

AUDIT COMMITTEE

A meeting of the Suffolk Audit Committee was held at Police Headquarters Martlesham, and via Microsoft Teams at 09:30 on Friday 27 September 2024.

PRESENT:

Audit Committee Members

Rachel Ashley-Caunt, Karen Chapman, Tim Greenacre, 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), Sandra Graffham (Acting Chief Executive),

Constabulary

Kenneth Kilpatrick (Assistant Chief Officer).

Present by invitation

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

Members of the Public via Teams

David Goldsmith (Councillor, Suffolk County Council)

Apologies

Debbie Hanson (Partner, Ernst and Young – External Auditor), Rachel Kearton (Chief Constable), Alison Riglar (Manager, Ernst and Young – External Auditor), Tim Passmore (Police and Crime Commissioner)

PUBLIC AGENDA

1 DECLARATIONS OF INTERESTS

- 1.1 The Chair opened the meeting, welcomed everyone, and invited everyone attending in person to introduce themselves.
- 1.2 The Chair asked for any declarations of interests not previously declared and recorded. An Audit Committee Member requested it be noted that they retired from employment at the University of Suffolk on 31 July 2024, and from one of their spin-out joint venture companies. Nothing further was declared.

2 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 5 JULY 2024 AND MATTERS ARISING (PAPER AC24/11)

- 2.1 The Audit Committee Chair asked for an update on the actions from the meeting on 5 July 2024 and if there were any queries within the minutes.

2.2 An Audit Committee Member asked the Internal Auditor if everyone now has access to the portal. One member responded that they couldn't log in, and another had an outstanding password reset request. The Internal Auditor would follow up with both requests directly.

ACTION – Internal Auditor to follow up directly with Audit Committee Members to ensure they have access to the portal.

2.3 An Audit Committee Member asked if the Head of Internal Audit opinion will be coming to the next meeting. The Internal Auditor confirmed they would.

2.4 An update on the actions from the meeting on 5 July 2024:

Item	Action	Outcome
2.2	The ACO to provide an update to the Audit Committee on the streamlining of the reports process at management level between the Constabulary and the Internal Auditor.	The Assistant Chief Officer (ACO) fed back that he believed the reporting process with the Internal Auditor is now working better, and this will continue to be reviewed over the coming months.
3.3	The External Auditor to update the Norfolk typo on page 4 of the Annual Auditors Report for 2021/22.	The Chief Finance Officer (CFO) confirmed that actions 3.3, 3.6, 3.8, 3.9 have been updated by the External Auditor and published on the website.
3.6	The External Auditors to update the report with the correct process for the review of the Strategic Risk Registers.	See action 3.3 outcome.
3.6	Audit Committee to consider the review of the Strategic Risk Registers when discussing the Terms of Reference in December 2024.	The Audit Committee were in agreement to carry this action forward to the next meeting.
3.8	External Auditor to update the report reference to City Councils on page 15 of the report.	See action 3.3 outcome.
3.9	External Auditor to update the conclusion page of the report to reflect the key findings.	See action 3.3 outcome.
3.15	External Auditor to note the delay in publication of the HMICFRS report and the changes already being implemented by the Constabulary to address the recommendations.	The CFO confirmed that the External Auditors have noted the delays.
3.19	External Auditor to follow up on the impact of collaborated work with areas such as 7 Forces and ERSOU.	The CFO confirmed that the External Auditor will be updating this as part of the 2023/24 Value for Money Report.
4.3	The Internal Auditor to share the Revised Internal Audit Plan 2024/25 with the Audit Committee Members for discussion via email prior to the next meeting in September.	The Internal Auditor confirmed this report is being covered during today's meeting.
4.12	The Internal Auditor noted these comments and will provide further details into the Grievance Reporting audit, in terms of number of cases being dealt with, and the timeframe for cases.	The Internal Auditor confirmed they are awaiting a date to reissue this audit.
4.14	Internal Auditor to provide data context to the audit reports as discussed. For Ill Health Retirement, what is the level of expenditure and how many agreements are in place.	The Internal Auditor has requested the data for this report and once received it will be re-issued.

4.16	Internal Auditor to review the responses for the Out of Court Disposals tracker for breaches, to ensure they are being completed.	The Internal Auditor confirmed this will be completed as part of the disposal process.
4.18	OPCC to provide links to relevant APP documentation regarding Out of Court Disposals.	The OPCC confirmed the links have been sent.
4.20	Internal Auditor to add dates to the audit schedule to produce a more defined audit plan before the September meeting.	The Internal Auditor confirmed that dates have been added to the SICA report.
4.23	Internal Auditor to confirm the process for dealing with overdue audit recommendations, and the role the OPCC and/or Chief Constable plays in this from a risk governance perspective.	The Internal Auditor confirmed that the process has been reviewed with the protocol and flow chart having been revised and is with the PMO for approval prior to being issued. Both sides are working to this process and it is starting to be more effective. In relation to the close out of audits, an exit meeting after the draft report has been issued is now scheduled to tie up the process.
4.25	ACO to populate the recommendation tracker with the justifications and reasons for delay and circulate to the Audit Committee once updated.	The ACO confirmed this has been completed.
4.26	Internal Auditor to update the Recommendations Status report to be in date order.	The Internal Auditor confirmed this still needs to be changed.
5.2	CFO to update the internal audit review finding on page 4 of the AGS for 2023/24.	The CFO updated that for action points 5.2 to 5.9, the amends will be included in the final draft of the AGS which will be published alongside the accounts in February 25.
5.3	CFO to include top-line policy details for fraud and whistleblowing to page 10 of the AGS for 2023/24.	See action 5.2 outcome.
5.6	CFO to update the 2023/24 AGS to include outcomes and context to the review of effectiveness.	See action 5.2 outcome.
5.7	CFO to update the 2023/24 AGS to include the types of issue raised and actions taken with the limited assurance report.	See action 5.2 outcome.
5.8	CFO to review any potential implications for not having a full external audit opinion within the AGS.	See action 5.2 outcome.
5.9	CFO to check the links for the final version of the AGS.	See action 5.2 outcome.
5.10	ACO to consider the points made by the Audit Committee for the PCCs AGS in relation to the Chief Constable's AGS.	The ACO confirmed all amends will be included for the final accounts sign off, which is likely to be February 25.
6.2	Business Admin to update the Committee Activity 2023/24 report to include induction training.	The CFO confirmed that action points 6.2 and 6.3 CFO, has been updated, and it had been agreed to circulate to the Audit Committee Members.
6.3	Business Admin to update the Committee Activity 2023/24 report to include details on the recruitment process being open to the public and a transparent process.	See action 6.2 outcome.

- 2.5 The Audit Committee agreed that the minutes of the meeting held on the 5 July 2024 were agreed as an accurate record and approved by the Audit Committee Chair.

3 SUMMARY INTERNAL CONTROL (AC24/24)

- 3.1 The Internal Auditor confirmed several reports have been issued since the last meeting. There is one limited assurance issued for the Procurement Strategy and Compliance audit, with all other audits receiving reasonable assurance or substantial assurance.

Procurement Strategy

- 3.2 The Internal Auditor advised that the issue with this audit pertains to documentation being returned to 7 Forces to be held centrally on the system, and instances where this had not been adhered to. There is a gap between what is happening locally compared to centrally, so spot checks are being implemented to monitor this.
- 3.3 An Audit Committee Member asked what the size and scale of procurement is, the size of the coverage and size of the area, which again related back to the wider question around background and scope of the audit. The Internal Auditor responded that the background and scope feedback has been taken on board for future audits, but for legacy audits they would need to review the summary sheet and then provide further information to answer these questions.
ACTION – The Internal Auditor to provide further information on the background and scope of the Procurement Strategy Audit in terms of the size and scale of procurement, the size of the coverage and size of the area to Audit Committee Members.
- 3.4 An Audit Committee member asked if there is a root cause for recommendation 5. When looking at management comments they mention checklists, which the report says already exists, therefore the recommendation given is for a document that already exists but wasn't tested, rather than addressing the root cause in the first instance as to why something is happening. The Internal Auditor will take these comments on board and feed them back to management for the response received.
ACTION – The Internal Auditor to feedback the Audit Committee comments on recommendation 5 to management regarding the response received.
- 3.5 An Audit Committee Member commented that the findings were very detailed around the process of procurement, e.g. contract start and end dates, but lacked a sense of the strategic risk from the way 7 Forces is operating. The Audit Committee Member questioned whether the scope should have considered missed opportunities for collaboration or economies of scale to ensure best value for money was being achieved. The Internal Auditor responded that this focus would have changed the scope of the audit.
- 3.6 An Audit Committee Member asked to what degree do we need to lean on the 7 Forces to review to supplement the work being done in both Suffolk and Norfolk. The Internal Auditor responded that there are different auditors undertaking this work, and we would be looking to see that Suffolk

and Norfolk are compliant with 7 Forces and with their rules. Norfolk and Suffolk have a Head of Procurement role, which in part ensures local procurement compliance.

- 3.7 An Audit Committee Member asked regarding the sample size, was there a discussion between management and the auditors as to why 7 contracts were a suitable sample size, and in terms of management actions has anything changed, and could management provide some assurance that key issues have been addressed. The Internal Auditor responded that in terms of sample size, there was a discussion with management, and usually due to contract size it would be 5 or 6 audited, however in this case it was agreed to examine 7 contracts. In terms of a total number of contracts they would need to check this and confirm back to the Audit Committee.

ACTION – The Internal Auditor to confirm how many contracts could have been audited to give a clearer view of the sample size.

Agile Working

- 3.8 The Internal Auditor noted that for the Agile Working audit, reasonable assurance with one important recommendation was raised, which covers both agile and non-agile working relating to the completion of assault incident forms.

- 3.9 An Audit Committee Member asked for a definition of the term “promptly” in terms of the recommended time scale to complete the assault incident forms. The Internal Auditor responded that the audit identified forms being completed 10-months after an incident. The term “promptly” has been used with a view that management should determine the time scale.

ACTION – The Internal Auditor to provide a summary of the outcome of managements definition of the term “promptly” for completion of assault incident forms.

- 3.10 Request from the Audit Committee to have a list of commonly used acronyms.

ACTION – The Business Administrator to share the Constabulary acronym list with the Audit Committee Members.

Resource Management Unit

- 3.11 The Internal Auditor confirmed this audit has a reasonable assurance with two recommendations made, with the main recommendation being the routine checking of officers on restricted duties.

- 3.12 An Audit Committee Member asked if there is a wider issue around the operational effectiveness with staff needing to take TOIL or annual leave, plus a potential welfare issue to be able to take leave. The ACO responded that unfortunately leave does get cancelled, such as during the riots seen over the summer. The Constabulary don’t believe that the DMS system is showing accurate leave balances, and therefore this is being addressed. To reset after the events of the summer it will take approximately 3-6months to allow everyone the time back, and we are aware of the welfare impact and ensuring the appropriate welfare checks are in place.

- 3.13 An Audit Committee Member asked what needs to happen to ensure that the DMS balances are accurate and how managers highlight to teams that there is an issue with leave not being taken.

The ACO replied that it is up to chief officers to ensure leave messaging is cascaded to staff appropriately, and to ensure the reset is completed. Currently there is ongoing test sampling taking place on the DMS system to identify the issue so it can be rectified.

Succession Planning

- 3.14 The Internal Auditor confirmed this audit has reasonable assurance with four important recommendations, which all relate to having a work force with highly skilled roles, how to address an aging work force, and succession planning into key roles. The overall recommendation is how to address these gaps or weaknesses.
- 3.15 An Audit Committee Member asked should recommendation 4 have a target date of Jan 2025.
ACTION – The Internal Auditor to update recommendation 4 target date to January 2025.
- 3.16 An Audit Committee Member queried the link between the work done and the strategic risk identified, as the findings reported relate to succession planning / career planning, however the risk identified was around retention. Had the right risk been identified as a focus for this audit, and would the audit’s findings help management address the risk of retention? The Internal Auditor noted these points, agreeing that they are different issues, and the summary could be phrased differently.
- 3.17 An Audit Committee Member raised that there seems to be a broader issue with the approach to people management and is concerned that there is something more fundamental that needs to be addressed, with recommendation 3 (work force planning) requiring a significant amount of work to implement. It was questioned whether the people management issues were being looked at more broadly by management. The ACO responded that this is being looked at by Chief Officers, and that work force planning has always happened, which now includes looking strategically at where the workforce sits on a maturity curve. There is a high amount of work delivered within the People Directorate to ensure officer target numbers are achieved and maintained, so we are not subject to fines issued by the Home Office if we fall below the target number.

Key Financial Systems

- 3.18 The Internal Auditor reported that substantial assurance has been given for this audit, and the area is well managed.
- 3.19 An Audit Committee Member asked what the scope for this audit was and which key systems were looked at, as this information is not contained within the original audit plan. The Internal Auditor to circulate the audit plan which contains the full details and scope for this work.
ACTION – The Internal Auditor to share the full audit plan and scope with the Audit Committee Members for the Key Financial Systems audit, along with the full report.
- 3.20 An Audit Committee Member raised that management have accepted the risk from the key strategic findings, and thus no formal recommendations have been raised. It was queried whether this approach had been previously accepted. The Internal Auditor confirmed that previously it had

been accepted and added that ERP is a templated system which does not allow management to implement some of the recommended changes.

ACTION – The Internal Auditor to circulate the full Key Financial Systems report to the Audit Committee Members.

E-Recruitment

3.21 The Internal Auditor confirmed that one recommendation was made for an operational effectiveness matter which hasn't been included within this report and will be circulated outside of the meeting.

ACTION – The Internal Auditor to circulate the E-recruitment audit report to the Audit Committee Members.

3.22 An Audit Committee Member asked if the audit was limited to how the system was implemented rather than controls within the system. The Internal Auditor believe it is just the implementation of the system but will confirm.

ACTION – The Internal Auditor to check if the E-recruitment audit was just the implementation of the system or if it included controls within the system.

Appendix B

3.23 The Internal Auditor reported that within the 2023-24 plan two final reports have been issued for Data Quality and Staff Appraisal which will come to the next meeting and two further reports were yet to be issued to close off the previous year. In terms of the 2024-25 plan, reports highlighted yellow are works in progress, with the audit work having been completed and at the debrief meeting stage, therefore the draft audits will shortly be issued. Resource for the 2024-25 audits has been assigned, with the remaining audits being scheduled as we go into Q4.

3.24 An Audit Committee Member queried why Data Protection and Freedom of Information doesn't feature in the 2024-25 plan. The Internal Auditor advised this audit was originally in the 2022-23 plan but was paused due to the data breach, however it has now been agreed that work can be completed on this audit.

3.25 An Audit Committee Member asked how the brought forward days compared to previous years, and with the new process for finalising audits, it isn't just management but also the PMO office to be considered. The Internal Auditor confirmed that it is 405 compared to 370 days from last year, and with the change of arrangements the exit and debriefing meeting are hoped to relieve the pressure and the excess time being used for chasing reports.

3.26 An Audit Committee Member asked if the scheduling to start audits and the close out meeting process is organised through the PMO office. The Internal Auditor confirmed it was, with fortnightly meetings with the PMO office which provides a status update as well as a coordinated approach.

3.27 An Audit Committee Member asked if the account was fully resourced with vetted staff, who have adequate skills to deliver on the audits as planned. The Internal Auditor responded that there are

two senior auditors with the required skills to undertake the majority of these audits, and to ensure resilience auditors working on policing clients are vetted across other force areas.

Appendix C

- 3.28 The Internal Auditor advised that the follow-up has been completed with most recommendations having been implemented. The overdue recommendation for the “Business Interest, Secondary Employment and Declaration of Interest “audit, will not be fully closed until complete and work remains ongoing.
- 2.29 An Audit Committee Member asked why there is a progress mismatch for the Police Staff Policy. The Internal Auditor responded that the difference is Police Staff and Police Officers, with a different approach being taken for each.
- 2.30 An Audit Committee Member asked for an update on once a recommendation is deemed as closed, what role does the Internal Auditor play in terms of implementing controls or improvements. The Internal Auditor advised they receive a statement from management confirming implementation, and then do a sample to ensure that it is the case. When the audit comes around again, if a recommendation hasn’t been implemented, it would then be flagged to management.
- 2.31 An Audit Committee Member asked if there has been a management review of recommendations made to see if it has worked. The Internal Auditor responded that there is assurance in terms of the response from management, in some instances a new policy is implemented, in others it is more of a discussion. It can take time for a new policy or process to embed, so further samples can then be taken, or it can be remeasured as part of the next audit.

Appendix D

- 2.32 The Internal Auditor confirmed the portal is up to date.

4 FINAL 2024/25 INTERNAL AUDIT PLAN (AC24/25)

- 4.1 The Audit Committee Chair caveated that we are now six months into this plan, therefore we are really looking at the final 6 months through to March 2025. He requested the Internal Auditor to talk through the plan, asking for an overview on the selection process.
- 4.2 The Internal Auditor advised that they have added risk register references into the plan, with the high-level risks being referenced. Further to previous discussion regarding the draft plan, the request to show the period of the last audit and the assurance level received has now been included. Included within the strategic rolling plan are audits which do not have a date currently, and there are some previous audits that won’t be covered again, and these have been included within the plan for awareness.
- 4.3 An Audit Committee Member asked if it is normal for the “Finance Procurement and Compliance” audit to be completed every 2-years. The Internal Auditor responded that yes this is normal, as

procurement is far reaching, and it tends to get a limited assurance rating with a number of recommendations.

- 4.4 An Audit Committee Member noted that for the “Workforce Planning” audit there is a lot for management to do. The Internal Auditor agreed with this statement.
- 4.5 An Audit Committee Member asked whether the “Device Management” audit included licencing. The Internal Auditor answered that licences were audited recently and are not included in this audit.
- 4.6 An Audit Committee Member asked if the “Payroll” audit included overtime. The Internal Auditor answered that it does.
- 4.7 An Audit Committee Member asked where data analytics will be used within the 2024-25 plan, and can this be detailed in the audit report when it is used. The Internal Auditor confirmed that data analytics are historically used around key financials, and it will be highlighted in the reports as to which audit areas can use data analytics. This is the same for the 2025-26 plan.
- 4.8 An Audit Committee Member asked, given the first half of 2024-25 had been spent catching up on previous years audits, how effective is this plan for the coming 6 months, and how confident were Internal Audit that it would be deliverable. The Internal Auditor noted this as a fair concern to raise, but provided assurance in terms of assigned resources and audit start dates that the audits are going ahead. The Internal Auditor stated they would provide an update at the next meeting to ensure they are on track to deliver the plan.

ACTION – The Internal Auditor to provide an update on the deliverability for the 2024-25 plan at the December Audit Committee meeting.

5 TREASURY OUTTURN REPORT (AC24/26)

- 5.1 The CFO advised that the PCC receives 3 Treasury Outturn Reports a year with the mid-year report coming to the December meeting, and the final report as an overview for the year. The report measures the capital expenditure, which was less than projected, the capital financing requirement, which was also slightly less than forecast, and set the limits for the boundary for external debt, which did not change for the year. The report includes a summary of investments for the year, showing that no limits were breached within the year, and provides an assurance to the PCC that the due processes are followed. The CFO advised that the role of Audit Committee is to note this report, but she was happy to accept any questions.
- 5.2 An Audit Committee Member asked if the limits were exceeded, would the AC be told. The CFO responded that yes, the AC would be notified.
- 5.3 The Audit Committee were happy to note the Treasury Outturn Report.

6 ANY OTHER BUSINESS

6.1 No other business raised.

The meeting ended at 1058.

SUMMARY OF ACTIONS

Item	Action	Owner
2.2	Internal Auditor to follow up directly with Audit Committee Members to ensure they have access to the portal.	Internal Auditor
3.3	Internal Auditor to provide further information on the background and scope of the Procurement Strategy Audit in terms of the size and scale of procurement, the size of the coverage and size of the area to Audit Committee Members.	Internal Auditor
3.4	The Internal Auditor to feedback the Audit Committee comments on recommendation 5 to management regarding the response received.	Internal Auditor
3.7	Internal Auditor to confirm how many contracts could have been audited to give a clearer view of the sample size.	Internal Auditor
3.9	Internal Auditor to provide a summary of the outcome of managements definition of the term “promptly” for completion of assault incident forms.	Internal Auditor
3.10	Business Administrator to share the Constabulary acronym list with the Audit Committee Members.	Business Admin
3.15	Internal Auditor to update recommendation 4 target date to January 2025.	Internal Auditor
3.19	The Internal Auditor to share the full audit plan and scope with the Audit Committee Members for the Key Financial Systems audit.	Internal Auditor
3.20	The Internal Auditor to circulate the full Key Financial Systems report to the Audit Committee Members.	Internal Auditor
3.21	The Internal Auditor to circulate the E-recruitment audit report to the Audit Committee Members.	Internal Auditor
3.22	The Internal Auditor to check if the E-recruitment audit was just the implementation of the system or if it included controls within the system.	Internal Auditor
4.8	The Internal Auditor to provide an update on the deliverability for the 2024-25 plan at the December Audit Committee meeting.	Internal Auditor