



**MINUTES OF THE JOINT INDEPENDENT AUDIT and ETHICS COMMITTEE
(POLICE AND CRIME COMMISSIONER FOR WEST YORKSHIRE
AND WEST YORKSHIRE POLICE)
HELD ON 19 MARCH 2021**

AUDIT SESSION

Video Conference.

MEMBERS PRESENT

Trevor Lake (Chair)
Julie Talbot
Julie Winham

OFFICERS PRESENT

Stuart Armstrong, Grant Thornton (to item 13)
Corrine Braund, Grant Thornton (to item 13)
Joanne Campbell, Internal Audit Manager, WYP
Julie Edwards, Head of Accountancy, WYP (from item 6)
Paul D Grady, Grant Thornton (to item 13)
Katherine Johnson, ACO, WYP
Janine Nelson, Chief of Staff, OPCC
Beverley Nichol-Culff, Head of Risk Management and Insurance, WYP
Ian Pegg, West Yorkshire Combined Authority (for item 6.5)
Julie Reid, Governance Manager, OPCC (notes)
Alan Reiss, West Yorkshire Combined Authority (for item 5)
Neil Rickwood, Head of Audit and Risk, WYP

1. WELCOME & APOLOGIES

Trevor Lake welcomed everyone to the meeting, no apologies were noted.

2. DECLARATIONS OF INTEREST

None declared.

3. RECORD OF ATTENDANCE

Details of the member and officer attendance at previous meetings of the Committee were circulated for information, Trevor Lake noted 100% attendance by the Independent Members.

4. MINUTES

The minutes of the meeting held on 8 January 2021 were agreed as a correct record.

5. WEST YORKSHIRE DEVOLUTION UPDATE

Trevor Lake invited Alan Reiss, Director of Policy, Strategy and Communications at the West Yorkshire Combined Authority, to report to the meeting. Members were provided with an update on progress towards the transfer of the OPCC, including all staff, assets and liabilities, to the Mayoral Combined Authority on 10 May. The transfer has a number of implications, outlined in the report to Committee. It is proposed that the Joint Independent Audit and Ethics Committee continues to operate alongside the Combined Authority's Governance and Audit Committee with a review in due course. The PCC Functions will sit with the Mayor but with a clear separation regarding budgets and production of accounts. Continuity of provision of Internal Audit will be assured through a service level agreement. The terms of reference for the Audit Committee have been revised to reflect the changes and are attached as Appendix A.

Katherine Johnson confirmed the proposed arrangements for sign off of accounts, advising members that the statement of accounts for West Yorkshire Police will continue to be reported to the Joint Independent Audit and Ethics Committee but the statement of accounts for the Mayor's PCC Functions will be reported to the Governance and Audit Committee in the Combined Authority. The Force accounts will also be included in the Combined Authority's Consolidated Group Accounts for sign off by the Governance and Audit Committee.

Julie Winham queried the proposed arrangements for Internal Audit and whether the Internal Audit Team in the Combined Authority would also cover the Mayor's PCC Functions. Katherine Johnson confirmed that the Internal Audit Team in West Yorkshire Police will continue to provide services for the PCC Functions but the internal audit plan will be determined by the Combined Authority as the Internal Audit Manager in the Combined Authority needs to be assured of the work in order to be able to provide an internal audit opinion. Neil Rickwood confirmed that the Internal Audit Team in West Yorkshire Police already have a close working relationship with the Head of Internal Audit in the Combined Authority.

Julie Talbot sought clarification of the external audit arrangements and was advised by Katherine Johnson that Grant Thornton will continue to audit the accounts for 2020-2021. The Public Sector Audit Appointments Authority (PSAA) had been consulted with a view to the same external auditor being used for both the Combined Authority and West Yorkshire Police from 2021-2022.

Trevor Lake queried the appointment process for Deputy Mayor for Policing and Crime and was advised by Alan Reiss that the Mayor is not under an obligation to appoint to the position, but the Combined Authority were strongly encouraging candidates to appoint a Deputy. If candidates declare their intended Deputy Mayor before the election, they can be included in briefings otherwise there may be a few days between the election and the Deputy being appointed. All responsibilities sit with the Mayor until a Deputy Mayor for Policing and Crime is appointed. The Combined Authority are currently mapping crucial activity in the first few days of office in terms of key decisions and delegations.

Trevor Lake noted an excellent report and a very effective and professional relationship between West Yorkshire Police, West Yorkshire Combined Authority and the OPCC.

6. MATTERS ARISING

Item 6.1 Video Conferencing Platforms

Katherine Johnson reported that the Teams platform had been successfully implemented overall with some issues still requiring resolution. Members noted that MS Teams is now the preferred option for West Yorkshire Police videoconferencing.

Item 6.2 Origins HR Database

Katherine Johnson reported that an information sharing agreement is in place for the HR system and agreed to report back to Committee on encryptions in the database.

ACTION: Katherine Johnson to report to Committee to confirm encryption in the Origins HR database.

Item 6.3 Internal Audit Independence

Members considered a report on Internal Audit independence. Trevor Lake noted that it would have been prudent for an external view to have been sought from the Joint Independent Audit and Ethics Committee.

Julie Winham queried the feasibility of having an earlier external assessment to provide an additional view of any independence issues and was advised that the next Quality Assurance Assessment is due in September 2022 and will include a review of Internal Audit independence.

Item 6.5 Devolution Risk Management

Ian Pegg, Programme Manager at West Yorkshire Combined Authority, reported to Committee on risk management of the devolution programme advising that each of the eight devolution workstreams have individual risk registers. The devolution transfer programme is part of a larger Mayoral Combined Authority readiness programme of over 20 workstreams.

Members were informed that the Combined Authority is working closely with colleagues in the OPCC and West Yorkshire Police to develop the workstreams and manage risk and particular thanks were given to Beverley Nichol-Culff for providing support to the risk management process. The risk register is reviewed weekly and reported to a Programme Board and a Strategy Board, the latter also including colleagues from the Home Office and the Association of Police and Crime Commissioners.

Members were advised of three high risks relating to resourcing for the devolution programme and the challenges this presents to the OPCC and West Yorkshire Police in terms of maintaining business as usual. The Combined Authority will be writing to the Home Office again to stress the resource pressures and seek support. The remaining high

risk, relating to uncertainty about whether the election will take place in view of the COVID-19 pandemic is reducing rapidly as the pre-election period approaches.

Trevor Lake noted an excellent report and the assurance it provided.

Members noted the value in working with Beverley Nichol-Culff as there is an excellent risk management process in West Yorkshire Police and the OPCC.

Julie Talbot queried the risks relating to NPAS and was advised that NPAS has its own risk register

7. CHAIR'S UPDATE

Trevor Lake provided a Chair's update noting that this was the last formal Joint Independent Audit and Ethics Committee of the OPCC and thanked colleagues and all involved over the previous eight years.

Trevor Lake informed the meeting that he had been invited to continue to chair the Committee to 31/03/2022 which he had agreed to on condition that the terms of the other members were also extended accordingly.

8. COVID-19 UPDATES

(a) West Yorkshire Police

Katherine Johnson provided a COVID-19 update for West Yorkshire Police reporting that further funding for surge activity relating to COVID-19 breaches had been provided with Government expectation of a firmer approach. Operation Talla meetings continue to be co-ordinated by the NPCC and sickness abstraction in West Yorkshire is low at 3%. A recent outbreak in the Bradford Contact Centre had had an impact on call handling this week.

Trevor Lake noted that, although hospital admissions are reducing, community cases are still high in South and West Yorkshire which will have an impact on policing as lockdown restrictions are removed. Trevor Lake queried risk assessments for those who are shielding and was advised that there is very good HR reporting (using PowerBi for analytics).

Julie Winham queried whether it is clear for officers and staff whether they should be using the NHS tracing app and was advised that all officers and staff can use the app with the exception of those working in counter-terrorism units who have restricted mobile phone access. Public Health England are satisfied with the actions taken.

(b) OPCC

Janine Nelson provided a COVID-19 update for the OPCC reporting that staff are still working on an agile basis but a return to the office is being planned from 1 July with a mix of office and home working expected. The meeting was advised that the lease on Ploughland House has been extended to September 2022, but meetings are expected to

continue by videoconferencing for the foreseeable future. The new IT kit provided for staff by the Combined Authority will be suitable for agile working.

Members were also informed that the Violence Reduction Unit had received further funding from a Home Office Winter Contingency Fund (£198,649) which has been allocated to community groups. This is in addition to earlier COVID-19 related grants to the OPCC of £279,674 (for vulnerable children's charities via VRU), £769,891 (for domestic abuse and sexual violence). The grants have very short timeframes for allocation, spend and reporting.

9. BUSINESS UPDATES

(a) West Yorkshire Police

Katherine Johnson provided a business update reporting that a number of temporary ACCs are taking PNAC (Police National Assessment Centre) assessments with possible future changes to Chief Officer Team. Members were advised of a more favourable financial year-end position than predicted which had meant that some funding had been allocated to a strategy on violence against women and girls. The Force is expected to be over-strength by 100 officers by the year-end after good progress on the recruitment targets for additional police officers (as part of the national 20,000 extra police officers).

Members were also given an update on the Home Office review of PCCs which has reported on phase 1. Further consultation is expected on whether PCCs should be mandated to be responsible for fire governance. More work is expected on transparency, on processes for removing Chief Constables and on examining the relationship between PCCs and Chief Constables. There is likely to be a move to have more Mayors where possible with PCC Functions. A further report is due later in the year.

Julie Talbot queried budget updates for 2021-2022 and was advised by Katherine Johnson that all assumptions would be reviewed between March and May with a view to moving to priority-based budgeting in medium to long term planning.

Trevor Lake acknowledge good performance results in the update report provided and sought assurance of the Force's plans for dealing with the expected increase in crime reporting after lockdown ends. Katherine Johnson advised that the Gold Group is modelling the lockdown roadmap in terms of impact on crime and public order and confirmed that COVID-19 surge funding will be retained for the next financial year in order to deal with public order demands over the summer and to resource work on domestic abuse.

(b) OPCC

Janine Nelson provided a business update for the OPCC advising that Katherine Johnson is continuing as S151 Officer for the OPCC up to the election; a role profile has been established in the Combined Authority and recruitment is underway for a position from 10 May. The Combined Authority Data Protection Officer is also acting for the OPCC from 01/03/2021.

Members were advised that the TUPE process to transfer OPCC staff to the employment of the Combined Authority is ongoing with regular consultation with Trade Unions and staff.

All current governance and partnership meetings are planned to continue in their present form until a decision is taken to change. Work is ongoing with the Combined Authority to confirm arrangements for sign-off of decisions and for the Statutory Officer functions.

Trevor Lake noted an excellent approach and tone to the devolution programme of work.

Katherine Johnson advised that a recent NPAS Strategic Board Meeting had agreed to move forward on fleet replacement and sell two fixed wing aircraft – a decision made by the Board but not supported by West Yorkshire.

10. RISK MANAGEMENT

(a) OPCC

Beverley Nichol-Culff reported on OPCC risks which had been reviewed on 24/02/2021. The meeting was advised that no new risks had been recorded in this quarter. Members noted eleven open risks and a reduction in the risk rating relating to NPAS capacity in response to additional resource being allocated to NPAS from within West Yorkshire Police Finance Department. The risk relating to disruption to OPCC business arising from the transfer to the West Yorkshire Combined Authority was monitored by the OPCC Executive Team in terms of workstream demands and staffing priorities.

Julie Talbot queried whether a separate risk register will be kept for PCC Functions after devolution and was advised that a service level agreement/MoU is being developed regarding risk management and insurance. Janine Nelson noted that, although staff are very busy, all meetings and day to day business is continuing but remains under review.

Trevor Lake noted that the next meeting of Committee would consider risk reports from both West Yorkshire Police and the Deputy Mayor for Policing and Crime's Office.

(b) West Yorkshire Police

Beverley Nichol-Culff presented a risk report for West Yorkshire Police reporting on 26 open risks, seven of which are 'red' and 15 'high amber' following the last review on 25/01/2021.

Members noted new risks relating to financial stability and delivery of the Inequalities Strategic Plan and improved risks relating to the introduction of Blue Light Commercial, EU exit and review of Force policies.

Members were advised that the risk of terrorism remains very high despite the national threat being lowered to 'substantial'. The risk to NPAS service delivery is also graded as very high and members were informed by Katherine Johnson that a business case for the purchase of ten new helicopters had now been approved.

In terms of local operational risks nine were reported to have improved and four new risks had been recorded.

The Force COVID-19 risk register was presented to members with 20 open risks, one of which is rated as very high – criminal justice case progression, with the present case backlog on track for resolution by the end of May.

Julie Winham noted the strategic risk relating to a lack of resilience in CBRN incident command and recommended that the risks identified by the Internal Audit report on the Working Time Directive are also considered when reviewing this risk.

Julie Winham queried how local safeguarding risks are identified and captured for strategic review and was advised that there is a strategic risk relating to district safeguarding demand which takes account of the local risks which are identified and which is reviewed by the D/Chief Constable.

Julie Talbot noted the risk relating to digital policing and was advised that the Digital Oversight Board is chaired by the D/Chief Constable and the Department's workforce plans are being reviewed in view of the significant programme of digital change and demand, the Department is being allowed to increase recruitment to meet the demand

Julie Talbot queried whether the deletion of data from the Police National Computer had had an impact on West Yorkshire Police and was informed that the Home Office are reviewing access to the cases in question. It was agreed that an update would be provided to the next Committee.

ACTION – Katherine Johnson to report to the July Committee on the impact of the recent loss of access to data on the Police National Computer system.

11. INTERNAL AUDIT REPORT

(a) Progress Report

Joanne Campbell presented the Internal Audit Progress Report advising members that recruitment is underway to appoint a new trainee and a return to face-to-face auditing is anticipated in June/July.

Julie Talbot enquired about progress in follow-up audits and was advised that a full summary will be provided in the annual report to the next meeting of the Committee.

Julie Winham sought information as to the number of audits still to be completed and was advised by Neil Rickwood that these would be included in progress reporting.

(b) Strategy, Charter and Plan

Neil Rickwood presented the draft Internal Audit Strategy which will be updated once the Deputy Mayor for Policing and Crime is appointed. Members were advised that a risk-based approach will continue after devolution. Internal Audit plans are aligned to the Force strategic priorities and a service level agreement/MoU will be put in place for the Team's internal audit provision for the Mayor's PCC functions.

Julie Winham queried the level of engagement with the Chief Officer Team and was advised that the Internal Audit Plan is reported to the Joint Executive Group and the

Internal Audit and Ethics Committee. Internal Audit staff attend project board meetings and meetings with the Chief Officer Team and Heads of Departments. The Internal Audit Team are regularly asked to work on emerging themes and have a good working relationship with the Chief Officer Team.

Julie Winham received assurance that each area of the Internal Audit Plan will have a formal audit report with reporting to the Committee of those audits with limited assurance.

Julie Talbot asked how the Internal Audit coverage compared to previous years and what the emerging themes were. Neil Rickwood reported that coverage remains similar and, as the Internal Audit Team have access to West Yorkshire Police systems, COVID-19 has not interrupted the Internal Audit Plan. In terms of comparison with other Force areas members were advised that the Internal Audit Team contribute to a national police auditor group and attend national conferences; internal audit in West Yorkshire tends to include more work on innovative areas than is the case in other Force areas.

Julie Talbot noted that no contingency is made for irregularity work and was advised that days are reallocated if necessary, with the agreement of the Assistant Chief Officer. There is also a general contingency of 50 days built into the plan.

Trevor Lake noted the work that is done on financial systems audit and sought a further report on how this will be completed following election of the Mayor.

ACTION - Neil Rickwood to report to Committee on how financial systems audit can be undertaken following devolution.

Trevor Lake noted the need to include reference to draft Internal Audit reports being brought to Committee in advance of management responses if the responses are delayed.

ACTION – Neil Rickwood to amend the Internal Audit Strategy to reference draft Internal Audit reports being reported to Committee in advance of management responses if the responses are delayed.

12. EXTERNAL AUDIT REPORT

(a) External Audit Plan 2020-21

Stuart Armstrong presented the External Audit Plan for the financial year 2020-2021 which identifies the following risks requiring special consideration; valuation of property, pensions, the risk of management override of controls and the risk associated with an extended accounting period.

Members were advised of changes in the Code of Practice relating to Value for Money arrangements which is now wider in scope and were notified that the audit fee is still be confirmed by the Public Sector Audit Appointments Authority.

(b) Progress Report

Stuart Armstrong presented the External Audit Progress Report advising members that Grant Thornton, with support by staff in the Force Finance Department, had undertaken

planning and preparatory work to identify the organisational control environment and key business processes. The year-end audit will also consider progress against prior recommendations in earlier years and will be reported to Committee in the autumn.

Julie Talbot queried the impact of moving the year end date to 09/05/2021 and was advised that West Yorkshire Police, after liaison with the Manchester Mayoral Combined Authority, plan to have an internal twelve month financial year with a further month for statutory reporting which will enable comparative reporting against previous years but will require extra work.

Julie Talbot questioned whether the increased scope of Value for Money work will impact on external audit fees and was advised that the Code of Practice anticipates more time being required for this area with a corresponding impact on fees.

13. COMMISSIONING AND GRANTS STRATEGY

Katherine Johnson presented a report on the OPCC Commissioning and Grants Strategy noting a significant increase in commissioning activity in 2020-2021 associated with COVID-19 and the Violence Reduction Unit. Further activity is predicted in 2021-2022 because of the continuing pandemic and increased funding for Independent Domestic Violence Advisers. The Head of Commissioning has established a partnership group which helps to bid in short timeframes for additional funding and is also reviewing future partnerships with public health.

Trevor Lake noted an excellent report and passed his thanks to the Head of Commissioning, requesting a further update report to the October Committee meeting.

ACTION: Katherine Johnson to report to October Committee on the Commissioning and Grants Strategy post-devolution.

14. TREASURY MANAGEMENT STRATEGY

Katherine Johnson presented a report on the OPCC Treasury Management Strategy noting that the Strategy aligns with the West Yorkshire Combined Authority Strategy as, after the Mayoral election in May, treasury management responsibilities will transfer to the Combined Authority.

Trevor Lake queried whether the capital finance requirement of £133m for 2022-2023 exceeds the capital limit and was advised by Katherine Johnson that the capital requirement may be comprised of cash and borrowing, and borrowing does not exceed the borrowing limits.

Julie Talbot queried whether cash balances were higher than forecast and was advised by Katherine Johnson the average daily surplus funding had been impacted by increased cash receipts from extra funding awards and a lower than anticipated use of reserves.

15. SPONSORSHIP REPORT

Katherine Johnson presented a sponsorship report to members. Trevor Lake noted the level of sponsorship and the approval process.

Julie Winham sought assurance that the scheme of delegation and financial regulations are up to date and was advised by Katherine Johnson that the scheme of delegation is being reviewed with a proposal to increase the limit on sponsorship requiring PCC approval.

Trevor Lake requested a further report on the scheme of delegation once reviewed.

ACTION: Katherine Johnson to report to Committee on the revised scheme of delegation.

16. TENDER EXCEPTION REPORT

(a) September – November 2020

Members noted the tender exception report for September to November 2020.

(b) December 2020 – February 2021

Members noted the tender exception report for December 2020 – February 2021.

Julie Winham queried whether Data Protection Impact Assessments are in place for tender exceptions S850 and S855.

Julie Talbot noted a significant number of tender exceptions and queried the value of the tender exception for fixed-line telephony.

ACTION – Katherine Johnson to confirm that Data Protection Impact Assessments are in place for tender exceptions S850 and S855 and the value of the tender exception for fixed-line telephony.

Trevor Lake noted that some tender exceptions are continuing to rollover and sought reassurance that there isn't familiarity creep. Katherine Johnson reported that a review of tender exceptions is being carried out with the Head of Procurement.

17. ANY OTHER BUSINESS

Trevor Lake noted that the Joint Independent Audit and Ethics Committee of the WYP & OPCC had successfully been in place for either a number of years and expressed his thanks to members and others involved in the Committee for their commitment and hard work. Trevor Lake also noted that Mark Burns-Williamson, who will be standing down as PCC, had worked with the Police Authority and OPCC since 1999 and had shown outstanding commitment and performance.

Katherine Johnson expressed thanks to Chair and Independent Members on behalf of the OPCC.

Next meeting: 23 July 2021, by video conference