

**OFFICE OF THE POLICE & CRIME COMMISSIONER FOR HUMBERSIDE/  
HUMBERSIDE POLICE**

**JOINT INDEPENDENT AUDIT COMMITTEE**

**Monday, 27 September 2021 - 10.00AM**

**REMOTE MEETING VIA MICROSOFT TEAMS**

**A G E N D A**

<b>Business</b>		<b>Lead</b>	<b>Primary Action Requested</b>
1. Apologies for Absence	Verbal	Committee Manager	To receive
2. Minutes of meeting 19 July 2021	Pages (1 - 4)	Chair	To approve
3. JIAC Action Schedule	Page (5)	Chair	To receive
4. Annual Cycle of Business 2021/22	Page (6)	Chair	To receive
<b><u>Corporate Governance</u></b>			
5. Force Complaints Update	Presentation	Statutory Operations Manager (OPCC)	To receive
6. Whistleblowing, Fraud and Anti-Bribery and Anti-Money Laundering Policy Updates	Verbal	Chief Finance Officer (OPCC) & Head of Finance and Business Services (HP)	To receive
<b><u>External Audit</u></b>			
7. Progress Update	Verbal	Mazars (External Audit)	To receive
<b><u>Internal Audit</u></b>			
8. Progress Report	Pages (7 - 10)	West Yorkshire Police (Internal Audit)	To receive
<b><u>Force Update</u></b>			
9. Decoupling of the joint HR function with South Yorkshire Police	Presentation	Head of People Services (HP)	To receive
10. Update on the numbers of and deployment of additional recruited officers	Presentation	Head of People Services (HP)	To receive
11. Feedback from the Force HMICFRS Assurance Group	Verbal	JIAC Members	To receive
<b><u>Other Business</u></b>			
12. Any Other Business	-	Chair	-



**JOINT INDEPENDENT AUDIT COMMITTEE**

MONDAY, 19 JULY 2021

**2**

Via MS Teams

**PRESENT**

**Members:**

Doug Chapman (Chair), James Doyle, Pam Jackson, Andrew Smith and Mandy Thomlinson

**Officers:**

Humberside Police (HP)

Paul Anderson - Deputy Chief Constable (HP), Sabine Braddy - Financial Accountant (HP) and Jim Wright - Head of Finance and Business Services/S.151 Officer (HP)

Office of Police and Crime Commissioner (OPCC)

Jonathan Evison - Police and Crime Commissioner, Martyn Ransom - Deputy Chief Finance Officer (OPCC) and Kevin Wilson - Chief Finance Officer (OPCC)

Auditors

Gavin Barker (External Audit) and Neil Rickwood (Internal Audit)

Committee Manager

Gareth Naidoo

**27/21 MINUTES OF 7 JUNE 2021 - Agreed** - That the minutes of the meeting held on 7 June 2021 be confirmed as a correct record.

**28/21 JIAC ACTION SCHEDULE - Agreed** - That the Action Schedule be received in future with only the current financial year's actions included.

**29/21 ANNUAL CYCLE OF BUSINESS 2021/22 - Agreed** - That the items 'Decoupling of the joint HR function with South Yorkshire Police' and 'Update on the numbers of and deployment of additional recruited officer' be received at the next meeting (27 September 2021).

**30/21 CHIEF CONSTABLE & POLICE AND CRIME COMMISSIONER DRAFT FINANCIAL STATEMENTS** - The Statement of Accounts for the Chief Constable and Police and Crime Commissioner of Humberside Police for the year ended 31 March 2021 had been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The PCC approved an original budget in February 2020 of £198.760m which following a mid-year financial review was revised to £197.277m after consultation with Branch Commanders/ Heads of Department in conjunction with the Force Finance Team. The budget was realigned in November to reflect those changes and monitoring against the revised budget was undertaken during the second half of the year.

Actual expenditure for the year was £193.858m, an underspend of £3.419m. There were underspends in the following areas:

- £0.935m Covid-19 funding received late in the year;
- £0.811m due to a pay underspend in a number of areas;
- £0.459m underspend on Digital Innovation spending;
- £0.335m primarily due to a reduction in training due to Covid-19;
- £0.376m National Enabling Programme and National ANPR Service;
- £0.263m telephony and network costs.

Reserves at the start of 2020/21 totalled £17.2m. The total level of reserves at 31 March 2021 stands at £20.4m.

The original savings target within the Medium Term Resource Strategy (MTRS) for 2020/21 was £2.1m which was delivered in full by the Force. The main areas of savings were achieved through:

- Decoupling Human Resources from South Yorkshire Police (£0.383m);
- Overtime savings (£0.500m);
- Police staff for vacant hours in part time posts (£0.767m).

A summary of capital performance compared to budget is shown in the table below:

<b>CAPITAL PROGRAM ME</b>	<b>CURRENT BUDGET £000</b>	<b>2020/21 ACTUAL £000</b>	<b>VARIANCE £000</b>
Estates Programme	13,660	11,396	(2,263)
ICT Programme	6,301	5,104	(1,197)
Vehicles & Equipment	2,873	1,991	(0.882)
<b>Grand Total</b>	<b>22,834</b>	<b>18,491</b>	<b>(4,343)</b>

The main areas of expenditure during 2020/21 were on Melton 2 and IT expenditure.

It was noted that the description of Scunthorpe needed to be consistent throughout both the Chief Constable and Police and Crime commissioner's Financial Statements.

Members queried the rise in numbers of staff between remuneration band £60,000 - 64,999 and the reason for the reduction of estimated liability.

Members also queried the role of the Chief Executive of the OPCC as a non-executive director on the Board of Ongo Partnership Limited:

- Duration to date of her role as non-executive director on the Board of Ongo Partnership Limited and whether it was a remunerated post;
- Any involvement in the £650,000 Safer Streets Grant Income awarded to Ongo Partnership Limited and whether this was recurring expenditure.

The Chief Finance Officer (OPCC) agreed to confirm the details of this with Members outside the meeting.

Force and OPCC colleagues were thanked for their work in producing the statements, particularly given the additional challenges associated with Covid-19.

**Agreed** - That the draft Financial Statements 2020/21 be received.

**32/21 EXTERNAL AUDIT PROGRESS REPORT** - The Public Sector Audit Appointments (PSAA) Limited had recently confirmed its agreement of the fee variations related to the 2019/20 audit.

Louise Stables was confirmed as the new audit manager for 2020/21 due to Nicola Hallas commencing maternity leave. Jodie Steel was confirmed as the new Team Leader on the audit due to the post vacated by Louise Allison departure.

The dates for the 2020/21 audit had now been confirmed with officers. The audit would commence on 13 September 2021 with the aim to complete the audit by mid October, a sign off date in late October or early November 2021. A special meeting of the Committee had been convened for 1 November 2021 in order to receive the Audit Completion Report.

**Agreed** - That the report be received.

**33/21 INTERNAL AUDIT PROGRESS REPORT** - The Progress Report monitored the delivery of work undertaken in relation to the provision of shared Internal Audit services as per the Joint Service arrangements between West Yorkshire and Humberside Police & Crime Commissioner (PCC) and the respective Police Forces.

Summary of Progress against the Audit Plan for 2021/22

STATUS OF AUDITS	2021/22 (as at 08 July 21) APPENDIX A
Final Reports with Response Received	-
Final Reports – Response Awaited	1
Final Reports – No Response Required	-
Work Completed/ Advice/ briefings provided	-
Draft Reports Issued	-
In Progress	5
<b>TOTAL</b>	<b>6</b>

Since the last update one audit on Repeat Victims had been issued as a final report awaiting a management response. This was a full-review which followed up on interim work undertaken the previous year and hds been assessed as providing REASONABLE assurance. Once finalised with management responses the full report will be made on the members' portal.

In addition satisfactory management responses had been received for the Software Licencing Report which was summarised in the audit report for the previous meeting. Again this report had been made available to Members.

**Agreed** - That the report be received.

**34/21 FEEDBACK FROM THE FORCE HMICFRS ASSURANCE GROUP** - The Committee received an update following the latest meeting (28 June 2021) of the Assurance Group:

- Assessing vulnerability on what support was required for victims/early intervention.
- Concentration on service users and therefore a better deployment of resources.
- Positive Action to be reviewed in August.

**Agreed** - That the update be noted.

**35/21 ANY OTHER BUSINESS** -

- **PSAA Response Letter** - a letter from PSAA in response to joint meeting around concerns the Force and OPCC had on the timing of this year's Audit had been

received. The response recognised the failure in the wider market and provided assurance for longer term but did not satisfy concerns over the immediate future.

- **PSAA Webinar** - the webinar had been attended by the Chair of the Committee which discussed the same concerns raised by the Force and OPCC on this year's audit timings.

Date of Meeting	Agenda Item	Minute Number	Action	Officer To Action	Complete/Update
19 July 2021	Chief Constable & Police and Crime Commissioner Draft Financial Statements	30/21	<p>Members also queried the role of the Chief Executive of the OPCC as a non-executive director on the Board of Ongo Partnership Limited:</p> <ul style="list-style-type: none"> <li>Duration to date of her role as non-executive director on the Board of Ongo Partnership Limited and whether it was a remunerated post;</li> <li>Any involvement in the £650,000 Safer Streets Grant Income awarded to Ongo Partnership Limited and whether this was recurring expenditure.</li> </ul> <p><i>The Chief Finance Officer (OPCC) agreed to confirm the details of this with Members outside the meeting.</i></p>	Kevin Wilson - Chief Finance Officer (OPCC)	<b>Complete</b> - The Chief Executive of the OPCC wrote to the Chair following the meeting.
19 July 2021	Annual Cycle of Business 2021/22	29/21	That the items 'Decoupling of the joint HR function with South Yorkshire Police' and 'Update on the numbers of and deployment of additional recruited officer' be received at the next meeting (27 September 2021).	Emma Bowen - Head of People Services (HP)	<b>Complete</b> - On the agenda for 27 September 2021
7 June 2021	AOB - FOI request figures	26/21	That it be confirmed how and where Freedom of Information (FOI) request figures are disclosed.	James Tabor - Strategic Planning Manager (HP)	
7 June 2021	Risk Register Report	20/21	That the item 'Police Legitimacy' be included on a future meeting agenda.	James Tabor - Strategic Planning Manager (HP)	TBC - On agenda for 13 December 2021
7 June 2021	PCC Register of Interest	17/21	That regarding the publication of the PCC's Register of Interest (Minute 7/21 'Declarations of Gifts, Hospitality and Sponsorship'), it be clearly stated on the website that it has been updated annually.	Paul Wainwright - Assurance Manager	<b>Complete</b> - the OPCC reviews the publication of the Register of Interests annually and this is made clear on the website.
22 March 2021	CIPFA Financial Management Code	9/21	That the significant compliance demonstrated by the self-assessment against the FM Code be noted and that the areas of partial compliance be developed further during 2021/22	Kevin Wilson - Chief Finance Officer (OPCC)	Ongoing





**JOINT INDEPENDENT AUDIT COMMITTEE ANNUAL CYCLE OF BUSINESS**

**4**

Agenda Item/Issue	7 Jun 2021	19 Jul 2021	27 Sep 2021	1 Nov 2021*	13 Dec 2021	21 Mar 2022	TBC Jun 2022	Lead
<b>Joint Independent Audit Committee</b>								
Minutes of previous meeting	X	X	X		X	X	X	Gareth Naidoo - Committee Manager
Action Schedule	X	X	X		X	X	X	Gareth Naidoo - Committee Manager
Annual Cycle of Business	X	X	X		X		X	Gareth Naidoo - Committee Manager
Draft Annual Cycle of Business for next financial year						X		Kevin Wilson - Chief Finance Officer (OPCC) & Gareth Naidoo - Committee Manager
Annual Report					X			Gareth Naidoo - Committee Manager & Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance & Business Services (HP)
Timetable of Meetings					X			Kevin Wilson - Chief Finance Officer (OPCC) & Gareth Naidoo - Committee Manager
<b>Statutory and Corporate Governance &amp; Risk Management</b>								
Risk Registers (full review)	X				X		X	Paul Wainwright - Assurance Manager (OPCC)/James Tabor - Strategic Planning Manager (HP)
Force Complaints Update			X			X		Clare Rex - Statutory Operations Manager (OPCC)
Draft Annual Governance Statements						X		Paul Wainwright - Assurance Manager (OPCC) & Head of Finance and Business Services (HP)
Declarations of Gifts, Hospitality and Sponsorship ( <i>link to Force &amp; OPCC websites</i> )						X		Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
Whistleblowing, Fraud and Anti-Bribery and Anti-Money Laundering Policy Updates			X					Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
<b>Finance</b>								
Treasury Management Strategy						X		Kevin Wilson - Chief Finance Officer (OPCC)
Treasury Management Mid-Term Review					X			Kevin Wilson - Chief Finance Officer (OPCC)
Treasury Management Annual Report	X						X	Kevin Wilson - Chief Finance Officer (OPCC)
Draft Accounts		X						Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
Audited Accounts			X	X				Kevin Wilson - Chief Finance Officer (OPCC) & Jim Wright - Head of Finance and Business Services (HP)
<b>External Audit</b>								
Strategy Memorandum and External Audit Plan						X		Mazars (External Audit)
Progress Reports and Updates		X			X	X		Mazars (External Audit)
Audit Completion Report			X	X				Mazars (External Audit)
Annual Audit Letter					X			Mazars (External Audit)
Audit Opinion			X					Mazars (External Audit)
<b>Internal Audit and Counter Fraud</b>								
Annual Audit Plan (Review and Approve)						X		West Yorkshire Police (Internal Audit)
Final Audit Reports	X	X	X		X	X	X	West Yorkshire Police (Internal Audit)
Progress Reports	X	X	X		X	X		West Yorkshire Police (Internal Audit)
Head of Internal Audit Opinion and Annual Report							X	West Yorkshire Police (Internal Audit)
<b>Force Update</b>								
Force HMICFRS Assurance Group Update	X	X	X		X	X	X	JAC Members
<b>Additional Agenda Items</b>								
Police Legitimacy					X			James Tabour - Strategic Planning Manager (HP)
Decoupling of the joint HR function with South Yorkshire Police			X					Emma Bowen - Head of People Services (HP)
Update on the numbers of and deployment of additional recruited officers			X					Emma Bowen - Head of People Services (HP)

\* Extraordinary meeting

Date	Member Development Session	Lead/Facilitator
23 April 2021	Treasury Training	Richard Bason - Link Asset Services
TBC	Melton 2 Project (site visit)	Martin Knapp - Head of Joint Estates Services



Report of the Head of Audit

**INTERNAL AUDIT PROGRESS REPORT**

**1 PURPOSE OF THE REPORT**

1.1 The report sets out the current progress against the 2021/22 Audit Plan.

**2 BACKGROUND**

2.1 This Progress Report monitors the delivery of work undertaken in relation to the provision of shared Internal Audit services as per the Joint Service arrangements between West Yorkshire Police and Humberside Police & Crime Commissioner (PCC)/ Humberside Police.

**Table 1: Summary of Progress against the Audit Plan for 2021/22**

<b>STATUS OF AUDITS</b>	<b>2021/22</b> (as at 15 Sep 21) APPENDIX A
Final Reports with Response Received	2
Final Reports – Response Awaited	-
Final Reports – No Response Required	-
Work Completed/ Advice/ briefings provided	-
Draft Reports Issued	1
Commenced/ In Progress	6
<b>TOTAL</b>	<b>9</b>

2.2 Since the last JIAC in early July 2021 two audits have been finalised, Repeat Victims and Follow Up: Released Under Investigation (RUI) which have both been assessed as providing reasonable assurance. These reports will be made available to members on the members’ portal.

2.3 Currently a further audit remains in draft (Missing People) and is the subject of extensive and ongoing post audit discussions as part of our audit finalisation processes. This audit provided limited assurance and therefore a summary will be provided at a subsequent JIAC once management responses have been agreed.

**3 OPTIONS, RISKS AND OPPORTUNITIES**

3.1 If the Internal Audit function does not provide an efficient and effective risk based audit service the Police and Crime Commissioner and Force will be unable to obtain an appropriate level of assurance regarding the system of internal control operating within both organisations.

**4 POLICING PLAN AND PERFORMANCE**

4.1 Internal audit is an assurance function that provides an independent and objective opinion to the organisation on the control environment by evaluating its effectiveness in achieving the organisation’s objectives. It objectively

examines, evaluates and reports on the adequacy of the control environment as a contribution to the proper, economic, efficient and effective use of resources.

## **5 IMPACTS ON OR LINKS TO COLLABORATION**

- 5.1 The Internal Audit function is provided to the Humberside Police & Crime Commissioner and Chief Constable by internal audit staff from the West Yorkshire Police under a s22 agreement.

## **6 FINANCIAL IMPLICATIONS**

- 6.1 There are no direct, specific financial implications within the progress report. However, individual audits contained within the report may include recommendations which contribute to a more effective use of resources and enhance the value for money being obtained by the Force/ PCC. In addition, wherever practicable, recommendations are made which do not cause the PCC/ Force to incur additional costs.

## **7 LEGAL IMPLICATIONS**

- 7.1 The Police and Crime Commissioner and Chief Constable are required to ensure that appropriate Internal Audit arrangements are in place.

## **8 EQUALITY AND DIVERSITY AND HUMAN RIGHTS**

- 8.1 There are none in the context of this report.

## **9 CONCLUSION**

- 9.1 The report summarises the progress to date against the 2021/22 audit plan.

## **10 RECOMMENDATIONS**

- 10.1 It is recommended that the Joint Independent Audit Committee note the contents of the report and discuss any issues arising.

### **Contact Officer:**

Neil Rickwood, Head of Audit

Tel: 07590 672051

### **Background documents:**

Appendix A - Audit Plan 2021/22 (to date)

**Appendix A – 2021/22 Internal Audit Plan and Progress (as at 15 September 2021)**

<i>Audit Status</i>	<i>Audit Opinion</i>	<i>Audit Name</i>	<i>Scheduled</i>	<i>Type of Audit (days)</i>	<i>Description</i>
1 <sup>st</sup> Six Months					
FINAL	Reasonable	Repeat Victims (Full Review)	Q4 <sup>20/21</sup> / Q1	Risk	10
DRAFT	Limited	Missing People <sup>(1)</sup>	Q4 <sup>20/21</sup> / Q1	Risk	10
In Progress	-	Management of Organised Crime Groups (OCGs)	Q1	Risk	15
In Progress	-	Serious Sexual Offences (SSO) investigation quality.	Q1	Risk	20
In Progress	-	Application of THRIVE / Re-THRIVE	Q1-2	Risk	20
In Progress	-	Golden Hour Principles	Q1-2	Risk	20
<i>Commencing Sept/ Oct 21</i>	-	Use of Community Resolution (Outcome 8)	Q2	Assurance/ Support	15
-	-	Digital Forensic Unit (b/f from 20/21)	Q1-2	Assurance/ Support	20
-	-	IS Audit Universe	Q1-2	Risk /	25

<i>Audit Status</i>	<i>Audit Opinion</i>	<i>Audit Name</i>	<i>Scheduled</i>	<i>Type of Audit (days)</i>	<i>Description</i>	
		workstream		Governance		universe which will govern the direction of the shared audit programme of work.
FINAL	Reasonable	Follow-Up: Released Under Investigation (RU1)	Q1-2	Follow-up	5	Follow up of previous audit to providing assurance to JIAC and Senior Management that actions relied on to address risk are implemented with particular reference to fundamental and significant recommendations in areas of limited assurance.
In Progress	-	Follow-Up: Crime Screening	Q1-2	Follow-up		
<b>2<sup>nd</sup> Six Months</b>						
-	-	BAME Recruitment	Q3	Assurance/Support	15	Review of current activity against national best practice. (Diversity and Inclusion Strategy Outcome).
-	-	Occupational Health	Q3-4	Assurance/Support	20	Audit of OHU services and the outcomes of this activity.
-	-	Financial Systems Assurance & Testing	Q3-4	Financial Systems	35	Humberside Police are implementing Oracle Fusion in 2021 – the wider Finance systems (excluding Payroll) on 1 June 2021 followed by Payroll in August 2021. As a result a full financial systems audit is planned to be undertaken in 2021/22, including the documentation of new systems/processes and testing of changes to key controls implemented as part of the Oracle Fusion project.
-	-	Follow-Up Exercise 2	Q4	Follow-up	5	Follow up of previous audits, providing assurance to JIAC and Senior Management that actions relied on to address risk are implemented with particular reference to fundamental and significant recommendations in areas of limited assurance.

(<sup>1</sup>) = Audit opinion included in the annual report for 2020/21.