

DRAFT MINUTES – PART A
JOINT AUDIT COMMITTEE

18 March 2022, 10.00am to 12.30pm
GF01, Kelvedon Park / Microsoft Teams

Attendees:

Jonathan Swan	Chair
Julie Parker	Audit Committee Member
Simon Faraway	Audit Committee Member
Kashyap Pandya	Audit Committee Member
Sonya Edwards	Audit Committee Member
Roger Hirst	Police, Fire and Crime Commissioner
Pippa Brent-Isherwood	Chief Executive & Monitoring Officer, PFCC's office
Darren Horsman	Deputy Monitoring Officer, PFCC's office
Janet Perry	Chief Finance Officer / Strategic Head of Performance and Resources, PFCC's office
Ben-Julian Harrington	Chief Constable, Essex Police
Debbie Martin	Chief Finance Officer, Essex Police
Mark Gilmartin	Director of Shared Support Services, Essex Police
David Levy	7F Head of Strategic Procurement
Morgan Cronin	Chief Superintendent, Strategic Change, Essex Police
Dan Harris	Internal Auditor, RSM
Anna O'Keeffe	Internal Auditor, RSM
Paul Grady	Grant Thornton
Parris Williams	Grant Thornton
Carla Bailey	Scrutiny Officer, PFCC's office (minute taker)
Apologies:	
Dr Vicki Harrington	Director of Strategic Change and Performance, Essex Police
Jane Gardner	Deputy Police, Fire and Crime Commissioner

1 Introduction and Apologies

- 1.1 JS welcomed everyone to the meeting and introductions took place. It was noted that the meeting was taking place both in person and via Microsoft Teams.
- 1.2 Apologies were provided for Dr Vicki Harrington and Jane Gardner.

2 Declarations of Interest

- 2.1 There were none.

3 Minutes of the last meeting and matters arising

3.1 20211217 – Part A Minutes

3.1.1 These were agreed.

3.2 20211217 – Part B Minutes

3.2.1 These were agreed.

4 Action Log

04/21 Estates Visit

New dates still to be arranged – MC would now be working on this with the Independent Members as restrictions have been lifted. Remain open.

11/21 Oversight of the Scheme of Governance

Due in September 2022, ongoing work. Remain open.

15/21 Review of the 2022 Draft Joint Audit Committee Work Plan

Background Briefings for Fleet Electrification, Media and Social Media Policies and Cyber Security were added to the 2022 Work Plan. Close.

16/21 Review of the 2022 Draft Joint Audit Committee Work Plan

Annual Report from the Chair was added to the 2022 Work Plan. Close.

17/21 Review of the 2022 Draft Joint Audit Committee Work Plan

Approval of Internal Audit Plan and Internal Audit Charter was moved to June 2022. Close.

18/21 Terms of Reference

Wording on Page 7, Item 11, was changed from PCC to PFCC. Close.

19/21 Progress Against External Audit Recommendations

This was due in June 2022. Remain open.

20/21 Proposed dates of meetings in 2021

The date of the September meetings has been moved to 23 September 2022. Close.

5 Joint Audit Committee Work Plan

5.1 It was agreed that the Work Plan was correct.

6 Internal Audit Progress Reports

6.1 DH provided an overview of the report. The Key Messages were:

- Since the last meeting RSM had issued five final reports from the 2021/22 internal audit plan.
- A further three reports had been issued in draft and they expected to be able to issue the final reports shortly.
- With the exception of one audit that was due to commence in late March, and one where the scope was being reconsidered, the fieldwork for all remaining audits was either complete, with the draft report expected to be issued soon, or in progress. However, there were some audits for which the completion date had been delayed due to the late provision of information or client staff unavailability.

6.2 AOK outlined the reports as follows:

6.2.1 Off-Payroll Workers

This was completed in September 2021. Not all of the information required was received. 15 actions were agreed.

In response to a question raised DM confirmed that there were no employees that fell into the category. She was confident that by mid-May all of the recommendations would be in place. Work was taking place with tax advisors to ensure that the forms were completely correctly in the first instance.

AOK clarified that the term “new recruit” referred to a “new joiner” and not exclusively a police officer.

DM confirmed that it was in the contract that agencies were not able to send substitutions.

DH clarified that this piece of work was a review, and not an assurance piece, as it was felt that it would carry more value being an advisory review. He further added that it would be referenced in the overall audit opinion and had this been an audit the opinion would have been negative with minimum assurance.

BJH provided reassurance that the work was coming through the Chief Officer groups and would therefore be followed up.

6.2.2 Complaints Reviews

AOK outlined that this was a two-part review comprising of assurance and advisory.

In response to a question raised JPe clarified what a complaint review was in terms of it being a PFCC function to review any finalised Essex Police complaints should the complainant request it. RG added that due to a change in legislation in February 2020 the process altered which resulted in a large increase in the volume of complaint reviews received.

AOK explained that there were some historic issues with the spreadsheet however since the new team had taken over the process and recording was more robust.

In response to a query JPe confirmed that a monthly dip sample took place of Essex Police complaints as part of the Professional Standards Department quarterly meetings with the PFCC's office.

PBI confirmed that all recommendations had been accepted by Essex Police in terms of those raised from complaint reviews.

6.2.3 Stop and Search

AOK outlined that issues were identified such as a lack of Terms of Reference in place for the External Body Worn Video Panel and with the consistency of information being recorded at its meetings, as well as with up-to-date information on the Force's Stop and Search performance not being held on the public website.

RH confirmed that there were quarterly reports published on the PFCC's website therefore it may be that some further work needed to take place to align it.

6.2.4 General Ledger

AOK outlined that controls were well-designed, and the Force had a Control framework document to set out key control activities and controls in place to monitor these activities. However, the Control Framework document was not being consistently updated in a timely manner. A sample testing of journals found that each was either supported by a journal template form or a reviewed reconciliation. Weaknesses were identified in control in relation to the timely completion and review of control account reconciliations, for which management action was agreed in the debt collection and recovery report, and weaknesses with regards to the timely review of the journal log. The requirement to complete a six monthly review of SAP user access had not been adhered to during 2021/22. The Debt Collection and Recovery report also included a management action for the Financial and Procurement Regulations to be reviewed.

DM added that delays were due to only half of the team were in place at the time.

6.2.5 Capital Accounting and Fixed Assets

AOK concluded that there was a well-designed control framework in place to properly account for the Force's capital assets and testing confirmed that associated controls were operating effectively. Only one low priority management action which related to minor discrepancies identified in the asset details between the asset register and valuations provided.

7 Audit Recommendations Tracker

7.1 DM outlined the report provided and confirmed that the GDPR recommendation would not be on the June report.

7.2 Superintendent Naomi Edwards was leading on the Community Safety Partnerships work, which had been signed off.

7.3 Leavers and Movers was awaiting evidence to be submitted.

7.4 JS commented that there had been good progress on these and thanked DM and her team.

8 External Audit Progress Report and Sector Update

8.1 PG outlined the report and added that there was one piece of work that could not be completed from 2021 which was awaiting guidance from the Treasury.

8.2 Grant Thornton were in the midst of planning work for the 2021/22 audit, which was going well. PG confirmed that meetings would be taking place with RH and BJH soon. The Audit Plan would be presented at the June 2022 Joint Audit Committee.

8.3 In response to a question around the issues faced relating to the delay pension work with BDO, PG commented that many Essex authorities would be in the same situation. RH added that he would pick this up as at the moment he was not sure that anyone in Essex was applying any pressure.

8.4 MG provided clarification on the Value for Money (VFM) profiles and that all forces with the exception of the City of London Police and Metropolitan Police were being included in the analysis. The recent major cyber threat was dealt with effectively and all attempts to get through the Essex Police security has failed.

8.5 JP raised the question as to whether the Value for Money report could be received earlier next year. PG confirmed that the VFM team had expanded and there were hopes to deliver the report prior to the Christmas period.

9 Update, if any, on Fraud and Debtors Write-Offs

9.1 There were none for this period.

10 Single Tender Actions

10.1 DL confirmed that there were two to report this period:

Senior Leadership Apprenticeships with the University of Cambridge

There was only one supplier that could provide this service. The cost was £22,800.

Graduate Training & Recruitment

Similarly, there was only one supplier. The cost was £139,500.

10.2 In response to a question raised DL confirmed that there were 10 people from the graduate recruitment. The programmes ensured that Essex Police met national targets. BJH added that it was subsidised from the Home Office and provided a diverse route into the Force,

11 Risk Register

11a PFCC Strategic Risk Register

JPe outlined the report provided and confirmed that there were five news risks due to the re-alignment of the Risk Register with the new Police and Crime Plan.

There were two risks which had deteriorated:

- Legally Qualified Chairs for Misconduct Hearings
- Setting the Budget

RH clarified the position with the Legal Qualified Chairs (LQCs). The national position was that they were being advised that the indemnity provided by PCCs/PFCCs was inadequate.

In relation to the risk of failing to set the budget, JPe clarified that this was due to the current economic uncertainty which is why this risk was elevated. RH added that the government was committed to 20,000 police officers in the uplift programme and therefore the risk of failing to set the budget should be recognised as a real risk.

In response to a question raised RH confirmed that mental health was address in the risk around protecting vulnerable people, and currently was red.

A discussion ensued around the language used in the Risk Register and JPe agreed that she would look into potentially revising this.

ACTION 01/22

JPe to look at the wording in particular around the phrase “priority not realised” on the PFCC Strategic Risk Register.

11b Review of the PFCC's Risk Appetite Statement

PBI outlined the report and confirmed that this was brought to the meeting to present the PFCCs biennial review of the Risk Appetite Statement and to seek endorsement.

In response to a question raised PBI confirmed that this was communicated to colleagues through monthly full office meetings and regular emails. It was also requested that decision report authors made reference to the Risk Appetite Matrix.

It was agreed that the Joint Audit Committee:

- Continued to endorse the Risk Appetite Matrix, and
- Endorsed, or amended as necessary, the Risk Appetite Statement 2022/23

11c Essex Police Strategic Risk Register

MC presented the Essex Police Strategic Risk Register and confirmed that there were now 12 strategic risks, two of which were new and one risk had been reduced to a management risk. The main changes were as follows:

Increase to risk score:

- 2430 Cyber & Data Security & Cyber Attack Prevention – change in risk score agreed from 45 to 60.
- 1728 Digital Disc Security – change in risk score agreed from 30 to 45.

Reduction in risk score:

- 1131 Data Quality –change in risk score agreed from 30 to 20.

New risks added to the strategic risk register:

- 2622 Responding to the high levels of high harm offending in the county –accepted on the strategic risk register to be progressed under T/ACC Pavelin’s portfolio
- Capacity and Capability on local policing teams –accepted on the strategic risk register to be progressed under ACC Nolan’s portfolio

De-escalation of risk:

- 2205 Covid-19 –reduction in current risk score from 20 to 10 with action agreed to de-escalate the risk to management level register with the risk being reviewed further at the DCC Led Covid Recovery Co-ordination Group (CRCG).

JS thanked MC and the Force for their work on the Risk Register.

12 Background Briefing – Communications

12.1 MG present the item which focused on the Emergency Services Mobile Communications Programme. The following explained the situation with the programme:

- The Home Office was leading a cross-government programme to deliver the new Emergency Services Network (ESN) critical communications system.
- This would replace the current Airwave service used by the emergency services in Great Britain (England, Wales and Scotland) and transform how they operate.

12.2 A discussion took place on the benefits and issues with the programme for Essex Police. MG added that a report was due in the Spring with further details being finalised in the Summer, which would set the scene on how this programme should move forward in the future. MG further confirmed that as Essex Police was part of the Eastern Region the procurement process would be completed with the other Forces in the region.

13 Any Other Business

13.1 In response to a concern raised regarding the situation in Ukraine, BJH reassured the committee that there had been no change to the Force’s counter terrorism threat and that relationships built through work during the pandemic had been utilised.

13.2 MG raised a personnel matter and confirmed that the commissioner had also been made aware.

13.3 JS requested that RSM left the meeting for the following discussion. DH and AOK left at 12.32pm.

13.4 DL explained the current situation with the Internal Audit Procurement and confirmed that the mini competition would commence on 28 March 2022 and close on 20 April

2022. The contract was due to begin on 1 July 2022. DL confirmed that JS, PBI and JPe were on the Essex Panel for this exercise.

14 Proposed dates of meetings in 2021

14.1 The dates were agreed.

15 Confirmation – Items for Part A and Part B Minutes

15.1 It was agreed that all items were for inclusion in Part A of the minutes.

16 Independent Members and Auditors Discussion

16.1 This was to take place outside of the formal meeting.

There being no further items of business the meeting closed at 12.40pm.