
NORTH YORKSHIRE POLICE AND CRIME COMMISSIONER AND NORTH YORKSHIRE POLICE

JOINT INDEPENDENT AUDIT COMMITTEE

Minutes of the meeting held at Headquarters North Yorkshire Police, Newby Wiske Hall DL7 9HA at 1pm on Tuesday 21 March 2017.

PRESENT:-

In the Chair: David Portlock (DP)

Members: Max Thomas (MT),

Officers: Interim Chief Executive Officer Fraser Sampson(FS); Chief Constable's Chief Finance Officer and Chief Accountant Jane Palmer (JP); Commissioner's Chief Finance Officer Michael Porter (MP); External Audit Engagement Senior Manager (Mazars) Gareth Roberts (GR); Internal Audit Senior Manager (RSM) Angela Ward (AW); Risk Manager Donald Stone (DS) External Audit Engagement Lead and Partner (Mazars) Cameron Waddell (CW)

Minute taker: Personal Assistant to the Commissioner's Chief Finance Officer – Shain Yapp (SY)

(296) **Introductions and Apologies**

Apologies had been received from Police & Crime Commissioner Julia Mulligan (JM); Chief Constable Dave Jones (DJ); Chief Executive Officer Joanna Carter (JC); Member Steven Hawsworth; Internal Audit Lead (RSM) Dan Harris (DH)

(297) **Declarations of Interest**

The Chair advised the meeting that his wife is an employee of RSM, who are now the internal auditors.

(298) **Minutes of the meeting held on 13 December 2016**

The minutes were approved for publication.

(299) **Matters Arising**

There were no matters arising from the previous meeting which were not included on the agenda for this meeting.

(300) **Confidential items**

It was agreed that item 13 on the agenda should be treated wholly or partly as confidential, and that any confidential information be excluded from the minutes to be made available for public inspection on the grounds that it will involve, or discussion of it will involve, the likely disclosure of exempt information.

(301) **Review of Accounting Policies**

Joint report from the Commissioner's CFO and the Chief Constable's CFO:

To review the accounting policies that will be used in preparation of the Statement of Accounts for 2016/17. CIPFA have not yet published their annual specific guidance on the closure of the 2016/17 accounts. It is expected that such guidance will be published shortly; it is not anticipated that any significant changes to accounting policies will be necessary. The accounting policies will be presented to the Executive Board on the 28 March 2017 for endorsement.

The Committee recommended endorsement by the Executive Board

(302) **External Audit Reports**

Progress report and briefing: GR introduced the External Audit Report for the Commissioner and the Chief Constable. He reported that there had been no significant matters or difficulties encountered during the first phase of their 2016/17 audits and he confirmed that they are receiving the full co-operation of management. A timetable has been agreed with JP and MP for the remaining phases of the audits. It was noted that the Police and Crime Act had received Royal Assent on 31 January 2017.

Audit Strategy Memoranda 2016/17 for the Commissioner and the Chief Constable: CW outlined the strategy, approach and timetable for the 2016/17 external audits.

The Reports were noted

(303) **Internal Audit Progress report**

AW introduced the Progress Report. Internal Audit had issued two final reports with a partial assurance opinion in 2016/17. She advised that these reports will impact but will not qualify the year end opinions for either the Chief Constable or Police and Crime Commissioner.

AW confirmed that RSM had recently undergone an external review of its internal audit services as required by the Public Sector Internal Audit Standards. The review concluded that *"...there is a robust approach to the annual and assignment planning processes and the documentation reviewed was thorough in both terms of reports provided to audit committees and the supporting working papers."* The review further concluded that *"RSM was found to have an excellent level of conformance with professional standards."*

The Report was noted.

(304) **Internal Audit Strategy for 2017/18:**

RSM have met with the Chief Constable, the Interim CEO and statutory officers and have agreed a prioritised list of audits for 2017/18.

The committee supported the strategy for 2017/18 and recommended it to the Commissioner and Chief Constable.

(305)

Reports to presented by Internal Auditors

The following reports were presented and discussed:

Collaborations: The objective of the review was to ensure robust and effective arrangements are in place to ensure that clear objectives and rationale for collaborations were documented, reporting was appropriate and that the Force receives assurance on collaborative arrangements. Testing had identified some areas of concern that require the Force's attention and remedial action. Examples are the lack of defined metrics for measuring performance and a lack of evidence to support benefits realised. MT asked why the Framework wasn't in place. JP assured the committee that these finding had not come as a surprise as shared information has on occasion been unavailable from other collaboration forces. Lessons have been learnt and will be implemented. The Commissioner has asked to see collaboration data in order to assess the effectiveness of collaborations.

Annual Petty Cash Check: The report was discussed. It was noted that the Chief Constable can take substantial assurance that the controls in place are operating effectively.

Key Financial Systems: The objective was to evaluate the adequacy of the systems and controls covering Creditors, Debtors, Cash & Bank and Investments were operating effectively. The report was discussed. It was noted that the Commissioner and Chief Constable can take substantial assurance that the controls in place are operating effectively.

Commissioning: The report was discussed. It was noted that the Commissioner can take assurance that the organisation is commissioning effectively and there is evidence of Value for Money across the highest value contracts.

Complaints: The objective was to review the handling of complaints by the Force and the Commissioner. The report was discussed. Some areas for improvement had been identified. It was noted that taking account of the issues identified, the Commissioner and Chief Constable can take reasonable assurance that the controls in place to manage this area are suitably designed and consistently applied.

Follow up of Previous Internal Audit and HMIC Recommendations: AW noted that this paper had not been circulated but that no actions had been identified. It was agreed that the report would be included for the next meeting.

The reports were noted

(306)

Quarterly Update on 2015/16 Annual Governance Statement areas for development progress

Report of the Joint Corporate Risk Group

Since the last committee meeting the new Head of ICT Richard Jones has started in his post. DS reported that the organisation was building on the work of the Police ICT Company to set a clear way forward for the delivery of a sustainable technology infrastructure for the organisation.

The Report was noted

(307) **Update on Annual Governance Statement for 2016/17**

Verbal Report from Donald Stone

DS reported that the AGS for 2016/17 is being drafted and will be presented to the next meeting of the committee

The Report was noted

(308) **Strategic Risk Summary**

Report of the Joint Corporate Risk Group summarised the progress on the management of risks recorded in the Strategic Risk Summary 2016/17 of the Commissioner and Chief Constable and is provided to the Committee for information.

The Report was noted

(309) **Quarterly Strategic Risk Register Report – Confidential Report**

The report of the Joint Corporate Risk Group provided an update on the Strategic Risk Register and the new and closed risks since the last meeting of the Committee.

The report was noted

(310) **Review of JIAC Terms of Reference**

Verbal report from Michael Porter

Joint Independent Audit Committee Terms of reference were reviewed. No changes were recommended.

(311) **Corporate Performance Report**

This report was provided for information only. There were no issues arising.

The report was noted

(312) **Commissioner's Decisions**

There were no comments regarding decision notices published on the Commissioner's website.

(313) **Commissioner's and Chief Constable's items**

The Sale of Newby Wisk Hall has been agreed (subject to contract) and made Public; the move to Alverton Court will start in May, and will take a number of months. This will allow individual departments to continue offering a high level of service and maintain business continuity. Newby Wiske will remain operational for some time, decommissioning of the building will also need to take place before the new owners take possession.

FS advised the committee that the Decision Notice process is being reviewed and changes will be shared at the next JIAC Meeting.

The Police & Crime Plan 'refresh' is nearing completion and the new Plan should be published shortly.

The bid for Collaboration/Transformation funding had not been successful.

Confirmation of date of next meeting:

Tuesday 20 June 2017, in Conference Room One, Police Headquarters.

(314) **Dates of 2017 meetings**

Future meetings will be held at Alverton Court Crosby Rd, Northallerton DL6 1AS
(AC12 – Haigh Meeting room)

Tuesday 19 September 2017 - (AC12 – Haigh Meeting room)

Tuesday 12 December 2017 - (AC12 – Haigh Meeting room)

(315) **Any other urgent business**

There being no other business the meeting closed at 1510 hrs