

JOINT INDEPENDENT AUDIT COMMITTEE

**MONDAY 18 SEPTEMBER 2017
AT 14:00**

**MEETING HELD IN THE
OPERATIONS TACTICAL TRAINING UNIT
FOLLINGSBY PARK**

MINUTES AND ACTIONS

PRESENT:

Members: J Cooke (Chair), P Wood, N Mundy, K Amlani

Officers: M Tait Joint Chief Finance Officer
E Snaith Chief Executive, Police and Crime Commissioner
W Keenan Deputy Chief Constable

Invitees: C Waddell Partner, Mazars
J Wright Internal Audit Manager, Gateshead Council
A Buckingham Gateshead Council
D Hasnip Mazars
K Laing Head of Finance
P Godden Head of Corporate Development

Apologies: J Dafter Senior Manager, Mazars

201 INTRODUCTION

J Cooke opened the meeting.

202 DECLARATION OF INTEREST

Nothing to declare.

203 MINUTES OF JOINT INDEPENDENT AUDIT COMMITTEE 19 JUNE 2017

RESOLVED - The Chair raised concerns that the meeting notes seemed thin and did not mention specifically the challenges the committee made. It was agreed that the Chair would specifically ask for certain points to be recorded. C Waddell asked for the minutes to be corrected to reflect J Dafter's role as a Senior Manager Mazars. The changes were **NOTED** and the minutes for the 19 June 2017 and **AGREED** as a true and accurate record.

204 ACTION LIST FOR FUTURE MEETINGS

Due to conflict of interests C Waddell and D Hasnip left the meeting for this item. M Tait provided an update regarding the appointment of external auditors. The committee asked when the new contract came into effect K Laing confirmed it was 2019 and it was a 5 year contract with an option for a further 2 years. N Mundy asked if Mazars were planning to change the assigned audit staff so no person audits the organisation for too long. M Tait outlined that the Mazars Partner had only been involved with the audit a short while. The Chair asked if it could be confirmed in writing that no person will be assigned for more than 8 years.

205 ANNUAL GOVERNANCE STATEMENTS 2016/17

5i & ii - K Laing presented the amended Annual Governance Statements and explained each amendment. N Mundy asked if an incident arose, e.g. loss of data would this be referred to in the Governance Statement? K Laing explained it would be discussed in the Joint PCC/CC governance meeting. M Tait clarified that if the audit had found it to be a significant weakness it would be included in the annual statement.

P Wood asked if the number of complaints made towards the Chief Constable and the Police & Crime Commissioner could be listed in future reports. E Snaith said this may be possible for the Chief Constable but not possible for the Police & Crime Commissioner as these are by statute a matter for the Police & Crime Panel. Mike Tait said that due consideration will be made of the proposed changes for the future.

RESOLVED – Members **NOTED** this report

206 STATEMENT OF ACCOUNT 2016/17

K Laing highlighted the minor changes that were made to the Statements of account explaining the changes. Apologies were given for the late circulation of these due to changes requested by the Home Office relating to the splitting of the pension contribution to show normal contributions and additional contributions. This did not result in a change in the value.

RESOLVED – Members **NOTED** this report

207 EXTERNAL AUDITOR REPORT

7i & ii – C Waddell presented the Chief Constable and Police & Crime Commissioner reports. He highlighted the late changes made by the Home Office were made without CIPFA guidance (as there was none available) but were in line with other neighbouring forces.

The Chair offered congratulations for achieving a good audit report and thanked the team for their hard work

RESOLVED – Members **NOTED** this report

208 PRODUCTION AND AUDIT PROPOSALS FOR 2017/18 STATEMENT OF ACCOUNT

K Laing provided an update and explained the implications of the shorter deadlines for the preparation and publishing of the statement of accounts including how this will result in changes to the audit timetable and also on the meeting dates for Joint Independent Audit Committee. These will be discussed at an Audit workshop on 09 October. It was requested by the Chair that once the new schedule of meetings for the committee were agreed the dates will be circulated.

N Mundy asked if the computer systems have been geared up to accommodate these changes, K Laing confirmed this was the case and other forces had been consulted to ensure our systems are in line.

The Chair asked if internal and external audit were able to accommodate the changes C Waddell and J Wright confirmed this was fine.

RESOLVED – Members **NOTED** this report.

209 SUMMARY OF RECENT EXTERNAL INSPECTION REPORTS

P Godden updated members regarding the external inspections. N Mundy asked when if they would see the results of the Living in Fear inspection. P Godden will provide an update on 2.10 and 2.11 in the next meeting.

RESOLVED – Members **NOTED** this report.

210 JOINT STRATEGIC RISK REPORT SEPTEMBER 2017

P Godden highlighted the main changes in risk to the committee including the new risks to the force.

Clarification regarding the accreditation of the force by UCAS was provided by W Keenan and the members were assured that we were on target to be amongst the first to be accredited when UCAS have the resources to do this.

P Wood asked if Flu Jabs will be provided to officers to prevent sickness as this was a potential threat to the force. W Keenan said that there is a threat but it was too low a risk for the force to provide Flu jabs to all officers.

N Mundy asked for reassurance regarding the interview the Chief Constable gave to the media regarding the force. W Keenan explained that the press had mis-reported the Chief's words and he had said the force was at the point of challenge. M Tait expanded on the challenge regarding the lack of funding for the additional 1% pay increase for officers. N Mundy was happy that the point was now clarified.

N Mundy enquired what progress had been made regarding the digital filling. W Keenan explained how the back log was 4 months but that these had been triaged so no high risk cases were in the backlog. They are aiming to further improve this moving forward.

N Mundy asked what the planned provision for tackling cybercrime was. M Tait said there was discussion with the regional forces regarding this and that NERSOU has a dedicated section to tackle these issues. N Mundy said it would be helpful to have an update regarding this for the next meeting, it was agreed to provide an update summary regarding Cybercrime for the February meeting.

RESOLVED – Members **NOTED** this report.

211 TREASURY MANAGEMENT MID-TERM REVIEW 2017/18

K Laing reviewed the situation regarding Borrowing, Interest and savings that have been made. N Mundy asked for clarification regarding Heritable Bank. K Laing stated that the majority of the money has been recovered leaving a small sum that has been effectively written off, the administrators (Ernst & Young) expect to provide an update on the balance in October. P Wood asked if higher rate loans were being kept due to high surrender clauses being so high. K Laing explained that this was the case for some loans but this is reviewed regularly.

RESOLVED – Members **NOTED** this report.

212 EXCLUSION OF THE PRESS AND PUBLIC – EXEMPT BUSINESS

The Committee is asked to pass a resolution to exclude the press and public from the meeting during consideration of the following items on the grounds indicated.

RESOLVED – The press and public were excluded from the meeting during the consideration of the remaining business in accordance of Paragraph 7 of Schedule 12A to the Local Government Act 1972.