

Minutes of the Audit and Assurance Board (AAB)

Minutes of the meeting held on 9 November 2016 at 10 Victoria Street, London

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ATTENDANCE

Present

Deep Sagar	Independent (Chair)
Chief Constable Sara Thornton	NPCC Chair
PCC Matthew Ellis	APCC
Commissioner Alun Michael	APCC
Barbara Scott	Independent
Ziggy MacDonald	Home Office

Present for Items 9/11/1 to 9/11/4:

Chief Constable Mark Polin	Chief Police Officers' Staff Association
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Apologies

PCC Martyn Underhill	APCC
Lizzie Peers	Independent

IN ATTENDANCE for Items 9/11/5 to 9/11/12:

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



9/11/1 WELCOME, INTRODUCTIONS AND CONFLICTS OF INTERESTS

- 1.1** The Chair welcomed attendees to the meeting and in particular Barbara Scott to her first meeting. He mentioned that Lizzie Peers – the other new independent member – would be attending the APCC conference in the following week. He noted PCC Underhill’s apology and offered everybody’s good wishes to him. No conflicts of interests were declared. However, the chair noted that CC Thornton’s conflict with regard to the item on Performance sub-committee would be recorded but the AAB had agreed she would participate in the discussion.

9/11/2 CHAIR’S UPDATE

- 2.1** The Chair’s written update was noted and used as an aid to discussions through the meeting.

9/11/3 PERFORMANCE SUB-COMMITTEE UPDATE

- 3.1** AAB discussed the papers and recommendations of the commissioned review in detail and decided as follows:

“The Performance Sub Committee provides a broader accountability mechanism for the Chair than is required by police regulation and the rationale for this is set out in the s22A agreement. It recommended that the revised s22a and committee terms of reference are revised in line with the following recommendations.

1. The Committee's accountability to Chief Constables’ Council should be explicit in the revised NPCC s22A Agreement and terms of reference of the committee.” This was supported.
2. “The role of the AAB to provide assurance that the Committee is performing its function should be explicitly stated in the NPCC s22A Agreement and AAB terms of reference”. This was supported.
3. “The Commissioner cannot, in law, delegate his role as Appropriate Authority to a subcommittee of the NPCC therefore the terms “advise” or “recommend” to the Commissioner should be used. The Commissioner will always remain accountable for any action taken within the misconduct regulations.” AAB requested sight of the legal advice.
4. “The s22A should explicitly state that authority to exercise s38 lies with the Commissioner.” This recommendation was not supported at this time as the Board was concerned about the need to seek legal advice on this.
5. “A vice chair of the NPCC should be responsible for ensuring that there are elections for the Committee.” This was supported with the proviso that the vice chair should not stand for election in order to avoid any perception of conflict of interests.
6. “It is recommended that the Committee should consist of five members; a chair (Chief Officer), three additional chief officer members and one independent member.” This was supported.

7. "The chair and the chief officer members should be elected by Chief Constables' Council from among its membership for a three year term. The independent member should be selected and appointed by the Committee and should not be a member of both the Committee and the NPCC AAB." This was supported.

Action 9/11/3: (a) CC Thornton would circulate legal advice relating to recommendation 3 to AAB.
(b) CC Thornton would arrange legal advice relating to recommendation 4 for AAB.

9/11/4 AAB DATES AND ARRANGEMENTS, AND RESIGNATION OF MS NANAYAKKARA

4.1 AAB discussed the papers in detail and decided that no change in administration arrangements is necessary given the size of NPCC and limited scope of AAB.

9/11/4 Action: NH would liaise with APCC and Commissioner Michael to see if future dates could be better co-ordinated.

9/11/4.1 Action: It was agreed after discussion that in future, agenda items relating to the delivery plan, finance, Chief Constables Council and the risk register would be addressed after welcome and introductions and would be allocated more time. However, BS noted that it would be difficult to accommodate the annual cycle of business with such agenda action agreements.

9/11/5-6 MINUTES OF 20 JULY 2016 AAB WORKSHOP AND MEETING AND TERMS OF REFERENCE

1.2 The action points of the 20 July workshop were agreed as accurate.

1.3 The minutes were approved as accurate.

1.4 The Interim Terms of Reference were approved as final and should no longer be referred to as interim.

1.5 A discussion took place concerning the current activities of the Board in relation to governance.

9/11/7 ACTION POINTS FROM PREVIOUS MEETINGS AND WORKSHOP PRESENT STATUS

1.6 CC Thornton guided the Board through the actions and their status. The paper was noted.

1.7 A discussion ensued on the action number 16/7/6 relating to establishing the timeframe and mechanism for correctly requesting transfer of remaining ACPO reserves. The transfer is now likely to take a further three months due to a number of outstanding legal cases which need to be dealt with.

9/11/7i Action: It was agreed that this action would be carried over to the next meeting.

9/11/8 MATTERS ARISING

A) AAB Annual Report 2015-16

1.8 There was a discussion of the annual report. It was agreed to publish it subject to the following:

9/11/8i Action: Nicole Higgins to ensure that the six functions of the NPCC as authorised by the Home Secretary are cross-referenced in the Background section of the report.

9/11/8ii Action: Nicole Higgins to amend the Background section of the report to represent the following wording “Providing oversight to this governance structure is the Audit and Assurance Board (ABB).”

9/11/8iii Action: Nicole to circulate the annual cycle of business to all members.

9/11/8iv Action: Members agreed to remove item ix relating to legal obligations on page 2 from the report.

9/11/8v Action: Nicole Higgins to amend the wording to item xii from “acknowledged” to “pointed out”.

9/11/8vi Action: Nicole Higgins to add the following wording to the final sentence of item ii “...and upon completion of this review passed the matter to the APCC.”

9/11/8vii Action: Nicole Higgins to amend the Summary section of the report to state the following “The board has wrestled with its unusual remit, made necessary by the unique arrangements on which the NPCC was established. It has sought to fulfil its...”.

B) Section 22A Agreement Review

1.9 CC Thornton provided an overview of the work being undertaken with Warwickshire Legal Services on the S22A Agreement. The snagging lists identified by the NPCC, the AAB and Warwickshire Legal Services have all been combined and addressed. The redrafting of the S22A has been undertaken and a meeting will take place within the next 10 days which will enable a clearer version to be drawn up. This version will be sent to MPS Legal Services and the Association of Policing and Crime Chief Executives for initial consultation. It will then be sent out for full consultation to all Chief Constables and Police and Crime Commissioners. Feedback will be taken into account and the final draft report will be brought to the Board in February 2017, prior to sending it out for signing.

9/11/8viii Action: CC Thornton to circulate the legal advice on being a limited company.

9/11/8iv Action: PCC Matthew Ellis to speak with Minister Brandon Lewis on the incorporation of the NPCC through legislation.

9/11/8v Action: Nicole Higgins to place “constitutional design of the NPCC” on the audit cycle twice a year.

9/11/9 INTERNAL AUDIT

1.10 Nicole Higgins provided an update on the internal audit. The report is currently in draft and the final report will be published in the next two weeks and will be circulated to members. The internal auditor will be invited to the February 2017 meeting for a substantive part of the agenda. The auditors were requested to focus on frameworks of control, for example compliance and effectiveness of governance, decision making and alignment to strategic direction, natural controls and performance and risk. The initial findings assessed the NPCC as adequate.

1.11 Members discussed the need to communicate the findings of the audit.

1.12 Nicole Higgins informed members of issues arising from the recruitment of auditors to undertake an external audit of the NPCC. However, progress is being made.

9/11/9ii Action: Nicole Higgins to invite the internal auditors to the next board meeting.

1.13 A further discussion took place on the methods of communicating the outcome of the audit.

9/11/9iii Action: CC Thornton to liaise with the APCC on the best methods of externally communicating the work of the AAB, including the outcome of the internal and external audit, and demonstrate the improvements against ACPO.

9/11/10 – DELIVERY PLAN Q2 2016-17

1.14 Supt Tim Metcalfe provided an overview of the delivery plan, which was followed by a discussion.

1.15 CC Thornton provided an overview of the structure of coordination committees and the portfolios within those areas. The recently developed basic requirements document will be discussed with Chairs of coordination committees within the next month during a conference call.

9/11/10ii Action: Nicole Higgins to circulate the framework of the co-ordination committees and their portfolios, the draft basic requirements document and the job description of the chairs of the coordination committees.

9/11/10iii Action: Nicole Higgins to review the issue of the risk framework and move to a RAG status or add alternative metrics.

9/11/11 A) FINANCE AND BUDGET UPDATE

1.16 CC Sara Thornton confirmed that members had been provided with a copy of the full report and informed the board that the NPCC is forecasting a small underspend for the full year.

9/11/11 B) CHIEF CONSTABLES' COUNCIL (CCC) UPDATE

1.17 CC Sara Thornton provided the Board with an update on the content of the October Council meeting and explained that the theme of 'police reform' threaded through the content of both days. For the first time in Council history, both the Policing Minister and a PCC, Julia Mulligan, presented at Council.

1.18 CC Sara Thornton provided an update on the success of the regional feedback process designed by Nicole Higgins.

9/11/11i Action: CC Sara Thornton to update the Board at the next meeting on how Chief Police Officers including newer chief officers will be further included in the business of Chief Constables' Council.

9/11/11 C) RISK REGISTER

1.19 CC Sara Thornton highlighted the risk the Pitchford Inquiry poses and informed members that the NPCC have now received a fourth and fifth Rule 9 request.

1.20 A discussion ensued on the substantial amount of work required by the NPCC in this area.

1.21 A discussion ensued on the legal position of Police Scotland with regard to the NPCC.

9/11/12 ANY OTHER BUSINESS

1.22 Members were informed by CC Thornton that the new Chair of the Performance Sub Committee will be Chief Constable Olivia Pinkney.

1.23 The Chair thanked members for their attendance and participation in the meeting. The Chair also thanked Nicole Higgins for all of her work to ensure that the Board meetings run effectively.

DATE OF NEXT MEETING

The next meeting will take place on 15 February 2017 in the NPoCC Conference Room, 2nd Floor, 10 Victoria Street, London SW1H 0NN.

END OF MEETING