

Minutes of the Audit and Assurance Board (AAB)

Minutes of the Meeting held on 22 February 2022 via Microsoft Teams

Security classification: Official
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Force/organisation: APCC
Date created: 22 February 2022

Attendance:

Barbara Scott (BS)	AAB Chair
John Campion (JC)	PCC West Mercia
Bev Hughes (BH)	Deputy Mayor, Greater Manchester CA
Rachel Rosewell (RR)	Deputy Treasurer, Greater Manchester CA
Lizzie Peers (LP)	Independent Member
Janice Shardlow (JS)	Independent Member
Tony Grimshaw (TG)	Home Office
Martin Hewitt (MH)	NPCC Chair
Gareth Wilson (GW)	CPOSA Representative
Susannah Hancock (SH)	APCC CEO
Gemma Stannard (GS)	NPCC Staff
Mark O'Donoghue (MO)	NPCC Staff
Tracy Holyer (TH)	NPCC Staff
Angela Connolly (AC)	NPCC Staff
Paul Oliffe (PO)	NPCC Staff
Inderjit Malhi (IM)	NPCC Staff
Richard Guy (RG)	NPCC Staff
Paul Hesketh (PH)	NPCC Staff
Andy Begent (AB)	NPCC Staff
Lee Milton (LM)	NPCC Staff
David Westby (DW)	NPCC Staff
Kelly Navarra-Lee (KNL)	NPCC Staff
Clare Gardner (CG)	NPCC Secretariat
Simon Talbot (ST)	AAB Secretary - APCC Support

Apologies:

Katy Bourne (KB)	PCC Sussex
Emma Thomas (ET)	Home Office
Hannah Hart (HH)	NPCC Staff
Nicola Growcott (NG)	NPCC Staff
Lindsey Heaphy (LH)	DARA Internal Audit
Louise Bailey (LB)	DARA Internal Audit
Padraig Twomey (PT)	NPCC Staff

1. Welcome, introductions, apologies and conflicts of interest

- The Chair welcomed members and colleagues to the meeting and introduced Gareth Wilson who is replacing Chief Constable John Robins as the AAB CPOSA member. Apologies were received from PCC Katy Bourne who is replacing Peter McCall as an AAB PCC Member and Emma Thomas. No conflicts of interest were noted.

2. Minutes, actions and matters arising

2.1 The minutes of the AAB Extraordinary meeting on January 18th 2022 were agreed and can be published.

2.2 Members reviewed progress on actions within the NPCC action log.

Actions: The following actions within the action log will be progressed against a new 'Agreed due date' column:

- Members are to email comments on the NPCC Chair AAB appraisal contribution to BS by 7.3.22.
- Members are to email comments on the S22a agreement to BS by 31.3.22.
- The NPCC will benchmark NED remuneration as part of their review of current contracts.
- The NPCC will provide more detailed breakdowns of supplies and service expenditure going forward.

3. Matters arising

3.1 There were no matters arising.

4. Review and Monitor:

4.1 Data Protection Officer update:

- AB reported progress on NPCC DP actions including helping NPCC staff on DP assessments. AB reflected that the post is being appreciated within the organisation and this assists organisational DP legitimacy.
- JS was pleased with this progress and that the work was being valued but asked for reassurance on the data controllership issue and confirmation there is a sense of urgency in the NPCC to resolve this? AB reassured the AAB the direction of travel is good and that this urgency is recognised.
- LP asked 1. What do you see as your top 3 risks and what mitigating actions are in place to address them? and 2. Do you have enough capacity and resource going forward? AB replied the biggest risk would be a failure to resolve data controllership and the mitigation is getting a paper through Chiefs' Council to progress this. The second biggest risk is NPCC record management discipline and the third biggest risk links to the second question and is about central capacity which should be looked at in the coming year. LM confirmed close engagement with AB on DP risk management issues.

4.2 NPCC Operating Model update:

- TH updated the AAB on NPCC Operating Model progress. All Coordination Committees now have business plans in place; finance bids going to Chiefs' Council are now being coordinated; and pathfinder survey responses are being analysed alongside the previously circulated independent review for the end of Pathfinder year report. Delivery of the new NPCC website has been put back to the summer of 2022 to ensure VFM.
- JC noted that some of the review recommendations are quite basic and wanted reassurance that the NPCC is keeping pace with change. TH replied that the pathfinder year has been about getting foundations right and that the NPCC are now looking at these responses to inform the structure of the strategic hub.
- In response to JC who asked are you reassured there will be the capacity to review and take this work forward in a year's time, TH replied this work will be progressed by the NPCC Organisational Development and Change team.
- In response to BS, TH replied 14 staff are permanently employed through the S22A agreement and 40 staff

currently temporarily employed through the Home Office grant award. BS asked what is the contingency if Home Office funding went? TH replied that the NPCC is looking to develop a sustainable funding model in the next year to address this which will come to the AAB for consideration/comment.

- BS asked about the performance of Coordination Committees? GS replied that a business plan for each 12 Coordination Committee will be presented to the AAB at a future meeting which have been mapped against the NPCC Strategic Plan and the Beating Crime Plan, and in time KPIs will be developed for each committee. BS reiterated the need for the AAB to be able to monitor the impact and outcomes of these committees against the NPCC annual delivery plan and reminded TH that it was agreed that Committee representatives would come and present to the AAB.
- On strategic hub staffing, TH reported that the Coordination Committee teams will stay the same; there will be some minor amendments to the SPP team and Comms team; and that the Organisational Development and Change team is the big development. The staff gap analysis will be addressed at the Gateway Meeting later.

5. Finance, Audit and Risk:

5.1 NPCC External Audit Consideration:

- BS asked if board members felt the AAB should now be requesting an external audit given the growth of the NPCC? LP felt that for transparency reasons the NPCC should publish a set of accounts quickly and after that an external audit should be undertaken over the next financial year depending upon a discussion with the Home Office. TG replied that it would be good practice for the NPCC to move towards an external audit.
- JC and SH felt we should commission an external audit now in order to provide reassurance for all funders and to be in line with good governance principles. MH and BS agreed with this but felt we must ensure it is an independent view. BS asked that report from the last External Audit be circulated to board members. GS will research the previous external audit report which was conducted for the NPCC and circulate.

Action: GS will provide an options paper for the AAB on the costs and outcomes for an external audit within the next Quarter and circulate the last external audit report.

5.2 DARA Internal Audit Actions update:

- GS reported that DARA were now participating in monthly NPCC strategic hub meetings and looking at reviewing 3 areas relating to Operating Model programme governance; the Risk Management Framework; and the SPP. DARA are also discussing the potential for a financial management audit review looking at culture and process.

5.3 Financial Statement paper:

- IM outlined the NPCC financial statement paper. SH and JC queried the pay board recommendation of a 3.50% pay award which has not been agreed by or budgeted for by PCCs. On other issues, and in response to LP, IM confirmed there was no risk to the pensions or CSA funding.
- IM confirmed that a financial dashboard will be provided in 2022/2023. GS stated that IM will be performing a strategic finance role for the NPCC in the future, which will include managing PT. The NPCC also intend to appoint a Finance Assistant who will be supporting PT in the future. BS on behalf of the board thanked the NPCC for the improvement in these financial papers.

5.4 Financial Improvement Plan (FIP) update:

- PO updated the AAB on the key action from the previous AAB meeting which was to create the consolidated circulated NPCC FIP which brings together the actions from previous financial reviews. PO highlighted 2 actions in particular: On assurance, PO has shared with GS what the MPS can provide the NPCC with and a full report will come to the AAB on this in May. On financial self assessment, PO has shared the NAO framework with the NPCC and can run a facilitated session on this so that confidence and assurance can be increased.
- However LP was disappointed that some basic financial measures are not being progressed as had been hoped. GS confirmed she is the budget holder for 95% of budgets and that she will be liaising with PO over financial self assessment. JC was concerned that ‘appetite’ had to be written in an improvement plan.
- BS felt financial information should be within the NPCC Annual Report and published on the website. GS confirmed this work is developing well with the SPP and OM teams and the end of Pathfinder year report will feed into the NPCC Annual Report and be published in June.
- BS’s further ongoing concern was that the NPCC need to provide a 3 year financial plan (MTFP) alongside their annual budget and their Annual Delivery Plan. She asked for assurance that all 3 of these documents can be provided together in May.

Action: GS will provide the revised Strategic Plan and Annual Delivery Plan for the May AAB meeting and will liaise with IM regarding providing the 3 year medium term financial plan for this meeting too.

Action: GS/iM will progress the basic financial measures contained in the FIP and revise some of the financial reporting dates.

5.5 Priority Action Plan (PAP) update:

- AC reported that 2 actions had been recommended for closure in the PAP and that 2 actions had moved over to the FIP. The 2 remaining actions relate to central office working arrangements and the skills gap work. The other governance action outstanding are workflows and KPIs. MH will be reviewing the PAP and it is hoped that the 2 final actions can be closed at the next meeting.

5.6 NPCC Quarterly Risk update:

- LM updated the AAB on the NPCC risk register risks which included the strategic hub staff risk being now more focussed on gap analysis; Covid-19 being managed through BAU.; and the comms risk area now being linked to the SMT Strategic Hub meeting. Reporting/recording duplication is being reduced and the NPCC 365 platform will be used to improve this further.
- LM reported that the finance risk is dependent on PO’S FIP. The public confidence/legitimacy risk has also been reopened. ICT provision has been separated into 2 risks around BAU data reporting and the PDS service improvement plan. BS asked that the ICT risk includes onboarding for new staff.
- LM also updated members on the wider RMF and the populating of more consistent information from other central NPCC units. Next steps include creating the Corporate Risk Register next year and reviewing/redrafting the risk appetite statement which will come to the next AAB.

6. Governance and Legal:

6.1 NPCC Strategy, Vision and Delivery paper:

- GS updated members on some additions to the NPCC Strategic Plan around VAWG, IR, Beating Crime Plan

implications and NPB, which will be revised and published in May. JC was reassured by GS on operational independence issues. MH confirmed this plan will also direct forces towards their local Police and Crime Plans.

- GS explained that Prevention will become a 12th Coordination Committee area. Each Coordination Committee will be producing its own business plan for the overarching NPCC business plan. LP noted Committee KPI development will be key to measuring and Monitoring impact. PH has been tracking benefits and this will be included in the end of Pathfinder year report. BS asked that progress of this work is referred to as being progressed 'against the Delivery Plan'.

Action: The NPCC end of Pathfinder year report will be presented to the AAB May meeting.

6.2 Review of the Section 22a Collaboration Agreement:

- GS updated members on the Section 22a review which has involved recent liaison with the APACE and has identified appropriate leads the NPCC need to be working with in the AAB and the APCC.
- GS thanked BS for circulating AAB sections for board member comment. GS is meeting the APACE to add the AAB sections to the S22a review process and timeline. BS reiterated to AAB members the importance of this review to future proof the AAB role so it remains fit for purpose, and requested comments back by March 31st.

6.3 Exit from 10 Victoria Street:

- AC outlined the MOTO agreements that will enable the NPCC Office at 10 Victoria Street to be exited by March 31st 2023. A Project Team is in place, risks are being looked at, and all options are being considered. AC will ensure the AAB are sighted on all relevant developments.
- In response to JC on set up, AC confirmed the NPCC are looking at the office capability needed and using space in the best way in the future. AC confirmed the location search will be in the MPS area for security reasons. LP would expect the AAB to see business case options on this to provide justification and assurance and would like to hear more on IT safeguarding/business continuity. This issue can also be looked at in the S22a agreement.

Action: A future business case options paper will be provided by the NPCC to the AAB on the office move.

6.4 Review of Host Force SLA:

- AC updated the AAB on the review of the Host Force SLA which will continue to look at alignment to the S22A. DARA actions are on track for an end of March 2022 completion. A new proposed SLA has also been agreed with the MPS.

6.5 Chief Constables Council update:

- MH updated the AAB on the February Chiefs' Council meeting which included sessions relating to addressing Covid-19; parole Board links to policing; CT policing; the 10 year Drugs Strategy; Homicide prevention; DEI; forensics; and an update from the APCC Chair.

7. AOB

- 7.1 BS thanked the NPCC for their more streamlined presentations at this meeting and reminded members of the next AAB on May 24th.

Action: Other AAB workshop dates will be reconvened but pending this response the June 21st/June 22nd dates will remain.