

Minutes of the Audit and Assurance Board (AAB)

Minutes of the meeting held on 14 November 2018 at 10 Victoria Street

ATTENDANCE

Present

Barbara Scott	Chair
Alun Michael	PCC
CC Andy Rhodes	CPOSA
CC Sara Thornton	NPCC
Janice Shardlow	Independent
Lizzie Peers	Independent
Lee Milton	NPCC
Martyn Underhill	PCC (dial in)
Matthew Ellis	PCC (dial in)
Nishil Shah	Internal audit
Louise Bailey	internal audit
Richard Cooper	NPCC
Susannah Hancock	APCC

1. Welcome, introductions and conflicts of interest:

- 1.1 The Chair welcomed everyone to the meeting. There were no conflicts of interest declared.
- 1.2 AM asked that there be greater co-ordination across APCC and NPCC meetings, so that those travelling in could make most effective use of time.

2. Minutes from previous meeting and actions reviewed

- 2.1 Minutes were reviewed and agreed.
- 2.2 ME questioned why some AAB papers had been marked Official Sensitive, as he didn't believe the content was sensitive. ST responded and provided an explanation in relation to the paper in question. The point was noted.
- 2.3 Action log was reviewed with updates as follows:
 - 4.1.1 Reserves: AM made the point about the importance of clarity on language around reserves. i.e. the need to talk about *allocated* and *unallocated*. ST clarified that in the case of NPCC, the point under 4.1.1 is about unallocated reserves.

- Agreed to add a due date column to the action log.
- Agreement that whilst APCC would do the minutes, NPCC to continue to 'hold' action log.
- 4.3: Discussion on issue of Chiefs declaring hospitality in relation to NPCC business. Agreement that all CC's declarations of gifts and hospitalities should be recorded on individual force registers, even if when CC is undertaking NPCC business. The meeting was reminded that the CofP had taken on responsibility to draw together notifications of senior officers' declarations and to publish links as part of the work around the Code of Ethics. It was noticed that this link was no longer active. ST to raise with CofP. MU suggested Chair of AAB should write to the Chiefs Council to flag issue and seek their views. it was also suggested the issue should be raised with PCCs. SH: To raise with APCC Board.

Action: ST to raise issue of chief constable register website link with the College of Policing. SH to raise issue of recording on individual force registers with PCCs.

- 6: RC gave update. Laptops have been purchased and can be made available for AAB NEDs.
- 3: Agreed close.
- 2.3 Letter to be sent. Agreed closed.
- All other matters completed or covered on agenda.
- Update on how matters are added to agenda for Chiefs Councils agenda: ST talked through process and presented example from last 2 meetings.
- RC to re-send copy of template to APCC.

3. Matters arising

- 3.1 Update on NPCC website development: Presentation by Christian Bace (NPCC comms) on recent refresh to APCC website.

4. Finance, audit and risk

4.1 Finance and budget update

- 4.1.2 ST presented finance report. Currently underspent to circa 48K largely due to lag in recruitment.
- 4.1.3 Expect legal costs to increase but stay in budget. Question asked why the 'other costs' category is outside of budget? RC said there may be expenditure for Chiefs Council which haven't yet been cross-charged. Board asked for update to be circulated.

4.1.4 Feedback was that report was not always accessible and may be easier if it followed one accounting approach. Income and expenditure were not sufficiently linked.

4.1.5 RC confirmed that the report was work in progress and will continue to be updated.

Action: LP to support RC and LM in report development.

4.2: Internal Audit

4.2.1 NS presented internal audit report and findings on the Spec Caps recruitment process. The exec summary said that 'Recruitment policies and procedures of the host force, the Metropolitan Police Service, were followed in part, however there is insufficient documentary evidence to confirm that full compliance with procedures was achieved in respect of the recruitment for both the Programme Lead and Director roles.'

4.2.2 AAB members agreed that the report revealed a number of areas for concern including gaps in process, in particular in relation to the recording of decisions, the keeping of HR files and compliance with HR processes. It was clear that there are shortcomings in process and lessons to be learnt. However, it was also acknowledged that the recruitment in question took place several years ago and that a number of changes were now in place. It was also acknowledged that the scope of the audit report was focused on recruitment processes.

4.2.3 AAB members felt that the audit report needed to be much more specific in terms of providing clear recommendations and actions needed. The NPCC should then respond to these with proposed management actions.

4.2.4 There was a discussion on the role of the AAB and the governance arrangements in relation to the recruitment process in place in 2015.

4.2.5 BS stressed importance of looking forward and ensuring lessons were learnt and that the concerns identified by the audit report did not happen again.

Action: NS to provide the AAB with a next draft of the report with a detailed set of recommendations. ST to produce a management response. These would come to next meeting of AAB for review. Board can then formally report back to stakeholders on findings and outcome.

At this point ME and MU gave their apologies and had to separately leave the call to attend other meetings.

4.3 MOPAC Internal audit Charter

4.3.1 Presentation from internal audit was given on the draft Internal Audit Charter.

4.3.2 The Chair acknowledged that until AAB have an actual audit programme, it is hard to plan and be clear on how many days are required. It was agreed that the audit on risk management is next, which will be supported by LP.

4.3.3 It was also noted that greater clarity was needed in audit reports in relation to actions and recommendations. It was asked that this be included in the Charter.

5. Risk management

5.1 ST presented on the NPCC risk register summary. There followed a discussion on the risks.

5.2 AR raised a new risk in relation to a lack of Chiefs and senior officers putting themselves forward to lead NPCC portfolios. This was felt to be linked to lack of time to take on national work. SH confirmed that the APCC board would be discussing the issue this week.

5.3 There was discussion on facial recognition and the need for greater guidance on process linked to legislation.

5.4 AM asked about digital media examination risk and PCCs activity in this area. ST confirmed that PCC Vera Baird is linked into this.

5.5 There was a discussion on whether funding/pensions should be included as risks. ST clarified that as this was the NPCC register, we would need to be clear on the specific risk impact on NPCC rather than policing more widely. She considered that the approach taken by the NPCC in respect of the response to the pensions issue may constitute the risk.

Action: ST to consider whether this needs to be included as a new risk because of action NPCC is taking.

5.6 LP asked whether there needed to be a risk on partnerships and outsourcing linked to the previous audit paper.

Action: ST to look at the risk on partnerships and outsourcing and to include risks closed in that period

5.7 BS asked SH about the APCC risk register and said that it would be useful to understand how that was constituted / compare to that of NPCC.

5.8 LP requested that future risk update papers highlight any risks that have been closed during the reporting period.

6. Chief Council agenda – planning

6.1 Discussion on Chiefs Council agenda.

7. NPCC Delivery plan

7.1 Update from ST on delivery plan. Included:

- Issue of Modern slavery red risk identified re. continuity of funding.
- Technical and data sharing standards – red risk – that work has now commenced. Not yet completed though.

8. Draft agenda for next meeting

8.1 Members raised the need for further work on the forward plan.

Action: LM – include annual agenda cycle with papers for the next meeting

9. Any other business

9.1 No other business was raised and the Chair closed the meeting.