

## **AUDIT COMMITTEE**

A meeting of the Suffolk Audit Committee was held at Police Headquarters Martlesham, and via Microsoft Teams at 09:30 on Friday 15 March 2024.

### **PRESENT:**

#### **Audit Committee Members**

Rachel Ashley-Caunt, Karen Chapman, Lindsey Hoy and Hugh May (Chair).

#### **Office of the Police and Crime Commissioner**

Colette Batson (Chief Finance Officer), Kate Boswell (Executive Assistant to the PCC and Chief Executive), Amanda Houchen (Administrative Assistant), Chris Jackson (Chief Executive), Tim Passmore (Police and Crime Commissioner).

#### **Constabulary**

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

#### **Present by invitation**

Fiona Roe (Director of Audit, TIAA – Internal Auditor).

#### **In attendance for the Public Agenda via Teams**

Adriana Stapleton (Senior Democratic Services Officer).

#### **Apologies**

Vicky Chong (Assistant Manager, Ernst and Young – External Auditor), Tim Greenacre (Audit Committee Member), Mark Hodgson (Partner, Ernst and Young – External Auditor).

## **PUBLIC AGENDA**

### **1 ELECTION OF AUDIT COMMITTEE CHAIR**

- 1.1 The Chief Executive welcomed everyone to the meeting and invited everyone to introduce themselves.

- 1.2 It was noted that this was the first meeting of the newly appointed Audit Committee. The Chief Executive welcomed the new members and explained the need to nominate and elect a Chair for the coming year. Hugh May stated that he was happy to stand as Chair having been a serving member of the previous Audit Committee for 3 years, enabling him to stand as a bridge between the old world and the new. The rest of the committee agreed with his nomination and voted unanimously in his favour.

## **2 DECLARATIONS OF INTERESTS**

- 2.1 The Chair asked for any declarations of interests.
- 2.2 An Audit Committee member declared that she is on the boards of the Norfolk and Suffolk NHS Foundation Trust, East Coast Community Healthcare, and the QE2 Conference Centre in London. Whilst not believing there to be any conflict between these boards and her role on the Audit Committee, she requested it be noted for absolute transparency.

## **3 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 25 JANUARY 2024 AND MATTERS ARISING (PAPER AC24/07)**

- 3.1 The minutes of the Audit Committee held on the 25 January 2024 were agreed as an accurate record and approved by the Audit Committee Chair. The Executive Assistant confirmed that no amendments or queries had been received from any of the outgoing Audit Committee members.
- 3.2 The Chair noted a large number of outstanding actions from the Internal Auditor. It was suggested that the Internal Auditor circulate a note regarding all outstanding actions to the committee members outside of the meeting.  
**ACTION – The Internal Auditor to provide a written update on the outstanding actions to the Audit Committee members.**
- 3.3 An Audit Committee Member requested that point 2.3 in the minutes, an outstanding action to schedule a meeting between the Audit Committee Members and the Internal and External Auditors, be arranged. The Chief Finance Officer (CFO) confirmed this action would be addressed and a meeting set up.  
**ACTION – The CFO to schedule a meeting between the Audit Committee Members, and both the Internal and External Auditors.**
- 3.4 The Assistant Chief Officer (ACO) and the CFO confirmed that all actions from the meeting on 25 January 2024 are complete or in hand.

## **4 SUMMARY INTERNAL CONTROL (AC24/08)**

- 4.1 The Internal Auditor presented this report.

- 4.2 The Internal Auditor confirmed there had been no final reports issued since the last meeting, but there were several reports at draft stage awaiting finalisation. Two draft audit reports had moved to final since the Audit Committee papers were issued for the meeting. The delays in moving audit reports from draft to final stage were largely due to internal processes, resulting in a time frame of up to 2 months. An updated process with the PMO office should result in a timeframe of 10-15 working days in future.
- 4.3 The Police and Crime Commissioner (PCC) asked what needs to be done to address the turnaround times for reports. The Internal Auditor responded that both the ACOs and the CFOs across Norfolk and Suffolk are working on how to improve the current turnaround issues, and monthly meetings with the PMO office have been scheduled to continue to drive this forward. There are a number of draft reports which involve working across large teams and departments, often dealing with part-time and/or shift pattern workers which does impact the time frame for finalisation. Going forward the Internal Auditor will continue to work closely with the PMO Office, the ACOs and CFOs to address this issue, and discussions are ongoing to ensure this is improved.
- 4.4 An Audit Committee Member commented that it should be noted that the ideal time frame for moving an audit report from draft to final is 10-15 days, which has been missed in a substantial number of reports. Therefore, a marker needs to be put down to ensure improvements are seen in terms of the turnaround times for actions, responses and management comments, with clear response times for recommendations. The Internal Auditor responded that they would note these comments and confirmed that since October 2023 the changes implemented with the PMO office, mean they are now responsible for getting a response from the internal teams, with further work ongoing to expedite the process.
- 4.5 An Audit Committee Member noted that there seems to be findings within the audit reports that have not been agreed and asked whether the PMO office will be looking at the areas where the findings are not agreed and be addressing this to find a resolution. The Internal Auditor responded that the PMO is tasked with the final recommendations going to both ACOs and both CFOs for sign-off. As this is 4 people, across 2 organisations, there is not always agreement on the recommendations. It would be rare for an audit to have partially agreed recommendations. The PMO office is responsible for collating the responses from these areas, which are then discussed at the monthly Progress Update meetings.
- 4.6 The ACO commented that this is a new process and way of working, which will continue to embed with time. He proposed adding an agenda item to monitor progress at the monthly CFO / ACO meetings between Norfolk and Suffolk.
- ACTION – CFO to add a progress update on the PMO / Internal Auditor draft audit report process at the monthly CFO / ACO meeting with Norfolk to monitor the time frame issues with finalising audit reports.**
- 4.7 An Audit Committee Member suggested that disagreement with recommendations could be down to understanding and suggested that within the reports a distinction between “not accepting a recommendation” vs “not accepting the finding” is made.

- 4.8 The PCC asked when the audit plan is set in advance, is it fully understood by all parties involved and communicated effectively. The Internal Auditor responded that the PMO office is key to this. It is invited to the scoping meetings and provides attendance at the meetings when the audits are scheduled at the beginning of the year. The CFO noted that the progress of the audit plan will be monitored via the monthly budget meetings with the PCC.
- 4.9 The Internal Auditor highlighted that there is one recorded change to the audit plan, with the Change Management Process audit that was scheduled for 2023, being moved into 2024. Consultants are now working with this department to review the structure of the Change Management team, therefore it is proposed to postpone this audit to Q3 2024. The Audit Committee Members were happy to propose this change to the audit plan.
- 4.10 The Internal Auditor updated that the Fleet Management Strategy audit, which was scheduled for Q4 has been delayed whilst work on the strategy is finalised. The ACO commented that work is ongoing around the accommodation of electrification of the fleet, and hitting carbon reduction targets, which are sizable changes. This area of work links in with the Estates team strategy, as the implications for the changes required will affect both the Suffolk and Norfolk estate. The PCC noted it is a difficult issue, as the technology needs to reliably deliver electric high-speed response vehicles and the option of hybridisation also needs to be considered. There needs to be assurance that the fleet vehicles are able to respond to 999 calls.
- 4.11 An Audit Committee Member noted that the Fleet Maintenance audit is scheduled for 24/25 on the audit plan, and suggested that there are pros and cons to both of the Fleet audits being completed within the same timeframe.
- 4.12 An Audit Committee Member asked, where the audit report contains recommendations for the Audit Committee to consider, whether these recommendations be added to the front sheet of the report, so they are not lost within the full document. The Internal Auditor agreed to this request. The Chief Executive commented that the cover sheets of the reports are prepared by the OPCC, therefore if there are specific recommendations, the Internal Auditor will need to highlight these to the OPCC to make it clear when reports are submitted.  
**ACTION – The Internal Auditor to highlight the recommendations for the Audit Committee to consider when the audit reports are submitted to the OPCC.**
- 4.13 An Audit Committee Member asked with the proposed audit changes is their suitable resource in place from the Internal Auditors to deliver against the plan. The Internal Auditor confirmed that there is suitable resource in place.
- 4.14 An Audit Committee Member asked that due to the large number of outstanding audits, would it be possible for the completed reports to be sent to the committee members on completion, to allow sufficient time to review them prior to the next meeting (5 July 2024). Any comments from these reports could be shared with each other and with the Internal Auditor via email. There was agreement from other Audit Committee Members that receiving the reports earlier would relieve the pressure of reading and reviewing them in a short time frame, but it would be preferable to

batch reports and receive them monthly. The Chief Executive commented that this has the potential to become a resource intensive process for the OPCC, with papers and comments circulated outside of meetings. The current governance structure states that reports should be issued a clear 5 days before the meeting, but this could be changed to 10 days to allow additional time to review the increased volume. The Audit Committee Members and the OPCC agreed that between now and the next meeting (5 July 2024), the completed audit reports will be batched and emailed monthly to the Committee members, to allow time for them to work through the outstanding 25 audits. The agenda and papers will continue to be issued 5 days prior to the meeting as per normal.

**ACTION – Completed Audit Reports to be batched and emailed out monthly to the Audit Committee Members between the March 24 and July 24 Audit Committee Meeting.**

4.15 An Audit Committee Member asked if the new Committee members could be given access to the TIAA portal.

**ACTION – The Internal Auditor to set up access to the portal for the new Audit Committee members.**

4.16 The Internal Auditor invited questions on overdue recommendations, pending systems and their full implementation.

4.17 An Audit Committee Member asked what the processes for Committee approval are where extensions and revisions to due dates are made. The Internal Auditor confirmed that a revised date plan would be raised in the plan and suggested the use of bold font within future reports to highlight the proposed revisions. The Chief Executive advised that the Audit Committee may under their terms of reference propose audit plans but ultimately it is for the PCC and Chief Constable to approve any changes.

**ACTION – Internal Auditor to use a bold font on future reports highlighting proposed date revisions to audits.**

4.18 An Audit Committee Member asked for clarity around the work being undertaken on the Absence Management audit and the overdue recommendation, plus the audit on Limited Duties. The Internal Auditor responded that there is a greater focus on Limited Duties in this year's audit, as requested by the previous Audit Committee. In terms of the Absence Management recommendation, the PMO office will follow up with the relevant team when they are due, and overdue recommendations are then followed up monthly.

4.19 The PCC asked about the review of the use of Single Tender Forms and whether the correct process is being followed or there were too many forms being submitted. The Internal Auditor confirmed it is more of a process issue within 7Forces, but believed numbers are now reducing. The ACO added that there has been a re-education process within Estates, and this is likely to see a reduction in the use of Single Tender Forms. However, they would want to reserve the right to continue to use them for some areas of business.

4.20 An Audit Committee Member asked if the wording for the Single Tender Form recommendation should be changed to state compliance rather than reduction in their use, and asked what is in

place internally to monitor the use of this. The ACO explained the use of these forms is reviewed by both 7 Forces and at the monthly ACO/CFO meetings.

## **5 INTERNAL AUDIT STRATEGY AND ANNUAL INTERNAL AUDIT PLAN 2024/25 (AC24/09)**

- 5.1 The Internal Auditor presented the plan noting it was still at draft stage. The plan was reviewed in January 2024 by the Norfolk Audit Committee and delayed to the March meeting for Suffolk to allow oversight by the new Audit Committee Members.
- 5.2 A new addition within the plan is the sample of advisory reviews, which is comprised of work being undertaken by the company with other clients that may be of interest to the Constabulary.
- 5.3 An Audit Committee Member asked about the newly launched OLEEO system and the change audit taking place within Recruitment. The ACO explained that the Constabulary is about to go live with the implementation of the OLEEO system, so it should be fully embedded by the end of the financial year. This audit will therefore look at how these processes have worked.
- 5.4 An Audit Committee Member asked if the audit for HR policies will include Diversity, Equality and Inclusion (DEI), and whether it will be focussing on policy implementation, or policy wording. The Internal Auditor replied that this audit will include DEI, and look at how policies are approved, reviewed, and managed. The audit will not measure compliance to the policy.
- 5.5 An Audit Committee Member asked if the audit for Recruitment and Induction Training, will include “fair recruitment”. The Internal Auditor responded that this audit will be reviewing the policies in place and ensuring they are complied with.
- 5.6 An Audit Committee Member asked about the methodology for the plan and commented that it was difficult to evaluate an Audit plan when they have not been privy to the framework upon which it was based. The Internal Auditor responded that the Audit Committee are able to link it back to the strategic risk registers. An Audit Committee Member asked if the plan could be mapped against the risk register to see the key areas being covered.
- 5.7 An Audit Committee Member suggested that at a future meeting the Internal Auditor could lead the Audit Committee through their methodology, particularly in relation to the selection of areas for audit.
- 5.8 The PCC asked for clarification on the audit for Commissioner Partnerships, asking what will be looked at. The Internal Auditor responded that the details will not be confirmed until the audits are scoped.
- 5.9 The PCC asked about the Communications Strategy audit and whether it would cover internal and external communications, public messaging and how it all fits together. The Internal Auditor responded that the audit would cover both areas.

- 5.10 An Audit Committee Member asked about advisory reviews, as an audit on Cybersecurity had been completed and was noted as such. The member queries at what point a decision is taken to involve a specialist to undertake an advisory audit and whether this budgeted for. The Internal Auditor responded that the Cybersecurity audit was included within the plan as part of the maturity assessment. In terms of specialist consultancy advisory reviews, these are only undertaken upon request.
- 5.11 An Audit Committee Member asked if the Internal Auditors are confident this plan can be delivered as it currently stands. The Internal Auditor responded that they are very comfortable with the plan, and with the new processes in place, believed it could be delivered. Both the ACO and CFO were in agreement with this statement.

## **6 UPDATE ON 2021/22 STATEMENT OF ACCOUNTS AND 2022/23 EXTERNAL AUDIT**

- 6.1 The ACO provided an update on the schedule of accounts, confirming that the Constabulary and OPCC is looking to receive the approval by the PCC and Chief Constable on the 25-26 March 2024 for the 2021/22 Statement of Accounts.
- 6.2 The 2022/23 Statement of Accounts are slightly more complex, due to the problems within the public sector external audit market, and the backlog on various public accounts dating back to 2018. The Constabulary is still awaiting the results of the consultation regarding the backstop date and have previously been working to a proposed date of 30 September 2024. The Constabulary has no influence over this date. The Constabulary is looking at three years' worth of disclaimers on the current basis and are beholden to the decisions taken by central government alongside PSAA. The External Auditors have completed some work for 2022/23 around Value for Money, but the confirmation as to their position remains outstanding and believes it will be disclaimed following the results of the consultation.
- 6.3 The CFO confirmed the consultation closed last week but neither the OPCC nor Constabulary have been provided with a time frame as to when the decision will be communicated.
- 6.4 The ACO confirmed the Constabulary and the OPCC will still be producing high quality draft audit accounts.

## **7 ANY OTHER BUSINESS**

- 7.1 The PCC requested it be noted in the minutes his heartfelt thanks to the Chief Executive who will be retiring at the end of this month. He expressed his gratitude for the work delivered by him over his years of service, in ensuring that the correct governance has been adhered to. In this he has been second to none. The whole county owes him a debt of gratitude for all that he has done. Thank you.

The meeting ended at 1050.

#### SUMMARY OF ACTIONS

<b>Item</b>	<b>Action</b>	<b>Owner</b>
3.2	The Internal Auditor to provide a written update on the outstanding actions to the Audit Committee members.	Internal Auditor
3.3	The CFO to schedule a meeting between the Audit Committee Members, and both the Internal and External Auditors.	CFO
4.6	The CFO to add a progress update on the PMO / Internal Auditor draft audit report process at the monthly CFO / ACO meeting with Norfolk to monitor the time frame issues with finalising audits.	CFO
4.12	The Internal Auditor to highlight the recommendations for the audit committee to consider when the audit reports are submitted to the OPCC.	Internal Auditor
4.14	Completed Audit Reports to be batched and emailed out monthly to the Audit Committee Members between the March 24 and July 24 Audit Committee Meeting.	OPCC
4.15	The Internal Auditor to set up access to the portal for the new Audit Committee Members.	Internal Auditor
4.17	Internal Auditor to use a bold font on future reports highlighting proposed date revisions to audits.	Internal Auditor