**Joint Independent Audit Committee Minutes**

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**Meeting Date**: 5th July 2022

**Duration**: 10:00am – 13:00pm

**Location:** via Microsoft Teams and HQ Watson Room

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| **Attendees** | | | | | |
| **Joint Independent Audit Committee (JIAC) Members** | **Durham Police and Crime Commissioner’s Office** | **Durham Constabulary** | **Internal (IA) & External Audit (EA)** | |
| **Chair:**  Mr Eddie Bell | Miss Ashleigh White  Interim Personal Assistant to the Chief Executive and PCC | Mr Gary Ridley - Assistant Chief Officer & Joint Chief Finance Officer (ACO/JCFO) | Mrs Nicola Cooke (NC) Durham County Council (Internal Audit) | |
| **Vice Chair:**  Mr Mac Williams J.P. | Mrs Sweety Sahani  Head of Private Office | Chief Inspector Jason Meecham | Mr James Collins (JC) Mazars (External Audit) | |
| Mrs Jenny Flynn |  | Chief Inspector Emma Kay |  | |
| Dr Richard Scothon (RS) |  |  |  | |
| Cllr Alex Watson (AW) |  |  |  | |
| Cllr Heather Scott |  |  |  | |
| Dr Stuart Green (SG) |  |  |  | |
| **Apologies** | | | | | |
| Mr Derek Shingleton  Mr Stephen Gowland  Mrs Jo’Anne Connor  Mr Stephen White  Mr Charles Oakley  Mrs Faith Huntington |  |  |  | |
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| 1. **Welcome** | | | | **Action Owner** | |
| The Chair, Mr Eddie Bell welcomed all members to the meeting and asked for a round of introductions.  The Chair went through the list of apologies and asked if there were any declarations of interest. Nothing was declared. | | | |  | |
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| 1. **Minutes from the Meeting held on 10th May 2022.** | | | |  | |
| Minutes from the meeting held on 10th May 2022 were accepted as a true record.  A number of amendments were raised, and Ashleigh White (AW) made a note of them to be updated.  A copy of the minutes is available on the PCC website. | | | |  | |
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| 1. **Joint Independent Audit Committee Annual Report 2021/22 Review of Effectiveness** | | | |  | |
| Mr G Ridley advised he has been working with Mrs Tracey Henderson regarding the Review of Effectiveness. Mr Ridley asked the Committee whether they felt as though they have the capacity and capability (in terms of experience/qualifications etc) to complete the job in hand. The Committee agreed.  The question was raised around introducing members of the public or reintroducing internal officers and staff to attend meetings? Mrs Jenny Flynn (JF) advised that she does not have any issues with members of the public attending the meetings and Cllr Heather Scott agreed this was not problem however raised the suggestion of officers coming and questioned whether this would be a good use of their time. GR recognised the suggestions made and explained that it would broaden staff and officer understanding of the role of the Joint Independent Audit Committee and could assist with their continuous personal development. It was agreed that officers and staff could be invited to a future meeting and the Committee accepted the report. | | | |  | |
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| 1. **Investigative Hub Update** | | | |  | |
| Chief Inspector Jason Meecham provided the committee with an update on the Investigative Hub. Chief Insp Meecham reassured the Committee that the Investigative Hub Project Board has continued to meet monthly that is chaired by Deputy CC- Ciaron Irvine which will continue till after the hub opens in Summer 2023. There has been an approximate 4-6 week delay due to a finding of asbestos under the rubble and a finding of bedrock on one corner of the plot which caused complications- however these issues have now been resolved.  Chief Insp Meecham updated the Committee around the proposed Staffing for the Investigative Hub which has been broadly submitted and presented to UNISON and the Police Federation; there were no significant issues raised. Deputy CC- Ciaron Irvine has suggested looking at the staffing model for additional part time staff to meet demand over weekends and evenings to try and tackle the administration workload for detention officers. There was a broad discussion around ensuring this meant there would be a hope for additional staff and the committee requested for reassurance there they were not looking at redundancies. Chief Insp Meecham explained that currently Police Officers and Police Staff receive anti-social hours allowances which are not desperately needed throughout weekday nights compared to weekend hours as there are different demands for different roles. This would mean Durham Constabulary would effectively save resources and money without full allowances from full time contracts; however, these members of staff would still have the same terms and conditions within their contracts in relation to anti-social hours allowances however they would receive different annual leave entitlement as an example. It is believed that the changes in staffing will reinvigorate the morale and how investigations are carried out more positive. The Committee acknowledged the huge impact this will have but agreed it will be positive to have a standardisation of policies and procedures as it will professionalise the process. Also, they understood that there are specific Independent Custody Visiting requirements from HMICFRS to provide a professional and quality service for detainees and staffing.  With regards to appropriate adults, Chief Insp Meecham explained that there is ongoing work being done with Darlington Borough Council and Durham County Council to create a joint service for appropriate adults. It has also been finalised that Firearms Licensing will be located on the 1st Floor of the building as it would mean easier management of this team; there are currently Firearms Licensing staff based across the county at different stations.  Chief Insp Meecham shared images of the current Investigative Hub to share the progress of the build and it was agreed that once the site is secured a visit can be arranged for the Committee to attend.  Dr Richard Scothon questioned whether the delays which have been raised have caused any budgetary issues and asked if this will then cause an uplift in staffing to the Constabulary. Mr Ridley agreed to bring back a report to the next meeting regarding the facts and figures of the Investigative Hub sharing the budget contingencies.  Cllr Alex Watson asked why the decision was made for the Investigative Hub to be located at the current site just off the A167. Chief Insp Meecham explained this was a long process to look at site acquisition, where would be best placed for a custody site and where the most arrests are done. The location also requires a main road with easy access and a bus provision etc. This then provided broad coordinates which were given to the Estates and Council Planning Departments. These teams then looked at current plots available and there were few plots; the best option being the one chosen. Several concerns have been raised with regards to detainee transportation, but Mr Ridley reassured the Committee that although traffic can be an issue on this road at rush hours; arrests don’t always clash with these times as arrests are spread across the course of the day and night. Mr Ridley agreed to share information to show arrest times vs rush hour times, days of the week and time of year.  Mrs Flynn raised the question around property and whether all current property is going to be transported from current Police Stations to the Centralised Hub? Chief Insp Meecham informed the committee that this would be the case; however, it will be transported over a period. The Force are currently trying to drive the existing numbers down but there are restrictions around disposing property such as Retention Policies and property which is needed for court cases etc. for evidential integrity and continuity. The process for transporting property will include significant audit trails for moving, logged property which will be caged and in locked vehicles, tagged and sealed to suffice for audit purposes. There is currently a vast amount of evidence related property which the Force are legally obligated to retain; however, they no longer hold lost property.  The Committee agreed that the Investigative Hub seems to be progressing well; Chief Insp Meecham advised that if any member has any further questions, he welcomes them via email. | | | |  | |
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| 1. **Brief Update review of Joint Chief Finance Officer Role** | | | |  | |
| Mrs Sweety Sahani (SS) provided the update with regards to the review of the Joint Chief Finance Officer Role with the absence of Mr Gary Ridley. It was explained that the role is subject to annual review and is documented in the Annual Governance Statement. There have been no conflicts of interests, or any issues recorded to date.  The Committee requested updates as soon as they are available to be involved in the process regarding the Joint Chief Finance Officer Role. It was requested that the PCC is to provide the update in due course and for SS to provide information around how many other areas across the country have a joint role. | | | |  | |
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| 1. **Briefing on Fire Governance White Paper** | | | |  | |
| Mr Gary Ridley provided the briefing on the Fire Governance White Paper in the absence of Chief Executive Stephen White. Mr Ridley explained that the Government announced the Fire Governance White Paper and they have been asked to respond by the 26th July on the 48 questions included. There have been ongoing conversations between Durham County Council, Darlington Borough Council, PCC Office and County Durham and Darlington Fire Service. The Committee understood that the options are to have the legislation under an Elected Mayor or PCC. There are currently 4 PCC Offices which currently have the responsibility with Fire.  There was an agreement within the Committee that this item should have been discussed at an earlier meeting as the deadline for a response is within three weeks – Mr Ridley accepted these comments however explained that the work is ongoing and can be brought to a future meeting. | | | |  | |
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| 1. **Annual Force Management Statement** | | | |  | |
| Chief Inspector Emma Kay provided the Committee with the findings of the Annual Force Management Statement and explained this is an assessment of the next four years based on demands and professional judgement. The main themes included are Alcohol, Drugs and Mental Health alongside issues such as Adverse Childhood Experiences, Bereavement, Trauma and Gambling. The type of demand coming into the Force are categorised as Domestic Abuse, Violence Against Women and Girls (VAWG), Child Sexual Abuse and Exploitation (CSAE), Vulnerability (such as Missing from Homes), Hidden Harm, Neighbourhood Crime and Unlogged Demand. The statistics for unlogged demand account for approximately 50% of the calls into the Force Control Room. Cllr Heather Scott asked how many of the calls which are categorised as unlogged demand are not relevant for the Police? It was explained that it depends on the time of day, but staff are currently doing a deep dive into this to find out.  Chief Insp Kay raised the issue that more crime is now committed online or with the use of technology such as mobile phones and laptops. A lot of crime is cyber enabled, and most crime committed has digital evidence on devices. Therefore, investigations are a lot more complex, there is a lot more demand and crimes take longer to be investigated. Dr Stuart Green asked if the Force have the capacity to deal with the increase in demand; Chief Insp Kay explained that the direction of crime has changed and approximately 4.4% of crime is now digital but the Force are confident they are managing this crime. There are several high harm crimes which have a lot of digital evidence such as Rapes, Domestic Violence and Stalking Cases which has a lot of digital evidence involved. Mr Ridley raised that the Force are having issues recruiting and retaining IT Staff, but they are advertising roles with a guaranteed honorarium of 10% to attract staff.  There are also several other demands which the Force have to face such as National and Local Requirements, changes in Policies and Procedures and also the Police Uplift. The Force are recruiting an extra 226 officers; however, most of these officers are inexperienced, but several officers are transferees from other forces that are experienced. Also, a few of the officers are of a younger generation which is helpful as most of the people they deal with are in the 16–24-year-old age category.  The Committee thanked Chief Inspector Kay for the comprehensive update. | | | |  | |
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| 1. **Fraud and Corruption Annual Report** | | | |  | |
| Mrs Nicola Cooke introduced herself as the replacement for Miss Tracy Henderson from Durham County Councils’ Internal Audit Team as Audit Manager.  Mrs Cooke highlighted the responsibilities in relation to Fraud and Corruption. The Police and Crime Commissioner and the Chief Constable have a framework in place of written procedures and controls to help ensure the highest standards of conduct are practised.  Central to these are detailed rules for decision making, and rules of procedure,  including Contract Procedure Rules, Financial Regulations, Codes of Conduct, and  a Whistleblowing Policy (Confidential Reporting Code).  The Police and Crime Commissioner and the Chief Constable have also approved a  number of other polices in relation to the prevention, detection, and investigation of  fraud as follows: Anti-Fraud & Corruption Strategy, Regulation of Investigatory Powers Act (RIPA) 2000 Policy, IT Security Policy, and Disciplinary Procedures.  Internal Audit has a key role in providing assurance that the Police and Crime  Commissioner and Chief Constable’s procedures and policies are adhered to and in  helping to detect fraud through its testing. All Internal Audit staff are aware of the  risk of fraud and corruption and help prevent this through evaluating the  effectiveness of internal controls and recommending improvements to management  to help manage risk.  During 2021/22, Internal Audit has maintained its links with the Force’s Professional  Standards Unit to ensure a coordinated and consistent approach is applied in  enforcing the policy should the need arise.  In relation to the National Fraud Initiative (NFI) which is the Cabinet Office’s data matching exercise that runs every two years. Data from various Force systems was submitted in October 2020 and was matched across systems and against data submitted by other organisation to identify potential fraud and/or error. The exercise focused upon payments made in relation to pensions, payroll and creditors and generated various reports containing a total of 443 data matches for further investigation.  On completion of the review, the Internal Audit Final NFI 2020/21 Exercise  Outcomes Report which provides details about the nature and number of matches in  each category was presented to Joint Audit Committee for consideration at its  meeting on 22 June 2021.  Committee members considered the progress made and assurances provided in relation to counter fraud and corruption arrangements. Chair and members welcomed Mrs Cooke to the Internal Audit team and are looking forward to working with her. | | | |  | |
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| 1. **Professional Standards Quarterly Update** | | | |  | |
| Mrs Faith Huntington submitted apologies for this meeting and could not present the Professional Standards Quarterly Update; however, asked if there are any questions then to forward them onto her directly.  The Committee agreed they would like the item brought back to the next available meeting. | | | |  | |
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| 1. **Internal Audit Progress Report Q4 2021/22** | | | |  | |
| Mrs Nicola Cooke presented the Internal Audit Progress Report. In relation to the 30 assurance reviews including 14 carried out from 2020-21 of these 26 assurance reviews are complete, 1 assurance review is planned, and 1 assurance review has not yet started. A summary of all final assurance and other audit reports issued, during the period to the end of March 2022 was shared with the Committee. A summary of assurance-based reviews that were already well progressed at the year end was shared. During the period, the following amendments were made to the plan as agreed with the Assistant Chief Officer and they were: Review of Information Governance Management, Review of Processing Activities, Review of Scientific Support, and the Review of the Business Continuity Planning.  The Chair asked if the committee felt as though they have got assurance from the report? The Committee agreed and requested an update on Fleet Management at a future meeting. | | | |  | |
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| 1. **Annual Internal Audit Opinion 2021/22** | | | |  | |
| Mrs Nicola Cooke presented the Annual Internal Audit Opinion for 2021-22. The report fulfils the requirements of PSIAS and the CIPFA Local Government Application Note for the Chief Financial Auditor and the Corporate Fraud Manager to deliver an Annual Audit of Opinion and a Report on the Effectiveness of the Internal Control Environment in Operation within Office of the Police and Crime Commissioner and Durham Constabulary.  Mrs Cooke shared the summary of assurance work and in regard to this the Committee requested updates in relation to: Information Security in Procurement Processes, Red Sigma-Identity and Access Management, Business Travel, Apprenticeship Levy, Ethical Culture- Performance Development Review and PentIP- Audit and Control of Tickets.  Members considered and agreed the Annual Internal Audit Report and the overall opinion provided on the adequacy and effectiveness of the Office of the Police and Crime Commissioner and Durham Constabulary’s Governance, risk Management, and control environment for 2021-22. | | | |  | |
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| 1. **Annual Governance Statement Action Plan 2020/21** | | | |  | |
| Mrs Nicola Cooke presented the Annual Governance Statement Action Plan update for 2020-21. The purpose of the report is to advise the Joint Audit Committee on the progress being made in relation to the actions arising from the Annual Governance Statements for the Chief Constable and Police and Crime Commissioner.  The Internal Audit prepared an action plan to enable the progress made by management to address the issues to be monitored throughout the year. Details of this was shared with the Committee.  The Committee considered the assurance provided because of progress being made in relation to the actions arising from the Annual Governance Statements for the Chief Constable and the Police and Crime Commissioner. Mr Ridley agreed to update the Statements to reflect the Victim Impact Assessment as highlighted by Mr Michael Banks (Victims Champion). | | | |  | |
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| 1. **Draft Annual Governance Statement** | | | |  | |
| Miss Nicola Cooke presented the Draft Annual Governance Statement for 2021-22. The Committee were asked to note the latest revisions made to the proposed Annual Governance Statement 2021/22 for the Chief Constable and Police and Crime Commissioner.  The statements reflected the requirements of the Delivering Good Governance in Local Government Framework 2016 which captured the feedback received from the Executive Board, meeting held on the 26th May 2022.  Amendments were required to reference PCC as her not him. Dr Scothon asked for further clarity on the roles of Community Champions. Mr Gary Ridley agreed to update the members at a later meeting which will be added to the forward plan.  Subject to changes suggested, the committee agreed the report. | | | |  | |
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| 1. **Annual Review of the system of Internal Audit 2022** | | | |  | |
| Mrs Nicola Cooke presented the Annual Review of the system of Internal Audit 2021/22.    In February 2022, an external quality assessment of the Internal Audit Service’s  conformance to the Public Sector Internal Audit Standards (PSIAS) and CIPFA  Local Government Application Note during 2021/22 was carried by the Chartered  Institute of Public and Finance and Accountancy (CIPFA).  The opinion delivered by CIPFA’s external assessment is that ‘Durham County  Council’s Internal Audit Service’s self-assessment is accurate and as such we conclude that they FULLY CONFORM to the requirements of the Public Sector  Internal Audit Standards and the CIPFA Local Government Application Note’.  Mrs Cooke gave an update on their current team with comprises of 17 approved posts plus the Chief Internal Auditor and the Corporate Fraud Manager. The two vacancies detailed in last year’s report have both been filled.  The Vision and Strategy for the Internal Audit Service is described in the Annual  Internal Audit Plan and Strategy, the Service Terms of Reference (TOR) within the  Internal Audit Charter and defines the principles of how it operates in delivering the  Service to the PCC and Constabulary. The TOR provides appropriate arrangements to ensure that the Service is sufficiently independent.  Audit work was actively managed within the resource available and progress  toward delivery of the agreed Annual Internal Audit plan was reviewed regularly.    The key performance measures for the Service over the last 12 months was shared. This showed hao many planned assurance reviews had been completed against a target of 90% within the audit year.  For customer satisfaction there has been positive feedback on a number of specific jobs and this is reflected in the results from customer satisfaction questionnaires.  Committee members considered the findings and conclusions of the 2021/22 review of the effectiveness of the system of Internal Audit. | | | |  | |
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| 1. **Any other business** | | | |  | |
| The Chair asked if any members had any other business to raise.  Mr James Collins raised that the last time he presented the 2021 External Audit Update there was outstanding work to be done which has now been completed. Mazars are now able to sign off value for money work and mentioned there was nothing major of note for the PCC and Chief Constable. Also, Mr Collins explained that resources are now in place to complete the 2021-22 Completion Report and Annual Audit Report which will be presented at the next meeting.  The Chair brought the meeting to a close thanking all for their valuable contribution.  Next meeting date is 6th September 2022. | | | |  | |
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