

Minutes of the Audit and Assurance Board (AAB)

Minutes of the meeting held on 20 July 2016 at New Scotland Yard, London

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ATTENDANCE

Present

Mr Deep Sagar	Independent (Chair)
Chief Constable Sara Thornton	NPCC Chair
Chief Constable Mark Polin	Chief Police Officers' Staff Association
PCC Matthew Ellis	APCC
Commissioner Alun Michael	APCC
Nora Nanayakkara	Independent Member
Ziggy MacDonald	Home Office

Apologies

PCC Martyn Underhill	APCC
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IN ATTENDANCE

Supt. Tim Metcalfe	NPCC Chief of Staff
Nicole Higgins	NPCC Strategic Planning & Risk Manager
Shelley Perera	NPCC Assistant to the Chair



16/7/1 WELCOME, INTRODUCTIONS AND CONFLICTS OF INTERESTS

- 1.1 The Chair welcomed attendees to the meeting. No conflicts of interests were declared in relation to the meeting. The Chair thanked everyone for attending the strategy workshop in the morning.

16/7/2 MINUTES AND TERMS OF REFERENCE

- 1.2 The minutes were approved as accurate subject to the reference to the Association of Police and Crime Commissioners (APCCs) being corrected.
- 1.3 The Interim Terms of Reference were approved without change.

16/7/3 ACTION LOG UPDATES

- 1.4 **Action No. 16/4/1**
The vacancy for the Independent Non Executive Board Member has been advertised through various channels including the Cabinet Office website. The Chair thanked Nicole Higgins for all of her work in developing and advertising the vacancy.
- 1.5 **Action 16/7/3:** All members to provide Deep with their availability to sift applications and attend a full day of interviews in September with another day possible in reserve. The sifting process will take place during a half day telephone conference call.
- 1.6 **Action No. 16/4/10b**
The next APCC/NPCC Conference will take place on 16 and 17 November 2016.
- 1.7 The remaining actions were confirmed as either being on the agenda or completed.

16/7/4 MATTERS ARISING

Nora Nanayakkara highlighted an issue within the Independent Non Executive Member contract relating to the categorisation of a member's place of work being their home or an office. **Action 16/7/4a:** Nicole Higgins confirmed that this was being discussed with the MPS and NN will be included in the discussion.

1.8 A) AAB Annual Report

A discussion took place on the Annual Report and whether the language was clear enough for public understanding.

- 1.8.1 **Action 16/7/4b:** Nicole Higgins to redraft the Annual Report to include an introductory section on the role and context of the AAB and amend the language used to aid public understanding.
- 1.8.2 **Action 16/7/4c:** Members to feedback on re-drafted Annual Report within one week of receipt of the amended version.

1.9 B) National Driver Offender Retraining Scheme (NDORS) Update

- 1.9.1 Members were updated on an informal meeting between Mr M Hughes of NDORS and PCC Ellis for AAB held on Monday 18 July. It was confirmed by Mr Hughes there would continue

to be no voluntary disclosure of accounts despite the assurance that the Board was not alleging any illegal activity and the information would be used in confidence to demonstrate transparency and put the matter to rest.

1.9.2 The Board felt there were still grounds for concern based on a lack of transparency, however they had exhausted their remit and there were no further courses of action open. It was agreed that the matter would be brought to the attention of the APCC to consider their response. The reputational risk to the NPCC would remain open but there would be no further action by the Audit and Assurance Board.

1.9.3 **Action 16/7/4d:** PCC Matthew Ellis to bring to the attention of the APCC the continued non-disclosure of NDORS' accounts.

1.10 C) Section 22A Agreement Review

The Board noted the progress and will be informed when legal redrafting has been completed.

1.11 D) Internal and External Audit Papers

1.11.1 Nicole Higgins provided an overview of the papers submitted to the Board.

1.11.2 A discussion took place on the appointment of external auditors to undertake an audit of the first year of work of the NPCC. It was noted that point 32.1 and page 44 of the S22A Review refers to an external audit, but does not state that it is a requirement of the NPCC. On balance the Board agreed that for the first year that external audit would assist in transparency and it was agreed to proceed as proposed.

(Ziggy MacDonald left the meeting at 14:44.)

1.11.3 **Action 16/7/4f:** NPCC to appoint Grant Thornton to undertake an external audit of the NPCC.

1.11.4 **Action 16/7/4g:** Nicole Higgins to check whether the costs include vat and day to day expenses and to invite both sets of auditors to attend the next AAB.

1.12 E) Performance Sub-Committee Update

1.12.1 The Chair confirmed that he has spoken to Deputy Commissioner Mackey (MPS) who will be conducting a review of the Performance Sub-committee structure and remit. A timetable and details of the scope of the review would be determined and reported to the Chair.

1.12.2 **Action 16/7/4h:** Nicole Higgins to source and share the timetable and details of the scope of the review with the AAB.

The Board noted the report received from the Performance sub-committee which was reportedly its final annual report to it but agreed it was inadequate. **Action 16/7/4i:** The Board asked the Non-executive Chair to write to the NPCC chair highlighting that matters as agreed by CC Vaughan by telephone in response to the AAB's previous letter had not been progressed and that it needed an annual report from the sub-committee which informed it of matters against each element in the terms of reference.

16/7/5 POLICE REFORM AND TRANSFORMATION (PRT) UPDATE

- 1.13 Supt Tim Metcalfe provided an oral summary of the paper and noted that on Friday 15 July the APCC and NPCC reviewed 18 bids, 14 of which were supported for submission to ministers.
- 1.14 The Chair thanked Tim for the update.
- 1.15 A discussion followed on the constitution of the PRT Board and the Board was informed that the PRTB is an unincorporated association.

16/7/6 UPDATE ON PITCHFORD AND GODDARD INQUIRIES

- 1.16 The Board received an update on the current involvement of the NPCC in the Pitchford inquiry. The Board noted the risk. There was concern raised at the extent of legal representation required to date and in the future and this would be considerably higher than originally budgeted for. It was not considered sustainable to cover these costs with underspend due to staffing vacancies. The Board suggested that the remaining ACPO reserves which are expected to be made available in September 2016 could be used to cover these expenses. It was also noted that the time and effort required to complete Rule 9 statements and to service the requirements was considerable and was putting a strain on resources within NPCC.
- 1.17 **Action 16/7/6:** NPCC Chair to establish the timeframe and mechanism for correctly requesting transfer of remaining ACPO reserves.
- 1.18 It was noted that the NPCC are not Core Participants to the Goddard Inquiry.
- 1.19 The Board were informed that Operation Hydrant is funded by a grant from the Home Office to co-ordinate child abuse investigations.

16/7/7 CHIEF CONSTABLES' COUNCIL (CCC) UPDATE

- 1.20 CC Thornton provided the Board with an update on the content of the July Council meeting and explained that the theme of 'leadership' was threaded through the content of both days.
- 1.21 An update was provided on a variety of papers including the Cyber Crime paper which was re-submitted to the July CCC. An update was given on the support that will be provided to the National Crime Agency to undertake the South Yorkshire Child Abuse Investigation. The Board were informed that an agreement had been reached in relation to the firearms uplift. An update was provided on counter terrorism focussing on Special Branch.
- 1.22 CC Thornton gave the Board an overview of agenda items presented by a variety of external speakers, including Home Office presentations on both the Extremism Bill and the Infrastructure Review, presentations by Dame Anne Owers of the IPCC on leadership and culture, Matthew Syed on Black Box Thinking and Sir Robert Francis on his experience of his inquiry into Mid Staffordshire NHS Inquiry and the potential impact of the Duty of Candour.
- 1.23 Digital Policing plans were discussed at CCC as was the Specialist Capabilities Programme including the Joint Forensic and Biometric Service. An update was also given on the work of

the College of Policing including the Police Educational Qualifications Framework, the rank and structure review and the extended roll out of Conductive Energy Devices (CEDs).

- 1.24 The newly created regional feedback structure was shared with the Board.
- 1.25 The Board thanked Sara for sharing this information on CCC with them and noted how useful it was.
- 1.26 **Action 16/7/7:** CC Thornton to consider linking in with the PCCs as part of the agenda planning process for future Council meetings.

16/7/8 FINANCE AND BUDGET UPDATE

- 1.27 CC Thornton provided an overview of the papers submitted. The underspend was explained as being due to delays in invoicing by the MPS.
- 1.28 A discussion took place on the working relationship with the MPS as the host force of the NPCC.
- 1.29 It was noted that the invoicing of mobile phone bills was higher than expected. Nicole Higgins confirmed that this was being resolved and that the financial target would be adjusted.
- 1.30 Nora Nanayakkara highlighted that consideration should be given to potentially including a specific timeframe that people should work to when submitting their expenses.
- 1.31 The Board commended the approach to recording income and expenditure of CCC in a separate account.

16/7/9 NPCC DELIVERY PLAN Q4 2015/16

- 1.32 Supt. Tim Metcalfe provided an overview of the paper. The AAB noted the progress made.

16/7/10 NPCC DELIVERY PLAN 2016/17

- 1.33 Supt. Tim Metcalfe provided an overview of the paper and identified the increase in the number of objectives to 49. He explained that the increase reflected new pieces of work in support of the Vision 2020 as well as those carried forward from 2016/17 which were longer than 12 months in duration.
- 1.34 **Action 16/7/10:** Nicole Higgins to incorporate more time within a future agenda to enable adequate deliberation of the Delivery Plan.
- 1.35 The Board was updated on the use of ChiefsNet to aid communication across the 43 forces.

16/7/11 ANY OTHER BUSINESS

- 1.36 A question was raised as to whether the Board should undertake a self-review of the effectiveness of the Board through using such technology as Survey Monkey. A discussion ensued.

- 1.37 **Action 16/7/11a:** Nora Nanayakkara to circulate to the Board the Chartered Institute of Public Finance and Accountancy (CIPFA) questionnaire.
- 1.38 **Action 16/7/11b:** Nicole Higgins to send future dates to Board members.
- 1.39 Sara Thornton asked the PCC representatives whether they were up for re-election for their positions on the AAB. This was confirmed by those present.
- 1.40 The Chair thanked members for their attendance and participation in the meeting and the morning workshop. The Chair also thanked Nicole Higgins for all of her work to ensure that the Board meetings ran effectively.

DATE OF NEXT MEETING

The next meeting will take place on 19 October 2016 at a venue to be confirmed.