



**HUMBERSIDE
POLICE & CRIME
COMMISSIONER**



**Serving our communities to
make them safer and stronger**

**THE JOINT INDEPENDENT AUDIT COMMITTEE
OF THE POLICE AND CRIME COMMISSIONER FOR
HUMBERSIDE & THE CHIEF CONSTABLE OF
HUMBERSIDE POLICE**

ANNUAL REPORT 2019/20

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Humberside Joint Independent Audit Committee Annual Report September 2019 - September 2020

Chair's Foreword

This is the third annual report of the Joint Independent Audit Committee (JIAC) for the Police and Crime Commissioner for Humberside and Chief Constable of Humberside Police. It covers the period from September 2019 to September 2020.

There has been no change to the composition of JIAC during the year and the Committee continues to enjoy a good working relationship with the Police and Crime Commissioner and Chief Constable and their respective teams, including Internal Audit and External Audit.

2019/20 has been a challenging period for all and the Committee is pleased that their contribution throughout the period has been recognised.

The majority of meetings throughout 2020 have been held virtually, however this has not prevented the Committee from undertaking its role and responsibility.

Opportunities for visits to facilities and training have been well received.

I am grateful for the continued support, expertise and commitment of JIAC members.

We respectfully regard our role as one in complete support of Humberside Police and Humberside Police and Crime Commissioner, delivering positive outcomes.



Doug Chapman
Chair

1. Introduction

- 1.1 The purpose of the JIAC is to provide independent advice and recommendations to the Commissioner and the Chief Constable on the adequacy of the governance and risk management frameworks, the internal control environment and financial reporting to help them to ensure efficient and effective assurance arrangements are in place. To this end the Committee is enabled and required to have oversight of, and to provide independent review of, the effectiveness of the governance, risk management and control frameworks within the Office of the Police and Crime Commissioner (OPCC) and the Humberside Police Force and the financial reporting and annual governance processes together with internal and external audit arrangements.
- 1.2 For further information on the work of the Committee (agendas, minutes and reports) please visit the Police and Crime Commissioner for Humberside’s website:

<http://www.humberside-pcc.gov.uk/Working-for-you/How-We-Make-Decisions/How-We-Make-Decisions.aspx>.

2. Membership of the Committee

- 2.2 The JIAC is made up of seven independent members who bring with them a range of experience and skills which cover the various aspects of the work of the Committee.

Member	Bibliography
<p style="text-align: center;">Martin Allingham</p> 	<p>Martin joined the Central Electricity Generating Board in 1966, gaining a degree in Electrical Engineering. He became a Chartered Engineer in 1978 and obtained a Diploma in Management Studies in 1983.</p> <p>He spent 38 years as an engineer in the power industry, mainly as a Performance Engineer, culminating in the post of Commercial Controller of a gas fired power station at Killingholme. He has experience in preparing Business Plans and economic justifications.</p> <p>Martin was a Chair of Valuation Tribunals for 15 years to adjudicate on disputes about Council Tax or Business Rates challenges. He was also a Member of the Board of the Valuation Tribunal Service for 6 years.</p> <p>Martin is a Member of Humberston Lions Club, having held the posts of Secretary and President and is also a Trustee of the local Citizens Advice Bureau.</p>
<p style="text-align: center;">Doug Chapman (Chair)</p> 	<p>Doug’s early career saw him relocate with British Steel to Scunthorpe from Cardiff taking the role of Management Accountant / Financial Analyst before opting for a career change to work in the communications engineering sector.</p> <p>Doug has worked for Philips, NTL and Arqiva and was responsible for the successful transition of all engineering and back office function personnel from Philips to NTL, following acquisition. His work had a particular emphasis on Broadcast Engineering/Voice Transmission & Data Communications within the Emergency Services, including Acquisition, Managed Services and Outsourcing.</p> <p>He has been a Public Safety Board Member having significant involvement in major product development and programme delivery of National communication upgrades. He has experience of heading teams with accountability for engineering service support Budgets of over £500m at Senior UK Operating Board and Divisional Director level.</p>

Member	Bibliography
	<p>Doug currently provides consultancy services on ITIL Service Support and Service Delivery, business restructuring and customer services initiatives and has over 25 years' experience of working in the public safety sector in the field of Police/Fire/Ambulance/HM Coastguard/RNLI. Doug is a Cert. Manager ITIL.</p> <p>Doug's outside interests include golf where he is the captain of the Ashby Decoy Golf Club and rugby union having been a player, and later, an International and Premiership referee. Doug is also a past Governor of John Leggott College, Scunthorpe, having had responsibility for audit and remuneration.</p>
<p>Jim Doyle</p> 	<p>Jim is a self-employed provider of non-executive solutions across a wide range of sectors a role that he has performed since 2009. Before that he was a Financial Director of a globally branded food business for 10 years, and a UK hotel group for 5 years. He has worked at C-Suite level since 1988 in over 20 sectors.</p> <p>He is a Fellow of the Chartered Institute of Management Accountants and a Fellow of the Hospitality Professionals Association (HOSPA). Jim is on a number of NED panels, including KPMG, RSM, BTG, Barclays & Muckles LLP and was a Non-Executive Director in the NHS between 2006 & 2008. During his career he has been Chairman of a global healthcare software business & Managing Director of an engineering company. He has been a trustee/director of the local Citizens Advice Bureau since 2015 and of Dove House Hospice since 2013 (Vice Chairman). His outside interests include sport and music.</p>
<p>Pam Jackson</p> 	<p>Pam worked at the University of Hull from 2006 to 2019, most recently as the Research Manager for the Faculty of Business Law and Politics. She has worked on a number of international research consortia, Chaired a European group of research managers and delivered projects involving port operations and the logistics of both food and fish. In addition, she has managed the successful application for the £6 million Sparkfund project funding, which is now supporting businesses with innovation in our region.</p> <p>Her career has been spent in universities and local authority employment and her roles have included being Registrar, HR Manager and Staff Development Manager. In the latter she has been: Policy Group Manager, Local Strategic Partnership Manager and Committee Manager.</p> <p>In addition to the 'day job' she has been the Chair of the Governing Body for Cottingham High School, an elected staff representative on a university Academic Board, an elected staff representative on a university Board of Governors and an elected member of the National Executive Committee of a professional association.</p>
<p>Andrew Smith</p> 	<p>Andrew is a native of Leicester and after secondary education went on to graduate from the University of Newcastle -on-Tyne with a degree in English Literature. He joined M&S as a graduate trainee before moving to Northern Foods as an HR Manager, subsequently moving on to become HR director of Britvic Soft Drinks, Bass Brewers/Bass International Brewers and Wedgwood UK. After retirement, he moved to East Yorkshire and became a magistrate in Hull for 10 years.</p> <p>He was also a member of the Humberside Police Authority for 6 years and chaired the Standards Committee, the Business Development Committee and the Human Resources Committee. Andy is currently a Director of a Multi-Academy Trust and a Board Member of The Alcohol and Drug Service. His outside interests include sports, mainly rugby union and cricket, and he is also interested in travel and current affairs.</p>

Member	Bibliography
<p data-bbox="199 302 351 369">Mandy Thomlinson</p> 	<p data-bbox="411 201 1434 369">Mandy Thomlinson is Master of Medical Science and member of the Institute of Health Care Management. She is also a part qualified accountant. In addition she has considerable experience as a management consultant and auditor and she has held senior positions in the NHS. Mandy has worked in the voluntary sector as a charity coordinator.</p> <p data-bbox="411 398 1434 701">Mandy is a good communicator and facilitator with considerable experience in overseeing finance and governance regimes. Having spent time as a member of Humberside Police Authority's Standards Committee and acting as an Independent Person for the East Riding of Yorkshire Council, she is fully conversant in ensuring that standards in public life are maintained. She is a good team player who has the ability to see the big picture whilst paying close attention to detail, skills she has demonstrated as a member of the Humberside Fire Authority's Governance, Audit and Scrutiny Committee and in her role as a member of the Joint Independent Audit Committee.</p>
<p data-bbox="175 873 375 907">Clive Vertigans</p> 	<p data-bbox="411 705 1434 974">Clive started work with British Gas and was involved in Internal Audit for 4 years covering all aspects of the business, sales reporting to the Chairman and Director of Finance. He later became Area Accountant for Hull & East Coast and was involved in restructuring and rationalisation of operations at Clough Road in Hull before moving to headquarters in Leeds. He subsequently became Operations Manager for 280 internal staff and 200 external staff and was the management representative on National Committees, local TU productivity meetings and disciplinary hearings.</p> <p data-bbox="411 1003 1434 1272">Clive has been Implementation Manager on 3 key IT systems dealing with consultants, systems analysts and users. He was appointed National Electricity Manager overseeing the contracts with the 14 Public Electricity Companies worth approx. £40 million per year working with the Managing Director. Clive has been a local Magistrate for 22 years in Hull and East Yorkshire and over past 4 years he has been involved in covering Family Courts in Sheffield, Huddersfield and Leeds in addition to Hull and Beverley. He was also Chair of Governors at Francis Askew Primary School in Hull for 3 years.</p>

3. Meetings

- 3.1 The Committee is scheduled to meet five times throughout the year. Due to the outbreak of the Coronavirus (COVID-19) pandemic, the March meeting was unable to take place so the agenda and reports were circulated electronically and feedback was captured as part of the 8 June meeting of the Committee.

Attendance

Audit Committee Member	9 December 2019	8 June 2020	27 July 2020	28 September 2020	Total Attended
Martin Allingham	✓	✓	✓	✓	4/4
Doug Chapman	✓	✓	✓	✓	4/4
Jim Doyle	✓	✓	✓	✓	4/4
Pam Jackson	✓	✓	✓	✓	4/4
Andy Smith	✓	✓	✓	✓	4/4
Mandy Thomlinson	✓	✓	✓	✓	4/4
Clive Vertigans	✓	✓	✓	✓	4/4

4. Work of the Committee

- 4.1 The Committee reviews its terms of reference annually to ensure it is relevant and up to date.
- 4.2 The Committee sets an annual cycle of business to inform agendas for future meetings. This identifies the requirement for reviews and reports covering key areas of activity including:-
- Corporate Governance and Transparency
 - Finance
 - Assurance
 - Risk Management
 - Internal Audit and Counter Fraud
 - External Audit
 - Audit Committee Reviews and Self Assessments
 - Collaboration/Partnerships
- 4.3 A secure area of the PCC's website is well established whereby Members can access sensitive reports (such as internal audit reports) and reference material.
- 4.4 Agendas and minutes of previous meetings are made available to the Police and Crime Commissioner and the Chief Constable together with their statutory officers and are extended standing invitations to attend every meeting.
- 4.5 Agendas and minutes are published on the PCC's website.
- 4.6 The Committee also receives an Action Schedule at each meeting to monitor the progress made against actions and recommendations made by the Committee.

5. Governance and Financial Statements

- 5.1 The Committee has supported the PCC and Chief Constable in their governance arrangements and in the governance of their financial responsibilities through the consideration of draft Annual Governance Statements and draft Annual Statement of Accounts. Through its consideration, the Committee are able to provide assurance to the PCC and Chief Constable that all requirements have been fulfilled, prior to their approval.

6. External Audit

- 6.1 Mazars LLP are the appointed external auditors to the PCC and Chief Constable. Members receive a progress report from Mazars at each meeting along with the Annual Audit Letter and Opinion.
- 6.2 Members have the ability to meet privately with External Auditors prior to each meeting without officers present.

7. Internal Audit

- 7.1 The Office of the PCC for West Yorkshire are engaged to provide the internal audit function to the PCC and Chief Constable following a tender exercise.
- 7.2 Members have reviewed the effectiveness of internal audit and been satisfied with the service provided and the level of support given to the Committee. The annual reports and opinions of the Head of Audit on the control environment have also been considered. These opinions have supported the Annual Governance Statements.
- 7.3 Members have the ability to meet privately with both Internal and External Auditors prior to each meeting without officers present.

- 7.4 The Committee has also been sighted on the wider audit and inspection activity conducted within the Force, and is now sighted on this activity via the work of the HMIC Governance Board.

8. Risk Management

- 8.1 The Committee has considers risk management arrangements biennially, with any significant risk related activated reported by exception as and when required.

9. Treasury Management

- 9.1 The Committee has been designated by the PCC as the body to give prior scrutiny to reports in connection with Treasury Management. This is in accordance with the CIPFA Code of Practice on Treasury Management and the Prudential Code for Capital Finance in Local Authorities.

- 9.2 The Committee receives regular Treasury Management and Budget Monitoring updates to ensure sound finances and value for money.

10. Other Issues

- 10.1 Members are kept abreast of issues impacting upon policing, both locally and nationally, by receiving briefings from officers from the OPCC and Force. Senior officers have provided regular updates on local policing issues and members have been invited to become engaged in Force activities. In addition, individual members are now regularly attending meetings of the HMIC Governance Board on a rotational basis.

- 10.2 Regular reports have been considered in connection with budget monitoring and workforce plans with periodic update reports being submitted on other significant issues as and when appropriate including an update on the Melton 2 construction project and the process for the handling of Complaints.

**HUMBERSIDE POLICE AND CRIME COMMISSIONER/HUMBERSIDE POLICE
JOINT INDEPENDENT AUDIT COMMITTEE**

TERMS OF REFERENCE

Statement of Purpose

The Committee is a key component of our corporate governance. It provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Committee is to provide independent advice and recommendations to the Commissioner and the Chief Constable on the adequacy of the governance and risk management frameworks, internal controls and financial reporting, annual governance processes and internal and external audit, thereby helping to ensure efficient and effective assurance arrangements are in place.

The Committee is therefore responsible for providing assurance to the Commissioner and the Chief Constable in respect of:

Governance and risk

1. Ensuring effective governance is in place and functioning efficiently and effectively and to make any recommendations for improvement.
2. Reviewing the Annual Governance Statements prior to approval.
3. Considering the framework of assurance and ensuring that it adequately addresses the risks and priorities of the OPCC/the Force.
4. Monitoring the effective development and operation of risk management, reviewing the risk profile, and monitoring the adequacy of management action in addressing risk-related issues reported to them.
5. Considering the arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
6. Reviewing arrangements for the assessment of fraud risks and potential harm from fraud and corruption and monitor the effectiveness of the counter-fraud strategy, actions and resources.

Internal audit

7. Considering (i) the internal audit plan (and any proposed revisions), (ii) regular progress reports, and (iii) the Head of Internal Audit's annual report and opinion and the level of assurance it can give over corporate governance arrangements and the effectiveness of internal controls.
8. Considering summaries of internal audit reports and such detailed reports as the committee may request from the Commissioner/Chief Constable, including issues raised or recommendations made by internal audit and the adequacy of management action to address areas identified for improvement.
9. Overseeing the appointment and considering the adequacy of the performance of the internal audit service and its independence.

10. Considering a report on the effectiveness of internal audit to support the Annual Governance Statement

External audit

11. Receiving the external Audit Plan, the external auditor's annual management letter, relevant reports, and the report to those charged with governance and consider the adequacy of the of action being taken by the Commissioner or Chief Constable to address recommendations for improvement .
12. Commenting on the scope and depth of external audit work, its independence and whether it gives satisfactory value for money.
13. Advising and recommending on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Financial reporting

14. Reviewing the annual statement of accounts to provide assurance that they comply with relevant requirements before approval by the Commissioner and the Chief Constable.

Other Responsibilities

15. Reviewing and assessing the adequacy of the Terms of Reference annually and seeking the approval of the Commissioner and the Chief Constable for any proposed changes.
16. Producing an Annual Report that provides details of the Committee's work, evaluates its performance during the preceding year and confirms whether all allocated responsibilities have been carried out.
17. Preparing reports on issues highlighted by the Committee recommending appropriate actions for consideration by the Commissioner and or Chief Constable or their statutory officers.
18. Performing any other relevant activities requested by the Commissioner and or Chief Constable, by agreement with the Committee.