

AUDIT COMMITTEE

A meeting of the Suffolk Audit Committee was held at Police Headquarters Martlesham, and via Microsoft Teams at 09:56 on Monday 2 February 2026.

PRESENT:

Audit Committee Members

Rachel Ashley-Caunt
Karen Chapman
Tim Greenacre
Lindsey Hoy
Hugh May (Chair)

Office of the Police and Crime Commissioner

Tim Passmore (Police and Crime Commissioner)
Darren Horsman (Chief Executive)
Colette Batson (Chief Finance Officer)
Kate Boswell (Executive Assistant to the PCC & Chief Executive)

Constabulary

Rachel Kearton (Chief Constable)
Kenneth Kilpatrick (Assistant Chief Officer)
Ivan Fearn (Head of Financial Accounting and Specialist Functions)

Present by invitation

Debbie Hanson (Partner, Ernst and Young (EY) – External Auditor)
Alison Riglar (Manager, Ernst and Young – External Auditor)
Fiona Roe (Director, TIAA – Internal Auditor)
Claire Lavery (Director of Audit, TIAA – Internal Auditor)

PUBLIC AGENDA

1 DECLARATIONS OF INTEREST

1.1 The Chair opened the meeting asking if there were any changes to the previously recorded declarations. No further declarations were made.

2 ACTIONS OF THE AUDIT COMMITTEE MEETING HELD ON 17 NOVEMBER 2025 AND MATTERS ARISING (PAPER AC26/01)

2.1 The Chair reviewed the minutes page-by-page, inviting comments.

2.2 An Audit Committee Member asked if the Internal Auditor had circulated the figures as referred to at point 3.8. The Internal Auditor advise that this was outstanding and they would circulate these numbers.

ACTION – The Internal Auditors to circulate the figures from the Actions List from 25 July 25 meeting, to show the staff turnover rate within 2 years of joining Suffolk Police.

2.3 The actions from the meeting were reviewed as follows:

Item	Action	Owner
4.10 SICA	The Internal Auditor to check the scope of the ICT Strategy Audit, did it look at the link between ICT projects and wider strategy for policing and transformation programmes.	The Internal Auditor advised these form part of the change management audit, which commences on 3 February 2026.
4.11 SICA	The Internal Auditor to note the suggestion of seeing if the individual ICT boards are collectively reviewed to ensure that they are not standalone and that they interconnect.	The Internal Auditor to email to advise how this interlinks.
4.19 SICA	Audit Committee Members, Suffolk OPCC and Suffolk Constabulary to finalise the approach for the Audit Committee to discharge its responsibilities regarding risk management at a workshop, to be scheduled in February 2026.	This action would be covered in the workshop scheduled for this afternoon.
4.23 SICA	The Internal Auditor to share the Communication Strategy audit with the PCC once finalised.	The Internal Auditor advised that this has been included as part of the pack.
6.7 Devolution	CEO to consider the request for the Audit Committees of Norfolk and Suffolk to jointly meet to discuss devolution.	The CEO advised that this has been discussed with the CEO for Norfolk OPCC, but due to changes within devolution / local government reform a meeting isn't currently required.
6.8 Devolution	CEO to develop a session on devolution risks for the Audit Committee workshop session in February 2026.	The CEO advised this would be discussed during the workshop scheduled for this afternoon.
6.10 Devolution	PCC / CEO to provide the Audit Committee Members with regular updates on devolution ahead of the next Audit Committee meeting in February 2026.	This has been included on the meeting agenda for a verbal update.

2.4 The minutes of the meeting on 17 October 2025 were agreed as an accurate record and approved by the Audit Committee Chair.

3 STATEMENT OF ACCOUNTS 2024/25 (PAPER AC26/02)

a. ERNST AND YOUNG LLP COMPLETION REPORT FOR THE YEAR ENDING 31 MARCH 2025

3.1 The External Auditor introduced the Audit Results Report, advising that the report sets out the findings from the work on the financial statements, and noted that there were no issues to highlight regarding value for money. Overall, the audit has progressed well, and EY would be in a position to sign a qualified opinion by the backstop date, which is a progression on the previous year's disclaimed opinion. Only a small number of qualified opinions have been issued this year, so it is a positive that EY have been able to issue this for both the Chief Constable and Police and Crime Commissioner (PCC) accounts.

- 3.2 The External Auditor noted that there are some final review works ongoing and yet to be completed. The Annual Governance Statements have both been reviewed and EY are satisfied that it is consistent with their understanding of both the PCC and Chief Constable. The NOCLAR (Non-Compliance with Laws and Regulations) work remains ongoing. The final report from the ICO (Information Commissioners Office) in relation to the data breach remains outstanding but EY are satisfied that the disclosures in the financial statement are adequate and there is no need for a provision to be included at this time.
- 3.3 The External Auditor advised that Appendix D lists the outstanding matters at the time of writing the report. Work has progressed since the report was issued and the testing of the year end journal entries has not identified anything inappropriate or unusual. For IFRS 16 (International Financial Reporting Standards), EY have completed the testing of the lease population, and no further leases have been identified. For payroll EY have completed the testing of employee related expenditure and there are no issues arising. Likewise for contracts, testing is now complete and there are no issues arising. The review procedure is currently in progress for all other items listed in the appendix, these will be completed in the weeks prior to final sign off.
- 3.4 The External Auditor noted that the control recommendations are the same as reported last year, which are payroll control reconciliations due to some discrepancies in income tax and national insurance dating back to March 2015. As there are some outstanding balances relating to this, the recommendation has been repeated from last year.
- 3.5 The other recommendation is the ongoing work to finalise leases, with testing identifying 2 leases which are not signed; therefore, this is also a repeat recommendation from last year.
- 3.6 The External Auditor advised that Appendix A sets out the assessment of where the PCC and the CC Statements of Accounts are in relation to the progression to full assurance, noting that both are in line with the nationally issued guidance. It was expected that all bodies that had a disclaimed audit opinion in 2022-23 would have a disclaimed opinion in 2023-24, and then in 2024-25 move to two options, either disclaimed or qualified opinion. EY reported that for 2024-25 the PCC and the CC are at the upper end of this progress scale, with the expectation that next year it would still be a qualified opinion, moving to unqualified in 2026-27.
- 3.7 The External Auditor added that Appendix B, "Updated summary of assurances", was a positive picture, with everything other than property being rated as substantial. They invited questions.
- 3.8 An Audit Committee Member asked if there is a plan to deal with the unreconciled income tax and national insurance balances within payroll from previous years. The Head of Financial Accounting and Specialist Functions advised that the discrepancies occurred when the payroll system was moved onto ERP (Enterprise Resource Planning) in 2015, and that this difference would be written back as it was beyond the timeframe that HMIC review. Ultimately it was a systems issue. The Audit Committee Member expressed concern that it will remain on future audits if it cannot be resolved. The Head of Financial Accounting and Specialist Functions replied that it is not possible to get the detail for this due to it dating back to 2015. The Audit Committee Member then asked for clarification

whether the £89K was a historic accounting issue rather than a current weakness. The Head of Financial Accounting and Specialist Functions agreed that it was historic.

3.9 The External Auditor advised that they are well placed to complete the audit and sign off ahead of the backstop date and will liaise with the finance team for signatures.

b. PPC LETTER OF REPRESENTATION

3.10 The Chief Finance Officer (CFO) advised that the letter of representation issued by the External Auditors is in line with prior years. It will be put onto headed paper for the audit is signed off.

c. CC LETTER OF REPRESENTATION

3.11 The Assistant Chief Officer (ACO) advised that they are also content to sign this letter of representation for the audit sign off, and that it will be put onto Constabulary headed paper.

d. PCC's ANNUAL GOVERNANCE STATEMENT

3.12 The CFO advised this is an updated version of the 2024-25 Annual Governance Statement (AGS), with the draft having been reviewed at the May 2025 audit committee meeting. She confirmed it is still accurate, there had been no substantial changes, and invited questions.

3.13 An Audit Committee Member asked, in relation to data security on page 20, it references 2 referrals to the ICO in 2024-25, have these been reported to the audit committee. The CFO advised that both were reported in the draft statement which came to audit committee in May 2024. An Audit Committee Member followed up with if the breaches were significant enough to report to the ICO, then they should also be reported to the Audit Committee. The ACO commented that that are several incidents that get referred to the ICO, which do not go any further, but this information could be provided to the audit committee within the closed section of the meeting. An Audit Committee Member responded that it would be helpful, via the closed section of the meeting, to be updated on any ICO referrals.

ACTION – The ACO to ensure that any ICO incident referrals are included within the closed section of the Audit Committee agenda for future meetings, potentially to be included when the draft AGS is reported.

3.14 An Audit Committee Member asked, on page 12, point G, should the function of the audit committee wording match that of the updated Scheme of Governance wording. The CFO advised that the updated Scheme of Governance update applies from 1 February 2026, and the AGS applies to 2024-25.

e. CC's ANNUAL GOVERNANCE STATEMENT

3.15 The ACO advised that when the draft AGS was discussed, referenced was made to the inclusion of cyber security and AI. It has been agreed that this sits better within the 2025-26 AGS and does not feature in this version.

f. PCC's GROUP AND PCC STATEMENT OF ACCOUNTS

- 3.16 The Head of Financial Accounting and Specialist Functions noted that the introduction of the IFRS 16 on 1 April 2024 impacted on leases, with the impact on transitions / balance sheets fully explained in note 26.
- 3.17 An Audit Committee Member asked where the oversight for the figures is when measured against the Police and Crime Plan. The PCC responded, advising that the Accountability and Performance Panel (APP) meetings, which are held bi-monthly, provide governance and hold the Constabulary to account. Figures are reviewed during these public meetings, plus discussions between the PCC and Chief Constable via the Weekly Conference Meetings. In addition to this, the latest ONS (Office for National Statistics) figures show that Suffolk has retained its position of having the third lowest crime rate in the country.
- 3.18 An Audit Committee Member asked for clarity around the movement in pension costs included within the Comprehensive Income and Expenditure Statement when cross referenced with note 16 (p58/59). The Head of Financial Accounting and Specialist Functions advised that in terms of the disclosure, each pension scheme is treated differently, so you need to add together the LGS (Local Government Scheme) and the Police Pension scheme. He noted that there was also the additional complication in 2024/25 of the introduction of the asset ceiling, which requires an adjustment, and which isn't always identifiable. He added he was happy to talk through the figures with the Audit Committee Member after the meeting to confirm the workings.
- ACTION – The Head of Financial Accounting and Specialist Functions to talk through the pension figures after the meeting with the Audit Committee Member.**
- 3.19 An Audit Committee Member asked if there should be a triennial valuation every three years, with the last one happening in March 2022, has a new one been commissioned. The CFO confirmed that the new rates have been applied for the next financial year.
- 3.20 An Audit Committee Member flagged that there is a formatting issue on page 71 of the report. The Head of Financial Accounting and Specialist Functions advised it was an issue with the PDF version used for Audit Committee and the final accounts would be fine.
- 3.21 An Audit Committee Member asked how big IFRS 16 in terms of accounting was. The Head of Financial Accounting and Specialist Functions responded that it created quite a bit of work, building models, introducing formulas, verifying contracts and identifying leases. The Constabulary have a member of the finance team who has taken the lead on this area of work and has delivered against it.

g. CC STATEMENT OF ACCOUNTS

- 3.22 The ACO invited questions on the Chief Constable's Statement of Accounts.

- 3.23 An Audit Committee Member raised the same question on the pension scheme figures and advised they would talk to the Head of Financial Accounting and Specialist Functions re the figures as per the previous answer.
- 3.24 The Chair of the Audit Committee thanked everyone involved in producing the 2024-25 accounts and the amount of work required to produce this document, and the progress achieved working towards an unqualified statement of accounts. He asked that this message be passed back to the teams involved.

4 TREASURY MANAGEMENT REPORT 2026/27 (PAPER AC26/03)

- 4.1 The CFO advised that the main update in the 2026-27 statement from the 2025-26 strategy is the increase in investment limit from £10M to £12M within any one institution, which is the first time the individual counterparty investment limit has been increased since 2012.
- 4.2 An Audit Committee Member commented that they welcomed the increase, and with the high level of counterparty ratings, could a further increase up to £20 – £30M be considered. The CFO responded that the proposed limit of £12m represented an approximately 27% of the annual average balances and therefore there is no current appetite to increase, but it is continually monitored. The Head of Financial Accounting and Specialist Functions added that it is a balancing act, finding the fund with the right risk, and the because of the counterparty ratings the options of where we can invest is quite small. The instruction to the team is to spread the risk as much as possible. The PCC commented, that as this is public money we must be cautious, after what has been seen in the past with the Icelandic banks. An Audit Committee Member observed that challenge to secure reasonable returns on public funds held whilst noting the appropriate risk appetite.
- 4.3 An Audit Committee Member asked if MUFG is Mitsubishi. The CFO advised that they took over from link group in 2024, and the Head of Financial Accounting and Specialist Functions confirmed it is Mitsubishi. He advised that they provide advice around investment, list of counterparty investments, and ad hoc advice when required. Currently Suffolk is in a position where we are investing, but if we needed to borrow we can use them for advice on this also. There may be additional opportunities to increase the number of counterparties we can invest with in the future, with this team specialising in public service.
- 4.4 An Audit Committee Member asked how do you decide to lend to local authorities. The Head of Financial Accounting and Specialist Functions responded saying that as they are backed by government, they are probably a sound investment, but we would not take any unnecessary risks. There haven't been many local authority investments in the past.
- 4.5 An Audit Committee Member asked at point 5.8 how much is considered a reasonable amount. The CFO advised the amount will fluctuate through the month, the wording is flexible and a percentage isn't applied. The Head of Financial Accounting and Specialist Functions added there are times when the account amount will be higher, say ahead of payroll. An Audit Committee Member then asked, is there a floor and ceiling amount for this account. The Head of Financial Accounting and Specialist

Functions responded that there is enough in the current account to cover anything that may hit the account that wasn't expected, but there is no set floor or ceiling. The PCC added that at APP a financial monitoring report is reviewed at every meeting.

- 4.6 An Audit Committee Member asked, at point 2.5, could any breaches of treasury limits be reported to the Audit Committee. The CFO advised she was happy to action this.

ACTION – CFO to ensure any breaches of treasury limits to be reported to the Audit Committee.

5 SUMMARY OF INTERNAL CONTROLS (PAPER AC26/04)

- 5.1 The Internal Auditor advised there were four final reports at this meeting, all of which have positive outcomes.

Communications Strategy

- 5.2 This audit received substantial assurance, with one priority 3 recommendation, to ensure the Constabulary review and update their communication strategy.

Contract Management

- 5.3 This audit received reasonable assurance, with three priority 2 recommendations, one priority 3 recommendation, and one operational effectiveness matter.
- 5.4 An Audit Committee Member asked if the Internal Auditors were satisfied that the process for escalating poor performance was being addressed, as most of the recommendations revolve around the administration of the contracts and the systems. The Internal Auditor advised they had met with managers, it was a positive report, and there is good work underway in this area.
- 5.5 An Audit Committee Member asked if the scope was to look at contracts over £60K in value, then was anything under this amount out of scope. The Internal Auditor advised it was a split of both, over £60K in value is managed by the 7-Forces procurement team, and anything less than £60K is managed locally.
- 5.6 An Audit Committee Member asked, that within this audit area were there any examples of fraud or poor procurement as part of the procurement process, which would also have shown up within the procurement audit. It would be good to see a wider context in the reporting, and to highlight the links between these 2 areas, as from an audit perspective you could bring these 2 areas together and provide confidence that they are working well and operating non-fraudulently. The Internal Auditor advised that significant improvement in these areas has been seen since the previous audit, and within the full report details of what has been tested and reported on as part of the audit process can be seen. The Audit Committee Member requested the full report be provided. The Internal Auditor advised that the full reports are available via the portal which the Audit Committee Members can access. They added that you need to ensure you log into the portal every 30 days to maintain your access.

ACTION – reminders for Audit Committee to log into the TIAA portal & access full audit reports.

Procurement Strategy and Compliance including waivers

- 5.7 This audit received substantial assurance, with one priority 2 recommendation and two priority 3 recommendations.
- 5.8 An Audit Committee Member asked within the scope, was the focus on procurement regulations or more general procurement strategy. The Internal Auditor advised that the previous audit had raised a lot of issues in this area, so this audit showed that single tender actions are well controlled, and the new procurement act that commenced in February 2025 was looked at, alongside the implementation of the controls.
- 5.9 An Audit Committee Members asked if examples of social value within contracts could be provided. The Internal Auditor advised that any good examples of this within the contracts and would provide examples after the meeting.

ACTION – The Internal Auditor provide specific examples of social value within the contracts.

- 5.10 The PCC commented that there is a review underway for 7-Forces, to see how it can be evaluated and developed, which is being led by Essex. The Internal Auditor added that their findings for 7-Forces showed that they work positively with Suffolk.
- 5.11 An Audit Committee Member asked if there is any internal reporting on waivers and exemptions. The Internal Auditor responded that they would need to check and provide more details on this, but there were no concerns raised within the audit as to how the process was followed. The ACO added that there is a monthly meeting where waivers and exemptions are reviewed, as part of an internal process that is in place, which includes 7-Forces waivers and exemptions.
- 5.12 An Audit Committee Member asked where there is no contract, or spend has gone over contract value, what had caused this. They asked why this has been covered within the procurement audit but not mentioned in the contract management audit. The Internal Auditor responded stating they believe there is an error to the wording here and will check and update this.
- ACTION – The Internal Auditor to check the wording around spend having gone over contract value, or with no contract, in the procurement audit.**

- 5.13 The PCC raised that recommendation 2, the management comment should be PCC not PFCC.
- ACTION – The Internal Auditor to update recommendation 2 in the procurement audit.**

- 5.14 An Audit Committee Member asked, what was the value of the contract that should have been a deed, as referenced in recommendation 3. The Internal Auditor advised they would check the amount and confirm back to the audit committee. The Audit Committee Member followed up, asking if the supplier has been approached to complete a deed variation. The Internal Auditor advised that this was in the process of being followed up.

ACTION – The Internal Auditor to confirm the value of recommendation 3 in the procurement audit, for the contract that should have been a deed, and confirm back to the audit committee members.

5.15 An Audit Committee Member asked if the scope for the procurement audit included procurement requiring a tender process. The Internal Auditor advised that it did, to ensure that the tender process was followed correctly.

5.16 The PCC noted that some contracts have increased in price due to the government having increased the National Insurance (NI) contributions. The Internal Auditor responded that this has been identified here and in other peers within the public sector.

5.17 An Audit Committee Member asked if further details can be shared for the finding at recommendation 1, as this sounds significant. The Internal Auditor advised that it would be updated and shared.

ACTION – The Internal Auditor to update and share the findings for recommendation 1 in the procurement audit.

5.18 The CEO asked that recommendation 3 in the contract management audit found 20% of contracts not to be signed. Is the issue that the document hasn't been signed, but there is evidence of approval, or is this showing that it had not been approved. The Internal Auditor advised that they believe it was that the correct documentation hadn't been signed but will clarify this to check if this is an administrative issue.

ACTION – The Internal Auditor to follow up on recommendation 3 in the contract management audit, and the 20% of contracts not signed, to confirm if they had approval and hadn't been signed off, or if there was no approval.

5.19 The CEO asked how the recommendations made across both the contract management audit and procurement audit interact. The Internal Auditor advised that they would be reviewed and would ensure there is clear and consistent language used across both audit area recommendations and confirm where they do overlap.

ACTION – The Internal Auditor to review the recommendations in both the contract management audit and procurement audit, to ensure there is clear language across both audits and to detail how these areas overlap.

5.20 The PCC asked if the process hasn't been properly followed for approval of a contract, how can they be getting paid without approval. The Internal Auditor advised that it may be the original contract with a value £60K had been approved, then due to a price increase the contract's value had increased to £65K (for example), with the additional £5K having been approved separately, however it should have been fully approved as a contract with an overall value of £65K.

Asset Management

5.21 This audit received a substantial assurance, with no recommendations, and overall was a very positive audit.

- 5.22 An Audit Committee Member asked if this audit referred to people returning assets when they left the organisation, so was IT based. The Internal Auditor advised that IT was included, with the audit looking at both fixed and tangible assets which are potential more at risk to be miscalculated.
- 5.23 An Audit Committee Member asked what the safety checks included. The Internal Auditor responded saying it is not statutory health and safety checks but more ensuring there is alignment in terms of insurance being in place to cover safety checks. Areas such as asbestos and legionella would be under the remit of a health and safety audit.
- 5.24 An Audit Committee Member noted that the scope provided in this summary document shows that the remit of the audit was limited.
- 5.25 An Audit Committee Member asked what is meant by adequate resilience. The Internal Auditor responded advising it was appropriate admin to maintain the records of the assets. The Audit Committee Member suggested that when this audit is next repeated, could proactive maintenance of assets be considered within the scope.

Appendix B: Progress Against Plan

- 5.26 The Internal Auditor advised that the draft audit for cyber has been issued, but due to leave over the Christmas holiday period the finalised report has been delayed until the next committee meeting in May and added that nothing has been flagged as a concern in this audit area. The draft Estates Strategy Audit is scheduled to have its exit meeting next week.

Update Against Plan

- 5.27 The Internal Auditor advised that the data quality audit which was due to commence in November 2025 was delayed due to staff sickness and will now start on 11 February 2026. All other audits are on track as per the schedule, and the risk management audit is underway with both Constabulary's and both OPCC's.
- 5.28 An Audit Committee Member noted that from the minutes of the last meeting they were expecting 9 audits today, of which 4 have been received. The Internal Auditor commented that all audits will be completed at draft stage by the end of the financial year.
- 5.29 The CEO requested the scope for the change management be shared.
ACTION – The Internal Auditor to send the change management audit scope to the CEO.

6 DEVOLUTION (VERBAL)

- 6.1 The PCC provided a verbal update on the changes within devolution advising that the Mayoral elections have been delayed until May 2028. Originally there were no plans to merge Norfolk and Suffolk police forces, however considering the white paper on Police Reform there is a chance that this may change. His fear is that if Suffolk were to be merged with 3 other force areas, we would

potentially be left out on a limb as a rural area compared to a metropolitan area. Currently there are no further updates on local government reform and the move to unitary areas.

6.2 The PCC informed the Audit Committee that Suffolk OPCC has now launched its new website.

6.3 The PCC advised the committee that at the Police and Crime Panel meeting on Friday, the precept increase was voted through in favour, and the survey results of approx. 1200 were 57% in favour of the increase.

7 **ANY OTHER BUSINESS**

7.1 No further questions or business raised.

This part of the meeting closed at 11:46.

SUMMARY OF ACTIONS:

Item	Action	Owner
2.2 Minutes	The Internal Auditors to circulate the figures from the Actions List from 25 July 25 meeting, to show the staff turnover rate within 2 years of joining Suffolk Police.	Internal Auditor
3.13 Statement of Accounts	The ACO to ensure that any ICO incident referrals are included within the closed section of the Audit Committee agenda for future meetings, potentially to be included when the draft AGS is reported.	ACO
3.18 Statement of Accounts	The Head of Financial Accounting and Specialist Functions to talk through the pension figures after the meeting with the Audit Committee Member.	Head of Financial Accounting and Specialist Functions
4.6 Treasury Management	CFO to ensure any breaches of treasury limits to be reported to the Audit Committee.	CFO
5.6 SICA	Reminders for Audit Committee to log into the TIAA portal & access full audit reports.	ALL
5.9 SICA	The Internal Auditor provide specific examples of social value within the contracts.	Internal Auditor
5.12 SICA	The Internal Auditor to check the wording around spend having gone over contract value, or with no contract, in the procurement audit.	Internal Auditor
5.13 SICA	The Internal Auditor to update recommendation 2 in the procurement audit to be PCC not PFCC	Internal Auditor
5.14 SICA	The Internal Auditor to confirm the value of recommendation 3 in the procurement audit, for the contract that should have been a deed, and confirm back to the audit committee members.	Internal Auditor
5.17 SICA	The Internal Auditor to update and share the findings for recommendation 1 in the procurement audit.	Internal Auditor
5.18 SICA	Internal Auditor to follow up on recommendation 3 in the contract management audit, and the 20% of contracts not signed, to confirm if they had approval and hadn't been signed off, or if there was no approval.	Internal Auditor

5.19 SICA	The Internal Auditor to review the recommendations in both the contact management audit and procurement audit, to ensure there is clear language across both audits and to detail how these areas overlap.	Internal Auditor
5.29 SICA	The Internal Auditor to send the change management audit scope to the CEO.	Internal Auditor