

**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 15 March 2016.

PRESENT:-

In the Chair: David Portlock (DP)

Members: Steven Hawksworth (SH)

Officers: Chief Constable Dave Jones (DJ); Chief Constable's Chief Finance Officer and Chief Accountant Jane Palmer (JP); Risk and Assurance Manager Donald Stone (DS); Commissioner's Chief Finance Officer Michael Porter (MP); External Audit Engagement Lead and Director (Mazars) Cameron Waddell (CW); External Audit Engagement Senior Manager (Mazars) Gareth Roberts (GR); Senior Manager Internal Audit (RSM) Angela Ward (AW)

Minute taker: Commissioner's Administration and Volunteer Officer Chris Tapster (CT)

220. **Introductions and Apologies**

Apologies had been received from Police and Crime Commissioner Julia Mulligan; Commissioner's Chief Executive Officer Joanna Carter; Howard Cutler (Committee member); Phil Church (RSM); Dan Harris (RSM). As the Committee was not quorate with one member missing no decisions could be taken at this meeting.

221. **Declarations of Interest**

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

222. **Minutes of the meeting held on 14 December 2015**

With reference to minutes 212 and 213 for the December meeting there was a discussion regarding whether or not too much confidential information had been included in the draft minutes, and how confidential information is treated. It was concluded that the information in both minutes is now in the public domain, and thus they do not need to be amended in any way. The minutes were approved for publication.

223. **Matters Arising**

Issues related to Item 1 on the Action Log have been resolved. The remaining items are on the agenda for discussion at this meeting.

224. **Confidential items**

It was agreed that Item 12 on the agenda should be treated 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.

225. **Review of Accounting Policies**

JP stated that Accounting Policies had been reviewed and that there was little change to be implemented. In response to a question from DP she confirmed that the Headquarters building at Newby Wiske will not be classified as an 'asset held for sale' at 31 March 2016 as it is still in use and the sale will not be finalised until September 2017. Accounting Policies for 2015/16 will be discussed at the forthcoming Executive Board meeting.

The Report was noted

226. **External Audit Progress Report and Briefing**

Planning for the 2015/16 interim and final audit visits has been completed. The Audit Strategy Memoranda have been prepared and are on the agenda for discussion at this meeting. There are no issues to be raised with either the Chief Constable or the Police and Crime Commissioner. It was reported that Public Sector Audit Appointments Ltd is to grant audit fee rebates for the financial years 2015-2016 and 2016-2017.

The Report was noted

227. **External Audit Strategy Memorandum for the year ending 31 March 2016 for the Police and Crime Commissioner**

The Audit Strategy is similar to that for the previous year, with no changes to the purpose, timelines or scope of the audit. The "other auditors" mentioned on page 3 of the Memorandum are KPMG. In connection with the Value for Money (VFM) Conclusion Mazars had identified a risk due to the ongoing financial pressures. Mazars will address this risk during the course of their work.

Fees set by Public Sector Audit Appointments Ltd (PSAA) for 2015/16 audit services are 25% lower than the fees charged for 2014/15.

The Report was noted

228. **External Audit Strategy Memorandum for the year ending 31 March 2016 for the Chief Constable**

The Audit Strategy is very similar to that for the Police and Crime Commissioner, with the same VFM Conclusion risk being identified. The fees set by PSAA for 2015/16 are also 25% lower than the fees charged for 2014/15.

The Report was noted

229. **Internal Audit Progress Report for 2016/16**

Since being appointed on 1 October 2015 RSM have completed the Risk Maturity assignment and the final report has been issued. This is discussed later on the agenda.

In relation to the HMIC inspection into firearms licensing mentioned in Appendix A on page 6, DJ commented that the backlog of renewals mentioned does not apply to North Yorkshire Police. However, some licence holders have taken issue with the level of fees charged. Any appeals relating to the grant or otherwise of licences are now dealt with by the Criminal Justice Department.

Additional work is required on the Cyber Crime Police Innovation Fund grant claim (see page 5 of the report). It was noted that a further audit on Cyber Crime is proposed for 2017/18.

The Report was noted

230. **Internal Audit Strategy 2016/17 to 2018/19**

Appendices A & B on pages 7 to 12 detail the scope and delivery timings for proposed audits. It was confirmed that the strategy and proposed assignments cover the organisation's key risks and will monitor the organisation's risk profile effectively.

In response to a question as to when the next external quality assessment of RSM has been arranged, AW stated that this would take place in 2016.

JIAC members confirmed that they were satisfied with the areas selected for coverage during 2016/17 (as required on page 6 of the report) and also with the internal audit strategy for 2016/17.

231. **Risk Maturity Report**

AW gave a brief overview of the report. In RSM's opinion risk management is well embedded across the organisation's processes and procedures. Plans for risk management take into consideration the balance between the updating of systems and managing risks.

AW expressed some concern at the number of risks currently on the ARM system. It was explained by Officers that at the present stage of maturity of the Risk Management culture it was important to encourage risks to be brought forward and recorded. The Joint Corporate Risk Group will continue to keep under review the number and appropriateness of Corporate risks being reported.

DP complimented the Force for having attained a high rating from RSM for "risk identification".

The report was noted

232. **Quarterly update on AGS areas for development progress**

The paper circulated with the agenda outlined the progress made on the areas for development that were identified in the AGS for 2014/15 was noted. It was reported that the process had begun to prepare the AGS for 2015/16 which would include a summary of progress made with those areas for development identified the previous year. In view of this it was agreed to await the draft AGS for 2015/16 (to be presented to the June meeting) before having a detailed discussion on progress made on the areas identified for development in 2014/15.

233. **Strategic Risk Summary**

It was confirmed that this would form the basis of the document to be published on the Commissioner's website. Referring to section 4.3 on page 5, it was confirmed that the "final report" mentioned is one which is being produced by NYP.

Action: DJ will discuss with the Deputy Chief Constable the content of the final version before it is uploaded onto the Commissioner's website.

234. **Quarterly Strategic Risk Register Report – Confidential Report**

The report of the Joint Corporate Risk Group provided an update on the Strategic Risk Register. Topics discussed included additions to and deletions from the Register, responses to HMIC and Internal Audit recommendations, and Business Continuity management.

The report was noted.

235. **Discussion of JIAC Self-Assessment**

JIAC Members had completed their individual self-assessments and these were being considered with a view to identifying actions to improve the JIAC's effectiveness.

Action: The Chair to arrange a further discussion involving JIAC Members to discuss the self-assessment.

236. **Discussion of JIAC Terms of Reference**

Draft Terms of Reference ('ToR') were discussed. Some minor amendments were agreed.

DP proposed that subject to these amendments the ToR set out in the report be recommended to the Executive Board for approval at its April meeting. *(Subsequent to this JIAC meeting the April meeting of the Executive Board was cancelled. The ToR will now be considered at the May meeting of the Executive Board.)*

Action: JP to organise tabling of the draft ToR at the Executive Board in April.

237. **Corporate Performance Report**

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

238. **Commissioner's Decisions**

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

239. **Commissioner's and Chief Constable's items**

DJ referred to the Force Management Statement, which was part of the PEEL assessment. Producing the NYP plan for the next 48 months is the responsibility of the Force. A new scheme for assessing the requirements for services and financial resources, known as the Detailed Service Provision Forecast, has been trialled by 14 other police forces and is to be introduced to all forces with effect from August 2016.

For the forthcoming PCC elections the period of Purdah will commence on 30 March, a candidate briefing will be held on 12 April, and the election itself will be held on 5 May. If a new PCC is elected he or she will have a ten-day handover from the current incumbent. Due to the number of candidates the issue of supplementary votes is likely to arise in this election.

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DJ then mentioned that the second reading of the Police and Crime Bill was held recently. The current PCC is in favour of merging the Police with the Fire and Rescue service. He went on to brief the meeting on future changes - actual or envisaged - for the Police (e.g. digital investigation, the Specialist Capability Programme, more armed response vehicles). There is to be investment in a mobile data project, vulnerability, CSE and Integrated Offender Management. The number of camera vans is to be doubled, a new policy task force has been launched and a Performance Improvement Team is to be formed. NYP IT resources will be upgraded to meet the requirements for all new projects, some by 31 December 2016. National priorities include prevention of terrorism and large scale cyber attacks.

240. **Confirmation of date of next meeting:**

Tuesday 14 June 2016 at 1pm, in Conference Room One, Police Headquarters.

241. **Dates of 2016 meetings:**

All 2016 meetings to take place at 1pm in Conference Room One, Police Headquarters:

- Tuesday 14 June 2016
- Tuesday 20 September 2016 Tuesday 13 December 2016

242. **Any other urgent business**

The Chair informed the meeting that JP and he had interviewed a potential new member of the JIAC. The candidate is undertaking Vetting and subject to a satisfactory outcome JP and the Chair will recommend to the Commissioner and the Chief Constable that the candidate be appointed to the JIAC.

There being no other business the meeting closed at 1525 hrs.

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