Plan

- 5.1 In respect of a question raised, DH confirmed that the Internal Audit Plan would be presented to the meeting in June – it would have ordinarily come to the March meeting but did not on this occasion due to the internal audit service being re-procured this year.
- 5.2 It was agreed that the self-assessment report would remain in July and that it would be communicated to the ECFRS Audit Committee that their workplan should be changed to show this in July rather than June.
- 5.3 BJH requested that the Background Briefing topic for the December 2021 meeting be decided and communicated as soon as possible.

6 External Audit Progress and Sector Update

- 6.1 PW provided an overview of the progress and the workplan tracker which was detailed on page 5 of the report. PW added that there had been lots of positive work recently and was grateful to the finance teams for their quick responses.
- 6.2 In response to a question raised PW confirmed that a 'Letter to Management' had been sent to the PFCC and Chief Constable and the assurances were still coming through. The deadline was on 16 April 2021.
- 6.3 JS clarified that the Chair does not receive these letters as the committee has no decision-making powers, it is an advisory body.
- 6.4 PW explained that there was one red item which was for IT General Controls. The reason this was marked as red was because it takes longer to process however there were no issues identified so would move to green.

7 External Audit Joint Audit Plan

- 7.1 PG presented the report and detailed the most significant risks. PG further explained that there was a change in the way the Value for Money (VFM) work was processed which involved a more intelligent narrative. It would be wider focusing and provided readers with a more informed picture.
- 7.2 A discussion took place on the external audit fees increase. PG clarified that this was due to the additional work required due to the increased scope of the audit.
- 7.3 PG added further detail around new approaches to certain areas of work such as estimating. There would be an enhanced reporting process and additional challenging of management decisions. The intention was to have greater assurance at the end of the process.
- 7.4 JB explained that there was nothing prohibiting the external auditors increasing their fees however she would look into the explanation provided.

8 Risk Register

8.1 PFCC Risk Register

Dealt with under Part B

8.2 Essex Police Risk Register

Dealt with under Part B

9 Internal Audit Report (RSM) and Highlight Report (EP)

9.1 DH outlined the key messages provided in the paper. There were 10 reports dealt with and DH gave thanks to the PFCC and Essex Police for their contributions. There was a good level of assurances which was very positive.

9.2 DH confirmed that the new internal audit contract would be signed in the coming weeks and that RSM was delighted to be re-appointed. Meetings were being arranged with colleagues and the new programme of work would be commencing in the new financial year.

9.3 SF gave thanks to everyone involved in the large amount of work that had been done.

9.4 AOK presented the audits that had been finalised as follows:

9.4.1 Proceeds of Crime (POCA)

9.4.1.2 AOK that there was only one action which was related to spot checks, however the restrictions due to Covid-19 may have impacted on this.

9.4.2 Independent Advisory Groups

9.4.2.1 The one area to note was that there were no minutes for these meetings. JG confirmed that together with the force this would be resolved.

9.4.3 Debt Collection and Recovery

9.4.3.1 This attracted substantial assurance and therefore AOK had nothing further to add.

9.4.4 General Ledger

9.4.4.1 This attracted substantial assurance and therefore AOK had nothing further to add.

9.4.5 Overtime

9.4.5.1 This attracted substantial assurance and therefore AOK had nothing further to add.

9.4.6 Community Safety Partnerships

9.4.6.1 This attracted reasonable assurance with a medium priority action that three out of the five funding forms had not been processed which may have resulted in a delay in funding.

9.4.6.2 PBI added that she was not aware of this issue until having read this audit report and would therefore follow it up, however was confident that this was due to a particular

set of circumstances in relation to a change in personnel rather than an ongoing problem.

9.4.7 Treasury Management

9.4.7.1 AOK had nothing further to add to the report.

9.4.8 Follow Up Part 2

9.4.8.1 AOK had nothing further to add to the report.

9.4.9 Capital Accounting and Fixed Assets

9.4.9.1 AOK had nothing further to add to the report.

9.4.10 Creditor Payments

9.4.10.1 AOK reported that this attracted reasonable assurance, however there were not any new actions. Debbie Martin will be further tightening the controls before sign-off.

9.5 JS commented that this was a very good set of reports with strong assurances, and very pleasing to see.

9.6 Highlight report (EP)

9.6.1 MT outlined the summary provided in the report and explained that the first section on page 2 covered the work that had progressed but, as yet, there was no evidence to sign off as completed.

9.6.2 In response to a question raised, BJH confirmed that those weapons in storage are deactivated and the restrictions of Covid-19 may have impacted the usual process of staff moving equipment. The internal recovery plan would seek to rectify issues caused by such restrictions.

9.6.3 JS commented that the work on this was excellent and the presentation was really clear. The early completion dates were most welcome.

10 Single Tender Actions

10.1 BJH confirmed that there were two Single Tender Actions which related to the use of Athena. The costs were relatively minor in comparison to the cost of the contract.

10.2 These were noted.

11 Any Other Business

11.1 In relation to the matter discussed earlier at 7.4, JB informed the Committee that the extension to the contract with Grant Thornton to the value of £59,000 was negotiated by 7F Procurement and signed on 25 January 2021. This is the contract amount quoted in the Audit Plan presented at the JAC.

11.2 JG and BJH provided their thanks for the work Grant Thornton and RSM have completed in conjunction with Essex Police and the PFCC's office.

11.3 There being no further items of business the meeting closed at 12.12pm.