
JOINT AUDIT COMMITTEE (JAC)

**Minutes from public
meeting held on
6 December 2018**



**JOINT AUDIT COMMITTEE
PUBLIC MINUTES**

Notes of the meeting held on Thursday, 6 December 2018
Meeting Room LH G2
Lloyd House, Colmore Circus, B4 6NQ

Present:

- | | |
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| Sue Davis | - Chair |
| Christine Barve | - Vice Chair |
| Mark Kenyon | - Chief Finance Officer- PCC |
| Lynn Joyce | - Head of Internal Audit – PCC |
| Jonathan Jardine | - Chief Executive - PCC |
| Gurinder Singh Josan | - Strategic Policing and Crime Board (SPCB) Member |
| Waheed Saleem | - Strategic Policing and Crime Board (SPCB) Member |
| Ernie Hendricks | - Strategic Policing and Crime Board (SPCB) Member |
| Dr Cath Hannon | - Strategic Policing and Crime Board (SPCB) Member |
| Louisa Rolfe | - Deputy Chief Constable |
| Yvonne Bruton | - Chief Inspector - WMP |
| Neil Chamberlain | - Director of Commercial Services – WMP |
| Kath Holder | - Organisational Learning & Risk Manager - WMP |
| Ian Kent | - Facilities Manager - WMP |
| Paul Grady | - Grant Thornton |
| Henry Kippin | - Director of Public Service Reform - WMCA |
| Tim Martin | - Head of Governance - WMCA |

Plus note taker & webcaster

339	<u>Item 1 - Apologies</u> There were no apologies received.
340	<u>Item 2 - Declarations on Interest</u> No interests were noted.
341	<u>Item 3 – Minutes of the last meeting</u> <u>Minutes of JAC Sept 2018 meeting</u> The minutes of the September JAC were agreed as a true record.
342	<u>Item 4 - Matters Arising</u> The Local Audit Quality Forum event was attended by Mark Kenyon and Ernie Hendricks. It was held in Manchester on 3 December as a follow-on event from one held in Summer. Main themes were the role of external and internal audit in terms of the current financial position public organisations are faced with; resilience and how organisations can manage better financially going forward. Paper to be produced for the next Audit Committee meeting. The Chair asked that if there were any pressing

	<p>issues to be raised, a conversation should be had with her rather than waiting for the report to be discussed at the next meeting.</p>
<p>343</p>	<p><u>Item 5 – Policing Governance</u></p> <p>The Chair introduced this item, commenting that this Audit Committee had not considered the proposals which are out for consultation on the transfer of the powers of the PCC to the Mayoralty and the Combined Authority (CA), and, given the committee is charged with keeping the governance of the PCC and the Force under review, it was appropriate an in-depth discussion on these proposals and their implications should take place. Henry Kippin and Tim Martin, from the West Midlands Combined Authority, were in attendance to help with questions and answers on the themes of accountability and governance.</p> <p>It was assumed that everyone had read the consultation document with the discussions today therefore focussing on the implications.</p> <ul style="list-style-type: none"> - The first question from the Vice Chair concerned accountability, specifically around the role of the Deputy Mayor who would oversee policing. The Vice Chair asked for an explanation of how local accountability would be achieved given the Deputy Mayor is an appointed official. - Henry Kippin felt that the governance review scheme demonstrates the ultimate accountable individual would be the Mayor acting as PCC. The Deputy Mayor will take on some operational duties of the Mayor as PCC but there are very specific things that, as is the case currently, only the PCC can do – including the sign-off of the Police and Crime Plan, the budget, hiring and firing of the Chief Constable. These are set out in the review and the hope is that the desire for continuity of current arrangements is clear. - The response was challenged by the Vice Chair who felt there would be a ‘disconnect’ between accountability and responsibility. She queried whether there would be checks and balances in place if there were conflict between what the Deputy Mayor and the Mayor felt needed to happen, especially as the Mayor may be more distant. She was concerned that accountability could be in one place with responsibility in another. - Henry Kippin commented on two points (i) Focus and (ii) Accountability. <p>On focus: He stated that the rationale for the proposals is to improve the ability of a Mayoral PCC to address the causes of crime and demand through a broader portfolio. What might be lost in terms of a single focus for a directly elected individual, will be gained through an arrangement where there is a Mayor with a broader set of responsibilities. Taking into account the economy, skills, transport and mental health focus of the Combined Authority (CA), there are obvious ways in which a Police and Crime Plan could be part of a much broader, strategic ‘whole place’ approach to reducing crime across the region.</p> <p>On accountability: There will be a Deputy Mayor who will have visibility and responsibility for doing some of the work that the Mayor/PCC will set out in his/her plan. There is separation between ultimate accountability and the responsibility of the individual who will be discharging some of those functions. The single point of accountability is in the proposals and Home Office intentions.</p> <ul style="list-style-type: none"> - Tim Martin concurred with his colleague but wanted to emphasise that even if these proposals go ahead, there will still be a PCC and all of the legislation that effects PCCs and the way they operate now will apply to the Mayoralty, and the Mayor as PCC would still be accountable in the same way as the existing PCC.

The clear advice from the Home Office is that there would be no significant changes to the legislative background and framework for a PCC.

- The Chair wanted clarification on her understanding that the responsibility and the accountability of the Chief Constable remains to the Mayor/PCC not to the Deputy Mayor and not through the Deputy.
- Henry Kippin confirmed in the proposed arrangements the Deputy Mayor is acting on behalf of the Mayor, so essentially that is correct.
- Tim Martin added the ultimate responsibility and accountability would be to the PCC. If a Deputy Mayor were to be appointed then it would be a modus operandi to be worked out as to who was going to deal with what on a day-to-day basis.
- Further clarification was sought by the Chair on whether the appointment of a Deputy would be the purview of the Mayor as the proposals document says the responsibility of appointments would sit with the Combined Authority.
- Henry Kippin confirmed the appointment would be the purview of the Mayor and he/she could choose to make that appointment public prior to an election or not.
- Jonathan Jardine advised that although there had been no formal confirmation thus far, that would be one piece of legislation that transferred over. The appointment of a Deputy Mayor for policing would be the same as for the appointment of a Deputy PCC which has specific exemptions. There is no requirement for a selection process and the post is not politically restricted.
- Waheed Saleem requested clarity around the future for corporation sole if the transfer took place.
- Tim Martin explained that at the moment the PCC and Chief Constable are each corporation sole; this is a legal requirement because there is no public authority sitting behind the PCC. The corporation sole is required to allow duties such as entering into contracts and employing staff. The CA is a public authority and so there is no requirement for a corporation sole to be established. If governance of the PCC transfers to the CA, the legal accountability and all the roles around the PCC will be ascribed to the Mayor. From a legal perspective, the CA provides a platform for employing staff. The Home Office has made it clear that they will not create additional corporation sole around the Mayor.
- Henry Kippin added that both in terms of the legal framework and the spirit of what is intended, there is a deliberate separation between the Mayor's role as Chair of the CA and therefore the politics of the CA in its decision making functions, and the Mayor as PCC.
- Gurinder Singh expressed concern that the public would not make the distinction between the Mayor chairing the CA and the Mayor as PCC; legally there may be distinctions but in the eyes of the public it is one person.
- Henry Kippin advised that the intention, with regard to communication with the public, is that they will see one individual who is responsible for what goes on in the West Midlands, including governance of the fire and rescue service. They can then hire and fire through the electoral process.
- Tim Martin explained there are two types of functions that are undertaken at the CA:
 - 1) The CA functions and powers that are given to the CA, decided through the Board meetings with the Mayor as chair
 - 2) Mayoral functions which are specifically for the Mayor to undertake but do not have to go through the Board. These are subject to oversight and scrutiny

but the Mayor can discharge on his/her own.

If the Mayor were to take on the PCC role, that would be a Mayoral power, not a Board or CA power, so he/she could make decisions within Board approval.

- Gurinder Singh asked if what is being suggested is a more complex and confusing situation and a dilution of direct accountability for members of the public.
- Waheed Saleem asked if finance and assets would move into the control of the CA and if so, is there a guarantee that the CA will ensure the police budget will be ring-fenced for policing.
- Henry Kippin confirmed that is guaranteed within the proposed legislation and will be guaranteed within the CA constitution.
- A further point was raised concerning the precept and borrowing requirement.
- Tim Martin advised that their understanding is the legislation which currently applies around the PCC will transfer to the Mayoralty. Currently, the Mayor can propose a precept but if it's not agreed then it will not go through; the PCC can have their precept proposals reviewed by the Police and Crime Panel but ultimately the PCC can carry his budget and precept through. The Home Office has confirmed that part of the legislation will still apply in the future so there may be some complexity in that the Mayor might be raising two precepts but the PCC precept would still be one that he/she can impose if they want to.
- The Chair commented that the political reality might then be, despite the legal distinctions explained, that a Mayor wanting to set two different precepts would find him/herself in negotiations on the balance between the two. She felt that there must be a real worry that there is a degree of political pressure the CA can still bring to bear because it has the ability to agree the second budget as Mayor.
- In response, Tim Martin said that the legislation would still be there and the Mayor would be clearly advised that obviously they have a different regime for the PCC precept. He agreed that there would be additional complexities but the politics would not necessarily enter into it.
- Henry Kippin added that in negotiations over the last few months, there was no indication that there is any complexity CA leaders and members would like to add to the PCC precept arrangements and they are all aware that there is a separate accountability.
- Jonathan Jardine briefed on a technical point, confirming that if a Mayor acting as PCC consistently failed or sought to reduce the precept or not increase it for example, they would eventually trigger the Home Secretary's backstop powers to require a precept to be set at a certain level to ensure the safety of an area.
- Tim Martin provided more detail on the question of borrowing, advising the CA has borrowing powers confirmed in legislation. They have a borrowing agreement with the Treasury and a borrowing cap. The Treasury has confirmed that the borrowing cap is available to be re-negotiated and the circumstances where this might apply would be around the assumption of significant additional responsibilities by the CA. It has been confirmed that the assumption of PCC roles would qualify as 'significant'. This information can be found in the pack but the offer was made to supply if the Committee so wished. The WMCA S151 officer feels that this gives the comfort needed but this will be kept under review.
- Mark Kenyon pointed out a fundamental difference in that the arrangement at the moment is the PCC decides how much borrowing is actually taken out for policing. That decision goes through a budget process, completely independent of seeking anyone else's approval. If the merger goes ahead, the decision would

require Treasury approval.

- Tim Martin addressed the points made around (i) borrowing and (ii) whether in general terms the PCC finances would be lost amongst the melee of the CA. JAC members had expressed concern that the policing budget might be diluted because of the other things that are part of the borrowing requirements of the CA such as transport, housing, refurbishing police buildings etc. Mr Martin felt that in terms of safe and secure policing it must be the same. In terms of political pressure, the Mayor is a publicly accountable elected official and will therefore be conscious that the needs of policing need to be satisfied.
- Henry Kippin spoke of transparency, accountability and to the absolute furthest extent possible at all times a ring fence around resources, borrowing, reserves, assets is embedded in this work.
- Dr Hannon asked if WMCA could describe some of the benefits of the proposed model and where it might fill perceived gaps.
- Henry Kippin said that there were two or three stated potential benefits:
 - 1) A set of benefits around the ability to join up/oversee a better join-up of public services.
 - 2) A set of benefits that relate directly to the causes of crime i.e. more on prevention.
 - 3) The ability of the Mayor to say I am the elected individual who is responsible to make sure a policing and crime plan is high in the strategic positioning in the region.He added on an operational level, there are several strands woven into the material e.g. data sharing.
- Dr Hannon challenged that all of the points made already exist. She gave the example with regard to knife crime, West Midlands is unique in that it has a Commission which works with multi agencies, with the community; she said that preventions and deterrents are key within police now, so questioned what it is about the model that makes it unique.
- Henry Kippin commented that this is building on a programme of work that has evolved over the last 2/3 years to be at the forefront of prevention and crime elements of the portfolio. The intention is that the links are strengthened by bringing together accountability and governance that makes that join up easier to do in the way that gives the Mayor the powers to do that in a more consolidated way.
- Tim Martin added that Parliament debated this in 2016 and while it is a local choice as to whether the merger happens or not, Parliament has legislated to allow that to happen. That in itself is not a reason why it should happen but the merits and de-merits have been debated and it was considered acceptable and was a possible model for cities such as Birmingham, Manchester and London.
- Gurinder Singh asked if WMCA could say that as a result of the structural changes, improved data sharing will take place.
- Henry Kippin advised that he was not sure he could give a satisfactory answer but went on to say that proposals have emerged because it is believed by the Home Office that by combining these roles, it will give a better chance of making links, joining up services and this includes data sharing. He confirmed that they have not yet worked through data sharing protocols. If the merger goes ahead it will be part of the transition arrangements.
- Jonathan Jardine added that on data sharing, six possible approaches have been identified on how this agenda might be pushed forward. Two of these are

dependent on colleagues in the CA. The OPCC engagement with the office data analytics work, for which the CA has secured some funding, has been about designing an information sharing agreement at scale that involved the transfer of personalised data between public bodies. This should be a part of the work strand there and we are working with CA colleagues to get that as an area of business. Another approach is 5G (with some caution). Mr Jardine felt that there may be some potential to use that capability for high speed data transfer in local areas to use as a platform for discussing how to get data from multiple agencies to a frontline worker so that they can make risk assessments and decisions in real time. The remaining four approaches are less dependent on CA colleagues.

It is not the case that these potential benefits can be derived only if there is a transfer of powers but the office data analytics and 5G project would not exist without the CA.

- Ernie Hendricks raised questions regarding the oversight and scrutiny function both internally and externally. How would that actually work? Who sits around the table? Is the policing audit function to be co-joined with what CA have already?
- Tim Martin confirmed that he is also responsible for the audit function at the CA. He explained that they currently have an Audit Committee with internal audit provided by the City of Wolverhampton audit service. He confirmed that there are no plans yet in place with regard to future arrangements although it is recognised as being essential. They are only now at the stage of drawing out the structure of how committees and the audit requirements might look for the transferred fire service, which has a projected start date of April. Henry Kippin added that the commitment they make is that this current joint audit arrangement (PCC and WMP) is maintained at the point of transfer until a subsequent review by any elected officials.
- Ernie Hendricks stressed the importance of the audit function and was concerned that no serious thought had been given to its future. The Chair seconded the point made, adding that a lot of work had been done over the past 2-3 years to ensure the robustness of the audit process and the oversight of it. She stressed that it is essential that there are very clear and unambiguous intentions before a point is reached where someone comes to office to give it some thought.
- Henry Kippin agreed 100%. He pointed out the intention (ref page 20) is for continuity of current arrangements; the only caveat is because it is subject to political decision.
- Gurinder Singh produced statistics of poor attendance of members on CA committees, making the point that continuity as an intent is important but there will be change, with the new arrangement based around the CA. He felt that the statistics showed that the councillors on existing CA committees clearly cannot keep up with the governance and accountability structures in place querying what assurances could be given in relation to future policing.
- Henry Kippin advised the only assurance he could give is that the intention is for this joint audit function to continue under proposed arrangements. This was challenged by Gurinder Singh as he stated this arrangement will not continue because the board will not be in place.
- Henry Kippin offered to take away a set of questions for the WMCA to work on; this to include the issue concerning clarification of the continuance of the internal audit function and the team.
- The Chair thanked Mr Kippin and Mr Martin for attempting to respond to the various questions. She confirmed that it would be helpful if all the issues raised

	<p>could be encapsulated and forwarded formally. This would include:</p> <ul style="list-style-type: none"> • Benefits of the transfer • Accountability, both of the Chief Constable to the PCC/Mayor and also of the PCC to the public, and the role of the Dep Mayor in that. • Concerns over the robustness of audit and not yet being able to see a clear line on where those functions, responsibilities and lines of accountabilities will fit in terms of oversight. <p>- These issues are to be drawn into something that is both a set of questions in a formal response to the consultation, and also a letter to the WMCA setting out areas where there are still concerns.</p> <p><i>The formal response made by Joint Audit Committee to this consultation is appended to the minutes for information.</i></p>
344	<p>Item 6 – Uniform ordering, delivery and collection within WMP Uniform report</p> <p>Ian Kent presented the report which had been circulated prior to the meeting. He asked if there were any questions arising.</p> <p>The Chair advised that the report had provided a degree of reassurance but stated that the question remained about uniforms going missing through police personnel. She added that the system was not fool-proof and there was still a lack of tracking at the point of arrival, however, the number are clearly small and less worrying that if the issues was full sets of uniform going missing.</p> <p>Neil Chamberlain commented that the system is designed with 24/7 access points of which there are twelve. Officers can collect their own uniform and that of their colleagues. The 0.7% 'missing', relates to when an officer has reported lost uniform rather than uniform taken by the wrong officer. He is assured by the numbers; WMP trust their people and there is plenty of signage to remind officers they should only take uniform with permission.</p> <p>- Ernie Hendricks raised a question referring to page 4, asking what the continuing refinements look like.</p> <p>Ian Kent responded, that whilst there are always areas to improve in any process, a lot more management information is available, in this case officers should now not wait more than 7 days for uniform; DHL delivery times have improved; a lot of work has been done to get kit for PCSOs, new recruits and Specials.</p> <p>- Gurinder Singh asked what, if anything, was being done about the 0.7% missing uniform.</p> <p>DCC Rolfe confirmed that PSD will look at inappropriate loss of uniform, but there is a balance between wanting to focus on serious corruption and misconduct and being satisfied that there is a robust audit regime around uniform, but added that she is happy with the system in place which is improving. The anecdotal evidence of delays in officers receiving uniform or having to wade through huge piles of kit to find their own, are legend rather than fact.</p> <p>The Chair thanked the Force for the update report adding that Neil Chamberlain's comments had been taken on board in as much as 'trusting their people' but JAC have a role to challenge – hence the questions.</p>

345 **Item 7 – HMICFRS Update** [HMICFRS update](#)

Kath Holder presented this report which had been circulated prior to the meeting. She highlighted various aspects of the report –

- Integrated PEEL assessment (IPA) field work has now been completed
- Crime data integrity fieldwork took place in October with outcomes to be published in January. This will be brought back to next JAC.
- PEEL Assessment IPA took place in November. Tranche 1 reports to be published in March. Information to be brought back to JAC.

The report states that no inspections have been received since the last meeting, however, since writing the report, a Mental Health inspection has come in. There are 5 recommendations, of which 4 are for the Force. There are no red recommendations; all are with ACC Boycott.

The Chair mentioned that, depending on what was to be said about the Mental Health work, she may need to declare an interest.

The first question raised regarding this report was:

- Regarding B-Well (page 5), Dr Hannon asked if assurance can be provided that service users have a feedback loop to assess the quality of support given is appropriate?

Kath Holder confirmed that there is definitely a feedback loop into the Force with any feedback from service users being anonymous. The DCC commented that she had heard that positive feedback had come through an automated survey but she would clarify and bring that information back.

The next question was:

- Regarding unconscious bias, Ernie Hendricks asked what percentage of police officers have completed the NCALT training.

The DCC responded, advising that this training is being cascaded; although the package is not quite what is required and so it is not being pushed corporately. All assessors for promotion purposes have completed and some leadership days have taken place with senior leaders receiving training. The DCC stated that an alternative to NCALT is required and a more tangible development will be seen around this in time.

The third question was:

- Gurinder Singh asked how long the new grievance policy has been in place and what impact it has had in terms of numbers?

Kath Holder confirmed that the policy was launched in April but that she did not have numbers to hand. She committed to bringing those numbers back to JAC.

The fourth question was:

- Page 7 references the use of authority for sexual gain and the fact that a retrospective review has been carried out looking at 9 cases which were referred to the IOPC. Dr Hannon asked if JAC could have an overview of those cases and any learning taken from them.

The DCC responded advising that there was no learning from the handling of these cases. At time the cases were dealt with, they didn't meet the referral criteria, but the criteria changed and forces were asked by IOPC to do a retrospective review over a defined period. However, she was happy to provide information requested through the designated SPCB lead. Jonathan Jardine agreed this would be a sensible proposal.

346	<p>Item 8 – Risk Management update, including Force Risk Register and OPCC Risk Register Risk management update</p> <p>Force Risk Register</p> <p>Kath Holder presented this report and asked if there were any questions relating to the scoring mechanisms information which had been circulated with the papers. There were none.</p> <p>Questions asked about issues in the report included:</p> <ul style="list-style-type: none"> - Figures quoted show that 4,000 officers have been trained on disclosures; The Chair asked for clarification around what proportion of the total required is represented by those 4,000? <p>Kath Holder was not able to provide that information. The DCC said although the figures were not available, a significant proportion had been trained.</p> <ul style="list-style-type: none"> - Waheed Saleem pointed out the 2 identified risks as (i) workforce resilience and (ii) specialist recruitment and retention, asking if workforce plans are robust enough to deliver process. In addition, he asked what effect this was having on the funding settlement and the future of policing. <p>The DCC confirmed that a detailed report was due to be taken to the next SPCB on the workforce strategy plan. The report indicates good work is being done but the continuing challenge is the complex caseload is growing i.e. Domestic Abuse has grown 88% since 2010. The teams who deal with this have been protected but the ability to sustain specialist workforce to meet demands is challenging.</p> <p>OPCC Risk Register</p> <p>Mark Kenyon commented on the change of format for this report which is now based on the Force format. He advised that the document sets out the 12 highest risks across the office around delivery of the Police and Crime Plan. The summary shows unmitigated scores.</p> <p>There were no questions in relation to the PCCs risk register.</p>
347	<p><u>Item 9 - Internal Audit Activity Update</u></p> <p>A verbal update was provided by Lynn Joyce, listing key highlights since the September JAC meeting. Brief updates were provided on those audits with limited assurance opinion:</p> <ul style="list-style-type: none"> - Re GDPR: Since the review, GDPR in the PCC's office now has increased visibly with the Senior Management team, training commitments are being progressed which will include wider stakeholder groups. A solution is being sought for sharing confidential information securely by e-mail and work has been done on data protection impact assessments and understanding commissioning and contracting role (i.e. whether data controller or data processor) - Re THRIVE: There was a lot emphasis on THRIVE+ in Force Contact but as investigations are progressed, THRIVE recording became a little more diluted. The working group that existed in Force Contact has been disbanded and a recreated as a wider new stakeholder group, in which L&D are included, has been established. We also linked with the Connect project who confirmed there will be much more focus on THRIVE+ in the new system. <p>The Chair asked that GDPR training commitments include the Chair and Vice Chair.</p>

	<p>The DCC commented that there were concerns regarding inconsistency around THRIVE+ but the audit has reinforced that and has given a clear steer and she has now been reassured.</p> <ul style="list-style-type: none"> - Ernie Hendricks asked if the new group would be looking at intervention and prevention. The DCC confirmed that they would. <p>The Chair thanked Lynn Joyce for this valued verbal update. She went on to ask for details of timescales when JAC could expect an update on 'follow-ups' contract management as the data was quite old.</p> <p>Lynn Joyce advised that the contract management process was going through a period of change with a new supplier relationship management process being piloted. Monitoring is being carried out through regular quarterly liaison meetings.</p> <ul style="list-style-type: none"> - Ernie Hendricks said that there needed to be a conclusion to the detained property question as this had been bumping along since 2016. He also raised the matter of a vetting audit. <p>Lynn Joyce responded advising that a follow up was underway in regard to the vetting audit with a request for additional information being issued on 4 December. In respect of detained property, she commented that a lot is wrapped up in the Property project but it is being monitored with reminders being sent out and follow up every 3 months.</p>
<p>348</p>	<p><u>Item 10 - Anti-Fraud, Bribery and Corruption Policy Annual Review of Effectiveness</u> <u>Anti-fraud, Bribery and Corruption Policy</u></p> <p>This item was discussed out of order, following item 7.</p> <p>Mark Kenyon advised that the report was in 2 parts. Part (1) around the role of internal audit and part (2) investigations update.</p> <p>Chief Inspector Yvonne Bruton attended to present the report and answer any questions arising. There were no questions.</p>
<p>349</p>	<p><u>Item 11 – External Audit – Progress Report and Sector Update</u> <u>External Audit - Progress report</u></p> <p>Paul Grady from Grant Thornton, attended to present this item, making the following points:</p> <ul style="list-style-type: none"> - External audit are still in the planning phase. Meetings are in place with key officers looking at arrangements for the year to come. - Finance and Audit team had a wash-up session recently, talking through how the audit went for continuous learning on collaborative work. - 2 areas the Force in particular looking at: (i) financial ledger upgrade and financial reporting outputs; (ii) working paper review - so that they are aligned with the new system. - Financial accounts workshop invitations are going out soon. - Audit plan will be finalised in January and will come to JAC in due course. - Grant Thornton sponsor the Police and Crime Panel National Conference annually, the last one taking place in November. <p>There were no questions asked.</p> <p>The Chair commented that clearly all was in progress with no concerns for JAC. She</p>

	thanked Mr Grady for his reports.
350	<u>Item 12 - JAC Work Programme (for info)</u> <i>JAC Work Programme</i> The Chair asked if an update on police and governance consultation could be added to the JAC work programme.
351	<u>AOB</u> There was no other business. The Chair closed the meeting at 11.33 hrs by wishing everyone a Happy Christmas and New Year

Response to the Consultation on Policing Governance from the Joint Audit Committee of West Midlands Police

The Joint Audit Committee of West Midlands Police is established, inter alia, to provide assurance and advice to the Chief Constable and the Police and Crime Commissioner on the effectiveness of governance systems within and between the Force and the OPCC. Its membership consists of 4 members of the Strategic Policing and Crime Board, and an Independent Chair and Vice Chair, each appointed jointly by the Chief Constable and PCC. The Committee considered the consultation on the future of the governance of policing in the West Midlands at its scheduled meeting on 6th December 2018. Although the Mayor, Andy Street, had not been able to accept an invitation to attend, the Committee was pleased to welcome two officers of the WMCA: Tim Martin, Head of Governance, and Henry Kippin, Director of Public Sector Reform, who answered a number of questions raised by members. The meeting was podcast live, and the whole debate is available to listen to on the Police and Crime Commissioner's website. It can be viewed here; https://westmidspcc.public-i.tv/core/portal/webcast_interactive/390727

At the conclusion of the discussion, the Committee agreed that it would provide an opinion on the proposals before it to the PCC and the Chief Constable, by way of a submission to the consultation, based on the matters raised by its members, and the concerns that remained following discussion. The comments set out below are therefore those of the members of the Committee, and not of the OPCC or the Force.

Accountability and Responsibility

The present arrangements provide for clear accountability: from the Chief Constable to the Commissioner, and from the Commissioner to the electorate. The new model as proposed by the WMCA and the Mayor is predicated on the appointment of a Deputy Mayor for Policing, to whom some, of the powers of the PCC would be delegated. In answer to questions, WMCA officers confirmed that the accountability of the Chief Constable would largely be *through* the Deputy Mayor. Accountability is therefore less clear, and diluted, and although the legal powers will rest with the Mayor and the Combined Authority we do not think this is as strong as the present system of direct accountability to the electorate via the PCC.

The present arrangements have a PCC who is responsible solely for policing. Under a Mayoral PCC model, the person ultimately responsible for policing would be balancing this responsibility against many others. The particular focus of a directly elected Commissioner for Policing could well be lost. Responsibility would therefore be divided and this could be confusing to the electorate and staff. It is also unclear whether under the new arrangements would be a public forum where either the Deputy or Mayor will be 'seen' to hold the chief constable and the force executive to account, and where members of citizens can ask questions directly to the Chief Constable. If this were not provided this would also be a diminution in the transparency of Police governance.

Funding

The Committee accepted that the budget for policing coming through Government grant would still be dedicated to policing. However the locally generated funding, gathered through a dedicated precept, could risk becoming a political football, since the Mayor/PCC could also be negotiating with the Combined Authority on the level of the separate mayoral precept. Considerations other than solely the needs of the police service could therefore influence the decision on the level of precept. Similarly, although assured that the cap on borrowing for the WMCA would be increased by the Treasury if responsibility transfers, there would still be a cap under which the needs of the Force for capital investment would be competing

with all other Mayoral services. In two crucial areas of finance therefore, a risk to the future availability of funding is created if this proposal goes ahead.

Oversight

The Committee was extremely concerned that arrangements for robust oversight had not yet been fully considered. The specialist nature of audit in a Police Force, and its importance in maintaining public faith in the legitimacy of policing appeared not to be adequately understood. We believe that if a transfer occurs, a dedicated audit function must be guaranteed. The WMCA officers present sought to give an assurance that the Joint Audit Committee arrangements would continue during the transition, although this would certainly not be straightforward given the nature of the contracts under which the various members work.

Being aware that the WMCA's own Audit, Risk and Assurance Committee suffers frequent inquorate meetings, and has a number of inactive members, the Committee would not be satisfied that absorption of policing into its work would provide the knowledgeable, independent scrutiny which a small dedicated committee can offer. The Committee felt this lack of attendance and participation by members in the various committees of the Combined Authority demonstrated existing weaknesses in the Combined Authority governance model. The public interest regarding transparency and fairness in policing requires robust and authoritative governance and accountability, and this must be guaranteed in any proposed change in structures.

Benefits

The benefits of moving to a Mayoral/PCC model are described in the consultation, and this was reiterated by WMCA officers, as enabling a major improvement in joined-up approaches to region-wide societal problems. The Committee wholly endorse the desire to develop much better synergy in the public realm. However it questions the need for structural change to enable it. The examples given in the meeting, eg approaches to mental health, were all areas where the PCC is already an active, indeed a leading participant. The PCC is already a non-voting member of the WMCA Board. It is not clear how his replacement with a Deputy Mayor would enhance the voice or contribution of policing in that arena.

The Committee were concerned that the WMCA officers present were unable to detail any specific structural or legislative change proposed to occur alongside the Mayor PCC model being introduced that would enable real benefits of synergy to be realised. For example, on the issue of data sharing, the Mayor clearly has a desire for better partnership working allowing improved data sharing, as all authorities do, but the WMCA officers were unable to articulate how this is proposed to be realised.

Conclusion

The Committee recognises that the current arrangements in which the OPCC and Force is each constituted as a Corporation Sole is highly unusual and has presented many administrative challenges. It has not evolved in completely the same way in different Force areas, and any new incoming PCC might choose to alter arrangements in line with their own electoral promises. We are therefore privileged in this instance to be able to make comment on proposed changes, rather than retrospectively comment on changes that have already been made.

We trust that the concerns expressed above will be helpful both to the Mayor and WMCA, and to the PCC and Chief constable, as they consider the next steps in this process of consultation.

Sue Davis CBE, Independent Chair, Joint Audit Committee, on behalf of the Committee

08/12/18