



Joint Audit Committee

Meeting Minutes

Date: Tuesday March 31st 2015

Time: 2pm

Location: Office of the Police & Crime Commissioner, St George's Chambers, St George's Street, Winchester

Committee Members:

Mike Attenborough-Cox
Elizabeth Mackenzie
Elizabeth Dermody
Lesley Kirk
Peter Lloyd

Chair
Vice-Chair

In Attendance:

Mr. Kevin Gardner	Chief Executive (Office of the Police and Crime Commissioner)
Mr. Graham McNulty	Deputy Chief Constable (Hampshire Constabulary)
Mr. Mark Chatterton	Chief Superintendent (Hampshire Constabulary)
Mrs. Carolyn Williamson	Chief Finance Officer for the Police and Crime Commissioner
Mr. Richard Croucher	Chief Finance Officer for the Chief Constable (Hampshire Constabulary)
Mr. James Payne	Estate Strategy and Delivery Director (Office of the Police and Crime Commissioner)
Mrs. Karen Shaw	Chief Internal Auditor for the Police & Crime Commissioner and the Constabulary
Ms Helen Thompson	External Audit Director (Ernst & Young)
Ms Justine Thorpe	External Audit Manager (Ernst & Young)
Mr. Andrew Boutflower	HCC Deputy Investments and Borrowing Manager
Ms Shirley Semke	Business Support Manager (Minutes) (Office of the Police and Crime Commissioner)

136. DECLARATION OF INTERESTS

Members were mindful that, where they believed they had a personal or prejudicial interest in any matter to be considered at the meeting, they should at the time of the debate, declare their interest and consider whether to leave the meeting whilst the matter was discussed.

137. APOLOGIES (ITEM 2)

No apologies were received.

138. CHAIR'S REPORT (ITEM 3)

The Chair informed the Joint Audit Committee (hereon known as 'the Committee') of his attendance at a Chair/Vice Chair workshop held in Birmingham in January 2015 entitled Police Reform – The Developing Picture. The Chair to share the relevant documentation with the Committee.

A meeting of the Chair, Vice Chair and the Police and Crime Commissioner following the March meeting of the committee had not taken place. A meeting had now been arranged for the 27 May.

Action 43: MAC to provide workshop documentation for circulation to the committee.

139. MINUTES OF THE MEETING HELD ON 4th December 2014 (ITEM 4)

Page 2, Item 120 the date should be 2014/2015 and under 'as agreed' at the top of Page 3.

Page 3, Item 123 should note that there has been no change in fee from the previous year.

Following these amendments the Minutes of the Committee meeting held on 4th December 2014 were confirmed as a correct record and signed by the Chair.

The Action log was reviewed.

Action 23 completed.

Matters Arising:

Item 129, page 4: The Chief Executive advised the meeting that the decision had been taken to continue with the provision of Internal Audit Services under the Southern Internal Audit Partnership (SIAP).

140. TERMS OF REFERENCE ANNUAL REVIEW (ITEM 5)

It was agreed that this item be deferred for further consideration

Agreed:

a) The item be deferred for further consideration outside of the meeting.

141. EXTERNAL AUDIT - PROGRESS REPORT (ITEM 6)

The report of the external auditors regarding work undertaken to date in year 2014-15 was considered. It was explained that planning work and an interim visit had been completed with no issues arising in early work. Risks will be considered in the audit plan at the next JAC. A summer visit for audit is planned. Following the last meeting Risk Management work has been undertaken with Hampshire Constabulary (HC) around best practice and the value of this input was acknowledged.

142. EXTERNAL AUDIT BRIEF (ITEM 7)

The briefing paper from the external auditors was reviewed and acknowledged by the Committee.

143. EXTERNAL AUDIT EVALUATION (ITEM 8)

The Chair requested that the form presented should be completed by the CFOs for review at the next meeting. The External Auditors offered contact prior to this meeting if answers were required. The External Auditors suggested the form should also be completed by JAC members. Two members elected to undertake this process. The Chair offered to find a similar document for internal audit evaluation which will be circulated.

Action 44: Evaluation form to be completed prior to next meeting. (CW and RC, LK and ED)

Action 45: Chair to circulate similar document for Internal Audit evaluation (MAC).

144. INTERNAL AUDIT CHARTER AND ANNUAL INTERNAL AUDIT PLAN 2015/16 (ITEM 9)

The report of the Chief Internal Auditor was reviewed. No significant changes have been made to the Internal Audit Charter since it was last considered in June 2014, however it has been amended to reflect wording used in the updated Accounts and Audit Regulations 2015. Changes requested at the last JAC meeting have also been incorporated.

The Strategic Internal Audit Plan has been updated in line with areas agreed for review at the Risk and Harm Board, with the annual plan for H3 at appendix D. The number of days audit for H3, at 390, was queried. The Chief Internal Auditor explained that this reflected the fact that H3 was in its early days, and would be expected to reduce over time.

Agreed:

a) That the Committee believes the number of days for H3 in the internal audit plan, at 390, is excessive, and recommends to the Commissioner and Chief Constable that they should satisfy themselves by way of comparison that this constitutes value for money, taking into account that it is a new system and a significant change. The Commissioner and Chief Constable to be informed of the Committee's opinion and to inform the Committee of their views.

145. INTERNAL AUDIT PROGRESS REPORT 2014/15 (ITEM 10)

The Chief Internal Auditor explained that the purpose of the paper was to provide the JAC with an overview of internal audit activity. A review of processes remaining in OPCC and HC is being undertaken and the audit on Pro-Active Fraud days in Appendix A, page 5 is currently not planned. This is a standard process and whilst the scope will change annually all is on track to finish for the Annual report.

146. CODE OF CORPORATE GOVERNANCE (ITEM 11)

It was explained that no changes of note had been made to the Code of Corporate Governance, following their annual review. On page 11 of the OPCC document the year reference has been removed as there are regular updates. On Page 4 of the HC document reference to compliance against the 21 Commitments is made by highlighting the HC internal governance structure. The Committee requested that on page 9; paragraph 3.5 it should be noted that the Annual Governance Statement should be signed in both places.

Agreed:

a) The review of the Codes of Corporate Governance be noted.

147. TREASURY MANAGEMENT FOR 2015/16 REPORT (ITEM 12)

It was noted that a useful presentation had been received at the earlier training session. The report was formally approved by the PCC in February 2015 and no further action was required.

148. REPORT ON THE CURRENT H3 POSITION (ITEM 13 – verbal report)

The CFO outlined and explained the background related to the issues raised in press reports and by TV coverage related to the dip in invoices payment performance for Hampshire County Council, confirming that this did not related to Hampshire Constabulary whose performance sits at circa 96% paid within the 30 day period. The work being completed to address the business change issues were outlined and a copy of the 3 month review report will be provided to JAC Members for information. Committee members referred to personal issues related to expenses payments and it was explained that there had been an oversight, they should have been registered for Volunteers Self service at Go Live and this would now be addressed. Feedback was given regarding the Customer Interaction Centre (CIC) experience by Committee members and the CFO confirmed that the CIC was currently under review regarding improving the experience for all customers. The DCC noted no HC problems with payments at focus groups and an issues log is kept. It was agreed that further discussion would take place outside the meeting to clarify outstanding claims and clear communication and process would be issued going forward.

Agreed:

- a) The CFO will provide Committee Members with the 3 month review report for Hampshire Constabulary
- b) Committee members will be registered on the VSS system to make personal expenses claims themselves. Outstanding payments will be resolved.

149. DATE OF NEXT MEETING/FORWARD PLAN (ITEM 14)

The date of the next Joint Audit Committee meeting is Thursday 25th June 2015, 2pm at St George's Chambers.

The Forward Plan was updated and will be circulated with the minutes.

150. EXCLUSION OF THE PRESS AND PUBLIC (ITEM 15)

The public were excluded from the meeting during the following items of business, as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, for the reasons set out in the reports.

151. INTERNAL AUDIT PROGRESS REPORT – CONFIDENTIAL (ITEM 16)

Members considered the confidential report of the Chief Internal Auditor together with copies of the internal audit reports issued since the last report in December 2014.

152. CONFIDENTIAL MINUTES (ITEM 17)

Members received and agreed as a correct record the confidential minutes of the meeting of the Committee held on 4th December 2014.

153. OFFICE OF THE POLICE AND CRIME COMMISSIONER'S STRATEGIC RISK REGISTER UPDATE (TEM 18)

Members considered the confidential report of the Estates Strategy and Delivery Director on the OPCC Strategic Risk Register.

154. HAMPSHIRE CONSTABULARY'S RISK REGISTER UPDATE (ITEM 19)

Members considered the confidential report of the Strategic Risk Manager on the Chief Constable's Strategic Risk Register.

MEETING CLOSED 4.15pm

Agreed as a correct record:

Chair:

Date:

DRAFT