

JOINT INDEPENDENT AUDIT COMMITTEE

8 DECEMBER 2014 AT Meeting Room 2, Forth Banks Newcastle

PRESENT: J Cooke (Chair), P Angier, J Remnant and N Mundy

APOLOGIES: E Hayward

OFFICERS: B McCardle - Assistant Chief Officer, Northumbria Police
M Tait - Joint Chief Finance Officer
D Johnson - Chief Internal Auditor
P Godden - Corporate Development Manager, Northumbria Police

APOLOGIES: E Snaith - Chief Executive, Office of the Police and Crime Commissioner
J Keenan - Strategy and Planning Manager, Northumbria Police
D Lowery - Partnership and Community Engagement Officer, Office of the Police and Crime Commissioner

INVITEES: G Davies - Mazars
C Tyrrell - Mazars
J Dafter - Mazars
M Ronan - Audit and Risk Manager, Gateshead Council
J Wright - Audit and Risk Manager, Gateshead Council

24. MINUTES

RESOLVED - (i) That the minutes of the meeting held on 15 September 2014 be approved as a correct record and signed by the Chair.

25. ACTION LIST FOR FUTURE MEETINGS

(i) Members were provided with an update relating to a request by the Chair to attend Internal Monitoring meetings. The Chair was advised that as this is not a formally constituted meeting, attendance of the Chair is not necessary.

DISCHARGED

(ii) A formal update on the Terms of Reference will be presented at the next Joint Independent Audit Committee meeting.

(iii) An update was provided on the migration of financial services and systems with the timetable already distributed to members. Confirmation was provided that a contract is in place for banking arrangements with effect from 1st April 2015.

DISCHARGED

- (iv) An update was provided on the security vetting of Internal Audit Staff, clarifying that there is no requirement for staff to sign the Official Secrets Act.
DISCHARGED
- (v) Discussion regarding the potential risk of cyber-attack to the Strategic Risk Register to follow later in the meeting.
DISCHARGED
- (vi) The Chief Internal Auditor advised that an update on the progress against UKPSIAS will be presented at the next Joint Independent Audit Committee meeting.

26. CHAIR'S ANNUAL REPORT

The Chair presented the first Annual Report of the Joint Independent Audit Committee, which will be published on the Police and Crime Commissioner's website.

RESOLVED - That the information be noted.

27. EXTERNAL AUDIT UPDATE

G Davies, Mazars, presented the Annual Audit letters for both the Police and Crime Commissioner and the Chief Constable.

Members noted a slight typing error in the letter to the Police and Crime Commissioner. Mazars agreed to issue an amended paper.

RESOLVED - That the information be noted.

28. SUMMARY OF RECENT INSPECTION REPORTS FROM HMIC

Members were presented with a summary report of recent external inspections carried out by HMIC and an overview of the process in place to manage the Force's response to inspection recommendations and findings.

Members noted the update provided with the exception of the following specific points:

Discussion also took place regarding the recently published crime data, with members noting excellent results despite the evident financial constraints. Members have requested to be updated with the delivery of the Action Plan for the Crime Data Integrity report. Members further asked that this be included within the Risk Register.

Members sought clarity on the value for money profiles and were reassured of the Police and Crime Commissioner's focus on driving income generation

from public events, with the Force continually reviewing all income streams. Members suggested that a one page summary of key variances would be helpful to their understanding.

- RESOLVED -
- (i) That the information be noted.
 - (i) P Godden agreed to review the position regarding the Risk Register; and
 - (ii) M Tait agreed to provide a summary of key variances.

29. CORPORATE RISK MANAGEMENT

The Committee were sighted on the management of strategic risk, which is contained with the shared Joint Strategic Risk Register of the Police and Crime Commissioner and the Chief Constable. Members were updated of the identification of a new strategic risk, a significant cyber-attack on Force systems. Existing controls remain in place for dealing with this threat, with this risk regularly assessed in order to identify any changes in the threat level.

The Force currently conducts internal cyber penetration tests to determine the level of risk to the system. Members have requested clarification regarding potential procurement of external testing and collaboration work.

- RESOLVED -
- (i) That the information be noted.
 - (ii) ACO (Corporate Services) agreed to provide further information regarding the penetration tests.

30. TREASURY MANAGEMENT PERFORMANCE TO 30 SEPTEMBER 2014

In accordance with CIPFA's Code of Practice on Treasury Management and the Strategy of the Police and Crime Commissioner, the mid-year performance report detailing the Treasury Management Performance to 30 September 2014 was submitted.

RESOLVED - That the information be noted.

31. DRAFT CODE OF AUDIT PRACTICE FOR THE AUDIT OF LOCAL BODIES

Members were provided with an update on the national guidance on the draft Code of Audit Practice for Local Public Bodies.

RESOLVED - That the information be noted.

32. MEETING DATES 2015

Members were provided with the forthcoming meeting dates for 2015

RESOLVED - Members agreed the dates and times of the meetings presented.

33. EXCLUSION OF THE PRESS AND PUBLIC – EXEMPT BUSINESS

RESOLVED - That the press and public be excluded from the meeting during considering of the remaining business in accordance with the indicate paragraphs of Schedule 12A to the Local Government Act 1972