

DRAFT MINUTES – PART A

JOINT AUDIT COMMITTEE

22 September 2023 10.00am to 12.30pm

GF01, Kelvedon Park and via Microsoft Teams

Attendees:

Julie Parker (JP)	Independent Audit Committee Member (Chair)
Sonya Edwards (SE)	Independent Audit Committee member
Simon Faraway (SF)	Independent Audit Committee Member
Kashyap Pandya (KP)	Independent Audit Committee member
Roger Hirst (RH)	Police, Fire and Crime Commissioner
Pippa Brent-Isherwood (PBI)	Chief Executive & Monitoring Officer, PFCC's office
Janet Perry (JPe)	Chief Financial Officer/ Strategic Head of Performance and Resources, PFCC's office
Jeremy White (JW)	Finance Manager, PFCC's office
DCC Andrew Prophet (AP)	Deputy Chief Constable, Essex Police
Fiona Henderson (FH)	Director of Continuous Improvement and Analytics, Essex Police
Debbie Martin (DM)	Chief Finance Officer, Essex Police
Claire Medhurst (CM)	Director of Kent and Essex Support Services
Esther Beaumont (EB)	7F Head of Category Management, Essex Police
Dan Harris (DH)	Partner and Head of Internal Audit, RSM
Zoe Hibbert (ZH)	Manager, RSM

Guest:

Richard Leicester (RL)	Director of HR, Kent & Essex Police
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Apologies:

David Levy (DL)	7F Director of Commercial Services, Essex Police
CC Ben-Julian Harrington (BJH)	Chief Constable, Essex Police
Parris Williams (PW)	Grant Thornton
Joanne Brown (JB)	Grant Thornton

1 Welcome and apologies for absence

- 1.1 Apologies were noted as above. A brief introduction was made for all present.

2 Declarations of Interest

- 2.1 JP confirmed her association with the LGA and PSAA.

3 Minutes of the last meeting and matters arising

- 3.1 There were no amendments to the minutes of the last meeting and there were no matters arising.

4 Action Log

- 25/22 Statement of Accounts
Joint letter from the PFCC and CC was sent in July.
Close.
- 07/23 Approval of Internal Audit Plan and Internal Audit Charter
Casey Review is a separate agenda item.
Close.
- 12/23 Minutes of the Auditor Panel 24/03/2023
Approved by members by email 27/07/23.
Close.
- 13/23 External Audit Tender
Auditor Panel meeting took place 16/06/23.
Close.
- 14/23 External Audit Plan
Letter was sent. There was a discussion about the impact of the later audit timetable.
Close.
- Action: 15/23**
RH to consider whether to contact Grant Thornton regarding their planned timetable.

5 Joint Audit Committee Work Plan for 2023 & 2024

- 5.1 JW presented the 2023 and the 2024 Work Plans.
- 5.2 JW noted the self-assessment survey meeting needs to be scheduled. JP confirmed the self-assessment survey meeting will be confirmed once a new Chair has been appointed.
- 5.3 JW advised that Background Briefing topics need to be confirmed. KP proposed a briefing to discuss medium term financial planning to meet the current financial challenges to ensure the processes are robust moving forward. RH outlined the current work carried out for medium financial planning and that this should be shared with the Audit Committee. KP also proposed a briefing on digitalisation and communications. AP explained that there are several digitalisation and communications areas that could be presented to the Audit Committee.

Action: 16/23
DM to ask the new Head of Financial Strategy to present a briefing on medium term financial planning in March 2024.

Action: 17/23

AP to present a briefing on the force's use, storage, sharing and protection of data to the Committee in June 2024.

Action: 18/23

JW to confirm what Background Briefings have taken place to date.

6 Internal Audit Recommendations Tracker

- 6.1 DM confirmed good progress. Only 11 recommendations are overdue for completion. One of the recommendations will be signed off following a meeting to present the evidence. Most recommendations are due for completion in the autumn.
- 6.2 External audits are making good progress. DM noted some external audits have a tight timescale to be completed before year end.
- 6.3 Brief discussion took place on the overdue recommendation on Police Cadets. AP confirmed no Police Cadets are being trained by trainers without the appropriate safeguarding training. The priority is now to provide safeguarding training to leaders to increase capacity.

7 Internal Audit Report – Progress Report

- 7.1 DH presented the Internal Audit Report. Four of the five final reports have been issued from the 2022/23 internal audit plan with positive opinions. Following further work, a revised version of the Payroll Review has been issued and should be finalised shortly. No impact on the opinion. Two final reports from the 2023/24 internal audit plan have been issued. A draft report on Operational Resource Planning has also been issued and is awaiting management comments ahead of finalisation. Draft reports will be coming in the next week. DH confirmed the timing of the reviews can be changed throughout the year if needed. DH and DM are in discussions as to what can be substituted for the Police and Culture reviews, and this will be confirmed in December 2023 meeting.
- 7.2 Brief discussion took place around the change in the plan on cultures and values. AP explained there is currently a significant amount of reporting and focus on cultures and values and noted further audits would not add any value or purpose as routine scrutiny is in place.
- 7.3 Discussion took place around the report on victim confidence processes for the force and the PFCC's office. The force had an adequately designed control framework and effective processes in place to measure victim confidence through SMSR surveys and reporting through the governance structure. Further discussion took place around an area of weakness arising due to a lack of evidence in relation to quarterly updates between the PFCC's office and contracted victims' services for 2022/23. PBI and AP noted this information is available and if the auditors are not receiving the appropriate responses to escalate their requests to them.
- 7.4 Discussion took place around the report on Delivery of the Capital Programme. The control framework is operating effectively for the capital programme, monitoring through Chief Officers Group and Capital Programme Management Board, challenging and scrutinising projects in line with agreed timeframes. DM noted instances where there has been a lack of visibility of signed decision sheets. PBI confirmed that it is a clearly

documented process that, after the decision report has been signed, a copy is to be provided to the report author. A new member of staff has just started within the PFCC's office who is taking ownership of the decision reports process going forward.

Action: 19/23

PBI to remind staff of the process for advising report authors of when their decision reports have been approved.

- 7.5 Discussion took place around the report on Overtime and Expenses and Allowances. Overtime and on-call protocols and overtime flowcharts for both officers and staff have appropriate content and are aligned to relevant external guidance such as the police regulations and PSC handbook. Budget reporting for expenses is sufficient. However a control weakness was identified regarding numerous instances where staff and officers were paid the incorrect overtime rate. DM explained the current system on SAP is outdated and that new apps are currently in development. AP noted significant overtime spend in the control room. A new target operating model has been decided and will be completed by April 2024.
- 7.6 ZH updated on the report on the Community Safety Accreditation Scheme. The control framework which supports the functioning of CSAS is working well. Three-year renewals took place in a timely manner and incorporated key considerations. Satisfactory vetting took place for APs and they were suitably trained. Clear processes have been established for complaints, suspensions, and withdrawals. A formal decision is required around the use of Information Sharing Agreements.
- 7.7 ZH updated on the report on Firearms Licensing. Controls were well designed and operating effectively in relation to undertaking continuous assessments and returns of firearms. The Force was keeping abreast of changes in legislation and retaining data in accordance with this. Effective governance reporting processes are in place with an annual performance report being made to the Performance and Resources Scrutiny Board.
- 7.8 ZH updated on the report on GDPR. An advisory review took place of the current governance processes, procedures, and controls in place at the PFCC's office. A DPO action plan is in place with regular updates being recorded against actions and training provided to all necessary staff. PBI confirmed that she asked for this review, and that it has been a thorough piece of work and has provided a lot of support to the DPO.
- 7.9 DH noted not having the benchmarking report ready for the meeting, but it will be finalised ready for the December 2023 meeting.

8 Annual Internal Audit Report

- 8.1 DH gave a verbal update. Four out of five reports have been finalised and the payroll report will be finalised shortly. The final Annual Internal Audit Report will be presented at the December meeting, but the overall opinion has not changed from the draft and is still a positive outcome.

9 External Audit Progress Report and Sector update

- 9.1 The External Audit Progress Report and Sector Update was noted as there was no representative from Grant Thornton to present it.

Action: 20/23

RH to raise the lack of representation at the meeting with Grant Thornton.

10 External Audit Contract

- 10.1 JPe updated on the External Audit contract for the published accounts for 2022/23 onwards. An auditor has been found to take on the contract for all three entities and a letter of intent with their proposed costs has been received. There is a discussion to be had regarding the division of costs between the entities particularly in relation to the FRS which has a lower offer from an alternative auditor.

Action: 21/23

JPe to discuss the audit proposal with the PFCC, Chief Constable and Chief Fire Officer and present the final proposal to the Auditor Panel.

11 Oversight of the Scheme of Governance

- 11.1 PBI presented the report and confirmed two additions to the paper this year, regarding environmental sustainability and information governance. JP proposed including confirmation that the PFCC's governance takes precedence over joint collaboration arrangements such as 7 Forces.

Action: 22/23

PBI to amend the Scheme of Governance Report to include reference to the precedence of PFCC Governance over other governance in collaborative arrangements.

12 Vetting Standards and Misconduct Report (including Casey Review and Ethics and Integrity)

- 12.1 FH presented the report. There have been consultations internally and externally with several events being run to consolidate and understand the next steps. A large amount of insight has been gathered from many different sources. A day-long conference took place in May 2023 at which the force fed back the findings and discussed the process going forward. There will be a report back at a half-day conference in November.

- 12.2 The Force looked at 6 different areas:

- Discrimination - Feedback from individuals varied. Some said they were very well supported and others that they have suffered discrimination that the force has not heard. Going forward, the force must ensure that it has mechanisms in place to ensure individuals are receiving the support necessary.
- Leadership – Feedback was generally positive but there was some concern over first line management and whether they have the right support.
- Misconduct and Grievances - Feedback differed dependant on which individual was spoken too. The force must ensure the correct processes are in place going forward.
- Specialist Commands – There were concerns around elitism, and discriminatory behaviours existing in these commands. No evidence was found of this happening but there were concerns this could happen one day. The force needs to ensure there is strong communication in the force and a good balance of people within the commands to prevent this happening in the future.

- Governance and Business Management – It was considered that the force has robust processes and positive relationships with partners.
- Resourcing and Community Understanding - Local policing is possibly not getting as much contact with the community it would like due to resourcing, workload, and operational challenges. The force must ensure local policing continues to engage with the community.

- 12.3 FH continued to explain the next steps, with the SLT being tasked in the May 2023 meeting to think about areas of focus and activity and to report back in November 2023.
- 12.4 KP thanked the force for the comprehensive report. KP questioned on how to communicate this information to the public and if there are going to be any developments with new dashboards. FH confirmed that the force has been transparent and that the report has been shared with the public on the force and PFCC websites. FH noted what a renewed performance framework may look like. AP explained there is a published people policy on whistleblowing and a confidential reporting line. AP confirmed use is consistent and increasing. RH questioned if there was a sources document. FH confirmed that a list of sources could be provided.

Action: 23/23

FH to provide a list of source documents for the Vetting Standards and Misconduct Report to RH

13a Risk Register

13a.1 JPe updated on the PFCC's office risk register. There are 32 risks currently with seven red and 25 amber. Of those risks, 10 are in exception. Risk 70 (Further investment in crime prevention) is improving. Risk 39 (Setting of a balanced budget) is a higher risk. With regard to Risk 91 (Devolution), Essex has now been offered the opportunity to progress a level 2, rather than a level 3, deal and the risk will reduce but will remain on the register until finalised. Risk 92 (Appointment of local auditor from 2023/24) is improving.

13b.1 Moved to Part B.

14 Moved to Part B.

15 Single Tender Actions

15.1 CM updated on the report. Two single tender actions reported in this period. Both are for ICT software products and the reason for the STAs is due to the exclusive rights and the fact that they can only be purchased via Experian. Both STAs are for a relatively small amount of money. Currently looking at procuring a 7Force license renewal management contract which will manage all software and license renewals.

16 Discussion on Legal, Regulatory and Policy matters including External Inspections

16.1 There were no legal, regulatory and policy matters including external inspections to note.

17 Papers presented to the PFCC Panel

17.1 There were no papers presented to the PFCC Panel to note.

19 Update on Procurement below £50k

19.1 JPe updated on the report. There was an internal audit undertaken in this area and a weakness was identified regarding obtaining three quotes between £5k and £50k. Also, there is an issue around transparency in the publication of the contracts and any quotes received. Another internal audit is proposed in this area once the force has its new procedure in place. DH noted an audit has been cancelled for both the Essex and Kent Police plans so this could potentially replace it.

18 Background Briefing

18.1 RL joined the meeting at 11:55am and presented the briefing on Recruitment and Retention. Since 1st April 2018 there has been recruitment of 1,914 police officers and establishment growth of 905 officers. As an employer we still go above and beyond the national minimum standard for recruitment. There has been a focus on equality, diversity and inclusion particularly ethnic minorities and women. RL confirmed that headcount will exceed the target of 3,810 in September, exceeding the PUP by 45 and achieving the target required for the Government grant. RH was pleased to see the 3,810 target is going to be met. AP and RH congratulated RL for his leadership in this area.

20 Approval of papers for publication

20.1 After discussion it was agreed that all papers should be published except the Police Risk Report which is official sensitive. The Internal Audit progress report should be reviewed for redactions.

21 Any other business

20.1 It was agreed to move Agenda Item 13b (the Essex Police Risk Register) to Part B.

20.2 Next meeting date is 8th December 2023.

There being no further business, the meeting closed at 12:13pm.