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# **JOINT AUDIT COMMITTEE (JAC)**

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**Minutes from public  
meeting held on  
13 December 2019**

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**JOINT AUDIT COMMITTEE (JAC)  
PUBLIC MINUTES**

Notes of the meeting held on Friday, 13<sup>th</sup> December 2019  
Meeting Room LH G2  
Lloyd House, Colmore Circus, B4 6NQ

**Present:**

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| Sue Davis            | - Chair  |
| Brendan Connor       | - Strategic Policing and Crime Board (SPCB) Member |
| Ernie Hendricks      | - Strategic Policing and Crime Board (SPCB) Member |
| Gurinder Singh Josan | - Strategic Policing and Crime Board (SPCB) Member |
| Jonathan Jardine     | - Chief Executive Officer – PCC                    |
| Louisa Rolfe         | - Deputy Chief Constable – WMP                     |
| Lynn Joyce           | - Head of Internal Audit - PCC                     |
| Mark Kenyon          | - Chief Finance Officer – PCC                      |
| Gemma Brookes        | - Principal Auditor - PCC                          |
| Emily Mayne          | - Engagement Manager - Grant Thornton              |
| Alex Walling         | - Head of Engagement - Grant Thornton              |
| Sean Phillips        | - Detective Superintendent - WMP                   |
| Shameem Ahmed        | - Inspector – WMP                                  |
| Chris Todd           | - Chief Superintendent - WMP                       |
| Dean Sweet           | - Assistant Director - Shared Services             |

Plus note taker, webcaster & an observer

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| <b>407</b> | <b>Item 1 - Apologies</b><br>Apologies were received from:<br>Neil Chamberlain - Director of Commercial Services (WMP)<br>Davinder Jagpal - Assistant Director - Finance (WMP)<br><br>The Chair also welcomed Brendan Connor who is seconded back to the Audit Committee temporarily and Alex Walling who is the new Head of Engagement with Grant Thornton. |
| <b>408</b> | <b>Item 2 - Declarations of Interest</b><br>There were no Declarations of Interest.  |
| <b>409</b> | <b>Item 3 – Minutes of the last meeting</b><br>Both the public and private minutes from the previous meeting held on 27 <sup>th</sup> September were agreed as accurate records of proceedings.  |
| <b>410</b> | <b>Item 4 - Matters Arising</b><br>There was no Matters Arising.   |
| <b>411</b> | <b>Item 5 – Internal Audit Update</b><br><i>Presented by Lynn Joyce</i>  |

The report was circulated in advance of the meeting and therefore Lynn Joyce highlighted key points from this report:

- 5 audits have been finalised since the previous report to the committee and 5 audits are in draft.
  - Of the 5 that have been finalised; 1 had minimal assurance and 2 had limited assurance.
  - Internal audit have followed up on 33 audits with an implementation rate of 87%.
  - Detained property was followed up and all of the recommendations have now been implemented.
  - Significant recommendations are at 74% implementation.
  - Planned audit coverage looks low for this time of year which is normal. The same pattern has arisen for the past 3 years. This is due to lots of preparation early on in the year which progresses through to completion towards the end of the year.
  - Internal Audit is fairly confident they will achieve the 90% target.
  - A meeting was held with the Force Executive Team in October to discuss progress on the current plan. A few changes were discussed and require endorsement from the committee, as follows:
    - 1) GDPR Audit - The Chief Constable suggested that we change this to a cyber security review, particularly the process of penetration testing within the Force.
    - 2) The scope of the review of Supplier and Contract Management audit is to be expanded to look at how we are preparing for Brexit.
    - 3) WMP2020 Post Implementation reviews – request to change the focus from an assurance piece to an advisory piece.
  - Appendix 1 includes summaries of completed Audits with Limited or Minimal Opinion, management responses have been included to provide a detailed progress update.
- Ernie Hendricks asked if Internal Audit is confident they can deliver the additional coverage required within these changes.

Lynn Joyce responded that these requests will not involve a great amount of additional work as they are not additions, they are replacements.

- The Chair confirmed the committee was happy to agree to the changes proposed.

The Chair invited Sean Phillips to make any comments around the issues of concern picked up within the Missing Persons audit.

Sean updated the Committee as follows:

- A missing person's APP introduced in May has put WMP in a better position. Previous policies were difficult to administer.
  - The audit was thorough and balanced and as a result a delivery plan has been worked to and all recommendations have seen some progress.
  - HMICFRS have since fed back that it was clear that WMP understood where it currently stands and where it needs to go.
- Ernie Hendricks asked Sean to talk more on the Vulnerability Board oversight as the work stream being considered cuts across a number of portfolios.

Sean Phillips responded that the Missing Operations Group chaired by himself reports to the Vulnerability Board. The delivery plan actions are communicated through a tracker to the Board. The Board has a more holistic overview of governance as every

representative from the Missing Operations Group is reflected on the Vulnerability Board. The issues the Group talks through and tries to resolve are escalated to the Board and reviewed every 6 weeks. Therefore when issues about aspects of delivery arise the Vulnerability Board provides support when challenging the Force.

- Ernie Hendricks questioned whether the changes to the governance set up were effective and asked Sean Phillips to talk through the planned changes.

Sean Phillips advised that some recommendations are fundamental to business and some are peripheral. The more fundamental changes that have been progressed are Force level issues. For example; now that missing people is accurately recorded and shared with partners via Compact, this created a demand which outstripped the capacity. Force contact has been looking into how calls are received, risk assessed accurately and how we deploy officers in a meaningful way. Appropriate grading of logs has also been looked into to ensure we send a response. If this is not possible that the call is escalated appropriately. This should result in response times falling in line with the rest of the Force. Evaluation and tracking of response times is taking place and a slight reduction in timescales has been seen so far.

- Gurinder Singh Josan asked what assurance can be provided that existing cases are being reviewed regularly.

Sean Phillips responded when officers are unable to attend two processes have been put into place.

- 1) Where timescales are not achieved WMP will do a return review and perform a risk assessment. This may result in an officer being sent back out.
- 2) Where recording has previously been low risk, this is being reviewed. More time is now being taken during the first call to ensure the correct risk level is allocated to the call.

On top of the above, the Locate team put in place a daily triage process with the local authority; meaning that every morning there is a conversation about every missing person and the risk assessment made.

- Gurinder Singh Josan asked if WMP is up to date with all cases.

Sean Phillips responded that the missing person APP ensures that every missing person is accurately recorded to provide WMP with an accurate picture of cases. There are 15,000 missing people recorded each year, which is the highest number outside of the Metropolitan Police. This is why it is important that the correct risk level is assigned. WMP are comfortable with the triage process and evaluating as appropriate. Connections with the local authority are better than ever, they are more involved in the risk assessment and initial response than ever before.

- The Chair asked what proportion of the 15,000 caseload are young people, and if there any geographical areas causing concern.

Sean Phillips confirmed that historically 80-85% of missing cases are children and the majority are repeat cases from children in care. In terms of geographical concerns the local authorities demand mirrors the demand on policing. Birmingham is the highest area for demand, not because of engagement and collaboration but just the large numbers in this area.

- The Chair asked for clarification on the timeframe for follow up for the missing person's audit.

Lynn Joyce confirmed a follow up on recommendation will be completed in 6 months.

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|     | <ul style="list-style-type: none"> <li>- The Chair requested to see the follow up once completed</li> </ul> <p>Discussions then progressed to the VAT Audit with the Chair asking for questions.</p> <ul style="list-style-type: none"> <li>- The Chair asked what the attitude of HMRC was in regards to this issue.</li> </ul> <p>Dean Sweet responded that liability has been reduced from 120k to 70k and that HMRC have been notified that over recovery will be paid back next week and all changes put in place have been discussed with HMRC, which includes each expense and item on the claim being manually checked. Dean also commented that HMRC have been understanding and have acknowledged how quickly the force has acted.</p> <ul style="list-style-type: none"> <li>- Gurinder Singh Josan asked whether in terms of annual accounting audit; the amounts would this exceed the value to be declared.</li> </ul> <p>Mark Kenyon confirmed that this would not meet the materiality level</p> <ul style="list-style-type: none"> <li>- Ernie Hendricks asked if there were any fees WMP will be required to pay.</li> </ul> <p>Dean Sweet indicated that there may be a slight amount of interest on the 50k, estimated around 2.5%.</p> <p>Dean also commented on how Internal Audit has helped strengthen the processes and procedures.</p>   |
| 412 | <p><b>Item 6 – HMICFRS VFM Profiles</b><br/><i>Presented by Mark Kenyon</i></p> <ul style="list-style-type: none"> <li>• On an annual basis HMICFRS provides Value for Money profiles demonstrating cost to police forces in comparison to similar forces.</li> <li>• Costs are allocated based upon per head of population. The report shows where WMP is an outlier in terms of cost.</li> <li>• The report only highlights the differences and not the reason why.</li> <li>• More work is needed to analyse specific areas in order to establish explanations as to why the costs are different. Mark suggested an update on this additional work report back to the March meeting.</li> </ul> <ul style="list-style-type: none"> <li>- Ernie Hendricks asked where the Force is spending less and what are the outcomes associated?</li> </ul> <p>The Chair advised that the difficulty was getting detailed information on what other forces are doing to identify the reasons for differences.</p> <ul style="list-style-type: none"> <li>- Ernie Hendricks asked if it is unrealistic for the committee to expect to get anything substantive around this. If we spend more are we getting better outcomes or if we spend less are we getting better outcomes. Are we more efficient?</li> </ul> <p>Louisa Rolfe highlighted the challenges within other Force structures, for example for domestic abuse, WMP is one of two forces that have a dedicated domestic abuse team. It is expected that costs will be higher as other force domestic abuse teams deal with a wider variety of cases. Costs for WMP may be higher because we can define costs as a result of having this dedicated team whereas other forces can't. In terms of advance public order, WMP have included the force support unit costs in this, although their dedicated role is not advanced public order therefore making it appear higher. When investigating the outliers, the Force should be looking at the structural differences also.</p> |

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|     | <ul style="list-style-type: none"> <li>- Gurinder Singh Josan asked what other metrics had been explored around VFM.</li> <li>- Brendan Connor added that the Committee is sceptical around the HMICFRS VFM approach, can a joint explanation be provided from the Force and the OPCC as to why the outliers exist. This would provide a good basis to help the committee understand when HMICFRS return.</li> </ul> <p>Mark Kenyon agreed that this is a really important piece of work and that this is a structured exercise to look at costing and not outcomes and outputs.</p> <ul style="list-style-type: none"> <li>- The Chair added that this is clearly a piece of work in progress and asked when the committee can expect to see an update.</li> </ul> <p>Mark Kenyon responded that there would be an update in March 2020.</p>   |
| 413 | <p><b>Item 7 – Anti Fraud Bribery and Corruption Policy Annual Review of Effectiveness</b><br/> <i>Presented by Mark Kenyon and Chris Todd</i></p> <p>The report was circulated in advance of the meeting and therefore Mark Kenyon highlighted key points from this report in order to cover the Internal Audit aspects of the report:</p> <ul style="list-style-type: none"> <li>• WMP and the OPCC have a joint Anti-Fraud, Bribery and corruption policy.</li> <li>• The policy was reviewed 12 months ago by the Joint Audit Committee who also receives regular reports on the progress and will continue to review in the future.</li> <li>• This policy is complimented by a number of other polices.</li> <li>• This report breaks down into 2 aspects – Work from Internal Audit and work from the Professional Standards Department.</li> <li>• Internal Audit programme considers risk of fraud across the Force and monitors a specific work stream around the National Fraud Initiative.</li> <li>• The report details a number of NFI investigation matches which have occurred this year and highlights minor instances where duplicate invoices have been paid and pensions have been overpaid.</li> </ul> <p>Chris Todd highlighted key points from the Professional Standards Department (PSD) aspects of the report:</p> <ul style="list-style-type: none"> <li>• The report details a combination of overt and covert investigations across PSD.</li> <li>• Data presented has been collated via a manual process.</li> <li>• Within the areas of complaint and misconduct allegation, fraud is not an area that provides the greatest volume, although it is one of the most serious in terms of honesty and integrity.</li> <li>• Data was collected between 01 November 2018 and 31 October 2019 and 10 allegations have been identified involving 11 individuals - 8 Officers and 3 Staff.</li> <li>• 4 have been finalised resulting in 4 convictions of which 2 staff resigned and 2 are still moving through the processes, 1 resulted in no action and 5 remain on-going.</li> <li>• Of the 10 cases 2 related to overtime, 2 to the misuse of disabled parking.</li> <li>• The vast majority of cases in terms of financial advantage are small with the exception of 2 cases.</li> <li>• Complaints captured have reduced compared to what was reported last year. This is believed to be due to good management of staff to identify opportunities, and integrity health checks have been introduced to highlight risks which may lead to poor behaviour.</li> <li>• PSD have restructured and introduced a team to look at trends of behaviour in order to build better prevention mechanisms.</li> <li>• Most cases were raised externally. It has been asked if we have confidence that staff are still reporting incidents internally. We can see from the cases that were</li> </ul> |

reported internally were highlighted by colleagues across the organisation which provides confidence that the mechanisms available for people to report are working showing good internal management within internal audit.

- There is a phone and online facility available to support those who wish to make PSD aware of poor behaviour.
- The Chair advised that evidence of effective whistleblowing methods usually means that reported incidents go up. How confident is the Force that people will use these methods?

Chris Todd advised that 2 of the 10 cases were reported internally, he takes on board that the reporting has dropped but is confident that since the Force have introduced confidential reporting an increase has been seen in reports.

- Brendan Connor asked if an additional question could be added asking if other staff should have been aware of this type of conduct and reported it. By asking this question the results would show that other individual(s) who should have responded to matter. If you formally ask this question, you improve culture which is positive for public confidence. Is this question ever asked within the investigations?

Chris Todd confirmed that this question is asked, maybe not in the same detail highlighted but this can be checked and reported back.

Louisa Rolfe added that if during an investigation it is apparent that a colleague or supervisor knowingly turned a blind eye, those themselves are committing a conduct offence and would be investigated, but a more proactive look at who may be expected to know about this but wouldn't necessarily have breached our expectations of conduct and what we do to explore this is a really good point that we can look into.

- Brendon Connor asked with regard to officers who were allowed to retire, at what level in the organisation is that decision made and what are the guidelines around this.

Louise Rolfe responded that the wording in the report is wrong. Due to a change in regulations in 2017 the Force cannot stop people retiring. This has been done previously and officers were found innocent which resulted in them missing out significantly financially.

- Ernie Hendricks asked what the privacy policy is for whistle-blowers.

Chris Todd confirmed that there is a policy available for individuals to read in advance of a decision which provides the support holding everyone within the process to account. The policy is drawn from national practice; there are also support mechanisms that go beyond WMP e.g. staff associations, the federation and the unions, PSD have regular meetings with all stakeholders to discuss issues.

- Ernie Hendricks asked if there were any cases where people have whistle blown but are no longer with us as a Force as a consequence of that.

Chris Todd was unaware of any cases with direct correlation.

Shameem Ahmed added that the Force have successfully had two HMICFRS recommendations in relation to integrity and corruption closed. One was a recommendation that the force should publish a policy to clarify its position on the suspension, resignation and retirement of officers under disciplinary. This should

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|     | <p>provide some assurance that the Force has got the right structures in place and is using the policy accurately to increase awareness.</p>   |
| 414 | <p><b>Item 8 – Risk Management Update, including Force Risk Register and OPCC Risk Register</b><br/> <i>Presented by Shameem Ahmed and Mark Kenyon</i></p> <ul style="list-style-type: none"> <li>• Since the last Committee meeting the Force risk register has been reviewed and no new risks have been added.</li> <li>• 2 have been reduced in residual risk score as follows:             <ol style="list-style-type: none"> <li>1) Record Management from 12 to 6 due to progress being made including staff being placed into permanent posts funded until March 2024.</li> <li>2) Detective resilience from 6 to 4 as the Force has a detective academy in place providing uplift and resources.</li> </ol> </li> <li>• Disclosure risk has been archived - the risk score has remained static for some time as a medium risk due to the high impact of the risk but low likelihood of the risk being realised.</li> </ul> <p>- Brendan Connor asked if the Commonwealth Games needs to be added as a risk. WMP are building an events suite and have established a significant policing team planning for this. Should we be thinking about risk in this context or are you content this is business as usual?</p> <p>Shameem Ahmed responded that the Force have invested significantly in the Commonwealth games infrastructure and as this progresses if it is felt that this needs to be added to the Risk Register it will be added.</p> <p>Louisa Rolfe added that there is no evidence currently showing that this needs to be added. This risk is being managed as a project under the business transformation portfolio and they are being managed to an extent that there is currently no need for it to be escalated to the risk register, but we can take this back to the project board and pose this question again a round level of assurance and certainty.</p> <ul style="list-style-type: none"> <li>• Mark Kenyon advised that the OPCC risk register was reviewed by the OPCC management team in November and is static in terms of risk as this is based around the police and crime plan being delivered. There are 32 risks in total and the report focuses on the top 12. Top risk is showing around Cyber Crime.</li> </ul> <p>The Chair asked Jonathan Jardine to advise on how risk will be managed within the Force moving forward as the previous risk manager has now left.</p> <p>- Jonathan Jardine responded that he will take this away and come back to the committee</p> <p>The Chair added that the committee would be grateful to know that someone has responsibility for managing risk.</p> |
| 415 | <p><b>Item 9 – HMICFRS Update</b><br/> <i>Presented by Shameem Ahmed</i></p> <ul style="list-style-type: none"> <li>• Since the last committee the focus has been to update and where possible close recommendations.</li> <li>• The Force has closed 9 recommendations in the last quarter, 7 of which relate to online and on the edge and 2 of which relate to Integrity and Corruption.</li> <li>• WMP were selected as one of five forces that will be inspected a part of HMICFRS thematic inspection on Road Policing during December 2019. Early</li> </ul>  |

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|     | <p>feedback shows that the Force is in a positive place and HMICFRS will use aspects of WMP processes which will be used as an example of good practice to other forces.</p> <ul style="list-style-type: none"> <li>• There has been a HMICFRS inspection around Counter Terrorism which looked at the Forces capability and capacity to respond to a terrorist attack. Early feedback shows positive results.</li> <li>• Inspection reports received since the last meeting are the PEEL Spotlight report and Cyber: Keep the light on.</li> <li>• The Force has submitted the autumn data collection and is confident that once the new IT systems are in place we will be able to provide all of the data which has been requested by HMICFRS.</li> <li>• There are currently no recommendations graded red.</li> </ul> <p>The Chair asked for questions and there were none.</p>  |
| 416 | <p><b>Item 10 – External Audit – Progress Report and Sector Update</b><br/><i>Presented by Emily Mayne and Alex Walling</i></p> <p>The Chair welcomed Alex to the committee and Alex introduced herself.</p> <p>Emily Mayne delivered the progress report:</p> <ul style="list-style-type: none"> <li>• Page 3 highlights progress made with the external audit. External Audit is at the beginning of the 2019/20 audit which comprises of the Financial Statements Audit, Value for Money and other areas where value is added.</li> <li>• Planning is about to start around financial statements, this plan will be ready and delivered to the Committee in March 2020. After meetings have taken place with the Chief Constable and the Police and Crime Commissioner whom are both charged with governance.</li> <li>• There has been a recognition nationally that the fee is low for what is expected to be delivered.</li> <li>• External Audit will meet with both Chief Finance Officer for the WMP and the OPCC in order to discuss fees ahead of submitting the report.</li> </ul> <p>- The Chair mentioned that she attended a PSAA sessions last month which left her feeling WMP had performed well in the last audit around fees and deadlines being met in comparison to non-policing organisations. The Chair asked what confidence External Audit have around resources being available in order to deliver expectations.</p> <p>Emily Mayne responded that External Audits driver is around quality and delivering safe options. An internal discussion will take place in order to decide a sign off date for WMP. We work towards a 'target' date of 31<sup>st</sup> July, we look at resource and risk to determine how we best allocate resources. We will work very closely with the Force around planning to get to a point where we feel confident to sign off the accounts</p> <ul style="list-style-type: none"> <li>- Ernie Hendricks asked if the MHCLG Independent programme into local government Audit includes WMP and the OPCC.</li> </ul> <p>Emily Mayne responded yes, policing falls within this sector.</p> <p>The Chair asked External Audit to leave the meeting ahead of the next paper.</p> |

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| <p><b>417</b></p> | <p><b>Item 11 – External Audit Key Performance Indicators (Management and Members Assessment)</b><br/> <i>Presented by Lynn Joyce</i></p> <ul style="list-style-type: none"> <li>• The report is exception based and presents an assessment of Grant Thornton’s performance against KPIs.</li> <li>• Positives include much better communication, regular meetings, knowledge on the sector and evidence of hard work in order to meet deadlines.</li> <li>• It has been noted that some junior staff lacked knowledge and experience which we would have liked and the pressure the team were under trying to deliver multiple audits and the number of days added onto the end of the review in order to ensure a safe opinion was delivered.</li> </ul> <p>Mark Kenyon added that the delay was not the fault of the OPCC or WMP, but due to External Audits resources. He believes that contract has been priced too low for the firm to deliver on time.</p> <p>The Chair added that this is an issue around staff recruitment.</p> <ul style="list-style-type: none"> <li>- Ernie asked if the OPCC were planning to discuss the possibility of increasing the fees next year.</li> </ul> <p>Mark Kenyon responded that this is something which needs to be discussed and reviewed.</p> |
| <p><b>418</b></p> | <p><b>Item 12 – Joint Audit Committee Work Plan</b><br/> This was provided for information only.</p> <p>The Chair highlighted that this was Ernie Hendricks last committee due to starting a new role. The Chair thanked Ernie for his support.</p> <p>The Chair advised that the committee has successfully recruited another independent member who is currently moving through the recruitment process.</p> <p>The public meeting was closed.</p>  |