

Minutes of the Audit and Assurance Board (AAB)

Minutes of the Extraordinary Meeting held on 18 January 2022 via Microsoft Teams

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Attendance:

Barbara Scott (BS)	AAB Chair
Lizzie Peers (LP)	Independent Member
Janice Shardlow (JS)	Independent Member
Peter McCall (PM)	PCC Cumbria
Rachel Rosewell (RR)	Deputy Treasurer, Greater Manchester CA
Emma Thomas (ET)	Home Office
Martin Hewitt (MH)	NPCC Chair
Olivia Pinkey	Chief Constable, Hampshire Constabulary
Susannah Hancock (SH)	APCC CEO
Gemma Stannard (GS)	NPCC Staff
Angela Connolly (AC)	NPCC Staff
Hannah Hart (HH)	NPCC Staff
Tracy Holyer (TH)	NPCC Staff
Richard Guy (RG)	NPCC Staff
Paul Hesketh (PH)	NPCC Staff
Chris Curtis (CC)	NPCC Staff
Najat Idris (NI)	NPCC Staff
Inderjit Mahli (IM)	NPCC Staff
Lee Milton (LM)	NPCC Staff
Padraig Twomey (PT)	NPCC Staff
Clare Gardner (CG)	NPCC Secretariat
Simon Talbot (ST)	APCC Support

Apologies:

John Campion (JC)	PCC West Mercia
Bev Hughes (BH)	Deputy Mayor, Greater Manchester CA
John Robins (JR)	CPOSA & Chief Constable, West Yorkshire Police

1. Welcome, introductions, apologies, and conflicts of interest

- The Chair welcomed everyone to the meeting and introduced Rachel Rosewell, Deputy Treasurer at the Greater Manchester Combined Authority, to AAB members who was deputising for Bev Hughes. Apologies were noted from Bev Hughes and Chief Constable John Robins. No conflicts of interest were noted.

2. Minutes, actions, and matters arising

- The minutes of the AAB meeting on November 23rd 2021, were agreed as a true record and can be published.

2.2 Members reviewed progress on actions within the NPCC action log. Members agreed that a number of actions which were open be progressed as shown below.

Action: Members agreed the actions recommended for closure can be closed which included the recent circulation of the revised NPCC Internal Audit Plan and the NPCC Financial Improvement Plan.

Actions: The following actions within the action log will be progressed as follows:

- BS will circulate an appraisal template to members for feedback and incorporation into MH's 2022 appraisal.
- The APCC will circulate the relevant AAB sections of the S22A and current TOR to members by the end of January 2022 for comment and consideration of any proposed changes that may need to be incorporated in the forthcoming S22A review.
- LP will circulate a draft board effectiveness document to members for comment.
- BS will progress the board member recruitment roadmap and circulate to members and NPCC.
- MH/JC will progress NEDs remuneration arrangements.

3. Matters Arising

3.1 NPCC Budget Proposal Paper (2022/23):

- PT presented the NPCC budget proposal paper for 2022/23 and 3 other accompanying budget papers for the NPCC's Inclusion and Race, NP2IRM and Pension Teams to the AAB for comments or concerns. The NPCC are requesting a £57k increase in ask for the NPCC Central Office Annual Budget for 2022/23 prior to this paper going to Chief Constables' Council in February 2022. This proposal included the addition of a Finance Support Officer post and a 0.75 Strategic Hub Lead post, and included the creation of £162k of reserves.
- On behalf of BH, BS asked for a full breakdown of the total NPCC budget cost per police force.
- LP raised a number of points that she required VfM related assurance on within this proposed budget. She was concerned about the following cost increases:
 - a. Whether the Management Team felt reserves were at the right level in the light of previous AAB discussions.
 - b. The Management Team's view on overtime costs featuring within this proposed budget.
 - c. The budgeted cost of £100k for 4 Chief Constables Council meetings.
 - d. The view of the Management Team on the new posts in the NPCC and evidence of what they have achieved.
 - e. NPCC premises costs which seem very high.
 - f. NPCC supplies and services costs which seem very high.
- GS and MH responded to some of these questions in the meeting but will work with PT to send board members this information. OP confirmed that NPCC meetings are vital to debate key issues and assess issues coming over the horizon.
- LP also asked about (a) how the independent scrutiny and oversight board on race and inclusion issues would link to the AAB and (b) how the business case process for this has been made. MH provided some explanation of this. LP asked for similar assurance on NP2IRM team and Pensions team costs.
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Action: GS/PT will provide the AAB with a breakdown of the total NPCC budget cost per police force area.

Actions: MH/GS/PT will respond in detail to the questions listed above which LP will email through.

3.2 NPCC Chair Arrangements:

- OP explained the background to the meeting papers provided on the NPCC Chair post in the future. OP is keen to get AAB feedback on this role which needs a review given how much has changed. This review includes the role profile and what eligibility looks like, including ensuring that eligibility reflects the wide pool of talent that can do this challenging role. BS and PM raised some unease on the requirement for scrutiny of the selection process. SH fed back PCCs felt the process and the dynamic changes quite significantly if you have external candidates applying for this role, including who would sit on the selection panel.
- OP thanked BS, PM and SH for this challenge and confirmed that this will be considered in terms of the selection process and the selection panel. OP would put the choice of eligibility in her paper to Chiefs' Council and a selection process would flow from that.
- OP has reflected on the period proposed for tenure of the NPCC Chair following feedback and will put a break point in the 5 year proposal. She would also want assurance that a candidate would want to do this role for at least 3 years given the nature of the post.
- BS agreed that the review of the role is required and that extending the tenure from 2 years is needed given the complexity of the role and the size of the NPCC organisation now. BS suggested that the appraisal process should be more rigorous for the second term.
- LP also supported the 3 plus 2 proposal. LP felt the Independent Member role is very important in this process and she would be assured if there was more information on this. MH felt that Home Office representation might be appropriate on the Performance Sub Committee alongside PCCs given that both are considerable funders of the organisation.
- BS asked if the AAB could be updated as the proposal progresses.

Action: Board members were asked to send any further comments on the paper relating to the NPCC Chair to Gemma Stannard.

3.3 AAB – Gateway Meeting: NPCC Operating Model Update:

- BS stated that it would be preferable to keep the Operating Model Gateway reviews separate to Board meetings and due to time constraints BS proposed that the Operating Model Gateway Meeting be rescheduled.

Action: TH would reschedule the Gateway Meeting.