

AUDIT COMMITTEE

A meeting of the Suffolk Audit Committee was held at Police Headquarters Martlesham, and via Microsoft Teams at 09:30 on Friday 2 December 2022.

PRESENT:

Audit Committee Members

Ian Blofield, Hugh May, Robert Millea, Andrew Peck and David Rowe (Chair).

Office of the Police and Crime Commissioner

Colette Batson (Chief Finance Officer), Kate Boswell (Executive Assistant to the PCC and Chief Executive), Sandra Graffham (Head of Communications and Engagement) Christopher Jackson (Chief Executive), and Tim Passmore (PCC).

Constabulary

Rachel Kearton (Temporary Chief Constable), Kenneth Kilpatrick (Assistant Chief Officer).

Present by invitation

Fiona Roe (Director of Audit, TIAA – Internal Auditor) and Claire Lavery (Audit Manager, TIAA – Internal Auditor).

Vicky Chong (Assistant Manager, Ernst and Young – External Auditor).

Apologies

Mark Hodgson (Partner, Ernst and Young – External Auditor)

PUBLIC AGENDA

1 DECLARATIONS OF INTERESTS

1.1 There were no declarations of interests.

1.2 The Chair opened the meeting and welcomed everyone in person, introducing those in the room, and informing all attendees that the meeting was being recorded.

2 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 24 June 2022 AND MATTERS ARISING (PAPER AC22/15)

2.1 The minutes of the Audit Committee held on 24 June 2022 were agreed as a true record. The Chair will formally sign the minutes at a future date when it is possible to do so.

2.2 An update on the following actions was provided:

Item	Action	Outcome
3.3	CFO to share the respective Terms of Reference and KPI's for Shared Services Transaction Centre with the Chief Executive once produced.	The Norfolk ACO is to complete terms of reference for the SSTC Governance Board, which will be forwarded to the OPCC Chief Executive once completed. Copies of the SSTC KPIs have been forwarded to OPCC Chief Executive.
3.11	<p>64 Interim Policies: The Internal Auditor to break down the policies in terms of Suffolk / Norfolk / Joint, and forward to the CFO.</p> <p>The CFO to check on the legal status of interim policies, and any significant issues around use of the Legal Department referred to in the report.</p> <p>The CFO to circulate an update to the committee.</p>	<p>The following response has been provided after discussion with the legal department.</p> <p><i>In summary, from an operational perspective, the theoretical risk derives from officers following an incorrect policy and doing something they should not which results in a public liability – wrongful arrest or seizure of property, for example, which in turn results in litigation, cost and/or reputational damage. Historically, we have had very few such cases (and even fewer of any financial significance). Such outcomes are more likely the consequence of failure to follow training or the proper exercising of police powers, rather than policy error.</i></p> <p><i>The biggest area of risk involves employment law, but HR policies do routinely receive legal scrutiny before publication, and employment tribunals are rare. One other area of elevated risk is information management, but the policy owner and author are a subject matter expert in this field and the legal team have rarely had to correct any policy material from this source. As a general observation, policy owner/author expertise in the subject area is key to mitigating the risk, across all policy categories.</i></p> <p><i>In short, the legal team cannot recall any cases in recent years where an incorrect policy has resulted in financial and/or reputational damage to the constabularies.</i></p> <p><i>To further reduce any risk – by reducing the number of policies which are published as ‘interim’ at any one time (currently 19% of the policy library – down 6% in the last 4 months) – the Central Policy Unit is working on an SLA to codify expectations of remit, process and turnaround times. This will be introduced shortly for all new and reviewed policies.</i></p>
3.14	CFO to check the context regarding the implementation schedule for the Procurement Strategy and Policy recommendations.	3 actions raised by TIAA. Actions 1 and 2 had a 30-09-22 due date and action 3 a 31-10-22 due date. Context for setting the due dates has been provided by Rex Clarke, Head of Commercial Support, and is provided below. The numbers below relate to the recommendation number in the report: <i>The timescale was put in as there was the anticipated update to contract standing orders where sub £50k single tender actions would fall out of regional CSOs so would require a local</i>

		<p><i>procedure. Nonetheless I covered this at a 7 Force Commercial Services team meeting although I cannot evidence it and it is also covered locally in the staff briefing for sub £50k activity that my team delivers. The ACOs in Suffolk and Norfolk have also put out a reminder in Force Orders previously around compliance with CSOs.</i></p> <p><i>This relates to removing the sub £50k purchase order approvals out of 7F Commercial Services and initially SSTC was going to progress. We are meeting on this in early October as we have not been able to fit in sooner due to work demands and leave.</i></p> <p><i>I'm not sure on the long timescale for this as it has been dealt with as per item 2 on the attached.</i></p>
9.2	CFO to send hard copy versions of the Financial Management Code and the Peel Inspection Report to Audit Committee Members once published.	The information was sent to the OPCC for printing and forwarding to JAC members. The OPCC confirmed printed and posted to members same day.

2.3 The remaining actions from 24 June 2022 were noted as being complete.

3 SUMMARY OF INTERNAL CONTROLS (SICA) ASSURANCE REPORT (PAPER AC22/16)

3.1 The Internal Auditor presented this report, highlighting that all audits are showing as reasonable assurance with no priority 1 recommendations made.

3.2 The audit plan in place for the current year, shows a number of ongoing audits with several intentionally scheduled towards the end of the year. The plan dates have all been scheduled with the expectation for all work to be completed in this year.

Workplace Health:

3.3 An Audit Committee Member flagged that all deadlines have now passed, and requested assurance that the actions have been completed as per the timetable. The Internal Auditor explained that they are slightly overdue, but they have supported this due to the recommended national guidance.

3.4 An Audit Committee Member asked with regard to the key strategic priorities, what KPIs are being targeting to monitor long term absence. The Chief Constable responded that this is currently being examined by the People Board, so any additional KPIs could be included.

ACTION: The Internal Auditor to work with Workplace Health and provide a copy of the KPIs already in place to the Chief Constable and Audit Committee Members.

- 3.5 An Audit Committee Member queried regarding the leavers check, whether this could be an automated process. The Internal Auditors confirmed that the process is not fully automated at present, but there is a template email in place which is being used.
- 3.6 An Audit Committee Member requested that appendix C be shared with the committee due to it being missing from the report. The Internal Auditor agreed to resend the appendix.
ACTION: The Internal Auditor to recirculate the missing appendix.
- 3.7 The PCC queried if the Trauma Risk Management was a joint department with Norfolk, and asked for the Suffolk data to be provided. Further it was asked what the issues were with requiring the two additional members of staff.
ACTION – The Internal Auditor to follow up on the request of the PCC to provide the Trauma Risk Management Data for Suffolk, and details around the issues with the two extra members of staff.
- 3.8 The PCC questioned the backlog of 44 records going back 9 months.
ACTION – The Internal Auditor to follow up on the records backlog and provide a response to the PCC and Audit Committee.

Complaints:

- 3.9 The PCC asked for the figures for the of reduction of complaints by 20% for Norfolk and 8% for Suffolk to be quantified.
ACTION – The Internal Auditors to provide the numbers behind these figures to the Audit Committee.
- 3.10 An Audit Committee Member requested to see the raw numbers involved for the escalation of complaints to the PCC, and to include the context behind this.
ACTION – The Internal Auditors to provide this information in the next report.
- 3.11 An Audit Committee Member asked if there was any evidence about vexatious serial complainants. The Internal Auditor asked if it would it be helpful to see the full report in future, but an Audit Committee member commented that a single page summary of how complaints move through the system, including any general points, would be sufficient.
ACTION – The Internal Auditors to provide an update with further data as to what was covered regarding the complaints, rather than just the Executive Summary.
- 3.12 The Chief Executive queried whether the figures at recommendation 6 were joint Norfolk and Suffolk figures, as Suffolk OPCC has not made recommendations in 14 cases.
ACTION – The Internal Auditors to update the figures, separating out Norfolk and Suffolk.
- 3.13 An Audit Committee Member suggested a simple lessons learned sheet would be helpful in relation to the complaints received. The Chief Executive confirmed that the OPCC publish information on to the OPCC website regarding this, so this already exists.
ACTION – The OPCC to share the website link with the Audit Committee Members.

Executive Police Education Qualification Framework (PEQF)

- 3.14 The Internal Auditors commented that the recommendations are more lessons learnt and how the officer numbers can continue to be met. An Audit Committee Member requested that the full name be included in the title for this section rather than using the acronym.

ACTION – The Internal Auditor to amend this for the next report.

Progress Against Annual Plan

- 3.15 An Audit Committee Member commented that on pages 4 and 5 of the report the Absence Management / Safeguarding, is marked as draft reports to be moved to 2022 / 2023. The Internal Auditor confirmed that the work had been completed, but that the reports are still at draft stage. Discussion between the Audit Committee Members and the Internal Auditors resulted in agreement that a summary update would be sent to the Audit Committee Members at the end of the month prior to the next Audit Committee date, allowing for any questions to be submitted prior to the day of the meeting. The issues could then be addressed at the meeting.

ACTION – The Audit Committee Chair to work with the CFO and the Internal Auditors to delivery this approach.

Progress Update:

- 3.16 The Internal Auditors checked if having the Progress Update included adds value to the report? An Audit Committee Member confirmed it was useful, and could the recommendation references be included.

ACTION – The Internal Auditors to include the references for the Progress Update in the next report.

- 3.17 The PCC queried what the term out of control of Norfolk and Suffolk meant on page 12.

ACTION – The Internal Auditors to provide more information around the comments on page 12 directly to the PCC.

4 EY AUDIT PLAN AND UPDATE ON EXTERNAL AUDIT (AC22/17)

- 4.1 The External Auditor presented this report, which had previously been circulated to the Audit Committee in September 2022. There have been no changes from the prior year within the report, but there has been a reduction in risk in respect of the valuation risk of the police pension scheme. An area of focus within the report continues to be Financial Sustainability, including the impact of covid.

- 4.2 An Audit Committee Member queried if the timetable presented allows adequate time for resources to be in place to meet EY with regards to the External Audit for both the OPCC and the Constabulary, as well as drafting the MTFP. The CFO for the OPCC responded that the resources will be shared, and although the timelines are not ideal, they are achievable.

- 4.3 The PCC raised that the comments on the effects of climate related matters on the financial statement is very subjective. Accordingly how will this be managed. The External Auditors responded that this is still early stages for the public sector and therefore wanted to gain an understanding as to what is being done and examine the plan as matters progress to address this.
- 4.4 The PCC requested it be formally noted in the minutes that he is appalled at the proposed increase in audit fees, which will be discussed later in the meeting.
- 4.5 An Audit Committee member questioned regarding the point on Climate Change as to what statutorily has to be disclosed. The ACO confirmed that at present nothing required disclosing but this is something being looking at outside of the financial reporting process.
- 4.6 Audit Committee Members raised comments that in relation to the report referencing “development of the right audit culture”, some specific detail is required as presently it is a generic comment that does not relate to auditing of police finances. Further they observe how does planning for late submission of the accounts form part of “developing the right audit culture”? The Chief Executive added that taking on board the comments from this discussion could the External Auditors take these comments back to EY for feedback, and respond to the requests.
ACTION – External Auditors to respond to the client feedback around the request for specifics with regards to the development of the “right audit culture”.

5 VETTING UPDATE (VERBAL)

- 5.1 The Chief Executive provided a verbal update on the action being taken following receipt of the HMICFRS thematic report on Vetting, Misconduct and Misogyny received during November.
- 5.2 The PCC has a statutory obligation for the PCC to respond to the report in writing to the Home Office within 56 days. The response and the report are in due course published on the website of the Office of the Police and Crime Commissioner (OPCC).
- 5.3 Suffolk Constabulary have been reviewing all the recommendations and have provided the OPCC with their response. Presently the PCC is now considering his response to the Home Office.
- 5.4 The OPCC has taken the decision to take the HMICFRSs report and the Constabulary’s response to the Accountability and Performance Panel (APP) scheduled for May 2023, where the PCC holds the Chief Constable to account and where the progress of the Constabulary in respect of the recommendations can be examined. Additionally, there is also an internal audit scheduled to take place on vetting.
- 5.5 The PCC wished to reassure the Committee that the area of vetting had been looked at in depth over the past few years, and added that 2 years ago additional resources were put into the department, as well as there being a great deal work around the use of robotics.

- 5.6 An Audit Committee Member questioned why the vetting audit was delayed from the original issued schedule. The Internal Auditor advised that the audit was delayed due to the HMICFRS report on vetting, in order to allow it the audit to be considered in the context of the HMICFRS report.
- 5.7 An Audit Committee Member asked in terms of the work done already, whether there are any significant gaps likely to cause stress or increased workload. The Chief Constable replied in the negative adding that Suffolk Constabulary benefitted from national work undertaken together and utilising the anti-corruption team within the region. The report has not identified any material gaps for the region.

6 ANY OTHER BUSINESS

There was no other business.

This part of the meeting closed at 1038

PRIVATE AGENDA

[A more detailed account of the discussions and decisions on the following items is contained in the confidential minutes]

7 CLOSED MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 24 JUNE 2022 AND MATTERS ARISING (AC22/17)

- 7.1 The minutes of the Audit Committee held on the 24 June 2022 were agreed as a true record. The Chair will formally sign them at a future date when it is possible to do so.

8 AUDIT FEES (VERBAL)

- 8.1 The Chief Financial Officer provided an update on the fee variation for 2021/22 to the Audit Committee.

9 AUDIT APPOINTMENT (VERBAL)

- 9.1 The Chief Financial Officer provided an update on the appointment of the external auditors.

10. DATA PROTECTION MATTERS (VERBAL)

10.1 Temporary Assistant Chief Constable Bridger provided an update on Operation Merritt and the recent data breach to the Audit Committee.

11 ANY OTHER BUSINESS

11.1 There was no other business.

Meeting end 1145

SUMMARY OF ACTIONS

Item	Action	Owner
3.4	Workplace Health: The Internal Auditor to work with Workplace Health and provide a copy of the KPIs already in place.	Internal Auditor
3.6	Workplace Health: The Internal Auditor to recirculate the missing report as mentioned in appendix C.	Internal Auditor
3.7	Workplace Health: The Internal Auditor to follow up on the request of the PCC to provide the Trauma Risk Management Data for Suffolk, and details around the issue with the two extra members of staff.	Internal Auditor
3.8	Workplace Health: The Internal Auditor to find follow up on the records backlog and provide them to the Audit Committee.	Internal Auditor
3.9	Complaints: The Internal Auditor to provide the numbers behind these figures to the Audit Committee.	Internal Auditor
3.10	Complaints: The Internal Auditor to provide the raw numbers involved for the escalation of complaints to the PCC information in the next report.	Internal Auditor
3.11	Complaints: The Internal Auditor to provide an update with further data as to what was covered regarding the complaints, rather than just the Executive Summary.	Internal Auditor
3.12	Complaints: The Internal Auditor to update the figures, separating out Norfolk and Suffolk for complaint recommendations.	Internal Auditor
3.13	Complaints: The OPCC to share the website link for complaints with the Audit Committee Members.	OPCC
3.14	PEQF: The Internal Auditor to expand the term for PEQF (Executive Police Education Qualification Framework) rather than use the acronym for the next report.	Internal Auditor

3.15	Progress Against Annual Plan: The Audit Committee Chair to work with the CFO and the Internal Auditors to delivery this approach.	Audit Committee Chair, CFO, Internal Auditor
3.16	Progress Update: The Internal Auditor to include the references for Progress Update in the next report.	Internal Auditor
3.17	Progress C: The Internal Auditor to provide more information around the comments on page 12 directly to the PCC.	Internal Auditor
4.6	External Auditors to respond to the client feedback around the request for specifics with regards to the development of the “right audit culture”.	External Auditor