
JOINT AUDIT COMMITTEE (JAC)

**Minutes from public meeting
held on 8 June 2017**



**JOINT AUDIT COMMITTEE
PUBLIC MINUTES**

Notes of the meeting held on Thursday 8 June 2017
Meeting Room 8.4, Lloyd House, Colmore Circus, B4 6NQ

Present:

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| Susan Davis | - Chair |
| Christine Barve | - Vice Chair |
| Mark Kenyon | - Chief Finance Officer- PCC |
| Jonathan Jardine | - Chief Executive-PCC |
| Lynn Joyce | - Internal Audit Manager – PCC |
| Ernie Hendricks | - Strategic Policing and Crime Board (SPCB) Member |
| Waheed Saleem | - Strategic Policing and Crime Board (SPCB) Member |
| Cath Hannon | - Strategic Policing and Crime Board (SPCB) Member |
| Neil Chamberlain | - Director of Commercial Services |
| DCC Louisa Rolfe | - Deputy Chief Constable |
| Paul Grady | - Director & Engagement Lead - Grant Thornton |
| Emily Mayne | - Senior Manager - Grant Thornton |
| Kath Holder | - Organisational Learning & Risk Manager - WMP |
| Kate Jeffries | - Assistant Director of Information Management - WMP |
| Abi Preston | - Senior Accountant - WMP |
| DS Paul Drover | - Public Protection Unit - WMP |
| DS Angela Whitaker | - Public Protection Unit - WMP |
| DCI Sally Simpson | - Public Protection Unit - WMP |
| Plus note taker | |

239	Item 1 - Apologies Apologies were received from Gurinder Josan.
240	Item 2 - Declarations on Interest No interests were noted.
241	Item 3 - Minutes of the Last Meeting The Committee agreed the minutes of the previous meeting held on Thursday 30 March 2017 as an accurate record.
242	Item 4 - Matters Arising <ul style="list-style-type: none"> - Lynn Joyce to request ACC Beale to attend to provide CT HMIC Inspection – Done - ACC Beale who has agreed to provide an update to the September meeting - Mark Kenyon/Neil Chamberlain to provide an update on Accounting Policy in relation to control of assets - Done - Mark Kenyon to arrange meeting between Grant Thornton, Chief Constable and PCC by end of July to review external audit report - Done
243	Item 5 – Police HMIC Inspections Update (Including Tracker update) Kath Holder presented the first part of the report providing the committee with an update on recent HMIC inspections:

- HMIC were in force during the week of 22 May 2017 conducting fieldwork for the Spring PEEL inspection however due to the Manchester terror attack the inspection was suspended.
- The decision to withdraw from the inspection came from HMIC, the force has since suggested new dates, and this does mean that the report will probably be delayed to end of June-July.
- Work is already underway in relation to the Autumn PEEL inspection, which will look at effectiveness and leadership. HMIC inspectors will be in force week commencing 19 June.
- The crime data integrity inspection has been completed. The force is expected to have the report early September.
- The force has received five recommendations that are cause for concern following the joint inspection of custody conducted by HMIC.

Jonathan Jardine stated that WMPCC was the only office which had complied and responded to the publications of recommendations to HMIC.

The next part of the item was presented by the Public Protection Unit (PPU) which looked into three key areas:

- Child Protection
- Domestic abuse
- Rape monitoring

Child Protection

DS Paul Drover presented the report on child abuse providing the committee with an update on the following points:

- Following the National Child Protection Inspection of West Midlands Police in 2014, there were eight recommendations made.
- At the time of the inspection there was no partnership working; MASH was a fairly new concept. There was an element of shared practice required across all local authorities for which this area was highlighted.
- The force took immediate steps to put safeguarding children as a priority, this included adding changes to the old system and establishing more ways of detecting and recording children who may be at potential risk.
- One of the recommendations by HMIC was for officers to record their observations of child's behaviour and demeanour in domestic abuse incident records. HMIC have found this recommendation to have been achieved.
- There are now safeguarding hubs across all areas with the force undertaking reviews from the CRU to ensure all background checks, initial assessments and strategic discussions between agencies take place in good time without preventing the child from being at risk.
- Over the last 12 months there are now hubs across all local authority areas with Dudley being the last to have it rolled out.
- The force has been ensuring consistency across all areas. Sentinel initiative was established which focusses on raising awareness around vulnerability, e.g. Are we listening to the voice of the child? We have also raised awareness through media campaigns.
- To monitor the progress, there are monthly audits done via dip sampling which review child abuse investigations and establish whether the voice of the child is reflected in decision making.
- The last quarter review highlighted 83% of the records being good.
- Some structural changes also included CSE. Every area now has a CSE co-ordinator. The next step forward is to have services and reporting facilities online.
- A strategic team was created having officers bring in a variety of skills.

Ernie Hendricks stated that MASH was still quite a new process and questioned whether there were any measures being put in place to review the system.

DS Paul Drover provided the following reassurance:

- MASH is inspected by OFSTED, with regular monitoring by the Chair of the MASH Board.
- In 2015, there was a re-inspection of the force's approach to child protection and one of the recommendations which came forward was to ensure officers and staff within specialist child protection teams received the necessary training. This is documented in the Vulnerability Improvement Delivery Plan and reviewed frequently.

Waheed Saleem asked whether WMP was vulnerable in investigating historical CSE cases.

Kath Holder responded to this by stating WMP are not vulnerable. The resources and range of skills trained staff bring puts the force in a much better position than they were historically.

Domestic abuse

DS Angela Whitaker went through the main points of the report.

- Domestic abuse is audited annually by different inspection bodies, including PEEL, and many other internal audit regimes.
- There was approx. 4000 domestic abuse incidents reported each month in 2009 when DASH was introduced, the aim was to identify those people most at risk.
- Prior to the inspection in 2014, the approach taken by WMP was that it was officer discretion to complete a DASH risk assessment. Now a move towards completing a DASH risk assessment for all incidents again
- In 2011 the force was only using DASH to assess vulnerability between intimate partners; this was done using the 27 question approach.
- College of Policing are reviewed this model by stating cohesive control, emotional and financial abuse was not assessed. The new model consists of 16 questions and assesses all areas.
- Three forces (including WM) have just finished piloting the new DASH model. It is the first model to assess cohesive and emotional control. The report for this model should be out in September.

Waheed Saleem questioned whether frontline officers had the skills to deal effectively with domestic abuse incidents.

DS Angela Whitaker responded:

- Number of different types of training and programmes have been rolled out
- Drama group presentations for officers to raise awareness of the different cultures and societies victims may belong to
- The training provides tools to have an open mind, emphasis given on preventing bias

Ernie Hendricks asked if DASH used same approach as THRIVE.

DS Angela Whitaker clarified that THRIVE was a model used to determine how fast the officers need to respond whereas DASH was used to assess the needs.

	<p><u>Rape Monitoring</u> DCI Sally Simpson went through the main elements of the report:</p> <ul style="list-style-type: none"> - Specialist Trained Officers are on standby 24hrs a day. - External support is available including psychologists. - Currently using best practice guidelines. WMP have been waiting on College of Policing to set guidelines, in meantime WMP will be reviewing own policy. - WMP have a robust approach in reviewing own policies and plans. - Scrutiny panel in place across WMP allowing cases to be reviewed to see why they did not go to CPS. - Developing partnership arrangements for consistency as there are currently challenges with different recording mechanisms in place. <p>Cath Hannon was conscience of the time so was unable to ask her questions, she suggested meeting the PPU team outside the meeting to liaise regarding issues around CSE.</p> <p>The Chair thanked the officers for attending and providing useful and informative insight into the work of Public Protection Unit in respect of these areas.</p>
244	<p>Item 6 – Force Risk Management Strategy, including Force Risk Register and OPCC Risk Register</p> <p>This report was presented jointly by Mark Kenyon from PCC office and Kath Holder from the force. The following comments were made:</p> <ul style="list-style-type: none"> - Committee had previously made recommendations in respect of the PCC risk register which was scored by the management team of the PCC. These recommendations have been addressed and the scores provided are dated 18 May 2017 and reflect the most up to date information for the risk or mitigations. - Kath Holder stated that work is ongoing to develop the Risk Board for the force under the new governance arrangements and a request has been put out across all departments to ensure they identify a SPoC and review their risk registers. - NPUs have been instructed to write down the new plans, single point of contact, update all existing logs and review outstanding activities in the risk register, capturing all information within relevant corporate documents. <p>Christine Barve requested that the Forces risk register be presented to the Committee.</p> <p>Kath Holder has agreed to share this with the committee at the next meeting. Kath Holder also clarified that the aim is for the meetings of the new Risk Board to be aligned with the meetings of the Joint Audit Committee.</p>
245	<p>Item 7 – Annual Governance Statements</p> <p>Mark Kenyon presented this report, the main points are:</p> <ul style="list-style-type: none"> - The annual governance statement was discussed along with the assurance processes and protocols - The statement has been prepared in line with the framework produced by CIPFA - Significant governance issues were discussed including collaborative work, active plan for PCC to deliver objectives from the police and crime plan and future developments. - The force follows a similar plan to PCC whereby they have local plans and a

	<p>portfolio board to use as an oversight tool.</p> <p>The Chair identified two minor amendments in the PCC Annual Governance Statement. This is to be actioned by Mark Kenyon.</p> <p>DCC Louisa Rolfe stated that there was great progress in this area of work. There are some changes being made to the portfolios. Similar to PCC plan the force work from a police ambitious plan which requires delivery of plans. It is at early stages of delivery but in the coming years will be in a better place.</p> <p>Ernie Hendricks questioned what would be done to turn the ambers on the governance dashboard to green.</p> <p>Mark Kenyon responded to this by stating this is a developing area which requires ongoing monitoring including developing our work in partnership working.</p> <p>The Committee agreed to approve both Annual Governance Statements.</p>
246	<p>Item 8: Statement of Accounts 2016/17</p> <p>Mark Kenyon thanked Abi Preston for her hard work in producing the statements before end of May.</p> <p>Mark Kenyon went through the main points of the report:</p> <ul style="list-style-type: none"> - The accounts for the PCC and force have been completed; they will now be audited by Grant Thornton. - The overall revenue outturn position for the Group is an underspend of £11.6m The Committee was asked to note the contents of the draft statement of accounts for 2016/17 as it represents a true and fair view of the position of the PCC and CC as at 31 March 2017. <p>Abi Preston highlighted the importance of the statement of accounts as it allowed people to see the range of revenue expenditure.</p> <p>Ernie Hendricks asked when Grant Thornton would have an input into this and whether this would be before it gets published.</p> <p>Grant Thornton responded this would be after September.</p> <p>Ernie Hendricks also asked the expenditure for WMP2020.</p> <p>Neil Chamberlain informed the committee that there was an underspent of 7.3million with 5.1million being carried forward.</p>
247	<p>Item 9: Insurance Update</p> <p>Neil Chamberlain went through the main points of the report:</p> <ul style="list-style-type: none"> - The annual report provided an update on the insurance fund. - Paragraph 3 on combined liability and motor insurance states that the initial period of 3 years under LTA is set to expire in November, there is an option available to extend this on a one year basis. - Annual assessment to ensure it covers liability. There has been a 2million contribution into this fund.

	<p>The Chair asked whether the 2% increase in claims handling charge was from a set period.</p> <p>Neil Chamberlain responded that the 2% represented an overall increase.</p> <p>An update was requested on the Municipal Mutual Insurance (MMI) position and potential future exposure. This will be prepared and emailed to committee members.</p>
248	<p>Item 10: External Audit Joint Audit Committee Update- June 2017</p> <p>This report was presented jointly by Paul Grady and Emily Mayne from Grant Thornton. They pointed out this was a reduced report covering the main points:</p> <ul style="list-style-type: none"> - The Audit Plan is still being monitored to ensure risks are being assessed and correct audits are in place to measure outcomes. - Working closely with the internal audit in relation to risk, work on the financial statements and fraud. - Progress to date; have received the final accounts, looking to undertake work on the draft financial statements in order to provide an opinion by the statutory deadline which is 30 September 2017. - The initial risk assessment has been completed which identified five areas which need to be addressed. This will be addressed by diarised meetings and review of the documents. <p>Overall Grant Thornton confirmed that everything was on track and will come in September with a more detailed report to the committee.</p>
249	<p>Item 11: Internal Audit Annual Report 2016/17</p> <p>Lynn Joyce went through the main points of the report:</p> <ul style="list-style-type: none"> - Internal audit work completed during 2016/17 was summarised in the annual internal audit report. - Audit used one of four levels of assurance to determine strength and operation of controls. - The pie chart analysis for 2016/17 shows a positive picture with the majority of audits having a 'controlled' or 'well controlled' opinion. However, there were audits where controls provided 'inadequate' assurance that significant risks were being addressed. - The key issues from the audits during 2016/17 have been reported to previous meetings of the committee and follow up audits have been undertaken or are planned during 2017/18. - From the audits undertaken during 2016/17 there were 188 recommendations made, of which 58 were significant. 73% of these have been implemented and we are continuing to monitor those that are outstanding. - A post audit survey is issued to relevant managers following each audit asking for their views on the conduct of the audit. The survey included a range of questions covering the audit approach, value of findings and professionalism of the auditors. The results showed 96% good or very good as an outcome, with a number of positive comments. - For the first time a senior management survey was also issued. The response from management was very low, with only 9 out of 51 responses. <p>Lynn Joyce highlighted that more publicity is needed to promote the changing approach of audit. One of the focuses will be this year to work on internal audit publicity.</p>

	<p>Waheed Saleem questioned how the annual assurance opinion was reached.</p> <p>Lynn Joyce explained that the opinion considers all of the reviews collectively over the year and the extent of recommendations made and implemented and assesses the impact any findings would have on the overall governance and risk to the organisation.</p>
<p>250</p>	<p>Item 12: Internal Audit Update Report 2017/18</p> <p>Lynn Joyce presented this report:</p> <ul style="list-style-type: none"> - Internal audit activity was undertaken from 4 March 2017- to 31 May 2017. - The internal audit work completed during the period largely relates to those audits carried forward from 2016/17 which were in progress at year end. - There were 11 audits completed with 3 identified as ‘controlled but need improvement’. - 4 follow-up reviews have been completed during 17/18 along with a further 10 in progress. - <i>Table 4</i> of the report provides a breakdown summary of the recommendations which will be monitored and reported accordingly. - Also provided in the report are details of the 2017/18 plan which show a number of activities in progress. <p>The Chair referred to appendix 4 which summarises the significant recommendations outstanding and what management agreement was in place indicating that some of the management responses imply they are not fully on board.</p> <p>Lynn Joyce responded that it’s up to internal audit to make management aware of risk. Once management have been made aware of the risk they may choose to accept it. In such instances the matter will be brought to the attention of the Committee where the level of risk can be reviewed and agreed, or referred back to management, if appropriate.</p> <p>Lynn Joyce also pointed out that there had to be cultural change and acceptance that if audit make a recommendation it is up to management whether they accept the risk or take action.</p>
<p>251</p>	<p>Item 13: Public Sector Internal Audit Standards Update</p> <p>Lynn Joyce presented this report.</p> <ul style="list-style-type: none"> - A revised self-assessment of the Public Sector Internal Audit Standards has been undertaken - Following the recent assessment a number of areas were highlighted: <ul style="list-style-type: none"> - The approval of Internal Audit budget/resources by the Board - The process undertaken to appoint the internal audit manager, ensuring Committee are part of this and ensuring the Chair is part of the performance assessments of the internal audit manager - Bringing job descriptions up to date - maintaining the assurance map that was created for the 2016/17 planning exercise - determining future requirements for IT audit <p>Lynn Joyce reminded Committee that the external inspection will be in October 2017.</p>

	<p>The Chair mentioned the approval of budget and suggested in the December meeting a discussion be held around audit budget and resource.</p> <p>Lynn Joyce responded that audit resource would usually be considered at the time the annual plan is established to ensure sufficient resource is available to cover all high risk areas.</p> <p>The Chair also asked if the committee will be able to review the assurance map which informs the risk based plan.</p> <p>Lynn Joyce clarified that the assurance map was prepared to inform the 2017/18 internal audit work plan. This will be updated to reflect new governance arrangements and changes that TS1 has brought about in the Force. Lynn Joyce agreed to bring the latest assurance map to the Committee in December.</p>
252	<p>Item 14: Joint Audit Committee Annual Report 2016/17</p> <p>Lynn Joyce went through the report, main points are as follows:</p> <ul style="list-style-type: none"> - The Committee's approved Terms of Reference, which were revisited in March 2017, have been published onto the PCC website. - A total of 46 reports were considered during the year by the Committee. - The Committee has met most of its requirement during the year. The exception being those areas within the terms of reference which overlap with the responsibilities of the SPCB for which the following have been removed in the revisited terms of reference in March 2017: <ul style="list-style-type: none"> • Safety and Health • Equalities and Diversity; and • Complaints - The Committee has made an impact on the governance of both organisations adding value in areas such as HMIC recommendations tracking, increased scrutiny of risk registers, VFM profile work. <p>The Chair noted that Ernie Hendricks had attended all Joint Audit Committee meetings during the year which are held on a quarterly basis.</p> <p>The Committee agreed the report which will be presented to the Strategic Policing and Crime Board in July.</p>
253	<p>Item 15: Joint Audit Committee Work Plan 2017/18</p> <p>The Joint Audit Plan was attached for information purposes only.</p> <p>The Chair allowed members to comment on the work plan. The following was added:</p> <ul style="list-style-type: none"> - Update on VFM profiles will be added to September meeting - Reviewing internal audits budget and capacity was added as an agenda point for the meeting in December. <div style="text-align: center; border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Meeting concluded at 12.55pm</div>